

# RESORTTRUST FINANCIAL DATE

**CONSOLIDATED FINANCIAL SUMMARY**  
**2Q FY 2015 (from April 2015 to September 2015)**



RESORTTRUST  
GROUP

(securities code: 4681)

# CONSOLIDATED FINANCIAL SUMMARY

Years Ended March 31, 2014, 2015 and 2016

	2Q			Fiscal year	
	Sep 30, 2013	Sep 30, 2014	Sep 30, 2015	2015/3	2016/3 ※revision target
Net sales	57,743	59,603	<b>65,721</b>	120,401	144,900
Operating income	8,463	9,171	<b>8,870</b>	16,041	19,500
Ordinary income	9,661	11,533	<b>9,570</b>	20,206	20,600
Net income (interim)	5,012	7,521	<b>7,062</b>	11,851	13,300
Net assets	78,064	89,753	<b>111,186</b>	104,769	
Assets	275,693	357,616	<b>393,573</b>	390,832	
Net assets per share (yen)	※ 727.35	838.51	<b>1,021.17</b>	963.99	
Net income per share (yen) (Primary)	※ 51.71	76.57	<b>67.27</b>	120.30	
Net income per share (yen) (Fully Diluted)	※ 49.79	71.03	<b>61.23</b>	108.69	
Equity ratio (%)	25.8	23.1	<b>27.6</b>	25.5	
Return on assets (%)	-	-	-	3.43	
Return on equity (%)	-	-	-	13.61	
Net cash provided by (used in) operating activities	7,774	1,319	<b>(1,921)</b>	22,057	
Net cash provided by (used in) investment activities	(12,222)	(18,554)	<b>(36,662)</b>	(71,837)	
Net cash provided by (used in) financing activities	15,267	53,466	<b>(3,315)</b>	60,359	
Cash and cash equivalents	49,536	90,616	<b>23,508</b>	66,404	

※ A 1-for-2 stock split has been conducted as of January 1, 2014.

※revised on Aug. 6, 2015

**Net sales****(Millions of Yen)**

	2Q		
	2014/3	2015/3	2016/3
Membership Operations	16,985	16,837	17,744
Hotel and Restaurant Operations	31,851	32,476	37,083
Medical Operations	8,525	9,473	10,206
Others	380	817	686
Total	57,743	59,603	65,721

**Operating income****(Millions of Yen)**

	2Q		
	2014/3	2015/3	2016/3
Membership Operations	2,921	3,058	3,992
Hotel and Restaurant Operations	3,149	3,629	3,038
Medical Operations	2,227	2,174	1,632
Others	165	308	207
Total	8,463	9,171	8,870

# Business Results

## Overview of The Fiscal Year Ending March 31, 2016

### 1. Summary of Business Results

(¥ million)

	2014/9 (Results)	2015/9		Year-on-year Change	Results vs. Targets
		(Results)	(target)		
Net sales	59,603	65,721	65,100	+10.3%	+1.0%
Operating income	9,171	8,870	8,800	(3.3%)	+0.8%
Ordinary income	11,533	9,570	9,600	(17.0%)	(0.3%)
Net income	7,521	7,062	7,000	(6.1%)	+0.9%

The Japanese economy during this 2nd quarter was on a moderate recovery trend, supported by the government economic and fiscal policy that have encouraged corporate earnings and improved employment circumstances.

Under these circumstances, sales of the Group during this 2nd quarter increased and profits of the Group decreased, compared with the same period of the previous fiscal year. The sales was JPY 65,751 million (+10.3% yoy), operating income JPY 8,870 mil (-3.3% yoy), ordinary income JPY 9,570 mil (-17.0% yoy) and net income attributed shareholders JPY 7,062 mil (-6.1% yoy). The sales of the hotel memberships, especially led by “Ashiya Baycourt Club”, second property in the Baycourt series and started to be sold at Jun 2015, were strong. However, HR costs which should prepare for series of new hotels opening increased as well as FX gain in the previous period deducted.

### 2. Summary of Business Segments

#### 【Membership Operations】

(¥ million)

	2014/9 (Results)	2015/9		Year-on-year Change	Results vs. Targets
		(Results)	(target)		
Net sales	16,837	17,744	17,190	+5.4%	+3.2%
Operating income	3,058	3,992	4,070	+30.5%	(1.9%)

Membership Operation Segments increased both sales and profits, due to the strong performance of “Ashiya Baycourt Club”, started in June 2015.

#### 【Hotel and Restaurant Operations】

(¥ million)

	2014/9 (Results)	2015/9		Year-on-year Change	Results vs. Targets
		(Results)	(target)		
Net sales	32,476	37,083	37,190	+14.2%	(0.3%)
Operating income	3,629	3,038	2,830	(16.3%)	+7.4%

Hotels and Restaurants Operation Segments increased sales but decreased profits, due to the robust revenues from “Hotel Trusty” serious, the contribution of “The Kahala Hotel & Resorts” acquired in October 2014, and the increase of HR costs for preparation of new-opening hotels.

**【Medical Operations】**

(¥ million)

	2014/9 (Results)	2015/9		Year-on-year Change	Results vs. Targets
		(Results)	(target)		
Net sales	9,473	10,206	10,020	+7.7%	+1.9%
Operating income	2,174	1,632	1,690	(24.9%)	(3.4%)

Medical Operation Segments increased sales and decreased profits due to the expansion of Senior Life Businesses, the increase of annual fees accompanied with the number of membership of “HIMEDIC”, and increase of the costs related to preparation of the medical examination facilities, etc.

**【Others】**

(¥ million)

	2014/9 (Results)	2015/9		Year-on-year Change	Results vs. Targets
		(Results)	(target)		
Net sales	817	686	700	(15.9%)	(1.9%)
Operating income	308	207	210	(32.6%)	(1.0%)

Other Operations Segments decreased both revenues and profits, due to the decrease of rent operated by RT Development Co., Ltd., consolidated subsidiary and the increase of property taxes.

**3. Cash Flows**

(¥ million)

	2014/9 (Results)	2015/9 (Results)
Operating cash flows	1,319	(1,921)
Investing cash flows	(18,554)	(36,662)
Financing cash flows	53,466	(3,315)
Cash and cash equivalents	90,616	23,508

**4. Outlook for the Fiscal Year 2015(Ending March 31, 2016)**

(¥ million)

	2015/3 (Results)	2016/3 ※(Revision target)	Year-on-year Change
Net sales	120,401	144,900	+20.3%
Operating income	16,041	19,500	+21.6%
Ordinary income	20,206	20,600	+1.9%
Net income	11,851	13,300	+12.2%

※revised on Aug 6,2015

Regarding forecasts of this FY, Continuous steady membership sales are expected and the open of “XIV Toba Bettei”, scheduled at March 2016, would realize real estate sales gains. Figures are expected that sales JPY 144.9 billion (+20.3% yoy), operating income JPY 19.5 billion (+21.6% yoy), ordinary income JPY 20.6 billion (+1.9% yoy) and net profits attributed to shareholders JPY 13.3 billion (+12.2% yoy).

## Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	Fiscal 2014 (April 1, 2014 to March 31, 2015)	Fiscal 2015 (April 1, 2015 to September 30, 2015)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	53,687	23,680
Notes and accounts receivable – trade	5,994	7,559
Operating loans	27,448	33,605
Securities	42,193	41,103
Merchandise	728	794
Real estate for sale	2,010	1,924
Raw materials and supplies	900	863
Real estate for sale in process	18,497	28,144
Deferred tax assets	3,714	3,703
Other	3,921	4,919
Allowance for doubtful accounts	(773)	(1,004)
<b>Total current assets</b>	<b>158,323</b>	<b>145,293</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	90,369	89,068
Machinery, equipment and vehicles, net	1,769	1,935
Golf courses	9,563	7,550
Land	40,417	40,129
Leased assets, net	2,506	2,427
Construction in progress	4,007	7,247
Other, net	5,150	4,924
<b>Total property, plant and equipment</b>	<b>153,784</b>	<b>153,284</b>
<b>Intangible assets</b>		
Goodwill	231	183
Software	678	1,261
Other	2,442	2,151
<b>Total intangible assets</b>	<b>3,351</b>	<b>3,596</b>
<b>Investments and other assets</b>		
Investment securities	60,805	78,338
Shares of subsidiaries and associates	1,603	1,675
Long-term loans receivable	1,428	2,236
Net defined benefit asset	1,348	1,349
Deferred tax assets	123	295
Other	16,452	9,401
Allowance for doubtful accounts	(6,390)	(1,896)
<b>Total investments and other assets</b>	<b>75,372</b>	<b>91,398</b>
<b>Total non-current assets</b>	<b>232,508</b>	<b>248,279</b>
<b>Total assets</b>	<b>390,832</b>	<b>393,573</b>

	<b>Fiscal 2014</b> (April 1, 2014 to March 31, 2015)	<b>Fiscal 2015</b> (April 1, 2015 to September 30, 2015)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable – trade	1,096	1,130
Short-term loans payable	5,000	5,000
Current portion of long-term loans payable	6,663	7,434
Current portion of bonds	450	550
Lease obligations	369	323
Accounts payable – other	9,301	8,625
Income taxes payable	4,482	2,294
Accrued consumption taxes	2,602	980
Advances received	13,304	24,812
Unearned revenue	10,619	9,818
Provision for loss on guarantees	151	177
Other	7,555	9,829
<b>Total current liabilities</b>	<b>61,595</b>	<b>70,974</b>
<b>Non-current liabilities</b>		
Bonds payable	4,150	3,825
Bonds with subscription rights to shares	35,558	30,264
Long-term loans payable	67,211	61,795
Lease obligations	2,367	2,281
Deferred tax liabilities	1,639	892
Provision for directors' retirement benefits	2,102	2,266
Provision for stocks payment	458	630
Net defined benefit liability	860	843
Long-term guarantee deposited	103,154	100,602
Negative goodwill	462	402
Other	6,500	7,608
<b>Total non-current liabilities</b>	<b>224,466</b>	<b>211,412</b>
<b>Total liabilities</b>	<b>286,062</b>	<b>282,387</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	16,977	19,588
Capital surplus	19,984	22,599
Retained earnings	57,807	62,444
Treasury shares	(2,705)	(2,447)
<b>Total shareholders' equity</b>	<b>92,062</b>	<b>102,184</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	4,742	2,877
Foreign currency translation adjustment	2,671	3,236
Remeasurements of defined benefit plans	257	228
<b>Total accumulated other comprehensive income</b>	<b>7,670</b>	<b>6,343</b>
Subscription rights to shares	57	24
Non-controlling interests	4,978	2,634
<b>Total net assets</b>	<b>104,769</b>	<b>111,186</b>
<b>Total liabilities and net assets</b>	<b>390,832</b>	<b>393,573</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
[Quarterly Consolidated Statements of Income]

(Millions of yen)

	Fiscal 2014 (April 1, 2014 to September 30, 2014)	Fiscal 2015 (April 1, 2015 to September 30, 2015)
Net sales	59,603	65,721
Cost of sales	9,329	7,793
Gross profit	50,274	57,928
Selling, general and administrative expenses		
Salaries and bonuses	16,370	20,139
Provision for directors' retirement benefits	66	173
Repair and maintenance	1,365	1,458
Provision of allowance for doubtful accounts	41	185
Provision for loss on guarantees	21	25
Utilities expenses	2,747	2,741
Depreciation	2,603	3,228
Other	17,886	21,104
Total selling, general and administrative expenses	41,103	49,057
Operating income	9,171	8,870
Non-operating income		
Interest income	673	1,039
Dividend income	85	52
Interests and charge for installment payment	1	0
Amortization of negative goodwill	60	60
Reversal of allowance for doubtful accounts	5	—
Share of profit of entities accounted for using equity method	—	0
Foreign exchange gains	2,012	—
Other	170	111
Total non-operating income	3,008	1,264
Non-operating expenses		
Interest expenses paid on loans and bonds	227	249
Share of loss of entities accounted for using equity method	20	—
Guarantee charge of unearned revenue	7	29
Commission for syndicate loan	302	4
Nondeductible consumption tax	39	56
Provision of allowance for doubtful accounts	—	72
Foreign exchange losses	—	88
Other	49	64
Total non-operating expenses	646	564
Ordinary income	11,533	9,570
Extraordinary income		
Compensation income	53	—
Gain on sales of non-current assets	1	0
Gain on sales of investment securities	439	1,249
Gain on sales of shares of subsidiaries and associates	5	5
Gain on reversal of subscription rights to shares	14	11
Other	11	—
Total extraordinary income	525	1,266
Extraordinary losses		
Loss on retirement of non-current assets	21	24
Loss on sales of non-current assets	—	0
Loss on change in equity	—	1,398
Other	0	2
Total extraordinary losses	21	1,425
Income before income taxes and minority interests	12,036	9,412
Income taxes – current	4,065	2,475
Income taxes – deferred	346	(174)
Total income taxes	4,411	2,301
Profit	7,624	7,110
Profit attributable to non-controlling interests	103	48
Profit attributable to owners of parent	7,521	7,062



	<b>Fiscal 2014</b> (April 1, 2014 to September 30, 2014)	<b>Fiscal 2015</b> (April 1, 2015 to September 30, 2015)
Profit	7,624	7,110
Other comprehensive income		
Valuation difference on available-for-sale securities	624	(1,869)
Foreign currency translation adjustment	507	565
Remeasurements of defined benefit plans, net of tax	(3)	(28)
Total other comprehensive income	1,127	(1,332)
Comprehensive income	8,752	5,778
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,649	5,735
Comprehensive income attributable to non-controlling interests	102	42

## (3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal 2014 (April 1, 2014 to September 30, 2014)	Fiscal 2015 (April 1, 2015 to September 30, 2015)
Cash flows from operating activities		
Income before income taxes and minority interests	12,036	9,412
Depreciation	2,746	3,385
Amortization of goodwill (negative goodwill)	9	(12)
Increase (decrease) in allowance for doubtful accounts	35	259
Increase (decrease) in net defined benefit liability	40	(22)
Increase (decrease) in provision for directors' retirement benefits	66	163
Interest and dividend income	(758)	(1,091)
Interest expenses paid on loans and bonds	227	249
Foreign exchange losses (gains)	(1,912)	78
Decrease (increase) in notes and accounts receivable – trade	(534)	(7,810)
Decrease (increase) in inventories	(4,816)	(9,743)
Increase (decrease) in notes and accounts payable – trade	10	34
Increase (decrease) in accounts payable – other	(1,646)	(1,091)
Increase (decrease) in advances received	2,674	11,507
Increase (decrease) in long-term guarantee deposits received	(3,015)	(2,386)
Increase (decrease) in accrued consumption taxes	1,193	(1,619)
Other, net	(1,027)	746
Subtotal	5,329	2,058
Interest and dividend income received	762	972
Interest expenses paid	(217)	(251)
Income taxes paid	(4,555)	(4,700)
Net cash provided by (used in) operating activities	1,319	(1,921)
Cash flows from investing activities		
Payments into time deposits	(215)	(215)
Proceeds from withdrawal of time deposits	265	265
Purchase of securities	(21,996)	(45,502)
Proceeds from sales and redemption of securities	17,109	41,500
Purchase of investment securities	(20,921)	(34,716)
Proceeds from sales and redemption of investment securities	13,562	8,500
Purchase of shares of subsidiaries and associates	(0)	(0)
Proceeds from sales of shares of subsidiaries and associates	7	7
Purchase of property, plant and equipment and intangible assets	(3,890)	(5,476)
Payments of loans receivable	(16)	(77)
Collection of loans receivable	66	84
Other, net	(2,524)	(1,031)
Net cash provided by (used in) investing activities	(18,554)	(36,662)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	34,250	—
Proceeds from long-term loans payable	21,210	500
Repayments of long-term loans payable	(3,795)	(3,485)
Proceeds from issuance of bonds	2,487	—
Redemption of bonds	(1,300)	(225)
Purchase of treasury shares	(2)	(2)
Proceeds from disposal of treasury shares	245	230
Cash dividends paid	(1,603)	(2,425)
Other, net	1,975	2,092
Net cash provided by (used in) financing activities	53,466	(3,315)
Effect of exchange rate change on cash and cash equivalents	2,420	(52)
Net increase (decrease) in cash and cash equivalents	38,651	(41,951)
Cash and cash equivalents at beginning of period	51,965	66,404
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	—	(944)
Cash and cash equivalents at end of period	90,616	23,508

## **Disclaimer Regarding Forward-looking Statements**

Any statements in this presentation document, other than those of historical fact, are forward-looking statements about the future performance of Resorttrust, inc.

and its group companies, which are based on management's assumptions and beliefs in light of information currently available, and involve risks and uncertainties. Actual results may differ materially from these forecasts.



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