

ご一緒に、いい人生



RESORTTRUST
GROUP

INTEGRATED REPORT

2021

Resorttrust Group Management Philosophy

The Resorttrust Group is a dynamic organization, of individuals committed to pushing the envelope, blazing new trails, and creating opportunities. We earn the trust and loyalty of our guests and stakeholders through a willingness to take on challenges and by delivering unparalleled quality, sophistication, and hospitality

The Resorttrust Group Identity

*Together for a Wonderful Life
Creating a more affluent, happy time.

*This is a direct translation of the Japanese-language version of the Group Identity.

Editorial Policy

The Resorttrust Integrated Report is produced to describe the results and business activities of the Group over the reporting period (from the fiscal year ended March 2020 to the fiscal year ended March 2021) from both financial and non-financial perspectives. In addition to looking back on the progress of the Group, the report is designed to be easy to understand, communicating information on our future vision, the value we create with stakeholders and society, our competitive advantage, management strategies and their results and analysis, and our role in creating a sustainable society. During the editing process, we make use of reference sources including the International Integrated Reporting Framework from the International Integrated Reporting Council (IIRC), and the Guidance for Collaborative Value Creation from the Ministry of Economy, Trade and Industry, among other materials.



CONTENTS

Introduction

Our Value Creation Story	P02
At a glance: Brand Portfolio of Value Co-Creation with Customers	P04
Financial and Non-Financial Highlights	P06

Growth Strategy

To Our Stakeholders	P07
Message from the President	P08
Investor FAQ	P12
Announcement of Revisions (Rolling Plan) Based on the Connect 50 Medium-term Management Plan	P14

Value Creation

Our Value Creation Process	P18
The Source of Value Creation	P20
Special Feature 1: Initiatives During the COVID-19 Pandemic	P24
Special Feature 2: Creating Value in Medical Operations	P25

ESG Management

Sustainability Initiatives	P26
Corporate Governance	P30
Message from Outside Directors (Audit & Supervisory Committee Members)	P33
List of Directors	P34

The Resorttrust business

Membership Operations	P36
Hotel and Restaurant Operations	P37
Medical and Senior Lifestyle Operations	P38

Financial and Corporate Information

Review and Analysis of Financial Position and Management Results	P39
Consolidated Financial Statements / Financial Data	P40
Business Data	P44
The Resorttrust Group Network	P46
Corporate Data / Stock Information / List of Affiliate Companies	P48

● Important Note Regarding Forward-looking Statements

This Integrated Report contains descriptions of the Resorttrust Group's future plans and strategies, as well as predictions and forward-looking statements regarding business performance.

These statements are not historical facts, but are forward-looking statements based on assumptions and beliefs informed by the information currently available to Resorttrust. Additionally, these statements include an unlimited number of risks and uncertainties related to economic trends, intensifying industry competition, consumer spending, market demand, taxation and other systems. Accordingly, please note that actual results may differ from these forward-looking statements.

* All images have been partially processed.

* All images of Sanctuary Court Takayama are renderings.

History

Our Value Creation Story

Continuing to co-create long-term value with over 180,000 members

Resorttrust sees its customers as valued partners, and helps them to create wonderful lives. At the same time, we have also focused on efforts to solve a range of environmental and social issues through our business activities.

Going forward, we will continue to create sustainable economic and social value together with customers.



Coexisting with nature

We develop and operate membership-based resort hotels in anticipation of new lifestyles that change how people enjoy their leisure time.

We establish a business style of contributing to local communities while coexisting with beautiful nature in partnership with members.

Contributing to extending healthy life expectancy

As we enter the era of super-aging, we launch Medical Operations in response to member demands amid heightened interest in healthy life expectancy and fulfilling old age. We build a proprietary screening system and work to extend healthy life expectancy.

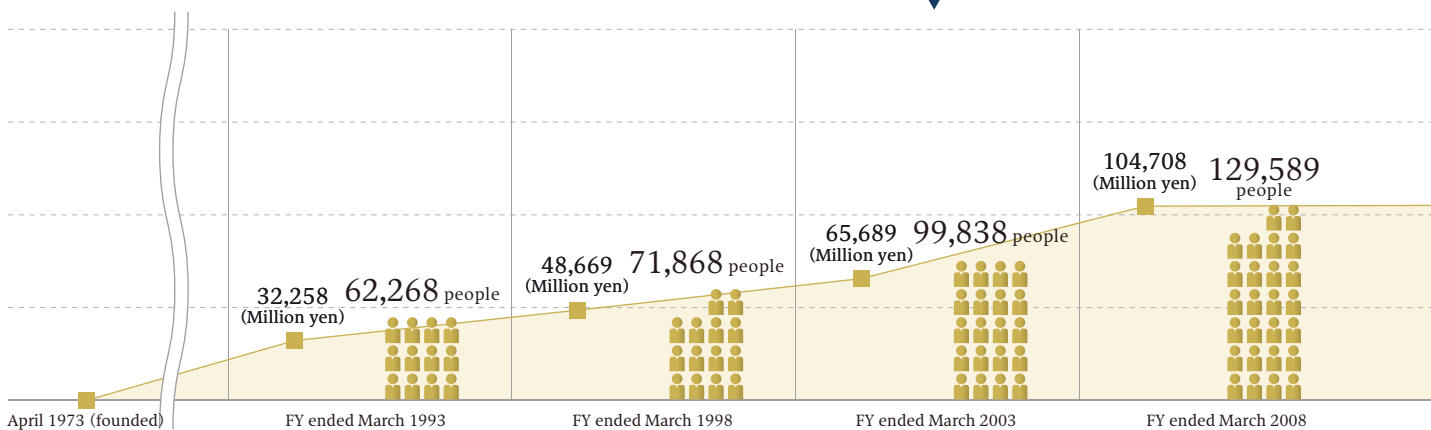
Tackling regional

We implement local production dietary education and dozens of hotels and resort Concurrent with regional pursue the development deliver the highest levels of

Change in Resorttrust Sales and Membership Numbers

■ Sales ■ Number of Members

Listed on the First Section of the Tokyo Stock Exchange and Nagoya Stock Exchange



Since it was founded in 1973, Resorttrust has continually kept abreast of and responded social changes and customer needs, paving the way for solutions to environmental and social issues related to our business. We started the resort hotel development and management business during Japan's era of rapid economic growth, and expanded the membership-based hotel business to adapt to increasingly diverse lifestyles. We have also proactively addressed environmental conservation with the aim of enhancing ecological development and facility management. With the onset of a super-aging society, we have expanded our Medical and Senior Lifestyle operations and made further efforts to provide enriching and secure senior lifestyles.

Ballooning National Healthcare Costs
Increased Infrastructure Demands for Seniors

Labor and Safety Environment

Promotion of Diversity

Women's Empowerment
Workstyle Reforms

Preservation of Water and Forest Resources

Climate Change CO₂ Emissions
(Low-carbon / Decarbonization)

2010s

2020s

revitalization

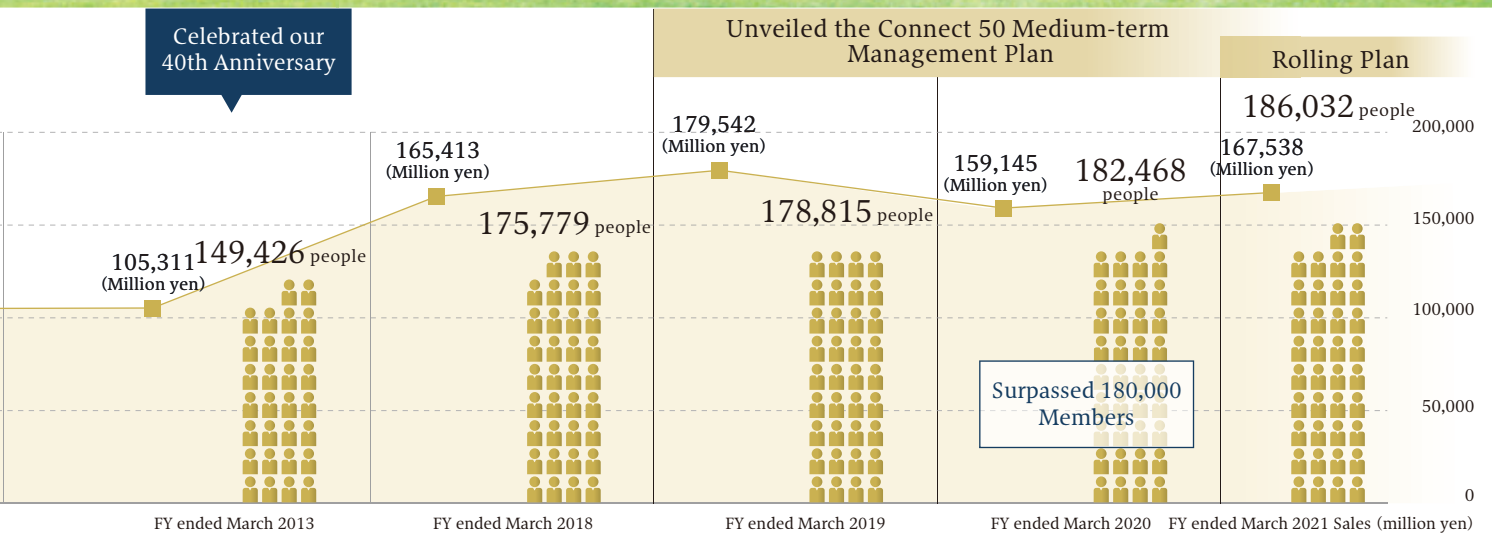
for local consumption, employment measures at facilities in Japan. revitalization efforts we of urban resort hotels to urban relaxation.

Proposing new senior lifestyles

Leveraging the strengths in services and medical operations cultivated in the hotel business, we drive advancement of the market for seniors with the expanded development and operation of high-end serviced housing for the elderly and paid nursing homes.

Realizing a sustainable society

We strive to realize a sustainable society through measures including governance reform, diversity promotion, digital transformation-driven workstyle reforms and the creation of further value in the COVID-19 era.



At a glance

Brand Portfolio of Value Co-Creation with Customers

Four Main Business Fields Based on Membership

Sales Operations for Hotel Membership (Membership Segment)



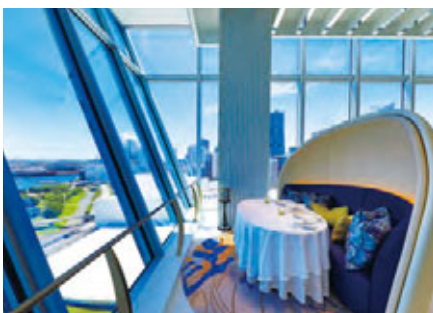
We develop membership-based resort hotels, conduct various activities to attract members, and provide follow-up services.

List of products and services

- XIV luxury membership resorts: Annual packages of 13 or 26 nights
- Baycourt Club (urban style) members-only resorts: Annual packages of 12 or 24 nights
- Sanctuary Court members-only resorts: Annual packages of 10 or 20 nights
- Grandee and other membership golf clubs
- THE KAHALA CLUB Hawaii overseas luxury resorts: 4 nights a year for ten years, 40 nights in total



Hotel and Accompanying Facility Management Operations (Hotel and Restaurant Segment)



We provide management and services for hotels and accompanying facilities, with a focus on membership hotels.

List of products and services

- XIV luxury membership resorts
- Baycourt Club (urban style) members-only resorts
- Non-membership luxury resorts: THE KAHALA HOTEL & RESORT
- Hybrid membership and non-membership facilities: Sun Members
- Non-membership hotels: Hotel Trusty and Hotel Trusty Premier
- Grandee and other membership golf clubs
- Operation of restaurants, bakeries and lounges ancillary to the above facilities, in addition to other restaurants
- Complex Biz brand of hair accessories and other items, operation of beauty salons



Medical Operations (Medical Segment)



In addition to activities to attract members and operate a comprehensive membership-based medical club, we provide management support services for general-public medical facilities and run aging care operations.

List of products and services

- Comprehensive membership-based medical club: GRAND HIMEDIC CLUB
- Medical checkups by facilities contracted by the Clinic Management Support Business: Midtown Clinic, Shinkokai
- Anti-aging cosmetics: MUNOAGE and SWISS PERFECTION
- Equol supplements, PLASMALOGEN, etc.
- Research and development into cancer treatment, equipment sales



Senior Lifestyle Operations (Medical Segment)



We provide high-end paid nursing homes, housing facility management and nursing care services for seniors.

List of products and services

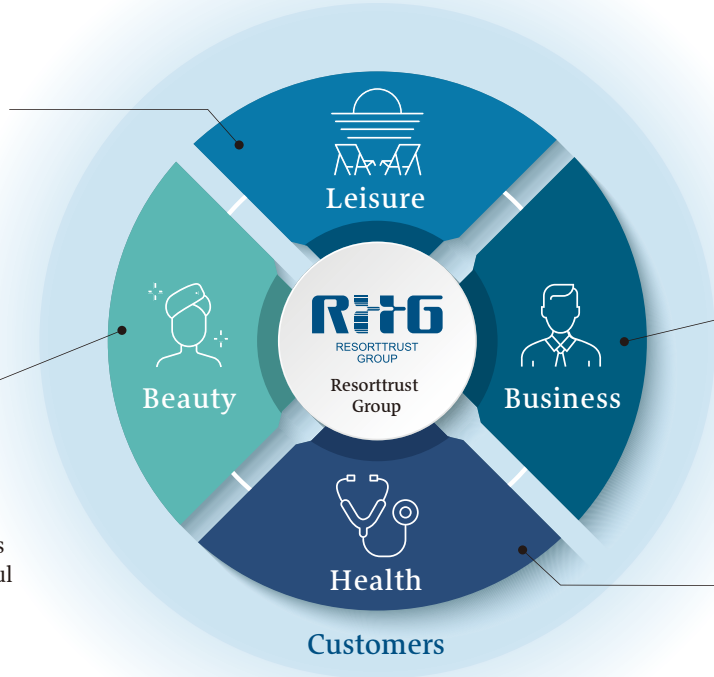
- Paid nursing homes with nursing care: Trust Garden, etc.
- Housing with services for the elderly: Trust Grace, etc.



The Resorttrust brand portfolio helps solve a range of social issues from the environment, declining birthrate and aging population to regional revitalization and preventive medicine and provides sophisticated and high-quality services that meet the various needs of customers in order to create lasting value rooted in trust with customers and society.

Co-Creation with Customers

Resorttrust provides high-quality services through outstanding hospitality to fulfill the diverse needs of some 186,000 members.



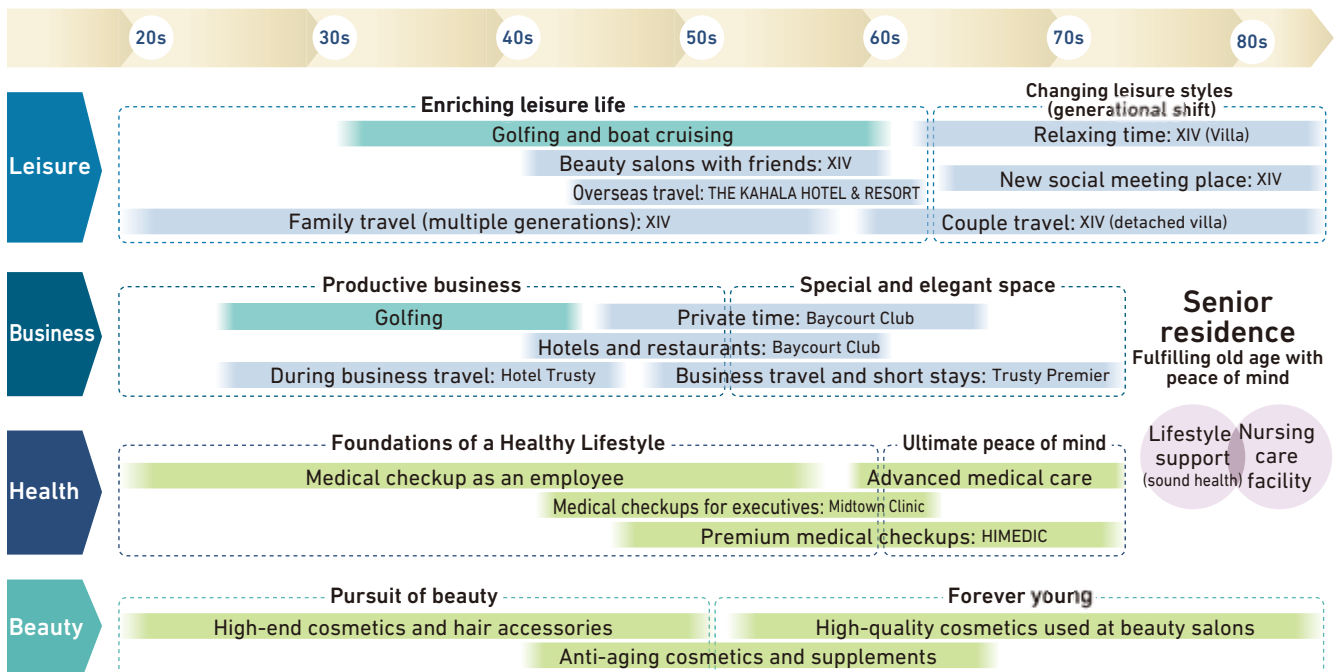
We also propose optimal services for business scenarios including important deals and business travel.

Resorttrust sells anti-aging cosmetics and supplements while providing a range of services enabling customers to lead healthy and beautiful lives on their own terms.

We offer value through medical checkup services and cutting-edge medical care developed based on customer feedback.

Group Brand Management

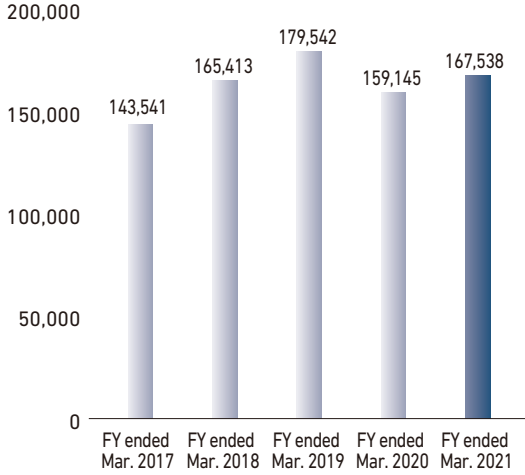
Resorttrust provides products and services tailored to each stage of our customers' lives.



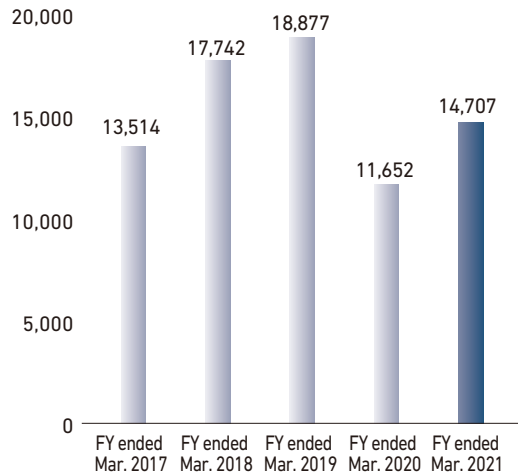
Financial and Non-financial Highlights

Financial Highlights

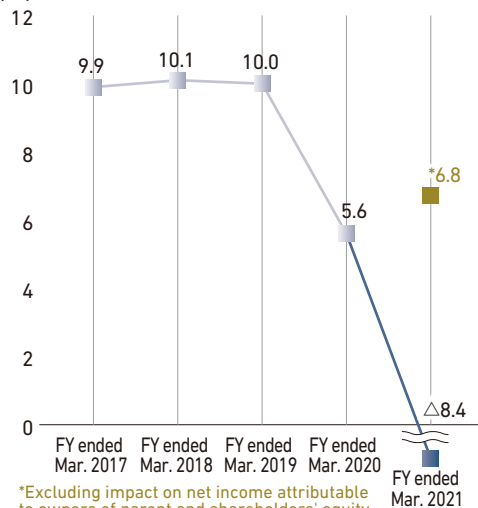
Sales
(Million yen)



Operating income
(Million yen)

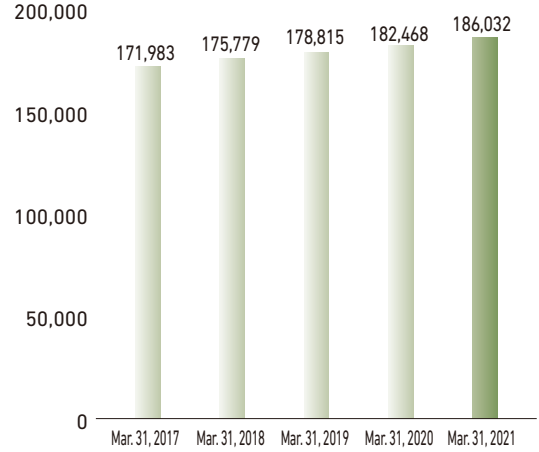


Return on Equity (ROE)
(%)

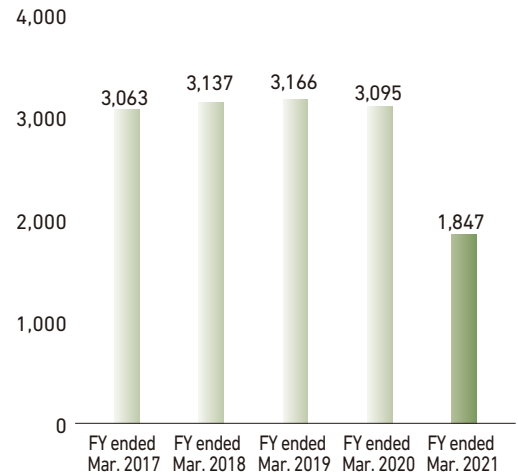


Non-financial Highlights

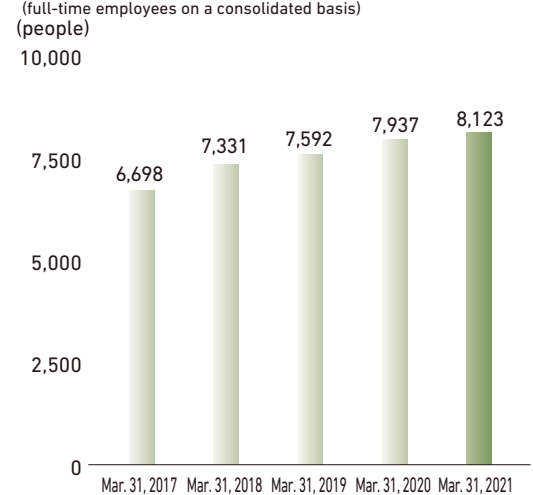
Number of Members
(people)



Number of hotel guests
(thousands of people) (annually)



Number of employees
(full-time employees on a consolidated basis)





To Our Stakeholders

Since its founding in 1973, the Resorttrust Group has continued to grow, through its core luxury membership resort business based on its management philosophy of blazing new trails, earning trust, taking on challenges, and offering sophistication, high quality and excellent hospitality. In the course of striving to honestly meet the expectations of each one of our approximately 186,000 members, we have maintained the leading market share in the domestic membership-based resort club industry for 29 years running.* We have also achieved significant growth in our Medical and Senior Lifestyle operations.

In the fiscal year under review, our operations were put under pressure in the middle of a situation we have never before experienced - the global upheaval of social and economic activities caused by the spread of the COVID-19 coronavirus. During the issuance of state of emergency declarations, many facilities were forced to temporarily close or shorten their business hours. Measures to prevent the spread of infections are still being implemented at the direction of the government today, but while economic activity has normalized in many industries, the tourism, restaurant and entertainment service industries continue to grapple with a severe environment. It is at a time like this that the Group must do its utmost to continue engaging with members and other customers, going back to the basics of membership systems and maintaining relationships of trust. At the same time,

we have made active efforts to solve the health-related issues our customers face by providing the expertise and information we have accumulated through prevention and early diagnosis activities in our Medical Operations. As a result, despite facing headwinds I believe we have made steady progress towards our goal of become a "Group that offers customers peace of mind throughout their lives."

With the Group's strength in membership-like qualities and the tailor-made high added-value services that utilize our ties with customers, we will continue to pool our accumulated wisdom to seize favorable business opportunities in the expanding leisure and healthcare markets to create further added value. Meanwhile, we will continue focusing on the management of facilities that everyone can use with peace of mind, strive to protect the one-and-only brand we have built, and demonstrate the full potential of the Group's combined strength as we strive to become a "Group that offers customers peace of mind throughout their lives." We sincerely appreciate your continued support and encouragement going forward.

Katsuyasu Ito, Chairman of the Board and CEO
Ariyoshi Fushimi, President and COO

*Source: Market share is calculated based on category sales of all eight companies in the "Membership Resort Club" category from the ranking in the 38th Service Industry Survey published by Nikkei MJ on November 11, 2020.



Message from the President

We will seize on the COVID-19 pandemic as an opportunity and continue to grow as an even stronger sustainable company.

President & COO

Ariyoshi Fushimi

Turning crisis into opportunity

The strengths of membership that were demonstrated during the COVID-19 pandemic will sublimate into growth in the post-COVID era.

Reflecting on the Fiscal Year Ended March 2021

Around one year ago, we were facing a monumental crisis. With COVID-19 infections spreading around the world, severe restrictions were placed on travel between countries to curb the flow of people, and domestic inbound demand dried up in an instant. Even in Japan, the country was gripped by a sense of dread as to what lay ahead in the face of an infectious disease whose infection rate, risk of severe illness after infection and fatality rate were all unknown. From when the state of emergency was declared in April 2020, the Resorttrust Group closed all of its facilities for the first time, and along with restrictions on non-essential outings, our hotel management operations and other businesses were impacted significantly.

However, the fact that we shared the serious sense of crisis with all Group employees in the first quarter actually served as a powerful source of strength as we sought to realize the Group's potential thereafter.

For a time, we could engage in hardly any new customer development, and with restrictions on in-person sales, which is one of our strengths, we had to come up with new sales techniques utilizing telework systems, employ digital technologies, set up contracts through various introductions and make full use of sales channels through our business partners. Under these conditions, we have continued to develop new proposals while following up with our existing customers.

The effects of these trial-and-error initiatives became apparent in the form of new customer introductions and other developments without having to wait for the "Go To Campaign," a government-led regional tourism support program. From the second quarter onwards, sales of new memberships in both our Hotel and Medical operations exceeded expectations with strong performance. As a result, in the fiscal year under review, in part due to the lump-sum recording of real estate revenue associated with the opening of **Yokohama Baycourt Club Hotel & Spa Resort** in September 2020, we generated 167.5 billion yen in net sales, up 5.3% year on year, while operating income was 14.7 billion yen (up 26.2%) and ordinary income was 17.6 billion yen (up 41.5%), capping off a year of increased

Yokohama Baycourt Club Hotel & Spa Resort

An exclusive members-only resort developed in the bay area of Yokohama, Kanagawa Prefecture. Opened September 23, 2020. The elegant and stylish space offers the enriching time of an urban resort.



sales and profits.

However, we posted an impairment loss of 22 billion yen in connection with our non-membership hotel operations in Japan and overseas, and recorded a net loss attributable to owners of parent of 10.2 billion yen.

Rediscovering the Group's strengths during the COVID-19 pandemic

After a year dealing with the COVID-19 pandemic, we have rediscovered the Group's strengths. One of these strengths is our membership-based business model. Unlike regular hotels, the Resorttrust Group facilities targeting members with whom we enjoy a relationship of mutual trust generate excellent feedback, with many members saying they can use these facilities with peace of mind. Even when we closed all of our facilities, we received a variety of feedback from customers along the lines of "there is not helping the closures at a time like this" or "I wish you wouldn't close become it's like a second home to us." This underscores how the Group's facilities are strongly incorporated as a part of our members' lives, and offered a strong reminder of how the Group is supported by these valued members.

Another of our strengths is the presence of Medical operations within the Group. In response to the COVID-19 pandemic, we set up **telephone-based medical consultation service** for all Group employees and implemented telemedicine services even from the stages of initial diagnosis. We also proactively disseminated the rapidly changing information on COVID-19 to the members using our app. With growing health consciousness amid the pandemic, we expanded points of contact with customers through Medical Operations. As a result, our membership-based medical services gained widespread approval and attention, and we achieved a record number of new members joining GRAND HIMEDIC CLUB, our membership-based comprehensive medical club. In the area of medical checkups, the Group's system of providing medical checkups in a space that ensures privacy also saw increased demand from the perspective of preventing infections, and the reassurance of having an attending doctor through medical checkups was one of the factors behind the support we enjoyed as part of delivering club services. At the same time, in addition to the three major diseases such as cancer, we have noticed increased interest in preventing lifestyle-related diseases that increase the risk of developing serious illness after contracting COVID-19, including underlying diseases such as diabetes, as well as obesity.

Unique initiatives in anticipation of a post-COVID world

In terms of the measures to prevent infections at our hotels and other facilities, we also utilized knowledge from our Medical Operations. For example, our approach to disinfection includes introducing spatial disinfectant products that are blended with ostrich antibodies. This and other unique initiatives are a major differentiating factor based around the key concept of "peace of mind." The use of digital technologies we have been promoting since before the pandemic, such as app-based online reservations and **smart check-in/check-out** systems that bypass front reception also catered to the needs of customers wishing to avoid person-to-person contact due to the COVID-19 pandemic. We also used the unique capabilities of the Group to establish dining-related measures such as **in-room dining** utilizing tables placed in guest rooms. These and other measures have been well received by customers. We believe these services will continue to be in demand in the post-COVID world and plan to further expand them as a new standard in the future.

During the COVID-19, we have further accelerated improvements to the cooperative structure within the Group that were already underway, and the Group has started to mesh well under this system. We have started to see positive results from cross-selling approaches in which we gain insight into the interests and preferences of each customer through interactions with them, share this information within the Group, and link that knowledge with the various products the Group provides. In addition to growth in the number of downloads of the **RTTG app**, connections with members utilizing LINE have also increased at the pace of roughly 10,000 a month from individuals and corporate customers combined. Our initiatives to build stronger and deeper ties with customers can be seen in the form of higher usage rates and repeat business. The steady sales of memberships even during the COVID-19 pandemic has also given employees confidence in our product and our organization, and I believe our Group strength has steadily improved towards seizing business opportunities in anticipation of the post-COVID world.

Deciding on a rolling medium-term management plan in light of environmental changes

Considering environmental changes due to the COVID-19 pandemic, changes to accounting standards and new insights of our own, we announced the formation of a rolling

Telephone-based medical consultation service

<https://www.resorttrust.co.jp/ps/qn3x/guest/news/dldata.cgi?CCODE=1&NCODE=112>

In response to the first state of emergency being declared on April 6, 2020, a temporary telephone-based consultation service was launched (and resumed multiple times due to subsequent state of emergency declarations) for all Resorttrust Group members (hotels, golf courses and cruisers), outsourced to Tokyo Midtown Clinic, the main affiliated medical institution of our Medical Operations.

Smart check-in / check-out

Applicable hotels
<https://www.resorttrust.co.jp/ps/qn3x/guest/news/showbody.cgi?CCODE=22&NCODE=20cgi?CCODE=22&NCODE=>

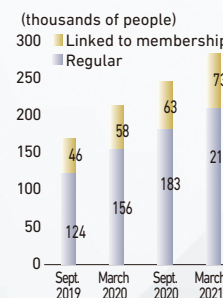
Informational video
https://xiv.jp/sp/owners_life/movie/rttg_CICOMonitor_02a.mp4

In-room Dining special feature

<https://rt-clubnet.jp/hotels/sp/inroomdining/>

Use of the RTTG app

Change in RTTG point club members



plan to March 2024 for the Connect 50 medium-term management plan we have been running since FY2018 (running from April 2018 to March 2023). The rolling plan does not mean that we have simply postponed our target figures; it represents our clear direction, which has been revised in light of the current COVID-19 pandemic, and in anticipation of a post-COVID world, with the pandemic expected to be brought under control in the next three years. While firmly protecting the "one and only brands" we have built in each business, we will continue aiming to become a group that customers can safely rely on as they lead better, healthier and more enjoyable lives. We will achieve this based on Group management that realizes a strong and high-grade Group brand by fully demonstrating the effects of Group synergy. Additionally, as important measures towards achieving this, we will invest in education and training that aims to cultivate "brand-minded employees" who embody our management philosophy and can develop optimum proposals for customers. We will also continue to actively invest in digitization and other advancements to achieve workstyle reforms designed to boost productivity and creativity by developing an environment in which employees can spend more time with customers, and work with enthusiasm and enjoyment.

A common self-image among all employees that incorporates the Group identity

In addition, to further pool and mobilize the Group's strengths ahead of its milestone 50th anniversary, we have established a Group identity: *Together for a wonderful life - Creating a more affluent, happy time. We aim to have all employees working in various businesses within the Group to share a unified Group identity, forming a corporate Group that maintains close ties with customers going forward as a lifelong partner.

Over the decades since the Resorttrust Group was founded, we have embraced the idea that crises are opportunities, and grown together with our employees on that basis. But in the midst of an unprecedented crisis brought about by the COVID-19 pandemic, some employees may feel anxious with regard to their jobs at the Group. I believe it is at times like these that presenting our vision for ten years from now, putting the Group's purpose of existence into words and showing a single direction is very meaningful in bolstering the comprehensive strength of the Group.

The strength of the membership model, which has been reaffirmed in this crisis, will become even stronger and lead to further growth opportunities if each and every employee cultivates a mindset for services which are unique to the membership system. An example of this is the **Pleasure Program**, which seeks to put into practice the mindset of "Your Pleasure is Our Pleasure." The aim of this program is not only ensure uniform service, but to spread our services and operations unique to the membership system across the entire Group by encouraging each employee to take the initiative in doing something extra to impress customers. To leverage strengths unique to the Resorttrust Group and spread the benefits of the membership model Group-wide, including at non-membership hotels such as Hotel Trusty, we will unify the direction of all Group employees with the Group identity and continue to refine the unique strengths of the Resorttrust Group moving forward.

Post-COVID growth strategy

In the post-COVID era, hotels will not necessary be as large as they have been in the past, and there may be growing demands for medium-sized hotels and preserve private spaces where spending time relaxing at a hotel is itself the purpose. In other words, rather than simply being accommodation facilities in a tourist spot, **destination hotels** with an even greater appeal in intangible terms, such as drawing attention to themes matching each locale, or providing in-facility experiences that explore connections with the locale in greater depth, could become a standard feature in the future. In September last year, we acquired land to develop a hotel in Takayama, Gifu Prefecture. As the land is the former site of the Takayama Museum of History & Art, which was awarded three stars in the Michelin Green Guide Japan, we will also draw attention to the thematic qualities of art in the hotel development. In the future, we hope to open these small-to-medium-sized hotels imparted with thematic qualities on a constant yearly basis.

At the same time, we will also strive to increase membership numbers. The number of wealthy individuals, who are our key customer demographic, has increased both in Japan and overseas, and we will work to capture new demand by diversifying the Group's lineup, such as by expanding and improving products geared towards the needs of corporate clients. We will also make efforts to improve customer usage rates through cross-selling within the Group, including Medical Operations, and will promote the Group's lifelong strategy by strengthening and reinforcing our ties with customers.

Sharing impressive experiences through the Pleasure Program

We utilize our internal network to share inspiring experiences that are memorable for customers and promote our activities.



*This is a direct translation of the Japanese-language version of the Group Identity.

Destination hotel development

Membership sales starting Monday, June 21, 2021
Sanctuary Court Takayama Art Gallery Resort marked our first exclusive members-only resort combining a hotel and art gallery





Environmental value and social value support long-term growth

To achieve sustained growth over the long term, it will be important to enhance the Group's environmental and social value, and to properly convey information about those efforts on a continual basis.

We have recently seen a rising environmental awareness among employees and members alike. In resort development, the Group has been paying the utmost attention to the global environment since long before ESG came into common use as concept. For example, with resort development that utilizes forest resources, we always employ professionals such as forest instructors and landscaping managers to properly check the state of forests before development and to ensure that development on the land will not lead to forest destruction, before making a decision to go ahead with development. In addition to landscaping managers, there are also cases where we have develop a win-win relationship with the natural environment. For instance, in locations where bamboo has encroached upon forests where deciduous trees grow, destroying the ecosystem and threatening rare plants and animals, we engage in hotel development while planting or transplanting trees in order to restore forests and utilize the natural environment as part of a hotel's appeal. For the Resorttrust Group as an operator of a resort business, the natural environment is the most attractive asset we can offer. Going forward, we will be more proactive in describing our stance towards the natural environment and the environmental efforts we have underway.

We also create social value in myriad ways. Through Medical Operations, we not only help extend people's healthy life expectancy and prevent disease but also contribute to reducing the government's healthcare costs, one of the issues facing society. Moreover, with the working age population on the decline, human resources are essential to maintaining high-quality hospitality and service, and we are focusing on human resource development that also includes utilizing the senior generation. Additionally, in building relationships of trust with customers, we recognize that the appropriate handling of personal information is a particularly important management issue. As well as instituting stringent security measures on the physical side, we are also paying attention to the abstract side, such as awareness-raising and training for all employees, and the development and thorough enforcement of operational rules including access rights to personal information. In the future we will also properly report on the progress of these initiatives that lead to social value by promoting them as Group-wide efforts instead of their previous status as hotel or industry-specific actions.

Even after we have COVID-19 under control, I believe it is possible that inbound demand will not recover to pre-pandemic levels. However, in the domestic market population decline and aging society have advanced further, and many people may consider this market environment to represent a "double whammy." But again, where others see crisis I see opportunity. Looking at the world, China and many other countries will enter into an aging society. The Resorttrust Group has established a business model for customers to enjoy their leisure time in good health in Japan, a country at the forefront of aging society. We will spread this model around the world and explore cooperation with partners from various industries overseas while researching a global expansion that will make our members happy. Additionally, to realize a more enriching and happy society together with people, we will fulfill our social responsibilities in terms of environment, social and governance (ESG) and continue pursuing management aimed at sustainable growth.

June 2021

President & COO

Ariyoshi Fushimi

Coexisting with nature



XIV Toba Bettei is designed around a Japanese garden where guests can enjoy the changing expressions of the four seasons.



A yellow-green moso bamboo grows at the front of the forest, with a pure forest of ubame oak behind it. The condition of the ubame oak had deteriorated, and after several years the bamboo had also withered and fallen down.



Scene after removal of the moso bamboo. New shoots bathed in sunlight have begun to appear, and the forest is started to regenerate.

Investor FAQ

Q In FY2020, membership sales were strong in the Hotel and Medical Operations despite the COVID-19 pandemic, and membership facilities resumed operating relatively early. What factors were behind this?

A Members-only hotels have an easier time ensuring social distancing and offer peace of mind with infection prevention measures. With difficulty traveling long distances including overseas trips, our facilities can accommodate various needs, like being a place to relax as a vacation home, or providing a sense of openness in an extraordinary space. Additionally, people reevaluate things during the COVID-19 pandemic and we believe this has also led to an increase in the number of referrals

for membership sales. In terms of high-precision medical checkups, we also cater to the demand for undergoing testing in a facility dedicated to medical checkups which removes some of the anxiety about avoiding close contact situations. Additionally, our analysis reveals growing demand for membership club services due to rising health consciousness regarding lifestyle-related diseases and other conditions.

Q In FY2021, you have forecast significant declines in both operating income and ordinary income. What is this forecast predicated on?

A In FY2020, there was the effect of real estate revenue realized from Yokohama Baycourt Club, which opened in September 2020 but whose revenue had been postponed from the initial sales period in FY2017. There will be no such revenue recorded in FY2021. Additionally, as real estate revenue from Sanctuary Court Takayama, for which sales began in FY2021, will also be postponed until it opens for business, that will be another factor decreasing

profits in FY2021. The effects from the postponed of this kind of real estate revenue will have a negative impact on profit by 10 billion yen. In addition, the changes to revenue recognition standards introduced from FY2021 will also be a factor in decreased profits. However, on a real basis excluding accounting factors, we expect both sales and income to expand significantly.

Q How have the numerical targets in the rolling plan of the Connect 50 medium-term management plan changed in comparison to before the rolling approach was adopted?

A In the initial plan, we had set a target of 24 billion yen in operating income for the final year (FY2022), incorporating increases in revenue due to the aggressive expansion of Hotel Trusty non-member hotels and facilities for seniors, but due to uncertainty of demand in the post-COVID era,

in the rolling plan we have not figured in higher revenue from non-membership operations, and revised our target operating income for the final year (FY2023) to 20 billion yen, also reflecting the impact of the changed revenue recognition standards.

Q What is your view of the size of your target markets and the room for growth?

A Our main target demographic is people who have in excess of 100 million yen in financial assets, and even in Japan, various publicly available data suggests that the number of such people is on the rise. Accordingly, we believe there is growing room for our market to expand, and looking at the distribution of our members, we believe that that potential in the Kanto region is especially large. Going

forward, we will implement a new domestic expansion in anticipation of post-COVID conditions and enhance our lineup of services utilizing Medical Operations. We will also expand growth measures in a variety of ways, including the provision of tourism-related products for wealthy net worth individuals overseas, and services that our domestic members can take advantage of overseas.

Q Q: What are the attributes of your core members and have there been any recent changes?

A Many of our members are the owners of medium-sized companies or people who run their own businesses. In terms of age, most are in their 60s. The majority of members are in their early 50s when they join, but in recent years, the age of entry has skewed younger with the increased in Baycourt members, expanding the member

base toward slightly younger age groups. There has also been an increase in corporate customers, reflecting growing usage demands as welfare benefits for employees. Many contracts are signed through referrals. In FY2020 the number of referrals also increased, but the number of contracts via digital channels also rose.

Q What indicators other than P/L items are you focused on?

A In terms of membership sales, we look at contracts signed, and in terms of the operation of hotels and senior facilities, we look at utilization and occupancy rates as important indicators. However, from a medium to long term perspective, we place an emphasis on changes in the number of members and increases in membership. We

also believe that increasing the total amount spent by each person, by having members use the Group's services more widely and for longer periods, including the purchase of multiple types of membership, sales of supplements and other goods, and occupancy in senior facilities will lead to improved Group value.

Q What are the features of the new Sanctuary Court Takayama product? What were the reasons for releasing products with a fifty year time limit this time round?

A Recently we have seen an increase in customer favoring experience-oriented stays and stays they can spend relaxing with their room or facilities. Sanctuary Court is designed to be a hotel where the purpose of the trip is the stay itself, providing special hospitality that has never been existed before through a stay experience that is unique to the location. Established in parallel with an art gallery,

Takayama will be an art gallery resort where guests will enjoy the hotel stay itself. This time we introduced a system where the eligible number of nights are not used up during flexible use (limited to an owned facility), and established a time limit of fifty years. By doing so, the product caters to the usage and ownership needs of corporate customers.

Q What will be the impact of the changed revenue recognition standards taking effect from FY2021?

A Originally, the HIMEDIC membership registration fees were recorded in bulk at the time of sale, but from FY2021 onwards, sales will be amortized over a fixed period (8 years), with the remainder recorded in the balance sheet as advances received. As registration fees in the fiscal year under review have been recalculated based on past sales amount that go back eight years retroactively to the time of sale, the amount of registration fees recorded in fiscal 2021 will be close to the average of single year sales amounts from fiscal 2012 onwards. Since HIMEDIC membership

sales have been growing at a steady pace, fiscal 2021, in which an average of the past eight years will be recorded, will numerically appear as a decline numerically this one time, but by recording sales in this split manner going forward the stability of revenue will improve, and since past sales have also steadily increased, the growth trend in profits will continue for the time being. Also note that there will also be some impact on how tenant fees for senior facilities will be recorded, but there will be no major impact monetarily.

Q What are the details of impairment loss in fiscal 2020 and what factors were behind it? Also, what is the status of the asset impairment rules?

A Inbound traffic has disappeared due to the restrictions on people's international movements in connection with the pandemic, and since there were requests for people to avoid unnecessary outings domestically as well, the non-membership hotel business was significantly impacted. Considering the uncertainty of the future demand outlook, for non-membership hotels that have experienced declining profitability, we reviewed the possibility of future recovery based on the accounting standards for the

impairment of fixed assets and recorded an impairment loss of 22 billion yen in the fourth quarter of fiscal 2020 (11.4 billion yen of which is for one location in Hawaii, and 10.6 billion yen of which covers 15 domestic locations in Tokyo, Nagoya and elsewhere). Generally speaking, two consecutive fiscal periods in the red, a significant decline in land prices, or a situation with a notably deteriorating management environment are recognized as signs of impairment.

Revisions (rolling plan) to the Connect 50 medium-term management

■ The Connect 50 Basic Strategy

With "Connect 50 - Together for a Wonderful Life," the five-year medium-term management plan from FY2018, Resorttrust Group has aimed to become a Group with which all stakeholders would want to maintain ties for a

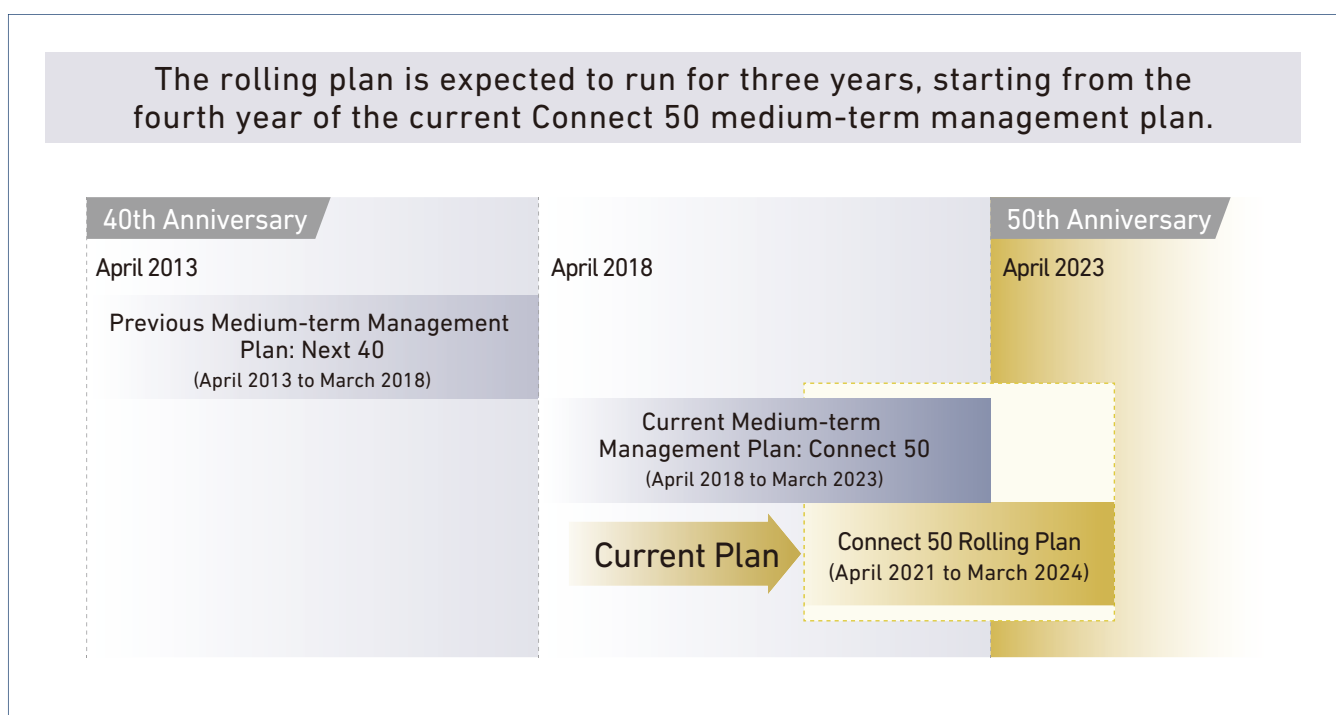
lifetime by pursuing the basic strategy of (1) enhancing and spreading the Group brand, (2) dramatically improving productivity through workstyle reforms, and (3) achieving a more stable business portfolio.

■ Progress from FY2018 to FY2020

Over the three-year period up to fiscal 2020, we made steady progress according to our initial plans, selling memberships for THE KAHALA CLUB Hawaii and opening a new site under THE KAHALA HOTEL & RESORT brand, while membership sales in Medical Operations also performed strongly. Even during the COVID-19 pandemic usage of our membership-based resort hotels has been solid, and this has reminded us of the strength of the membership business model. Additionally, the newly introduced RTTG Point Club has gained approximately 70,000 members (as of March 2021), and we have begun to see synergistic effects being created out of enhanced coordination throughout the Group. We have accelerated digital

transformation efforts in the face of the COVID-19 pandemic, and by implementing measures that realize efficiency improvements while catering to new social needs, such as enhancing contact points with customers by utilizing IT and expanding contactless services such as smart check-in, our operating foundations have been strengthened more than initially expected.

While the effects of the COVID-19 pandemic have caused differences in terms of business performance, we have made steady progress with measures that realize safety and security for our customers and Group employees, as reflected in the utilization of our expertise in the medical and healthcare-related businesses beyond the framework of our regular operations.



plan announced on May 14, 2021

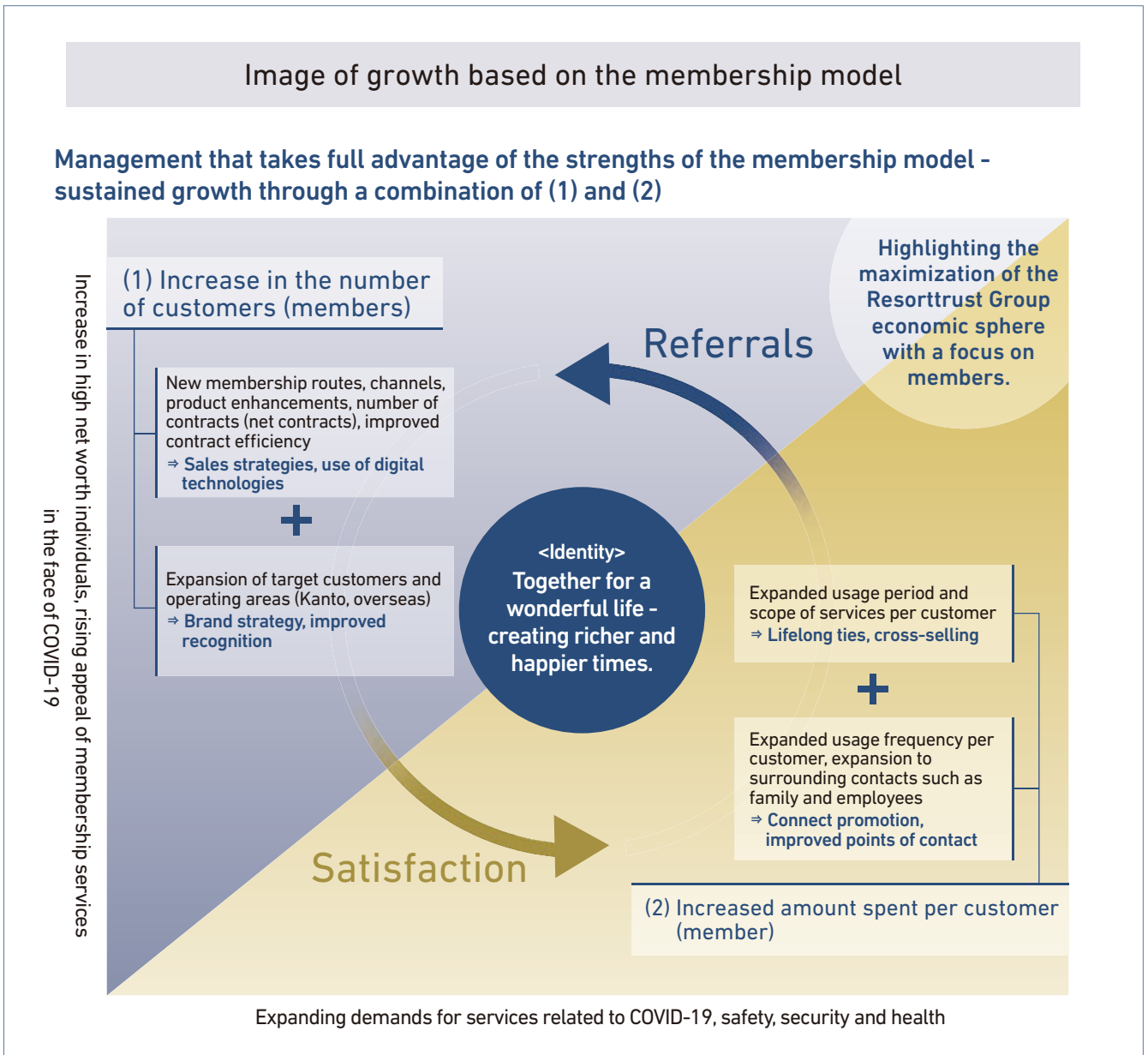
■ Changing Recognition of the Environment due to the COVID-19 Pandemic

However, due to the global spread of COVID-19 infections that started in the four quarter of fiscal 2019, the business environment has undergone significant change, including a severe impact on non-membership hotel operations in particular.

Demand for non-membership hotels declined due to the fall in inbound customers and business travel, and although there are operating risks due to continued stay-at-home policies particularly among the senior demographic, due to the availability of options to avoid in-person contact and the rising consciousness of safety and security, we regard the expanding demand for

membership services including hotel membership and membership-based medical checkups as a new business opportunity. Even in the post-COVID era, we expect the supply-demand gap at non-membership hotels to continue due to the spread of practices such as telework, but we believe that we can achieve sustained growth by iterating on the membership model and introducing new products while expanding and upgrading Group services.

Particularly with Medical Operations, where the market is in an expansionary phase, we expect there to be further opportunities to grow.



■ Revised Target Figures

While there are no major changes to the basic strategies established in the medium-term management plan, we decided to adopt a rolling plan (one-year extension) for the medium-term management plan up to fiscal 2023. With continued uncertainty as to when the COVID-19 will end even in 2021, the decision was made in light of the postponed development schedule for membership-based hotels, revised business expansion and earnings forecasts for non-membership customers

such as guests at non-membership hotels, and the impact of changes to revenue recognition standards that went into effect from April 2021. Numerical targets have also been revised from initial plans for fiscal 2023, the final year of the plan, but considering this will be our milestone 50th anniversary, we expect to achieve record-level sales and profit, and in terms of shareholder return, will aim to issue record dividends with a dividend payout ratio of around 40%.

■ Rolling medium-term management plan and initial plan announced in 2018 (100 million yen)

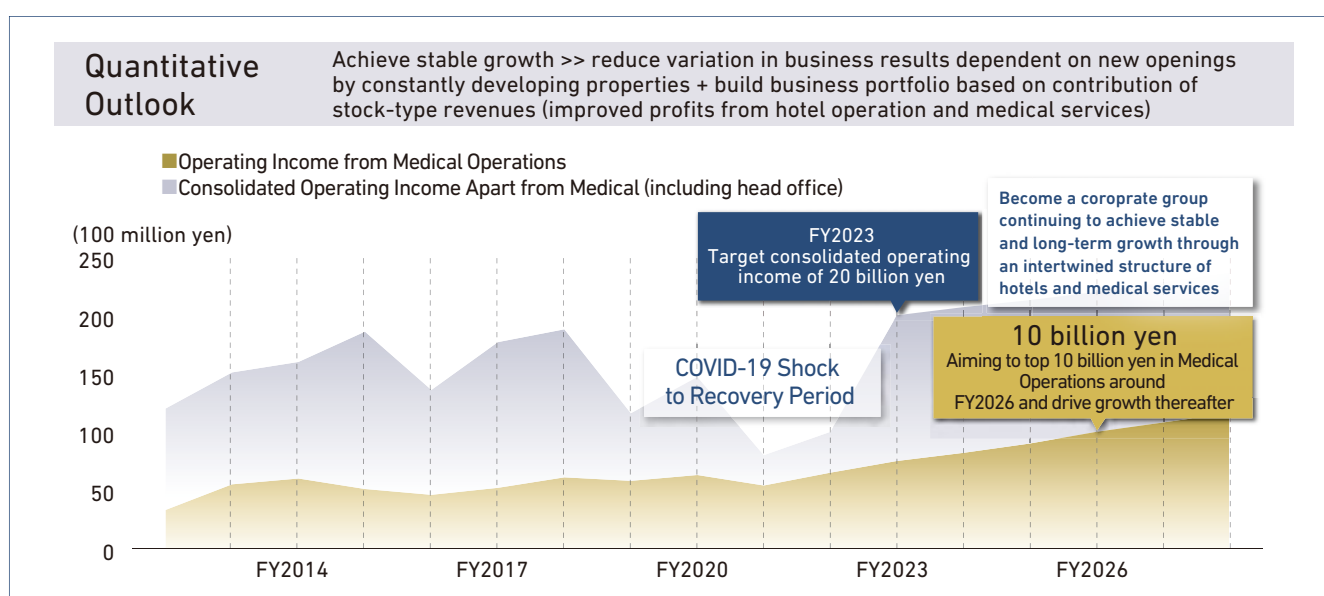
	Fiscal year ended March 2021 (third year of the current medium-term management plan)	Fiscal year ending March 2024 (final year of the rolling medium-term management plan)	Reference (Final year announced in 2018: fiscal year ended March 2023)
Net Sales	1,675	1,900	2,100
Operating Income	147	200	240
Ordinary Income	176	200	240
Net income (loss) attributable to owners of parent	(102)	130	160

■ Direction of Group Strategy

Moving forward, we will go back to the basics of the membership business model and roll out Group-wide measures that utilize the strengths of membership while working to achieve sustainable Group management in the medium and long term. Over the three-year period from fiscal 2021, properties sold in the Chubu, Kansai and Kanto regions respectively will expand, but while maintaining a development pace that corresponds to sales plans, we will aim to develop destination hotels at which guests will spend a more relaxing time in their rooms and the stay itself will become the purpose of the trip. In fiscal 2023, Sanctuary Court Takayama Art Gallery Resort in Takayama (Gifu Prefecture) is scheduled to open for business. By continuing to open

membership-based hotels thereafter, we also intend to control the volatility in our business results.

Medical Operations have been a stable business largely unaffected by COVID-19, and also represent an important pillar for promoting Group cross-selling. Regarding the HIMEDIC business, which has continued to perform well, there are plans to open for business in Kansai and Kanto regions from 2024 onwards. Looking beyond, we will aim to generate operating income of over 10 billion yen from Medical Operations in fiscal 2026, becoming a group achieving more stable and long-term growth through an intertwined hotel and medical structure.



In April 2021, the Resorttrust Group
adopted a common Group Identity.

The Resorttrust Group Identity

*Together for a Wonderful Life

Creating a more affluent, happy time

*This is a direct translation of the Japanese-language version of the Group Identity.

During the COVID-19 pandemic, the Resorttrust Group has maintained close ties with customers, and managed to reaffirm the Group's purpose of existence while receiving their support. We reaffirmed that the relationship of trust we have cultivated with customers while responding to growing demands for leisure and health by placing an emphasis on services unique to the membership system is the source of value creation in our business.

Having once again recognized a unified self image of the Resorttrust Group at a time such as this, we declared a Group Identity in order to become corporate group that maintains close ties with customers as a lifelong partner going forward, and to united as a Group towards the next stage of implementing Connect 50.

Business Fields of the Resorttrust Group

We recognize the business fields of the Resorttrust Group to be life (=time) itself.

As a leading company in the membership-based resort hotel business in the field of leisure, we have expanded hotel operations in Japan and overseas, from membership-only hotels to non-membership luxury hotels.

In the field of health, we have continued to expand healthcare-related services with the aim of early detection and treatment through Medical Operations, which is centered around medical checkup-related services through our comprehensive membership-based medical club and support of the operation of non-membership medical checkup facilities, and Senior Lifestyle Operations, through which we provide housing for active seniors and operate nursing homes with nursing care for the elderly.

The Purpose of the Resorttrust Group

We believe the Resorttrust Group's purpose of existence is solving the various social issues related to leisure and health by combining the Group's leisure and health-related services and creating new value, and to pursue the enrichment and happiness of everyone associated with the Group. (A happy-happy relationship)

Moving forward, we will continue to work with customers to achieve sustainable management and improve corporate value as a corporate group that creates products and services while keeping abreast of changes in the next generation.

Our Value Creation Process

The value creation process of the Resorttrust Group, which has embraced the concept of blazing new trails as its corporate spirit, is based on forging solid relationships of trust with members. We will pursue Group synergy based on the various capital we have accumulated through 48 years of operations, and will evolve into a group with which all stakeholders will want to be lifelong partners.

Social Capital, Business Capital

- Membership base of 186,000 people
- Number of hotels operated: 49 facilities
- Collaboration and coordination with business partners and local communities

Human Capital

Employee/governance structure

- Number of Group employees: 8,123 (consolidated, full-time employees)
- Independent outside directors: 6 (two of whom are female independent outside directors)

Intellectual Capital

DX/Data/Expertise/Brand

- Development smart hotels and facilities
- Facility usage data
- Medical checkup data
- Joint research with medical institutions (The University of Tokyo Hospital, Kyoto University Hospital, etc.)
- Research and development into cancer treatment devices (BNCT development with the National Cancer Center Japan)
- Extraordinary spatial design

Natural Capital

Rich natural environment

- Coexisting between nature and resort facilities

Financial Capital

Revenue model / financial base

- Membership system: stable earnings and early investment recovery
- Total assets: 407.2 billion yen
- Net assets: 120.7 billion yen
- Long-term deposits received on sale: 103.9 billion yen
 - * Interest-free deposits from members
- Cash and cash equivalents: 52.7 billion yen
- Committed credit line agreement: 85 billion yen (as of March 31, 2021)

Suppliers

Membership base that co-creates long-term value

Stable financial base

Service quality unique to membership systems and human resource base

The Source of Value Creation (see page 20 for details)

Membership

Hotels

Senior life

Business Domains and the Pursuit of Group Synergy

Employees

Shareholders and investors

The Resorttrust Group Management Philosophy
Declaration of the Resorttrust Group Identity

Social and environmental issues recognized by Resorttrust

- Climate change and CO₂ emissions
- Energy conservation
- Environmental conservation
- Water resources (water risks), forest resources
- Declining birthrate and aging society
- Increasing healthcare and social security expenses
- Increasing demand for nursing care facilities and homes for the elderly
- Diversification
- Revitalization of regional economies
- Regional development
- Occupational safety and workstyle reforms
- Diversity & inclusion

Local communities

Accumulated expertise and brand power built on trust

Other / new businesses

Medical

Customers

Creation of Social Value

Hotel Operations

- Regional development (generating demand, local hiring, local production for local consumption)
- Participation in urban development projects
- Providing reassuring relaxation spaces based on measures to prevent infection

Medical Research and Business Support

- Supporting the operations of 20 medical institutions (June 2020)
- Spread of minimally invasive cancer treatment equipment (start of treatment in 2019)
- Expanded number of non-membership medical checkups
Development of aging care products and supplements
- Development and sale of products to prevent COVID-19 infection
- Opening of a COVID-19 consultation desk

Promotion of Projects Involving Coordination between Industry and Academia, Launch of Endowed Lectures

- Kyoto University Hospital
- The University of Tokyo Hospital
- Promoting the health and success of working females (femtech business)
- Provision of medical information to Group members

Enhancement of Nursing Care Facilities and Serviced Homes for the Elderly

Creation of Economic Value

Connect 50 Medium-term Management Plan Rolling Plan Targets for the Fiscal Year Ended March 2024

Net Sales: 190 billion yen Operating Income: 20 billion yen

Dividend Payout Ratio:
40% (approximate)

ROE: 10% (approximately)

Membership Base

- Continuous increase primarily through referrals from existing members
- * Average rate of increase in Group members over the past ten years: approx. 3%

Governance

- Enhanced risk management system
- Improved productivity through digital transformation
- Health and productivity management
- Promotion of diversity

The Source of Value Creation

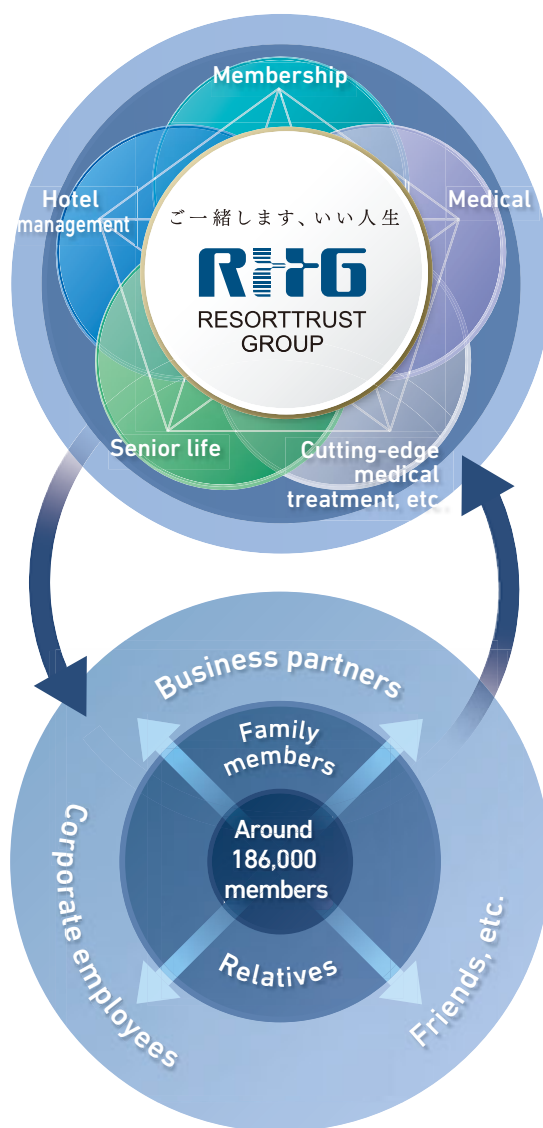
Our membership base of more than 180,000 people, a human resource base embodying the spirit of hospitality and hotels/medical assets where that hospitality is provided, firm financial base that is essential for sustained growth, and the natural environment as an irreplaceable asset in resort business development, are the source of value creation at the Resorttrust Group.

Members and Customers

Our core competence is a membership base of over 186,000 people. Through the membership system where we provide services over a long period, we strive to tap into diverse needs, provide services of even higher quality and develop new businesses by working closely with customers throughout their lives and building deep relationships with them. In the 1990s, in response to requests from members, we developed a unique positron emission tomography (PET)-based medical checkup system on the site of our resorts, and launched Medical Operations in an effort to extend the healthy life expectancy of members. Then in the 2010s, we utilized the service expertise we have cultivated through Hotel Operations and our strengths in Medical Operations to develop and operate high-end serviced housing for the elderly and paid nursing homes, making a full-scale entry into the expanding seniors market. Resorttrust's strengths lie in its ability to create value together with members as partners, while taking advantage of new business opportunities and the profits that fund them.

The membership system does not mean that the member is the only user. For hotel members in particular, the relatives, friends and important guests also use the facilities based on the member's rights as owner, according to their ownership ratio. The satisfaction a guest experiences when using the facilities is directly connected to the satisfaction of ownership enjoyed by the owner who introduced them, and it can also motivate a guest to consider their own ownership. We have also expanded our lineup catering to a wide range of social needs in the medical checkup business, with the HIMEDIC Club offering the pinnacle of medical examinations, in addition to medical checkups for executives and regular medical examinations for corporate employees.

In these ways, a chain of value centered around millions of members firmly entrenches our Membership Operations and spreads the value we offer throughout the world, providing a source of funds for the Group's further growth in the future.



Structure of members and customers
(conceptual image)



Entrance lobby of the Laguna Baycourt Club Hotel & Spa

■ Human Resources, Intellectual Property (DX)

The reason our business is able to bring satisfaction to customers is the hospitality services we have built up over several decades of operation by carefully gathering and making use of every piece of feedback from our many members, whether words of praise or harsh criticism. We also use this feedback as the basis for responding to customers' potential needs. Through the "Pleasure Program" designed to create "brand employees" for the purpose of improving customer satisfaction, we enhance employees' brand experience, primarily for 22 brand ambassadors currently working at 22 facilities. These initiatives and the unique expertise we have accumulated along the way represent brand power built on trust and lead to our competitive advantage.

In terms of human resources, which are the source for achieving the Group's sustainable growth, we promote workstyle reforms through the three elements of diversity, training & evaluation and digital strategy, while making efforts to continually improve the workplace environment and striving to raise employee satisfaction levels. We cultivate "brand-oriented employees" through education and training systems when they join the company. At the same time, we have made revisions to our evaluation and compensation systems in order to provide evaluation and compensation that properly reflects an employee's achievements, such as through the introduction of 360-degree evaluation tests for managerial staff. We also utilize the characteristics and strengths of the hospitality industry in creating leisure, health and beauty as part of proactive efforts to enhance and expand diversity.

In terms of digital strategy, we have expanded the use of digital functions for internal operations such as sales activities and back-office operations, in order to increase successful signings and user numbers, reduce overburden waste, and increase contact points with customers while pursuing workstyle reforms. For customers, in addition to enabling hotel reservations through a smartphone app and introducing a chat bot service on our websites, at some facilities we have introduced a vehicle number identification system for customer arrival notifications and smart check-in/check-out features for improved convenience.



Tokyo Baycourt Club Brand Ambassador

We conduct regular activities to bring happiness to customer, working primarily through the brand ambassadors assigned to each facility.



The Source of Value Creation

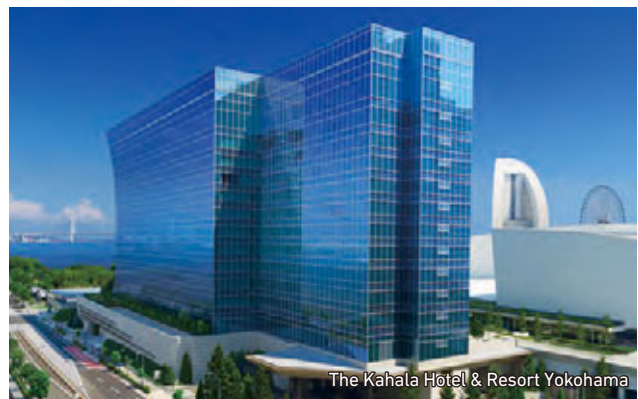


■ Assets (facilities, expertise, networks)

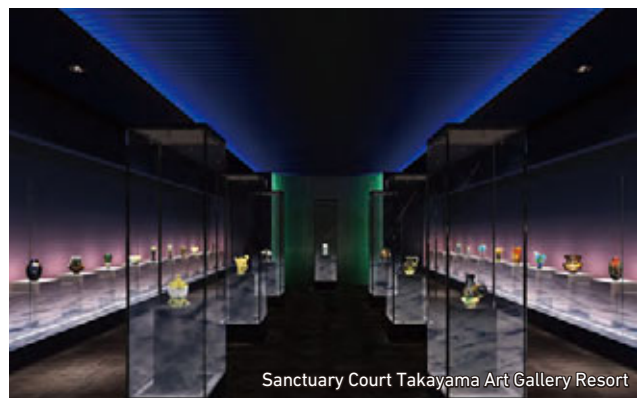
At the dozens of hotel and resort facilities operated by Resorttrust in Japan, without compromise we pursue outstanding high quality with attention to the finest details and creativity that provides extraordinary experiences to visitors, based on our founding principles of sophistication and high quality. In addition to fulfilling a role as a regional tourism resource, we promote local production for local consumption in conjunction with dietary education, and place an emphasis on contributing to local revitalization through employment measures. We have also continued with development efforts while valuing ongoing dialogue with local government officials and area residents.

In the facilities we have developed to date, we have considered unique concepts for each. In the development of new hotels from 2021 onwards, we will further strengthen the characteristics of each facility and its ties with the local community, and strive to create destination hotels where the stay itself is the purpose of the trip. In the hubu, Kansai and Kanto regions, the first step of which will be establishing a hotel in parallel with an art gallery as a new endeavor in Takayama, Gifu Prefecture.

In Medical Operations, our groundbreaking medical checkup program, which includes the introduction of positron emission tomography (PET)-based testing equipment for the first time in Japan, has been highly acclaimed even by global standards. In addition, based on the findings of front-line research pursued through joint industry-academia projects with universities, we have established a business model that continually introduces the latest practices in medical examination. These efforts are of great social significance towards solving the challenge of early detection leading to early treatment and the extension of healthy life expectancy. Resorttrust Group subsidiary CICS Inc. and STELLA PHARMA CORPORATION have partnered with the National Cancer Center to begin treatment for malignant melanoma and angiosarcoma using Boron Neutron Capture Therapy (BNCT). As a project that reflects the Group's hope to create a society where cancer claims no precious lives, we will aim to establish this approach as a method for treating cancer in the future.

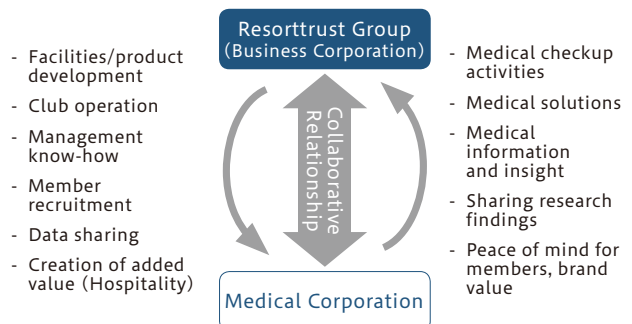


The Kahala Hotel & Resort Yokohama



Sanctuary Court Takayama Art Gallery Resort

Partnerships with medical institutions



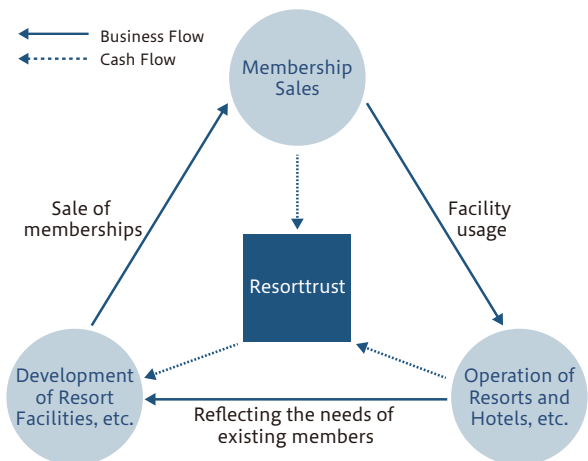


XIV Toba Bettei

■ Financial Capital

Our unique business model, which is based on a strong customer base with members, leads to solid financial capital. For our core condominium-style membership hotels, we start selling memberships at the same time that we begin construction, providing a short-term recovery model that enables us to recover most of our investment by the time a hotel opens. After opening, we generate stable operating revenue from annual membership fees and the proceeds from amortizing deposits. In addition, a majority of the security deposits received are amortization-type deposits that do not require repayment, and can be used to fund repairs. This helps realize a sound financial structure with little financial risk associated with repaying deposits. In fiscal 2020, Membership Operations performed strongly even during the COVID-19 pandemic, and operating cash flow in excess of 20 billion yen was generated. In addition, we have set up long-term borrowing to ensure liquidity and have long maintained committed credit line agreements for earthquakes, acquisitions and other eventualities, enabling the securing of ample funds for business risks, investments and other needs.

Basic Business Flow



■ Environment (tree planting, procurement, water-related considerations)

The rich nature and ecosystems of mountains, rivers, oceans and other natural features and the most attractive and indispensable asset to us as a resort operator. In 2005, we established an environmental policy and have been actively pursuing initiatives to further harmony with the natural environment and the preservation of ecosystems. To always preserve beautiful natural scenes based on our recognition that corporate activities including membership resort operations affect the global environment in various ways, we strive to achieve harmony with the environment, including the prevention of global warming and environmental pollution and the sustainable use of environmental resources including water. We also endeavor to coexist with local communities and work to make contributions to society and the global environment alike. For example, when constructing XIV Rokko Sanctuary

Villa, we selected a location that had long unused and abandoned rental villas and recreational facilities as a site. We proposed plans to protect and rehabilitate the nature of Rokko while re-using the site to Kobe City and the Ministry of the Environment, leading to the opening of a hotel that achieved coexistence with nature. During the process, we maintained existing forests and planted new trees, regenerating the forests of Rokko in the interests of biological conservation. Even after the facility opened, we have conducted activities to communicate the importance of biodiversity, such as by implementing "Origami Action" activities to spread the importance of biodiversity.



XIV Rokko Sanctuary Villa

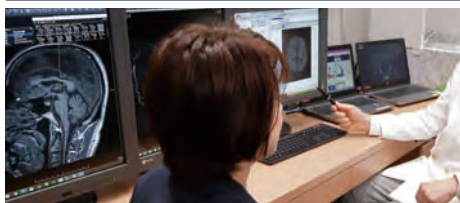
Initiatives During the COVID-19 Pandemic

Our mission is to protect the health and safety of everyone and provide the highest levels of hospitality.

In conducting the business activities of the Resorttrust Group during the current COVID-19 pandemic, we have called upon the unique strengths of the Group's medical knowledge and networks which have been developed while expanding Medical Operations in wide-ranging ways. By also focusing

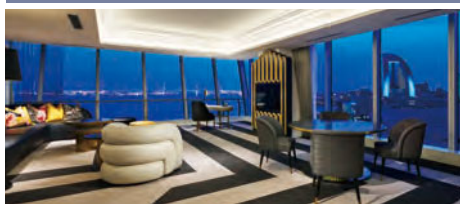
on the utilization of digital technologies, which has been an issue in the past, we have addressed business risks associated with the spread of infections while implementing a number of initiatives that represent opportunities to further enhance the strengths of the membership model.

Utilizing our medical network



Under the guidance and direction of Dr. Yuichiro Tando, Deputy Director of the Group-affiliated medical institution Nihonbashi Muromachi Mitsui Tower Midtown Clinic, we have strengthened hygiene management at our resort hotels including Baycourt Club and XIV as well as business locations, as part of thorough measures to prevent infections in pursuit of peace of mind and safety. We have also set up a temporary telephone-based medical consultation service for Resorttrust Group members. We also strive to provide support for their daily concerns.

Thorough infection prevention measures in place at hotels



To ensure customers are reassured during their stay, we disinfect public spaces inside the hotel once every three hours on a rotating basis, and also require all customers entering the facilities to disinfect their hands and submit to a temperature check. An acrylic divider has been placed at the front reception counter to prevent droplet infection, and we are endeavoring to minimize infection risks by reducing the frequency of in-person contact within the hotel by providing in-room check-in and check-out procedures, and offering in-room dining for breakfast and dinner.

We use streamer discharge air purifiers in our restaurants to prevent the spread of viruses. In addition to ensuring adequate separation in the arrangement of guest seating, we carefully wipe down chairs and tables with disinfectant between each use, and implement indoor anti-virus measures using V BLOCK Air, a spatial disinfecting product blended with ostrich antibodies to inactivate viruses.

Enhancing sales activities and contact points with the use of digital technologies



In our sales activities, we have focused on marketing techniques utilizing e-mail newsletters in order to offer proposals to interested customers at a time that best suits them.

In fiscal 2020, we produced outstanding results from the above activities with contract volume worth 3.6 billion yen (an increase of about 2 billion yen year on year). By building further upon these efforts moving forward, we have set the goal of achieving earning 8 billion yen (up 200% from fiscal 2020) in fiscal 2023, the final year of the medium-term management rolling plan.

Additionally, with reduced opportunities to visit customers to provide service information, we expanded ways to provide information to and communicate with customers through the RTTG app, as well as a newly introduced connections through the LINE app. Providing information directly to the employees of corporate members in

addition to individual owners has started to have the effect of supporting the use of facilities.

<Results from Introduction on March 31, 2021>

RTTG app: 70,000 Group members, LINE app: 40,000 individual members and corporate employees respectively

Creating Value in Medical Operations

Striving to "create a society where loved ones will no longer be lost to cancer." With this in mind, we are working to realize long and healthy lives for people.

Extending Healthy Life Expectancy

The Resorttrust Group was the first in the world to introduce positron emission tomography (PET) technology for cancer screening at HIMEDIC Yamanakako Course, and has since made significant contributions to the widespread adoption of PET in Japan and the improved cancer detection rate. Those efforts continue today. For example, we conduct joint research with The University of Tokyo Hospital and Kyoto University Hospital, and are promoting clinical trials of Boron Neutron Capture Therapy (BCNT) at

the National Cancer Center Hospital. In addition to high-precision cancer screening and cancer treatment, to ensure a long and healthy life in the age of 100-year lifespans, we have introduced a nursing care prevention screening test at HIMEDIC Tokyo Nihonbashi Course, developed rehabilitation services at senior residences, and worked on the development of supplements and health products. We also use HIMEDIC screenings to analyze brain MRI data as an effective way to screen for Alzheimer's disease.

● Opening a Grand HIMEDIC medical checkup site at the International Base for Future Medicine

At Japan's first International Base for Future Medicine (scheduled to open in spring 2024 in Nakanoshima, Osaka), where medical institutions and development companies gather to work on regenerative medicine-based genome treatment and cutting-edge medicine utilizing AI and IoT, Grand HIMEDIC Club will open a medical checkup site. We are also considering the parallel establishment of a health screening clinic for the general public, which will perform corporate health checkups and medical examinations.

● Early detection of cancer: Launching joint research into the practical implementation of MicroRNA detection technologies

Midtown Clinic and HIMEDIC, two medical institutions whose operation is supported by the Resorttrust Group, have entered into a joint research agreement to conduct demonstration testing of cancer detection technology using MicroRNA in blood that was developed by Toshiba Corporation. This technology is at the R&D level, and has been confirmed to be able to comprehensively discriminate between patients with 13 types of cancer and healthy individuals with high accuracy over a short period of time. At HIMEDIC Tokyo Nihonbashi Course, there are plans to conduct joint research verification by combining this technology with other cancer screening methods.

● Enhancing remote diagnostic imaging resources

In March 2021, Dia Medical Net, Inc., a company offering a remote diagnostic imaging service, became a Resorttrust Group subsidiary. We have expanded the size of our remote diagnostic imaging service to become the second largest in the industry, and also enhanced the radiogram interpretation framework at affiliated medical institutions.

Supporting the Health of Working Women

By achieving a more enriching life for customers and solving social issues while addressing the health of women which make up almost half of all Group employees, we are committed to improving the quality of health and productivity management while championing the success of women.

The femtech market, which uses technology to solve and support health issues that are unique to women, is predicted to be a 5.5 trillion yen market worldwide. In the Resorttrust Group, under the supervision of gynecologists, we plan to launch a new brand for women in autumn 2021.



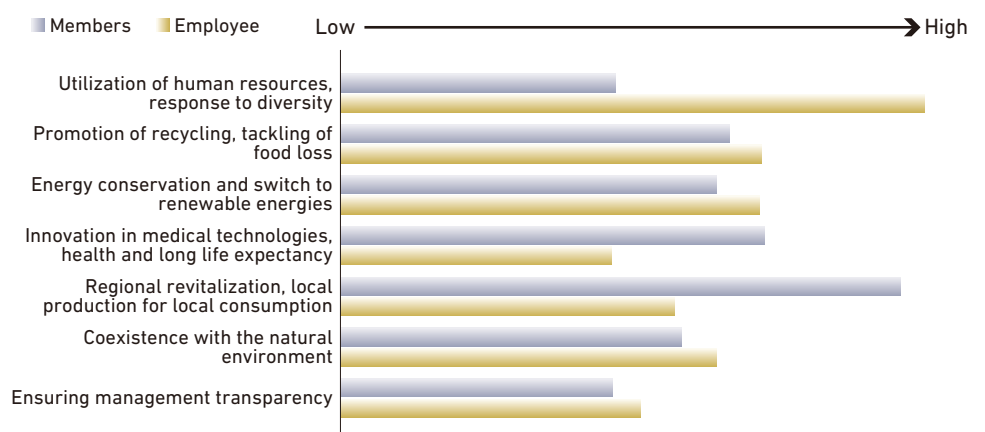
Sustainability Initiatives

The Resorttrust Group aims to establish sustainable business activities and further the development of society. With the establishment of an organization that promotes sustainability in earnest, we have launched projects that span the Group, conducted stakeholder questionnaires to identify the Group's materiality issues (key issues) and their priority, and pursued initiatives to consider KPIs in our medium-term management plan and evaluate and verify their effectiveness.

The Group's ESG- (environment, social and governance) focused management has also been recognized by outside organizations, such as being repeatedly selected as part of the MSCI Japan Empowering Women (WIN) index. Moving forward, we will pool the strengths of the Group to an even greater extent as we promote management that fulfills our social responsibilities in the areas of the environment, social and governance and aim to achieve sustainable growth.

Questionnaire Conducted in March 2021

To identify materiality issues, we asked about expectations regarding the social issues that the Group faces. In light of the following results, we will gather feedback from a broader range of stakeholders as part of ongoing considerations.

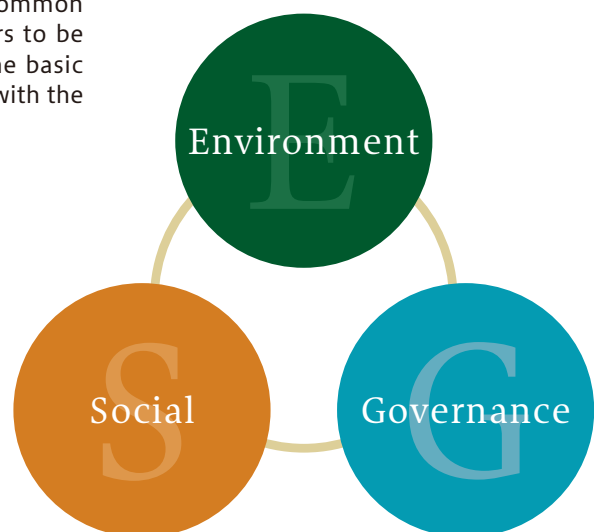


Our Basic Approach

To establish sustainable business activities and promote the development of society, the Resorttrust Group has shared its common understanding of the sustainability issues the Group considers to be serious, and has been working to tackle these issues under the basic strategies of its Medium-Term Management Plan in accordance with the Group Management Philosophy.

Environmental Awareness (Social Needs) in Connect 50 - the Current Medium-term Management Plan

- Providing time, space and relaxation that anticipates the values required by new lifestyles
- A tourism-oriented country, regional revitalization, labor shortages, diversity promotion
- Enhancing high-quality, reassuring services and facilities catering to seniors
- Rising needs to maintain health and prevent treatment through early detection
- R&D into advanced medicine, development of the aging care business



Environment

As a company operating resort businesses, beautiful nature is our most attractive and irreplaceable asset. We regard harmony with the natural environment and the preservation of ecosystems to be our mission as a company continuing to do business. To ensure that the beautiful natural environment is protected for all time, we promote a number of initiatives through our business activities to reduce environmental impact, conserve energy and resources, promote recycling, prevent environmental pollution and conserve water resources.

Environmental Management

We make use of the earth's finite resources in our lives and through economic activity. It is our responsibility to preserve these limited resources for the next generation and beyond. In addition to working to halt the depletion of natural capital through measures such as reducing greenhouse gas emissions, promoting the recycling-oriented use of resources and lowering the impact on ecosystems, the Resorttrust Group regularly conducts business activities in accordance with an environmental policy it established in 2005 with the aim of achieving a world in which biodiversity is preserved.

Specifically, we promote "environmental management" that involves forming a positive cycle of environmental conservation and business activities at each business site and coordinate with each operating division on SDG projects while collecting and sharing information on sustainability activities to promote environmental conservation activities on a unified Group-wide basis. Through environmental management classes for the training of new employees and emergency response drills in preparation for environmental trouble conducted at each operating site, we establish a culture of awareness. This gives each employee a sense of ownership over environmental issues and various other matters, and encourages them to engage in voluntary activities.

Action on Climate Change

In terms of action on climate change, the Group generates electricity from clean and environmentally friendly sources of energy including solar power and hydropower. Resorttrust Mega-Solar Nasu Shirakawa, which is located adjacent to the Grandee Nasu Shirakawa Golf Club, generates about 2,000 kW, around 500 times the generating output of solar power equipment for regular homes. We have set up emergency charging equipment for electric vehicles, enabling the supply of electricity to rescue vehicles in times of disaster.



Achieving a Recycling-Oriented Society and Preventing Pollution

To make effective use of the earth's limited resources and realize a recycling-oriented society, we select products that preserve the nature of rainforests or help workers. For example, at some of our hotels we use coffee beans produced at Rainforest Alliance-certified coffee farms. We also work to prevent pollution by using environmentally friendly low-pollution vehicles (eco cars) as commercial vehicles.



Conserving Water Resources

To recycle and preserve water resources, which are essential for the existence of life, Resorttrust had the first golf course in Japan to introduce a clean and closed water recycling system that does not impact the surrounding environment. In addition, to respond to the serious environmental issue of marine pollution due to plastics, at all of our hotels and restaurants we changed to paper straws for the approximately one million straws used annually, and prohibited the use of plastic straws as a general rule.



More detailed information about the Resorttrust Group's sustainability initiatives is listed on our website. Please refer to the information on the website in conjunction with this report.

<https://www.resorttrust.co.jp/csr/>

Society

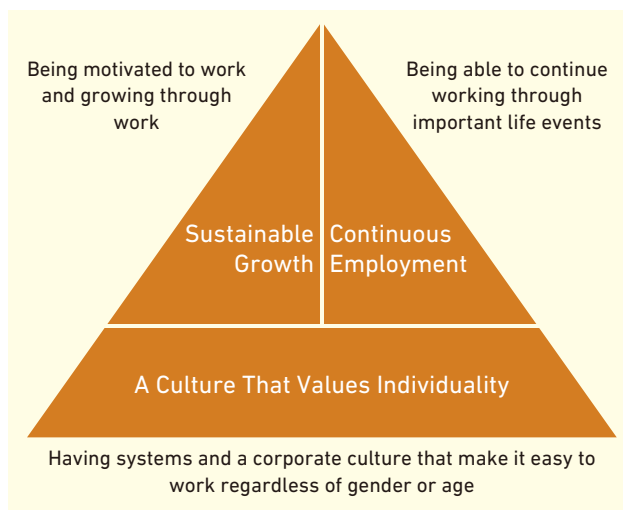
We embrace hospitality as the common strength of the Resorttrust Group. We contribute to the flexible lives of customers through the highest level of service in relation to leisure, health and medical care, provide employees with an environment in which a diverse range of human resources can flourish, and build good relationships with business partners. Moving forward, we will keep earning the trust of all stakeholders and society in the business activities of the Resorttrust Group, and will continue to be corporate group that contributes to the whole of society.

Creating a Vibrant Workplace

At Resorttrust we embrace "excellent hospitality" as part of our management philosophy and regard our staff as our greatest asset in providing customers with truly moving experiences that will stay in their hearts forever. We provide these human resources with opportunities to support their individual growth and strive to develop a workplace in which anyone can work with vigor and to a high level of quality while also promote a healthy work-life balance. On a Group-wide basis we promote diversity from the perspectives of gender, age, nationality and other characteristics. We regard the power of women, who make up half of our workforce, to be an indispensable and important management resource, and focus on supporting the career development of female employees. Specifically, we have set the goal of increasing the ratio of female managers to 25% or more, implemented career promotion initiatives for female employees, and also plan to proactively appoint talented female employees to executive positions. In a true sense, normalization means that people with and without disabilities should be able to live their lives together in society without any particular distinctions, and since work is not something that can be done alone, we believe it is important for each person to contribute what they can do and help one another. A number of initiatives undertaken by the Resorttrust Group based on this belief have borne fruit, including the employment of challenged people and the success of our senior staff. As training opportunities for employees, in fiscal 2020 we conducted e-learning for a total of 62,701 employees with an attendance rate of 97%. The training covered topics including human rights, compliance, understanding the company and HR training. We regard human resources as essential to the sustained growth of the company, and to maintain and advance the health of our employees, we promote a range of initiatives that facilitate their development, including the development of safe and comfortable workplace environments, improving the lifestyle habits of employees, and implementing measures to enhance mental healthcare.



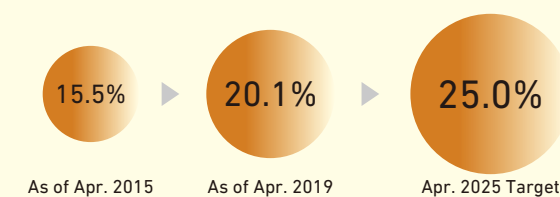
Our Vision for Diversity Promotion



Target childcare leave usage rate for male employees



Target female manager ratio



Contributing to Extending Healthy Life Expectancy

Amid heightened interest in healthy life expectancy and preventive medicine, the Resorttrust Group provides a range of medical services to prevent illness, discover illness early on, and maintain health through medical examinations and checkups. These services are part of efforts to tackle the social issue of extending people's healthy life expectancy. We have presented the vision of "creating a society where loved ones will no longer be lost to cancer." In addition to offering high-precision cancer screening services, we are pursuing initiatives aimed at establishing new cancer treatments. For

example, we have launched Boron Neutron Capture Therapy (BNCT) that targets malignant melanoma and angiosarcoma on a joint basis with Stella Pharma Corporation at the National Cancer Center Hospital.

In terms of services tailored to the era of 100-year life expectancies, we also provide screenings to prevent nursing care, rehabilitation services at senior residences, as well as screenings for Alzheimer's disease and other conditions.

In autumn 2021, we also plan to launch a new brand aimed at female customers as a part of our femtech business supporting the health of working women.

■ BNCT - a treatment with high efficacy and therapeutic effects against cancer

Types of cancer targeted by BNCT	Advantages of BNCT	Existing radiation therapy
Primary malignant brain tumor	● Almost no damage to normal cells (places minimal stress on the body)	● Damages normal cells
Malignant tumor of skin and mucous membrane	● Can also treat recurrent cancer	● Multiple treatment sessions are required
Malignant melanoma	● Used in combination with PET scans it may enable treatment possibilities to be evaluated on a per-patient basis	● With conventional radiation treatment, the toll on the body increases with the dosage of radiation, and there are limits to the number of irradiations.
Malignant pleural mesothelioma	● Sufficient therapeutic effects with a single irradiation	
Multiple lung-metastasizing tumors		
Locally recurrent breast cancer		

Contributing to Local Communities

The basis for the business activities of the Resorttrust Group is to value connections with people above all else. Each and every one of our staff are actively involved with the local community and contribute to society. In addition to the activities we undertake as a company, each business site and facility involved in their local communities plan and implement activities to contribute to those communities. At each hotel we also focus on "local production for local consumption" by using foods produced locally. These efforts reduce the impact on the environment by decreasing food mileage, conserving fuel resources and curbing CO₂ emissions, and also contribute to regional revitalization.



Respect for Human Rights

The Resorttrust Group is not involved with human rights violations of any kind in all of its business activities, and respects the dignity and rights of all people. In addition, we consider protecting the human rights of our employees to be a social responsibility. Accordingly, we promote understanding towards LGBT individuals (sexual minorities), respect the diversity, personality and individuality of each employee, and promote the development of a workplace where employees can work with peace of mind. We have also established a zero tolerance policy regarding harassment, and work to cultivate a good workplace environment in which all

employees trust one another and establish emotional connections. In addition, we conduct e-learning for employees on a regular basis each year to raise awareness regarding human rights. (10,640 employees took part in the training in fiscal 2020).

Supply Chain Management

The Resorttrust Group has established a Quality Control Policy to ensure that we deliver safe and secure products and services to customers. By observing the "spirit of purchasing," a set of common guidelines for those in charge of purchasing, we thoroughly ensure fair and equitable transactions across the entire supply chain. In addition to engaging in two-way communication with suppliers, we try to spread our compliance policies and internal reporting system through the supply chain through a purchasing system notice board uniquely established by the Resorttrust Group.

Improving Customer Satisfaction

We always adopt the customer's perspective in pursuit of customer satisfaction, ensuring that we deliver amazing experiences to customers in every situation. As well as conducting regular customer satisfaction (CS) surveys and giving questionnaires to hotel guests, we gather feedback from individual customers by having staff follow up with members or by speaking with customers using our hotel facilities. This allows us to engage directly with customers in an effort to provide them with the highest levels of service. We also take on feedback from customers to develop new services and products tailored to their life stages. For example, based on requests from customers we have planned new hotels, established adjoining facilities to be used when staying at a hotel (golf business) and catered to increased interest in and demands related to health due to the aging society (Medical Operations, Senior Life Operations).

Together with Shareholders and Investors

To maintain good relationships with shareholders and investors while continuing to live up to their expectations and trust, we implement timely and appropriate information disclosures and actively engage in IR activities. We also strive to reflect the feedback and results of dialogue from shareholders and investors in our management.

- Holding individual meetings with institutional investors (around 200 meetings a year)
 - Conducting shareholder questionnaires (5,642 responses from June 27, 2019 to July 31, 2019)
 - Providing briefings on financial results to institutional investors (four briefings per year)
- * Video or audio recordings are posted to the IR page afterward (throughout the year)
- Release of convocation notices, notices of resolutions and summaries of questions-and-answers on the website

More detailed information about the Resorttrust Group's sustainability initiatives is listed on our website. Please refer to the information on the website in conjunction with this report.

<https://www.resorttrust.co.jp/csr/>

Corporate Governance

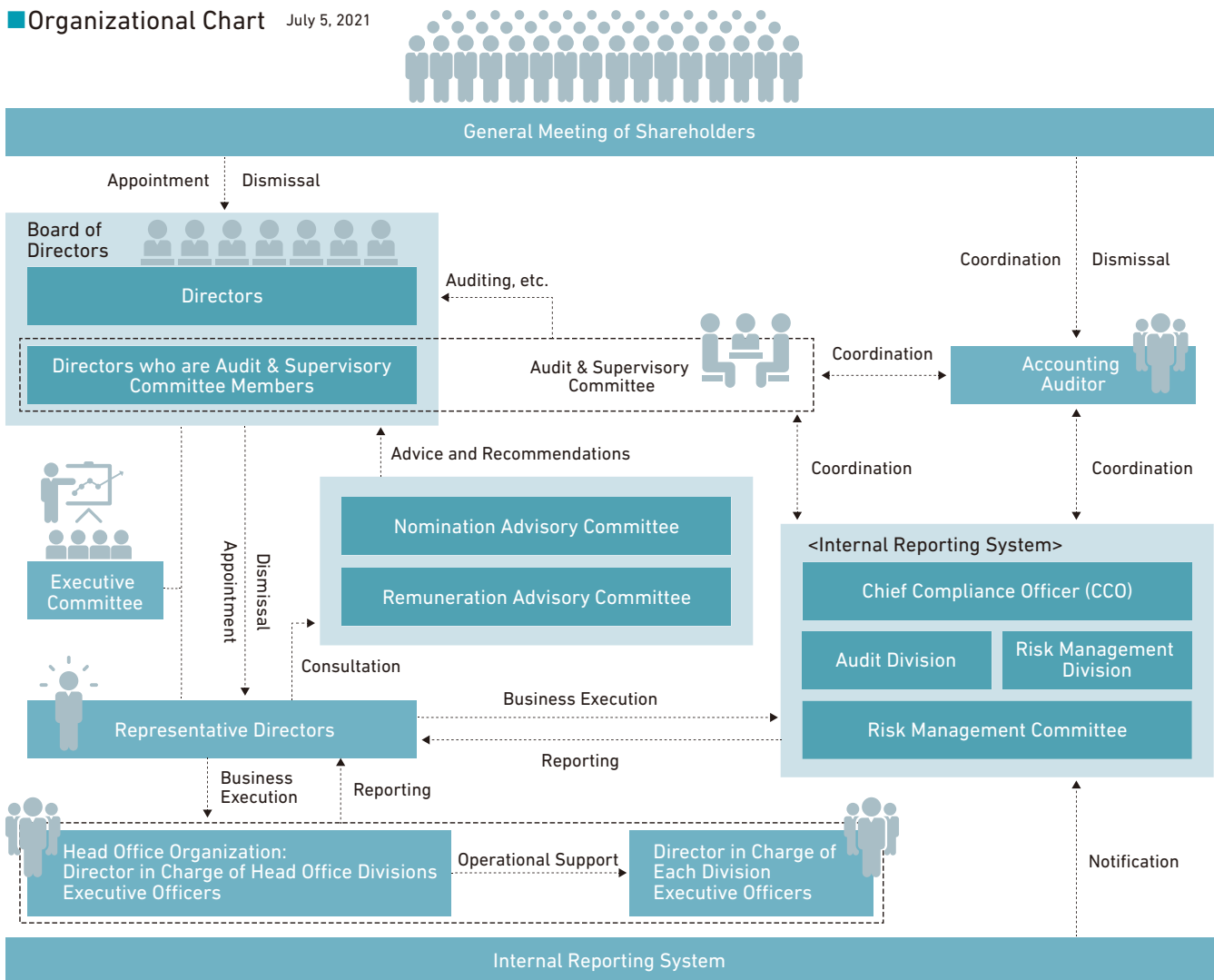
We see losing the trust of stakeholders as the greatest risk we face. So that we continue to be a company trusted by all stakeholders and society as a whole going forward, we will do our utmost to ensure transparency and fairness in management while striving to further enhance and strengthen corporate governance. Additionally, due to the highly unique nature of our business, we practice thorough risk management to ensure that corporate management does not fall victim to Galápagos syndrome.

Corporate Governance Structure

In June 2015, the Company transitioned to a company with an Audit & Supervisory Committee. The Company's Board of Directors, which has management decision-making functions and business execution supervisory functions, has endeavored to build and operate a timely and appropriate governance structure in an effort to improve corporate value in a more sustainable fashion by engaging in transparent, fair, prompt and decisive decision-making. Six outside directors (four of whom are male, two of whom are female, and all of whom are independent directors) have been appointed and four of them are members of the Audit & Supervisory Committee, which strengthens the supervisory function over executive directors.

The Audit & Supervisory Committee, which comprises four outside directors and one internal director, designates auditing policies and plans, receives regular reports from the directors and other parties on matters relating to the execution of their duties, and holds hearings as necessary. Full-time members of the Audit & Supervisory Committee attend important meetings such as Executive Committee meetings. In addition, the Company has established a Nomination Advisory Committee and Remuneration Advisory Committee, each chaired by one of the outside directors who are Audit & Supervisory Committee members. Each committee comprises three representative directors, one outside director and two outside directors who are Audit & Supervisory Committee members, for a

Organizational Chart July 5, 2021



total of seven members.

When appointing outside directors, the Company considers "having the necessary knowledge and experience to supervise and audit directors in terms of legal compliance as business management when determining if a candidate can adequately discharge

their duties. As criteria to assess the independence of outside directors, the Company has established its own criteria in addition to the standards for determining independence established by the Companies Act and financial instruments exchanges, and determines independence in accordance with these multiple criteria.

Officer Remuneration

The Company has established a remuneration system where the remuneration of directors (except for directors who are Audit & Supervisory Committee members; hereinafter the same) that adequately functions as an incentive that aims to achieve sustainable growth and the long-term expansion of corporate value, motivates each director, and makes it possible to obtain talented human resources as managers. When determining the remuneration of individual directors, the Company follows a basic policy of setting appropriate levels based on the responsibilities of each director.

Specifically, the remuneration of directors is made up of fixed remuneration, retirement benefits, the Board Benefit Trust (BBT) stock ownership system, and the Restricted Stock (RS) compensation system. In the interest of ensuring independence, the remuneration of outside directors comprises only fixed remuneration.

The retirement benefits system was abolished by resolution of the 48th General Meeting of Shareholders held on June 29, 2021. To reward the directors who had held their terms up to this meeting for their service, directors will be paid a retirement benefit when

stepping down, based on set criteria determined with consideration given to position, years of service, level of contribution and other circumstances.

The Board Benefit Trust (BBT) is funded from an annual maximum amount of 197 million yen and annual maximum number of shares granted of 197,000 (197,000 points), which is the annual remuneration allocation determined by the General Meeting of Shareholders. Points are given based on the attainment level of business results in accordance with the Officer Stock Benefit Regulations, and the number of shares corresponding to the awarded points provided upon retirement.

The RS system is funded from an annual maximum amount of 1.2 billion yen and annual maximum number of shares granted of 1.2 million, which is the annual remuneration allocation determined by the General Meeting of Shareholders. This system is designed to incentivize improving the Company's corporate value on a sustainable basis while advancing further value sharing with shareholders, and involves allocating share of the Company with restrictions on transfer at a certain time each year.

Total Amount of Remuneration For Each Category of Officer

Officer Category	Total Amount of Remuneration (Million yen)	Total Amount of Remuneration, etc. by Type (million yen)				Number of Eligible Officers
		Fixed remuneration	Performance-linked remuneration	Retirement benefits	Amount on the left that is non-monetary remuneration, etc.	
Directors (excluding Audit & Supervisory Committee members) (Excluding outside directors)	677	611	—	66	—	10
Directors (Audit & Supervisory Committee members) (Excluding outside directors)	12	12	—	—	—	1
Outside Directors	41	41	—	—	—	6

Note: Retirement benefits are the amount of the provision for retirement benefits related to the fiscal year under review.

Evaluation of Effectiveness of the Board of Directors

The Company conducts self-evaluations the effectiveness of the Board of Directors with the help of an outside organization. The Company adopted the same evaluation method as previous years. Questionnaires were given to 24 directors and executive officers in the fourth quarter of the fiscal year ending March 2021, with the Board of Directors performing analysis and self-evaluation performed based on the questionnaire. To ensure transparency, an outside organization was entrusted with handling the creation of the questionnaire and processing of the results. The results of Board of Directors operation in line of analysis and evaluation from the previous fiscal year, the composition, size and skill of the Board of Directors,

and the securing of opportunities for outside directors to demonstrate their functions all received high marks, and the Board's evaluation overall has also improved. As a result, the analysis and evaluation has determined that the Board of Directors has properly fulfilled its roles and expectations, and that in a continuation from the previous year, the Board of Directors has been sufficiently effective. In light of feedback suggesting that the Board of Directors needs to enhance discussions related to management strategy and review the role of reporting items to that end, further improvements will be made going forward. In addition, it is believed that having more than one-third of the Board of Directors be outside directors further contributes to its effectiveness.

Risk Management System

The Resorttrust Group operates various businesses including hotels, nursing care facilities and medical services facilities at multiple sites and recognizes that risk management is extremely important.

Of the risks we face, we have identified the following

Significant Risks	Expected Impact	Current Response and Other Action
COVID-19 coronavirus (COVID-19)	<ul style="list-style-type: none"> Worsening business performance due to stay-at-home policies, restrictions on movements, measures to close facilities and the costs incurred by implementing countermeasures 	<ul style="list-style-type: none"> Thorough implementation of measures to prevent infections and avoid three-C (closed spaces, crowded places, close-contact settings) situations Maintaining stable funds while controlling costs and consolidating operated hotels
Declining birthrate, aging population and shrinking labor force	<ul style="list-style-type: none"> Declining service quality, etc. due to personnel shortages 	<ul style="list-style-type: none"> Diversity, maintaining and advancing health, promoting workstyle reforms Enhancing productivity by introducing digitization
Natural disasters and accidents, etc.	<ul style="list-style-type: none"> Suspension of operations at affected facilities, costs incurred to restore operations Declining revenue from facility operation, effects on the supply chain 	<ul style="list-style-type: none"> Formulation of business continuity plans (BCP) Developing operational backup systems in anticipation of a major disaster Promoting measures to ensure food safety Developing infrastructure including safety confirmation systems for employees
Economic and market fluctuations	<ul style="list-style-type: none"> Negative impact on business performance due to consumer hesitancy 	<ul style="list-style-type: none"> Building a balanced portfolio including fixed operating revenue and backed by Medical Operations which are relatively resistance to economic downturns
Quality and safety	<ul style="list-style-type: none"> Damage to brand image and relationship of trust Unforeseen accidents during customer usage 	<ul style="list-style-type: none"> Speeding up information disclosures and strengthening close ties Periodic checks based on facility maintenance guidelines Thorough quality control and hygiene management Reviewing handling of food allergies
Information security	<ul style="list-style-type: none"> Leaking of personal information, leaking of confidential information on social media, etc. 	<ul style="list-style-type: none"> Formulation of information management rules, mitigating the risk of information leaks by introducing dedicated tablets IT literacy training for employees (55,392 attendees in fiscal 2020), training on targeted email attacks (9,323 attendees in fiscal 2020)
Medical malpractice and damage to health	<ul style="list-style-type: none"> Incidents of health damage occurring in medical examination or health checkup facilities, facilities for seniors 	<ul style="list-style-type: none"> Formulation of Guidelines on Measures to Prevent Medical Accidents (medical treatment itself is carried out by medical institutions)

Systems to ascertain and manage serious risks affecting the Resorttrust Group and policies to deal with them are determined by the Risk Management Committee.

items as "significant risks."

In addition to these, we are also aware of financial risks, legal risks associated with compliance and governance, and operational risks such as ensuring occupational safety and environmental consideration.

The Risk Management Committee, which is chaired by the President, has made progress in developing a framework to ensure the transparency of operations and address risk management on a company-wide basis.

Compliance Structure

For the Resorttrust Group, where trust and the brand serve as the foundations of management, compliance is synonymous with management.

To thoroughly ensure compliance, the Resorttrust Group not only conducts training and awareness-raising activities for all employees, but has also established an internal reporting system and a hotline system to field reports from outside the Company. (In fiscal 2020, the

internal reporting system and hotline dealt with 154 cases.)

The Company has also established a Chief Compliance Officer (CCO). Under their supervision, the Risk Management Division ensures that fair business activities are being conducted in adherence to corporate ethics and promotes the thorough strengthening of legal compliance.

For more detailed information on the Company's corporate governance, please check the following resources.

Corporate Governance Report <https://www.resorttrust.co.jp/english/ir/investors/governance/pdf/governance-2107.pdf>

Basic Policy Concerning Antisocial Forces https://www.resorttrust.co.jp/corporate/anti_social_policy/

Disclosure Policy https://www.resorttrust.co.jp/english/ir/disclosure_policy/

Policy on Constructive Dialogue with Shareholders <https://www.resorttrust.co.jp/ir/investors/governance/>

Message from Outside Directors (Audit & Supervisory Committee Members)

The Work Performed by the Audit & Supervisory Committee



Outside Director
(Audit & Supervisory
Committee Member)

Satoshi Akahori

Six years have passed since Resorttrust transitioned to a company with an Audit & Supervisory Committee.

During that time, the Company has undergone significant changes, such as enhancing its corporate brand value and making progress on corporate governance.

As an Audit & Supervisory Committee member, I believe that how opinions and information are gathered from the field, and how that information is utilized in corporate management to create a comfortable workplace environment as important.

The Company engages various businesses including membership, hotel & restaurant and medical operations. For these businesses to develop into companies trusted by customers and closely incorporated into their lives, it is important to build trust, such as by disclosing

corporate information.

The Audit & Supervisory Committee exchanges views with representative directors, receives reports from the Risk Management Division, Internal Control Division and other departments on a monthly basis, and monitors the internal status of the Company, but the most important thing is obtaining the right information. Then, the information that has been obtained is shared with Audit & Supervisory Committee members, and accurate risk management is implemented through lively exchanges of views.

The Company has also been heavily impacted by the COVID-19 pandemic, and has had an extremely difficult time implementing measures in response. Even if we overcome COVID-19 in the future, things will never completely return to normal, and some measures will need to remain in place. We must not neglect to implement those measures. Due to the emerging need for business continuity plans that anticipate a post-COVID world, we have the important mission of focusing on these issues, creating more opportunities to interface with those working in the field, and collecting their opinions. Looking ahead, I will continue to diligently perform my duties from an objective, fair and neutral standpoint.

Thoughts on Assuming the Position of Outside Director and Audit & Supervisory Committee Member



Outside Director
(Audit & Supervisory
Committee Member)

Masaru Miyake

At the 48th General Meeting of Shareholders held this past June 29, 2021, I was newly appointed Outside Director and Audit & Supervisory Committee member.

I would like to thank you for your support as I take on this new position.

I worked for many years in public administration as a civil servant. I went through the era when fiscal reforms were being promoted against a backdrop of severe financial conditions. In the 2000s, the need to strengthen compliance also emerged in the area of public administration. I will do my utmost to make use

of these experiences in carrying out my duties going forward.

The global spread of COVID-19 has reduced economic activity and made the future uncertain, but with the progress of vaccinations going forward, we will need to respond to changes in the economic environment in anticipation of a post-COVID world, or a world in which COVID-19 is endemic.

I will also closely monitor the response to management issues due to the spread of new variants of COVID-19. This is also an era in which companies are expected to implement initiatives to solve social issues such as environmental conservation, or the advancement of health and welfare.

With these considerations in mind, I will promote the sound and sustainable growth of the Company from an objective standpoint, and fulfill my responsibility to promote good corporate governance that will prove worthy of society's trust.

List of Directors

(as of June 30, 2021)



Katsuyasu Ito
Chairman of the Board & CEO

Yoshiro Ito
Founder & Group CEO

Ariyoshi Fushimi
President & COO

Reasons for Appointment

<p>Yoshiro Ito Founder & Group CEO (Group Chief Executive Officer)</p>	<p>Number of Shares Held: 2,922,616 shares</p> <p>April 1973 President and Representative Director May 1996 CEO (Chief Executive Officer) April 1999 Representative Director and Chairman April 2018 Representative Director and Founder (current position), Group CEO (Group Chief Executive Officer) (current position)</p>	<p>After establishing Resorttrust together with Katsuyasu Ito, he grew the Company's core membership business to become No. 1 in the industry. He was appointed in the hope that he will use his wealth of experience, proven track record and strong leadership to make further contributions to the development of the Company in the future as a presence that embodies the Resorttrust brand.</p>
<p>Katsuyasu Ito Chairman of the Board & CEO</p>	<p>Number of Shares Held: 787,312 shares</p> <p>April 1973 Managing Director September 1980 Senior Managing Director July 1993 Representative Director and Vice President May 1996 COO (Chief Operating Officer) April 1999 Representative Director and President April 2018 Representative Director and Chairman (current position), CEO (Chief Executive Officer) (current position)</p>	<p>As a certified public accountant and real estate appraiser, he has demonstrated his knowledge and experience to contribute to the development of the Company. He has also lead the overall Group as a force that embodies the Resorttrust brand. He was appointed in the hope that he will use his wealth of experience, proven track record and strong leadership to make further contributions to the development of the Company.</p>
<p>Ariyoshi Fushimi President & COO</p>	<p>Number of Shares Held: 153,514 shares</p> <p>October 2003 Head of Corporate Planning Office June 2005 Director July 2006 Corporate Planning and Public Relations Department Supervisor, Director of Public Relations September 2007 Head of Medical Division June 2013 Managing Director April 2014 Senior Managing Director and Head of the Medical Division May 2016 Executive Vice President April 2018 President (current position) and COO (Chief Operating Officer) (current position)</p>	<p>He has handled the Membership Division, Hotel and Restaurant Operating Division, New Business Development Division, Corporate Planning Office, Public Relations Division, Medical Operations, as well as improvements to ES, CS, processes and the brand. He was appointed in the hope that he will utilize his vast experience in these areas to make further contributions to the development of the Company.</p>



Katsuyuki Iuchi

Senior Managing Director, Head of Operation Division & CCO (Chief Compliance Officer)
Number of Shares Held: 12,220 shares

Reasons for Appointment At the Mizuho Financial Group, he gained experience in human resources, corporate planning, sales and secondment to government offices, possesses a wealth of financial knowledge, along with extensive management experience including human resources, corporate planning and group company management. He was appointed in the hope that he will use these qualities to help enhance the corporate value of the Company.



Toshihiko Uchiyama

Senior Managing Director, Head of Food & Beverages Division
Number of Shares Held: 135,130 shares

Reasons for Appointment Overseeing the Food & Beverages Division, he has laid the foundations for food and beverage evaluation and for realizing the Resorttrust philosophy of sophistication and high quality in food and beverages. He also makes use of his experience in Europe to develop sommeliers and other staff. He was appointed in the hope that he will utilize his extensive experience and proven track record to further contribute to the development of the Company in the future.



Shinichiro Hanada

Managing Director, Head of Development Division
Number of Shares Held: 2,043 shares

Reasons for Appointment He has experience working for the Long-Term Credit Bank of Japan (LTCB) and the Central Japan Railway Company (JR Central). At LTCB he engaged in sales promotion and headed the planning division. At JR Central he was responsible for head office administration as well as overall sales and management as general manager of the Secretarial Department. He was appointed in the hope that he will utilize his extensive experience and proven track record to further contribute to the development of the Company in the future.



Shigetoshi Ogino

Director, Head of Hotels & Resorts Division
Number of Shares Held: 66,427 shares

Reasons for Appointment He has amassed a track record in hotel management through involvement in Membership Operations, new membership hotels and the launch and operation of new golf courses. He engineered a smooth handover of operations as the local manager following the Kahala Hotel acquisition. He was appointed in the hope that he will utilize his extensive experience and proven track record to further contribute to the development of the Company in the future.



Asako Terazawa*

Outside Director
Number of Shares Held: 1,020 shares

Reasons for Appointment She specialized in management organizational theory and organizational behavior theory, and has taken part in research into motivating employees and organizational reform. She also has experience in corporate research and has served as a member of various government committees, as a trustee of a social welfare organization and as director of a foundation. She will be expected to supervise management from an objective standpoint independent of executive officers.



Yoichi Aiba*

Outside Director
(Audit & Supervisory Committee Member)
Number of Shares Held: 0 shares

Reasons for Appointment He possesses expert knowledge and experience as an attorney, and has helped ensure the soundness of Company management from legal perspectives as a director serving as Company auditor and Audit & Supervisory Committee member. He will be expected to supervise management from an objective standpoint independent of executive officers.



Toshihisa Nakatani*

Outside Director
(Audit & Supervisory Committee Member)
Number of Shares Held: 0 shares

Reasons for Appointment He possesses expert knowledge and experience as a certified public accounting and tax accounting, and has helped ensure the soundness of Company management as a director serving as an outside director and Audit & Supervisory Committee member. He will be expected to supervise management from an objective standpoint independent of executive officers.



Atsuyuki Shintani

Senior Managing Director, Head of Membership Division
Number of Shares Held: 93,000 shares

Reasons for Appointment In addition to heading up Membership Operations and engaging in facility development, he has focused on expanding the Company's market share, name recognition and sales in the Kanto region, increasing contract volume by five times in the region. He has also worked hard to spread human resources training among executives. He was appointed in the hope that he will utilize his extensive experience and proven track record to further contribute to the development of the Company in the future.



Naoshi Takagi

Managing Director, Deputy Head of Membership Division and President of Osaka Office
Number of Shares Held: 0 shares

Reasons for Appointment He has worked on sales in Membership Operations and worked hard to expand the Company's market share and enhance the brand, particularly in the Chubu region. He is currently concentrating on human resource development with a focus on junior employees as Deputy Head of the Membership Division. He was appointed in the hope that he will utilize his extensive experience and proven track record to further contribute to the development of the Company in the future.



Tetsuya Furukawa

Managing Director and Head of the Medical Division
Number of Shares Held: 12,623 shares

Reasons for Appointment He has contribute to business expansion as a director at Resorttrust medical and senior life-oriented subsidiaries. He is currently head of the Medical Division. He practices diversity management including the utilization of expert human resources as the development of female managers. He was appointed in the hope that he will use his extensive experience and proven track record to contribute to the development of the Company and brand creation going forward.



Tomoyo Nonaka*

Outside Director
Number of Shares Held: 2,620 shares

Reasons for Appointment Including work as a television program anchor, she possesses the broad insight into politics, society and the environment that is required for corporate management from the outside perspective of a freelance journalist, and also has wide-ranging experience and achievements in corporate management. She will be expected to supervise management from an objective standpoint independent of executive officers.

Audit & Supervisory Committee Member



Hidenobu Minowa

Director (Audit & Supervisory Committee Member)
Number of Shares Held: 23,220 shares

Reasons for Appointment He handed the Accounting Division, and was responsible for accounting, finance at the Membership Operations Division as an executive officer. He was responsible for company management at a Group subsidiary. Using the broad expert knowledge accumulated through these experiences, he is expected to supervise management from an objective standpoint independent of executive officers.



Satoshi Akahori*

Outside Director
(Audit & Supervisory Committee Member)
Number of Shares Held: 0 shares

Reasons for Appointment In addition to expert knowledge and experience as a tax accounting, he has experience serving as an outside auditor at another company and has helped ensure the soundness of Company management as a director serving as an auditor and Audit & Supervisory Committee member. He will be expected to supervise management from an objective standpoint independent of executive officers.



Masaru Miyake*

Outside Director
(Audit & Supervisory Committee Member)
Number of Shares Held: 0 shares

Reasons for Appointment He worked for many years in public administration as a civil servant and gained experience as the vice president of a University. He possesses extensive experience and broad insight regarding laws and society. He will be expected to supervise management from an objective standpoint independent of executive officers.

*1: Please refer to the Convocation Notice for the 47th General Meeting of Shareholders and Notification of Independent Officers for more information about the careers of each director, the independence of independent officers, and the reasons for nomination.
*2: The number of shares held is as of March 31, 2021. *Independent Officer



Membership Operations

■ Performance in the Fiscal Year Ended March 31, 2021

In Membership Operations, in part due to the lump-sum recording of deferred real estate revenue ahead of the opening of Yokohama Baycourt Club Hotel & Spa Resort in September 2020 and strong sales of high-grade hotel memberships due to increased demand during the COVID-19 pandemic, we achieved increased sales and profits.

Note that from April to June 2020, sales activities were restricted particularly in the

Tokyo metropolitan area due to the spread of COVID-19 infections and we were unable to perform regular face-to-face sales activities. As a result, membership sales volume declined year on year. Under this operating environment, we have continued to take on future-oriented challenges such as accommodating new sales styles through telework, and expanding new sales channels through the web and business partners.

■ Details of Initiatives for the Fiscal Year Ending March 31, 2022

While focusing on continued sales of existing XIV properties, we will also begin sales of Sanctuary Court Takayama, a new art gallery resort that combines an art gallery with hotel facilities. Since there is no realization of

deferred income from openings in the fiscal year ending March 2022, sales and profits are expected to decline compared with the previous fiscal year.

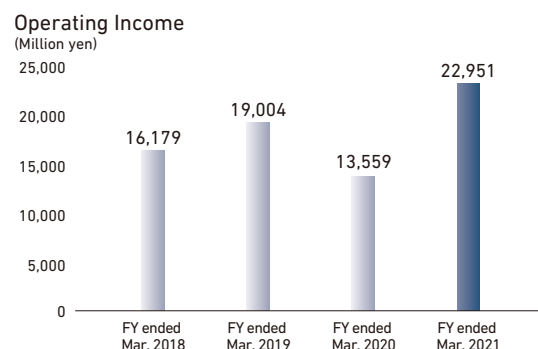
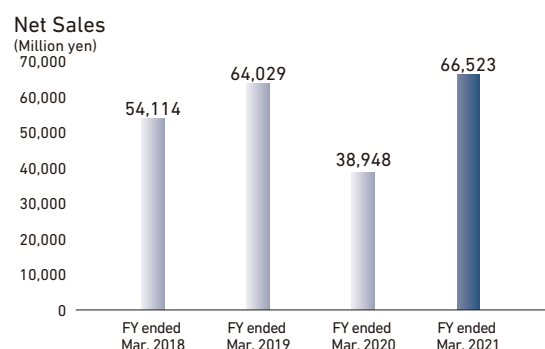
■ Targets and New Initiatives in the Medium-Term Management Plan

Increasing contract volume by investing in new products and thoroughly following up on customers due to the environment during the COVID-19 pandemic will lead to a rise in referrals. Beginning with the new release of

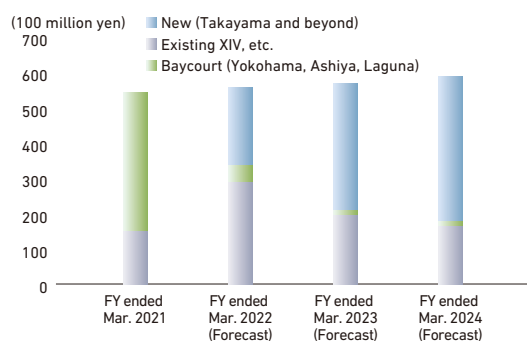
Sanctuary Court Takayama, we expect sales of new properties to steadily increase from the fiscal year ending March 2023 onward, and will focus on developing new brands and firmly establishing demand.

Change in Net Sales and Operating Income (Fiscal Year Ended March 2021)

*Operating income is displayed as operating income before head office expenses (indirect expenses) shared by the entire company were allocated to each segment.



Hotel Membership Contract Volume / Sales Mix Expectations in the Medium-term Management Rolling Plan



<Major KPIs>

- Productivity per person, time productivity, improvement in each (Annual increase of 2% on average for contract volume in total)
- Sales utilizing digital technologies
FY2023 target: 8 billion yen (approx. 200% compared with FY2020 expected)
- Number of new memberships sold and membership sold through referral are both expected to increase.

Hotel and Restaurant Operations

■ Performance in the Fiscal Year Ended March 31, 2021

In Hotel and Restaurant Operations, both sales and profits declined for various reasons, including the closing of facilities due to stay-at-home policies warning against unnecessary outings due to the spread of COVID-19 infections from April to June 2020, declining consumer appetite for travel and tourism, a particular decline in usage for corporate employees, groups, weddings, banquets and meetings, declining hotel utilization rates, and a notable impact on foreign travelers visiting Japan and business users for non-membership hotels. However, from July 2020 onwards hotel operations began to recover, in part due to the peace of mind

offered by membership-based facility operation. The government-led "GoTo" campaigns also encouraged higher demand for travel, leading to strong sales of high-priced plans and rising unit consumption. However, from January 2021 the GoTo campaign was suspended and infections began to spread again, resulting in a flurry of cancellations. Under these operating conditions, we have conducted to create sustainable added value in our operations by pursuing the safety and security that is unique to the membership model, including the measures to avoid the three Cs, developed by Group by mainly utilizing the knowledge of the Medical Operations.

■ Details of Initiatives for the Fiscal Year Ending March 31, 2022

We will increase profit margins by maintaining the fixed costs that were pushed down from FY2020 to FY2021 at the same level, while aiming for an operational level that will enable

profitability while positioning the fiscal year ending March 2022 as a transitional period based on the assumption that vaccines will not have completely spread.

■ Targets and New Initiatives in the Medium-Term Management Plan

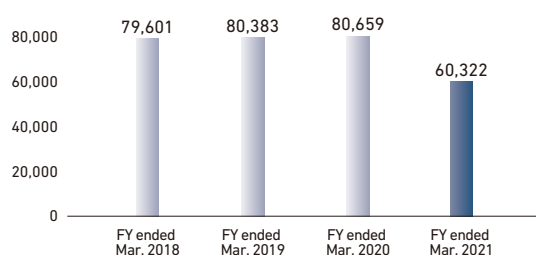
In the operation of membership hotels, we will boost profit margins with streamlining through digital transformation, work to encourage use by individuals and corporate employees whose activity has declined under COVID-19 by utilizing digital technologies in follow-ups as part of sales activities, and try to increase the

average number of nights used by members by developing new products and services that will make visiting a hotel itself the purpose of a trip. In the operation of non-membership hotels, we will strive to evolve operating models by leveraging Group synergy and enhance sales measures including partial renovations.

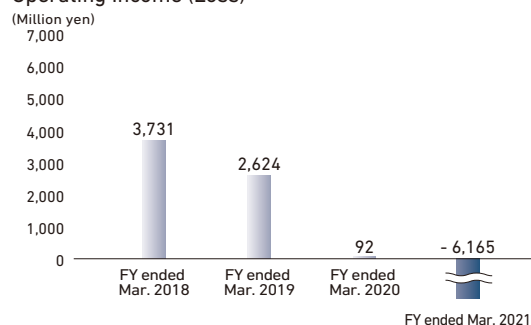
Change in Net Sales and Operating Income (Fiscal Year Ended March 2021)

*Operating income is displayed as operating income before head office expenses (indirect expenses) shared by the entire company were allocated to each segment.

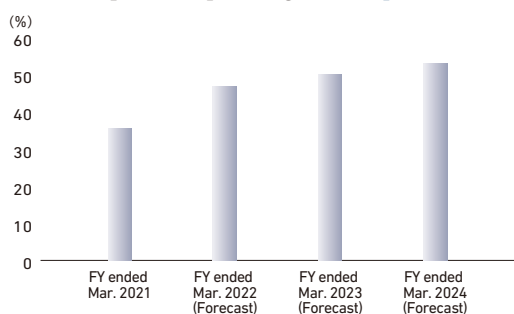
Net Sales
(Million yen)
100,000



Operating Income (Loss)



XIV/BCC Expected Operating Rate Expectations in the Medium-term Management Rolling Plan



<Major KPIs>

- Margin on sales: expected to recover to around 5%
- Continuous increase in number of nights used per member
- Maintaining and improving customer satisfaction (CS) and employee satisfaction (ES)



Medical and Senior Lifestyle Operations

■ Performance in the Fiscal Year Ended March 31, 2021

In Medical Operations, in addition to higher revenue from annual membership fees from increased membership in Grand HIMEDIC Club, our comprehensive medical club, we also saw growth in senior residence operations and the medical checkup business. However, due to the spread of COVID-19, we were restricted from member recruitment and tenant recruitment activities and had to close medical checkup facilities. These factors

placed downward pressure on profits. However, there was increased interest in membership-based healthcare services due to rising health consciousness, and strong sales of medical memberships resulted in increased sales and profits. Under this operating environment, we have continued to provide information to the Group businesses and contribute to synergy by providing support while creating cutting-edge medical and nursing care services.

■ Details of Initiatives for the Fiscal Year Ending March 31, 2022

In the HIMEDIC business, membership numbers have steadily increased against a backdrop of strong demand. On the accounting front, due to changes to revenue recognition standards we expect revenue from registration fees to decline in the fiscal year ending March 2022, but also expect to see a steady increase thereafter. In the Senior Life business, although

we do not expect the number of senior residence units to increase, the occupancy rate rising to around 95% will lead to improved profit margins. In addition, we will launch a new brand for women in the femtech business, which will support the health of working women under the supervision of gynecologists.

■ Targets and New Initiatives in the Medium-Term Management Plan

In the HIMEDIC business, we will expand medical checkup capacity and enhance services to ensure the long-term stability of profits.

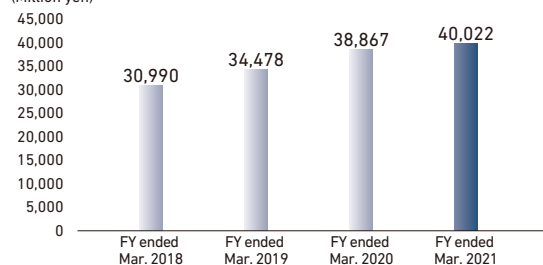
In the non-membership medical checkup business, we will create synergy with HIMEDIC corporate member companies and strive to maximize earnings efficiency by boosting

productivity through the use of AI and IT. In the Senior Life business, we will make our products more attractive by making product and price revisions, understand redesigns, and try to increase the percentage of tenants who are Group members.

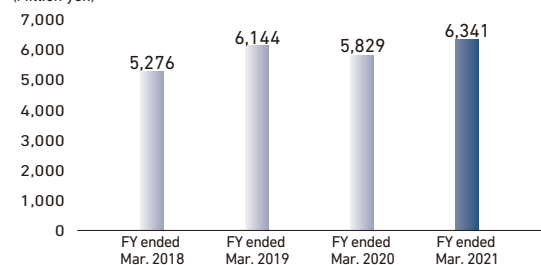
Change in Net Sales and Operating Income (Fiscal Year Ended March 2021)

*Operating income is displayed as operating income before head office expenses (indirect expenses) shared by the entire company were allocated to each segment.

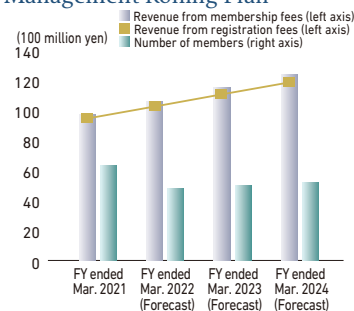
Net Sales
(Million yen)



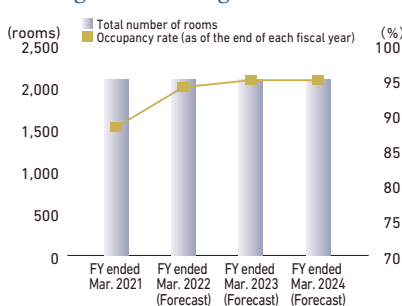
Operating Income
(Million yen)



HM Members, Posted Revenue Expectations in the Medium-term Management Rolling Plan



Senior Residence Tenancy Expectations in the Medium-term Management Rolling Plan



We will maximize the Group's economic sphere with HIMEDIC Memberships as the entryway, and promote solutions to issues through multi-company alliances. In fiscal 2026, we expect segment profits to top 10 billion yen.

Review and Analysis of Financial Position and Management Results

■ Operating Results

With COVID-19 raging worldwide, business activities were significantly affected in the first quarter due to domestic stay-at-home policies and a precipitous fall in the number of foreign visitors to Japan, resulting in restrictions and reductions in membership sales activities, the closure of hotels and other facilities, the closing of medical checkup facilities, and a slowdown in new occupancy at senior residences. However, from July onwards, in part due to the government-led "GoTo campaign," the rising demand for luxury resorts, increased health consciousness and rising interest in membership-based medical services resulted in a better than expected turnout in sales of high-grade hotel memberships, high-priced travel plans and medical memberships.

Then with the opening of Yokohama Baycourt Club Hotel & Spa Resort in September, we recorded deferred real estate revenue in a lump-sum. In the fourth quarter, with the resurgence in COVID-19 infections and the suspension

of the GoTo Campaign, we returned to the basics of our membership model, and continued to promote a lifelong strategy that is adapted to the new normal.

As a result of these efforts, in the fiscal year under review we generated net sales of 167,538 million yen (up 5.3% year on year) in part due to the spread of COVID-19 and revenue recognition associated with the opening of a membership hotel, while operating income was 14,707 million yen (up 26.2% year on year) and ordinary income was 17,647 million yen (a 41.5% year-on-year increase). As a result of recording an impairment loss of 22,034 million yen for business sites whose demand forecast is uncertain, such as the non-membership hotel business that was hit hard by the COVID-19 pandemic, net loss attributable to owners of parent was 10,213 million yen (down from a net income attributable to owners of parent that amounted to 7,135 million yen in the previous fiscal year).

■ Financial Position

● Assets

Current assets rose 22% year on year to 152,856 million yen, mainly due to cash and cash equivalents increasing 27,203 million yen and securities increasing 10,196 million yen. Fixed assets decreased 7.7% to 254,386 million yen, primarily reflecting a 17,382 million yen drop in non-current assets mainly from the posting of impairment losses. As a result, total assets increased 1.6% to 407,243 million yen.

● Liabilities

Current liabilities increased 50% year on year to 100,777 million yen, primarily due to an increase of 11,847 million yen in current portion of long-term loans payable and an increase of 29,728 million yen in bonds

with subscription rights to new shares to be redeemed within one year, despite a reduction in advances received amounting to 18,480 million yen due to the opening of a membership hotel. Fixed liabilities declined 7.5% year on year to 185,673 million yen due to an increase of 12,988 million yen in long-term loans payable despite bonds with subscription rights to new shares being reclassified as current liabilities. As a result, total liabilities increased 6.9% year on year to 286,451 million yen.

● Net Assets

Total net assets decreased by 9.2% to 120,791 million yen, mainly due to a 13,681 million yen decrease in retained earnings.

■ Summary of Cash Flows

● Cash flows from operating activities

Cash generated from operating activities increased by 22,981 million yen (up 3,885 million yen year on year). This was primarily due to an impairment loss of 22,034 million yen, and a 14,295 million yen change in inventories.

● Cash flows from investing activities

Cash generated from investing activities decreased 13,577 million yen (down 5,330 million yen). The fall was

mainly due to expenditures amounting to 14,070 million yen from the acquisition of non-current assets.

● Cash flows from financing activities

Cash generated from financing activities increased 22,012 million yen (up 35,377 million year on year). The rise was mainly due to revenue amounting to 35,000 million yen from long-term loans payable.

■ Changes to Accounting Policy from Fiscal 2021 (HIMEDIC Registration Fees)

From April 2021, due to revised accounting standards for revenue recognition going into effect, registration fees associated with the Resorttrust Group's Medical Operations will be amortized over a set period (8 years, with the remainder recorded in the balance sheet as advances received.)

As registration fees recorded in the fiscal year under review have been recalculated based on past sales amounts that go back eight years retroactively to the time of sale, the amount of registration fees recorded in fiscal 2021 will be close to the average of single year sales amounts from fiscal 2012 onwards.

Consolidated Financial Statements

Operating Results

	FY Mar. 2011	FY Mar. 2012	FY Mar. 2013
Net sales	108,976	99,894	105,311
Operating income	13,172	9,891	12,054
Ordinary income	13,341	9,443	12,976
Income before income taxes and non-controlling interests	7,866	8,969	11,508
Net income (loss) attributable to owners of parent	3,300	5,415	7,127
Depreciation (CF basis)	6,185	6,166	5,482
EBITDA*	19,357	16,057	17,536
Capital investment	6,269	5,320	3,527
Net cash provided by operating activities	14,126	19,657	21,338
Net cash used in investment activities	(5,962)	(15,546)	(15,958)
Net cash provided by (used in) financing activities	(19,131)	(3,351)	11,447
Cash and cash equivalents	21,446	21,888	38,716
Net cash provided by operating activities to net sales (%)	13.0	19.7	20.3
Net assets	61,379	64,883	73,145
Total assets	237,359	235,151	253,861

*Operating income + depreciation (cash flow basis)

Financial Data

Various Indicators (Consolidated)

(%)

	FY ended Mar. 2017	FY ended Mar. 2018	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
Operating income to net sales	9.4	10.7	10.5	7.3	8.8
Net income attributable to owners of parent to net sales	7.7	7.2	6.9	4.5	—
Return on assets (ROA)	3.6	4.6	4.7	3.1	4.4
Return on equity (ROE)	9.9	10.1	10.0	5.6	(8.4) ^{Note 2}
Interest coverage ratio ^{Note 1} (1x)	44.9	13.0	24.0	34.6	64.9
Equity ratio	27.0	28.7	31.7	31.9	28.4

Note 1: Interest coverage ratio = net cash provided by operating activities / interest payment amount

Note 2: Excluding impact on net income attributable to owners of parent and shareholders' equity due to impairment loss of ¥22 billion

Per Share Data (Consolidated)

(yen)

	FY ended Mar. 2017	FY ended Mar. 2018	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
Earnings per share (basic)	103.40	110.82	115.53	66.65	(95.39)
Earnings per share (diluted)	95.09	101.99	106.42	61.29	—
Net assets per share	1,068.20	1,130.11	1,190.63	1,193.69	1,079.40
Cash dividends per share	46.00	46.00	46.00	40.00	30.00
Payout ratio (%)	44.5	41.5	39.8	60.0	—

Note: Per share data and major indicators are rounded to the third decimal place and second decimal place, respectively.

(Million yen)

FY Mar. 2014	FY Mar. 2015	FY Mar. 2016	FY Mar. 2017	FY Mar. 2018	FY Mar. 2019	FY Mar. 2020	FY Mar. 2021
116,824	120,401	142,249	143,541	165,413	179,542	159,145	167,538
15,190	16,041	18,640	13,514	17,742	18,877	11,652	14,707
16,830	20,206	19,439	14,806	19,422	19,528	12,476	17,647
15,408	17,709	17,531	16,290	18,585	19,049	11,153	(6,953)
8,733	11,851	13,044	11,010	11,830	12,358	7,135	(10,213)
5,523	5,876	7,030	7,746	8,609	9,678	10,944	11,331
20,713	21,917	25,670	21,260	26,351	28,555	22,596	26,038
19,561	40,192	14,177	14,409	26,490	20,652	16,870	15,391
24,815	22,057	2,616	26,249	8,456	16,674	19,096	22,981
(33,747)	(71,837)	(33,824)	3,881	(7,282)	(2,057)	(8,247)	(13,577)
22,179	60,359	(8,624)	(15,593)	(9,177)	(23,198)	(13,364)	22,012
51,965	66,404	25,476	40,365	32,469	23,895	21,376	52,756
21.2	18.3	1.8	18.3	5.1	9.3	12.0	13.7
81,395	104,769	112,515	118,379	125,190	132,050	132,991	120,791
300,774	390,832	407,430	421,606	421,440	401,426	400,833	407,243

■ Net Sales by Segment

(Million yen)

	FY ended Mar. 2017	FY ended Mar. 2018	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
Membership Operations	42,530	54,114	64,029	38,948	66,523
Hotel and Restaurant Operations	74,193	79,601	80,383	80,659	60,322
Medical Operations	25,702	30,990	34,478	38,867	40,022
Other	1,114	707	651	670	670
Total	143,541	165,413	179,542	159,145	167,538

■ Operating Income by Segment

(Million yen)

	FY ended Mar. 2017	FY ended Mar. 2018	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
Membership Operations	6,988	16,179	19,004	13,559	22,951
Hotel and Restaurant Operations	3,010	3,731	2,624	92	(6,165)
Medical Operations	3,011	5,276	6,144	5,829	6,341
Other	503	554	572	663	531
Head Office Cost	—	(7,999)	(9,468)	(8,491)	(8,952)
Total	13,514	17,742	18,877	11,652	14,707

*Due to organizational changes made on April 1, 2018, the method for segment categorization has been revised from the fiscal year ended March 31, 2019.

Segment information listed from the fiscal year ended March 31, 2018 was created using the changed categorization method. Segment information for previous fiscal years shows numbers calculated on the prior basis.

Note 1: Fiscal year refers to the operating period ended/ending March 31.

Figures are rounded down to the nearest million yen.

Note 2: Starting from the fiscal year ended March 31, 2018, operating income segments have been changed to disclose operating income prior to the allocation of head office costs.

Consolidated Financial Statements

Consolidated Balance Sheets

Assets

	(Million yen)		
	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
Current assets			
Cash and deposits	26,742	21,164	48,367
Note and accounts receivable - trade	8,891	8,233	9,032
Operating loans	46,623	53,549	58,268
Securities	4,647	499	10,695
Merchandise	1,082	1,167	971
Real estate for sale	30,049	22,077	15,668
Raw materials and supplies	1,429	1,014	1,202
Real estate for sale in process	11,845	12,357	3,685
Other	5,380	6,232	5,987
Allowance for doubtful accounts	(937)	(1,000)	(1,022)
Total current assets	135,754	125,296	152,856
Non-current assets			
Property, plant and equipment			
Buildings and structures, net	101,777	103,562	103,936
Machinery, equipment and vehicles, net	2,889	2,621	2,242
Golf courses	7,591	7,634	7,635
Land	38,649	44,886	48,580
Leased assets, net	6,227	13,721	7,573
Construction in progress	17,920	16,885	2,306
Other, net	4,945	4,436	4,091
Total property, plant and equipment	180,001	193,748	176,366
Intangible assets			
Goodwill	3,637	3,094	2,511
Software	4,534	4,969	4,153
Other	3,634	2,516	2,554
Total intangible assets	11,806	10,580	9,218
Investments and other assets			
Investment securities	43,599	36,016	29,867
Shares of subsidiaries and associates	1,313	1,368	1,323
Long-term loans receivable	6,120	5,743	6,052
Net defined benefit asset	725	235	188
Deferred tax assets	8,234	8,918	11,551
Other	14,624	19,536	20,288
Allowance for doubtful accounts	(755)	(611)	(470)
Total investments and other assets	73,862	71,208	68,801
Total non-current assets	265,671	275,537	254,386
Total assets	401,426	400,833	407,243

Liabilities

	(Million yen)		
	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
Current liabilities			
Notes and accounts payable - trade	1,471	1,117	1,335
Short-term loans payable	5,000	—	2,125
Current portion of long-term borrowings	1,839	8,107	19,954
Current portion of bonds	250	150	150
Lease obligations	875	1,212	1,164
Accounts payable - other	22,389	6,861	7,924
Income taxes payable	3,608	1,785	5,726
Accrued consumption taxes	997	1,929	2,153
Advances received	12,209	22,028	3,548
Other	22,123	24,003	56,698
Total current liabilities	70,764	67,192	100,777
Non-current liabilities			
Bonds payable	450	300	150
Bonds with subscription rights	29,813	29,770	—
Long-term loans payable	39,123	31,016	44,004
Lease obligations	5,806	13,538	12,435
Deferred tax liabilities	638	376	671
Provision for directors' retirement benefits	2,133	2,099	2,156
Provision for stocks payment	1,697	1,803	2,014
Net defined benefit liability	1,959	2,231	2,453
Long-term guarantee deposited	101,595	101,768	103,949
Negative goodwill	—	—	—
Other	15,392	17,748	17,841
Total non-current liabilities	198,611	200,649	185,673
Total liabilities	269,375	267,842	286,451
Net Assets			
Shareholders' equity			
Capital stock	19,590	19,590	19,590
Capital surplus	22,192	21,767	21,701
Retained earnings	86,144	88,294	74,612
Treasury shares	(1,852)	(1,802)	(1,787)
Total shareholders' equity	126,074	127,849	114,116
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	821	(450)	1,801
Foreign currency translation adjustment	858	728	(443)
Remeasurements of defined benefit plans	(323)	(328)	104
Total accumulated other comprehensive income	1,355	(50)	1,462
Subscription rights to shares	292	313	313
Non-controlling interests	4,326	4,878	4,898
Total net assets	132,050	132,991	120,791
Total liabilities and net assets	401,426	400,833	407,243

■ Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

	(Million yen)		
	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
Net sales	179,542	159,145	167,538
Cost of sales	42,167	24,012	37,854
Gross profit	137,374	135,133	129,684
Selling, general and administrative expenses	118,497	123,480	114,977
Advertising expenses	2,452	2,428	1,533
Membership service expenses	698	1,135	1,523
Repair and maintenance	4,090	4,442	4,283
Linen expenses	3,983	4,305	3,068
Employees' salaries and bonuses, directors' compensation	46,877	48,087	45,660
Depreciation	8,595	9,849	9,572
Other	51,799	53,145	49,338
Operating income	18,877	11,652	14,707
Total non-operating income	2,145	2,083	4,159
Interest and dividend income	1,606	1,356	1,142
Other	539	727	3,017
Total non-operating expenses	1,494	1,260	1,219
Interest expenses on paid on loans and bonds	677	550	444
Other	816	710	775
Ordinary income	19,528	12,476	17,647
Total extraordinary income	685	147	1,507
Total extraordinary losses	1,164	1,470	26,109
Impairment loss	149	1,245	22,034
Income (loss) before income taxes and non-controlling interests	19,049	11,153	(6,953)
Income taxes - current	7,061	4,146	6,714
Income taxes - deferred	(730)	(382)	(3,504)
Total income taxes	6,331	3,763	3,209
Net Income (loss)	12,718	7,389	(10,163)
Net income (loss) attributable to non-controlling interests	360	254	50
Net income (loss) attributable to owners of parent	12,358	7,135	(10,213)

■ Consolidated Statements of Cash Flow

	(Million yen)		
	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
Net cash provided by operating activities	16,674	19,096	22,981
Net cash used in investment activities	(2,057)	(8,247)	(13,577)
Cash flows from financing activities	(23,198)	(13,364)	22,012
Effect of exchange rate change on cash and cash equivalents	8	(3)	(37)
Net increase (decrease) in cash and cash equivalents	(8,573)	(2,518)	31,379
Cash and cash equivalents at beginning of period	32,469	23,895	21,376
Cash and cash equivalents	23,895	21,376	52,756

Consolidated Statements of Comprehensive Income

	(Million yen)		
	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
Net Income (loss)	12,718	7,389	(10,163)
Other comprehensive income			
Valuation difference on available-for-sale securities	159	(1,272)	2,252
Foreign currency translation adjustment	(956)	(129)	(1,171)
Remeasurements of defined benefit plans, net of tax	(268)	(5)	433
Total other comprehensive income	(1,064)	(1,407)	1,514
Comprehensive income	11,653	5,981	(8,649)
Attributable to			
Attributable to owners of parent	11,292	5,728	(8,700)
Attributable to non-controlling interests	360	253	51

Business Data

Change in Numbers of Members

(number of people)

		FY ended Mar. 2017		FY ended Mar. 2018		FY ended Mar. 2019		FY ended Mar. 2020		FY ended Mar. 2021	
Baycourt Club	Members	13,115		15,793		18,255		20,507		23,553	
	Corporate	7,766	59.2%	9,728	61.6%	11,568	63.4%	13,393	65.3%	15,723	66.8%
	Individual	5,349	40.8%	6,065	38.4%	6,687	36.6%	7,114	34.7%	7,830	33.2%
XIV	Members	76,517		77,220		77,592		77,982		77,789	
	Corporate	33,583	43.9%	34,111	44.2%	34,817	44.9%	35,559	45.6%	35,875	46.1%
	Individual	42,934	56.1%	43,109	55.8%	42,775	55.1%	42,423	54.4%	41,914	53.9%
Sun Members	Members	34,429		33,572		32,478		31,485		29,789	
Cruiser	Members	417		399		391		381		392	
Golf Members	Members	31,032		30,671		30,260		30,001		29,960	
HIMEDIC	Members	16,473		18,124		19,839		21,534		23,818	
Kahala Club	Members	—		—		—		578		731	
Total Group members		171,983		175,779		178,815		182,468		186,032	

Hotel and Restaurant Operations

Change in Net Sales by Category

(Million yen)

	FY ended Mar. 2017	FY ended Mar. 2018	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
XIV	33,664	36,058	34,802	32,626	25,987
Sun Members	4,707	4,804	4,719	4,117	1,379
Hotel Trusty	6,460	6,789	6,631	6,511	2,232
Baycourt Club	4,443	4,790	7,116	9,035	7,482
The Kahala Hotel & Resort	7,950	8,207	8,260	7,998	4,101
Income from membership fees	6,927	7,124	7,694	8,449	8,895
Proceeds from amortizing deposits	2,929	2,993	3,189	3,544	3,511
Other income	7,107	8,832	7,967	8,377	6,731
Total	74,193	79,601	80,383	80,659	60,322

Spending per Visitor by Category

(%)

	FY ended Mar. 2017	FY ended Mar. 2018	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
XIV	52.6	50.8	50.2	48.0	35.5
Sun Members	62.7	60.4	60.4	57.5	16.6
Hotel Trusty	91.2	91.7	90.4	77.0	24.9
Baycourt Club	57.1	54.6	48.3	43.1	33.5

Change in Number of Overnight Guests by Category

(number of people)

	FY ended Mar. 2017	FY ended Mar. 2018	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
XIV	1,812,543	1,864,448	1,839,932	1,761,353	1,254,473
Sun Members	444,621	431,345	418,856	366,716	98,118
Hotel Trusty	662,363	696,234	689,920	685,956	240,880
Baycourt Club	143,812	145,426	217,826	281,490	234,218
Kahala Yokohama	—	—	—	—	19,622
Total	3,063,339	3,137,453	3,166,534	3,095,515	1,847,311

Spending per Visitor by Category

(yen)

	FY ended Mar. 2017	FY ended Mar. 2018	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
XIV	18,573	19,340	18,915	18,523	20,716
Sun Members	10,589	11,139	11,268	11,228	11,880
Hotel Trusty	9,754	9,752	9,612	9,492	9,267
Baycourt Club	30,898	32,940	32,671	32,098	33,695

■ Medical Operations

Breakdown of Sales

(Million yen)

	FY ended Mar. 2017	FY ended Mar. 2018	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
HIMEDIC Business	12,575	13,908	15,437	16,479	18,457
MS (Medical Service) Corporation Business*	3,912	5,120	6,093	6,275	5,905
Aging Care Business (product sales, etc.)	1,904	2,696	2,743	2,540	2,512
Senior Life Business	7,283	9,321	10,401	12,299	13,304
Other	26	(56)	(196)	1,272	(157)
Total	25,702	30,990	34,478	38,867	40,022

*Operational support for general-use medical facilities, etc.

Change in Number of Senior Units (As of End of Each Fiscal Year)

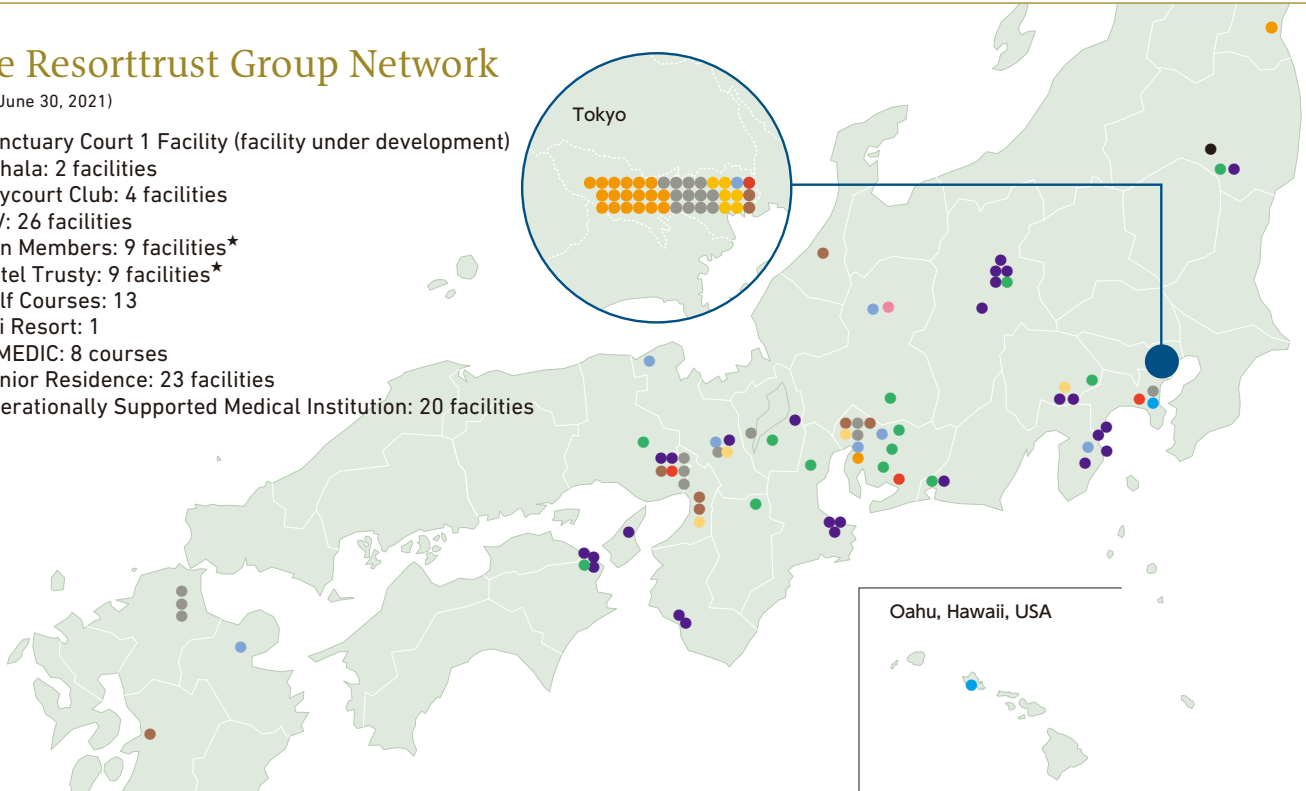
(%)

	FY ended Mar. 2017	FY ended Mar. 2018	FY ended Mar. 2019	FY ended Mar. 2020	FY ended Mar. 2021
Number of Units	1,075	1,513	1,659	2,100	2,097
Occupancy Rate (Results)	90.0	85.1	86.4	88.5	88.3

The Resorttrust Group Network

(As of June 30, 2021)

- Sanctuary Court 1 Facility (facility under development)
- Kahala: 2 facilities
- Baycourt Club: 4 facilities
- XIV: 26 facilities
- Sun Members: 9 facilities*
- Hotel Trusty: 9 facilities*
- Golf Courses: 13
- Ski Resort: 1
- HIMEDIC: 8 courses
- Senior Residence: 23 facilities
- Operationally Supported Medical Institution: 20 facilities



Hotel Facilities

	First Year of Operation	Number of Guest Rooms
Sanctuary Court		121
Gifu		
Sanctuary Court Takayama	2024 (planned)	121
Kahala		484
Oahu, Hawaii, USA		
The Kahala Hotel & Resort	2014	338
Kanagawa		
The Kahala Hotel & Resort Yokohama	2020	146
Baycourt Club		824
Tokyo		
Tokyo Baycourt Club	2008	292
Kanagawa		
Yokohama Baycourt Club	2020	138
Aichi		
Laguna Baycourt Club	2019	193
Hyogo		
Ashiya Baycourt Club	2018	201
XIV		3,613
Fukushima		
XIV Nasu Shirakawa	2005	58
Yamanashi		
XIV Yamanakako	1993	252
XIV Yamanakako Sanctuary Villa	2009	28
Nagano		
XIV Karuizawa	1990	200
XIV Karuizawa Paseo	2012	32
XIV Karuizawa Sanctuary Villa	2004	40
XIV Karuizawa Sanctuary Villa Museo	2012	16
XIV Tateshina	1999	230
Kanagawa		
XIV Yugawara Rikyu	2017	187

	First Year of Operation	Number of Guest Rooms
XIV Hakone Rikyu	2010	187
Shizuoka		
XIV Hatsushima Club	2000	200
XIV Izu	1988	227
XIV Hamanako	2004	193
Mie		
XIV Toba	1987	207
XIV Toba Annex	1991	198
XIV Toba Bettei	2016	121
Shiga		
XIV Biwako	1997	268
Kyoto		
XIV Kyoto Yase Rikyu	2006	210
Wakayama		
XIV Shirahama	1989	104
XIV Shirahama Annex	1993	144
Hyogo		
XIV Rokko Sanctuary Villa	2018	48
XIV Arima Rikyu	2011	175
XIV Awajishima	1992	109
Tokushima		
XIV Naruto	2001	135
XIV Naruto Sanctuary Villa	2003	22
XIV Naruto Sanctuary Villa Due	2005	22
Sun Members		893*
Shizuoka		
Resorpia Atami	1983	206
Kyoto		
Resorpia Kumihama	1984	57
Sun Members Kyoto Saga	1980	67
Oita		
Resorpia Beppu	1984	57
Gifu		
Sun Members Hirugano	1974	36
Tokyo		
Sun Members Tokyo Shinjuku	1982	181

	First Year of Operation	Number of Guest Rooms
Aichi		
Sun Members Nagoya Nishiki	1979	79
Sun Members Nagoya Shirakawa	1974	105★
Kagoshima		
Sun Members Kagoshima	1980	105
● Hotel Trusty 1,698★		
Tokyo		
Hotel Trusty Tokyo Bayside	2008	200
Hotel Trusty Premier Nihonbashi Hamacho	2019	223
Ishikawa		
Hotel Trusty Kanazawa Korinbo	2013	207
Aichi		
Hotel Trusty Nagoya Sakae	2003	204
Hotel Trusty Nagoya Shirakawa	2016	105★
Osaka		
Hotel Trusty Osaka Abeno	2012	202
Hotel Trusty Shinsaibashi	2005	211
Hyogo		
Hotel Trusty Kobe Kyukyoryuchi	2009	141
Kumamoto		
Hotel Trusty Premier Kumamoto	2019	205

★Includes Sun Members Nagoya Shirakawa (within the same space as Hotel Trusty Nagoya Shirakawa)

■ Golf Courses and Ski Resorts

	Number of Holes
Fukushima Grandee Nasu Shirakawa Golf Club	36
Yamanashi Maple Point Golf Club	18
Nagano Grandee Karuizawa Golf Club	18
Shizuoka Grandee Hamanako Golf Club	18
Gifu Springfield Golf Club	18
Aichi Pines Golf Club	18
St. Creek Golf Club	27
The Tradition Golf Club	18
Mie Grace Hills Country Club	18
Shiga The Country Club	18
Hyogo Kansai Golf Club	18
Nara Oakmont Golf Club	27
Tokushima Grandee Naruto Golf Club	36

	First Year of Operation
Fukushima Grandee Hatoriko Ski Resort	2004

■ HIMEDIC (Medical Examination Courses)

	Year Opened
Yamanashi	
HIMEDIC Yamanakako Course	1994
Tokyo	
HIMEDIC Tokyo University Hospital Course	2006
HIMEDIC Midtown Course	2013
HIMEDIC Tokyo Bay Course	2015
HIMEDIC Tokyo Nihonbashi Course	2020
Aichi	
HIMEDIC Nagoya Course	2016
Kyoto	
HIMEDIC Kyoto University Hospital Course	2016
Osaka	
HIMEDIC Osaka Course	2005

■ Senior Residence Facilities

	Number of Guest Rooms
2,097	
Tokyo	
Trust Garden Suginamimiyamae	100
Trust Garden Nanpeidai	41
Trust Garden Sakurashinmachi	86
Trust Garden Yoganomori	129
Trust Garden Todoroki	57
Trust Garden Higashiminemachi	32
Trust Garden Hongo	118
Trust Garden Tokiwamatsu	50
Trust Garden Bunkyo Nezu	51
Trust Garden Ogikubo	51
Felio Tamagawa	68
Felio Seijo	65
Kanagawa	
Trust Garden Yokohama Bay Bashamichi	73
Aichi	
Trust Grace Shirakabe	72
Morning Park Chikaramachi	41
Shiga	
Activa Biwa (Independent Living Facility/Assisted Living Facility)	384
Kyoto	
Trust Garden Shijo Karasuma	54
Hyogo	
Trust Garden Takarazuka	89
Trust Grace Mikage (Independent Living Facility)	218
Trust Grace Mikage (Assisted Living Facility)	63
Fukuoka	
Felio Tenjin	95
Felio Momochi	98
Resius Momochi	62

■ Operationally Supported Medical Institutions

Miyagi	
Sendai Medical Clinic	
Tokyo	
Tokyo Midtown Clinic	
Tokyo Midtown Aesthetic Clinic Noage	
Tokyo Midtown Dental Clinic	
Tokyo Midtown Clinic Health Screening Clinic	
Midtown Clinic Tokyo Bay	
Midtown Clinic Ariake	
Center for Advanced Medical Science and Technology at Tokyo Midtown	
Tokyo Radiation Oncology Clinic	
Tokyo Daiya Building Clinic	
Hamamatsucho Hamasite Clinic	
Shinko Clinic	
Shinko Clinic Annex	
Ovalcourt Medical Clinic	
C'est la vie Clinic	
Tachikawa Kitaguchi Kenshinkan	
Toupura Medical Clinic	
Hamacho Koen Clinic	
Nihonbashi Muromachi Mitsui Tower Midtown Clinic	
Aichi	
Midtown Clinic Meieki	

Corporate Data

(As of March 31, 2021)

Company Name RESORTTRUST, INC.
 URL <https://www.resorttrust.co.jp/>

Head Office 2-18-31, Higashisakura, Naka-ku,
 Nagoya-shi, Aichi 460-8490, Japan
 Tel: +81-52-933-6000 (Main Switchboard)

Tokyo Office Resorttrust Tokyo Bldg., 4-36-19,
 Yoyogi, Shibuya-ku Tokyo 151-0053, Japan
 Tel: +81-3-6731-0001

Established April 1973

Capital Stock 19,590 million yen

Number of Employees
 8,123 (consolidated, full-time employees)

Fiscal Year End March 31

Stock Information

(As of March 31, 2021)

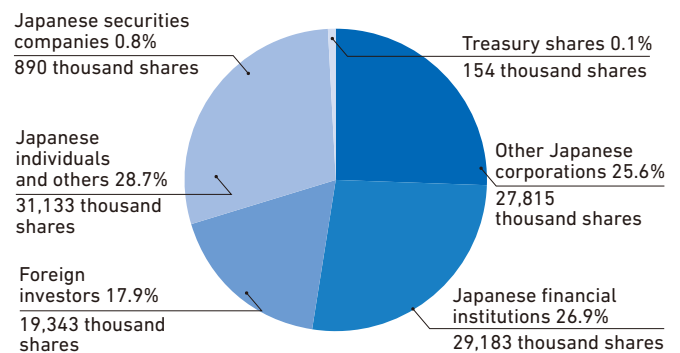
Shareholder Information

Stock Exchange Listings	First sections of the Tokyo and Nagoya stock exchanges
Total Number of Authorized Shares	150,000,000 shares
Total Number of Shares Issued and Outstanding	108,520,799 shares
Number of Shareholders	36,231

Shareholder Benefits

When the Right Becomes Final and Binding	End of March, for shareholders with 100 or more shares
Benefits	Discount Coupons (30% and 50% discount) For use at a restaurant or for use when staying at one of our hotels from Hotel Trusty series (with a cap on the discount amount).

Number of Shareholders by Shareholder Category



Major Shareholders

Shareholder Name	Number of Shares Owned (thousands)	Shareholding Ratio (%)
Takarazuka Corporation, Inc.	13,419	12.4
The Master Trust Bank of Japan, Ltd. (Trust Account)	7,109	6.6
Custody Bank of Japan, Ltd. (Trust account)	5,304	4.9
SAPORO BREWERIES LIMITED 3,351 3.1	3,351	3.1
Yoshiro Ito	2,922	2.7
GI Co., Ltd.	1,921	1.8
Custody Bank of Japan, Ltd. (Trust Account 4)	1,885	1.7
NORTHERN TRUST CO. (AVFC) RE MONDRIAN INTERNATIONAL SMALL CAP EQUITY FUND, L.P.	1,560	1.4
Sumitomo Life Insurance Company	1,555	1.4
THE BANK OF NEW YORK MELLON 140044	1,517	1.4

List of Affiliate Companies

(As of March 31, 2021)

Company Name	Business Activities	Capital (Million yen)	Percentage of Voting Rights (%)
(Consolidated Subsidiary)			
RESORTTRUST HAWA II, LLC *5	Hotel and Restaurant Operations	US\$290,000,000	100.0
RTCC CORPORATION	Hotel and Restaurant Operations	50	100.0
COMPLEX BIZ INTERNATIONAL Co., LTD.	Hotel and Restaurant Operations	50	100.0
JES Co., Ltd.	Hotel and Restaurant Operations	10	100.0
Sun Hotel Agent Co., Ltd.	Hotel and Restaurant Operations	10	100.0(100.0)
HIMEDIC, Inc. *6	Medical Operations	300	100.0
Cancer Intelligence Care Systems, Inc.	Medical Operations	1,472	76.0(76.0)
Tokyo Midtown Medicine Co., Ltd.	Medical Operations	100	66.5(66.5)
Advanced Medical Care Inc.	Medical Operations	100	100.0(100.0)
NIPPON SWISS PERFECTION CO., LTD.	Medical Operations	10	100.0(100.0)
Shinko Medical Support Co., Ltd.	Medical Operations	100	50.0(50.0)
iMedical Inc.	Medical Operations	100	51.0(51.0)
Cent-Medical Associates Inc.	Medical Operations	9	51.0(51.0)
Dia Medical Net, Inc.	Medical Operations	100	51.0(51.0)
Trust Garden, Inc.	Medical Operations	50	100.0
Senior Life Company Ltd.	Medical Operations	10,000 yen	100.0(100.0)
R.T. DEVELOPMENT CO., LTD.	Other	100	100.0
JUSTFINANCE Co., Ltd.	Membership-based medical business	10	100.0
R.F.S. Co., Ltd.	General administration	10	100.0
Resorttrust Golf Business Co., Ltd.	Hotel and Restaurant Operations	100	100.0
KANSAI GOLF CLUB Co., LTD. *3 *4	Hotel and Restaurant Operations	66	100.0(100.0)
(Equity Method Affiliate Companies)			
Maple Point Golf Club Co., Ltd. *3 *4	Hotel and Restaurant Operations	100	1.5(0.1) [43.0]
Oakmont Golf Club Co., Ltd. *3 *4	Hotel and restaurant business, etc.	100	3.9(1.6) [36.9]
Okazaki Classic Co., Ltd. *3 *4	Hotel and Restaurant Operations	100	3.5(0.0) [17.8]
Tajimi Classic Co., Ltd. *3 *4	Hotel and Restaurant Operations	50	5.8(0.0) [21.4]
St. Creek Golf Club Co., Ltd. *3 *4	Hotel and Restaurant Operations	100	4.5(0.0) [17.4]
Kyoto ProMed Co., Ltd.	Medical Operations	71	35.8(35.8)

*1: Figures in parentheses in the "Percentage of Voting Rights" column represent the percentage of indirect ownership.

*2: Figures outside parentheses in the "Percentage of Voting Rights" column represent the percentage of persons who are close to and agree with the Company.

*3: The "Percentage of Voting Rights" is calculated after preferred shares with no voting rights have been excluded.

*4: Securities Report has been submitted.

*5: Specified subsidiary

*6: With regard to HIMEDIC, Inc., consolidated sales account for over 10% of net sales (excluding inter-company sales between consolidated companies).

Major items of profits and losses

- (1) Net sales: 18,457 million yen
- (2) Ordinary income: 3,631 million yen
- (3) Net income: 2,523 million yen
- (4) Net assets: 19,723 million yen
- (5) Total assets: 32,117 million yen

<https://www.resorttrust.co.jp/english/>

