

# Financial results Presentation

## For the year ended June 30, 2016



**"HIMEDIC Kyoto University Hospital"**  
(Opened on June 20, 2016)

Resorttrust, Inc.  
(Securities code 4681)



**"HIMEDIC Nagoya"**  
(Opened on July 5, 2016)

# Section 1: Business Results Summary, Medium- to Long-term Strategy

- **Results Highlights for 1Q FY 2016** P.2 -4
- **Developments in Progress and Strategy for the Medium-term Management Plan “Next 40”** P.5 -6
- **Plans and Measures Highlights for FY 2016** P.7

# Financial Highlights ( 1st Quarter )

(¥ millions)

|                         | 2016/6<br>(results) | 2016/6<br>(targets) | Difference | 2015/6<br>(results) | YoY<br>Change |
|-------------------------|---------------------|---------------------|------------|---------------------|---------------|
| <b>Net Sales</b>        | <b>31,251</b>       | 33,300              | (6.2%)     | 31,680              | (1.4%)        |
| <b>Operating Income</b> | <b>748</b>          | 860                 | (13.0%)    | 3,431               | (78.2%)       |
| <b>Ordinary Income</b>  | <b>442</b>          | 1,300               | (65.9%)    | 3,994               | (88.9%)       |
| <b>Net Income</b>       | <b>218</b>          | 800                 | (72.7%)    | 3,281               | (93.3%)       |

## <Difference>

- Membership Operation Segment resulted in decreased sales and income led by lower sales volume of memberships. However, Medical Operation Segment increased sales and led income as targeted due to decrease in overhead costs. On the other hand, ordinary income has decreased against the plan due to foreign exchange losses ¥0.86 billion.

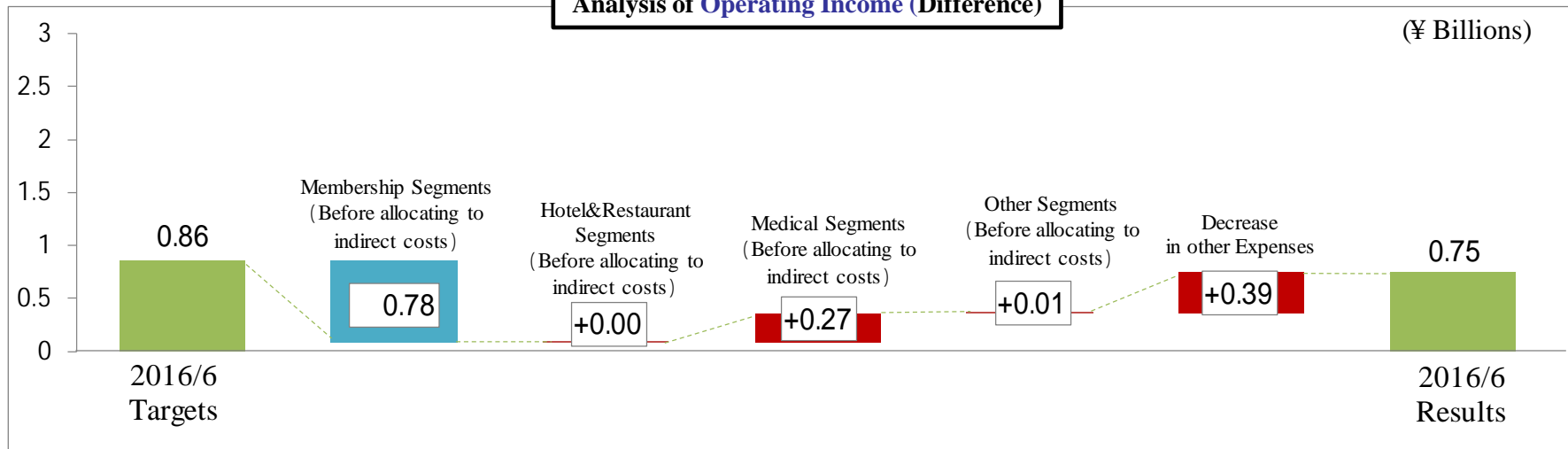
## <YoY Change>

- Lower income was due to the transient revenue from the sale of golf club membership inventory recorded in the same period of the previous year (impact on profit: approximately (¥0.9 billion))
- Other than the above, principal factors for lower income were a decline in contract amounts due to effects of saturation of Ashiya sales, and forward personnel expenses and renovation costs incurred in the Hotel and Restaurant business

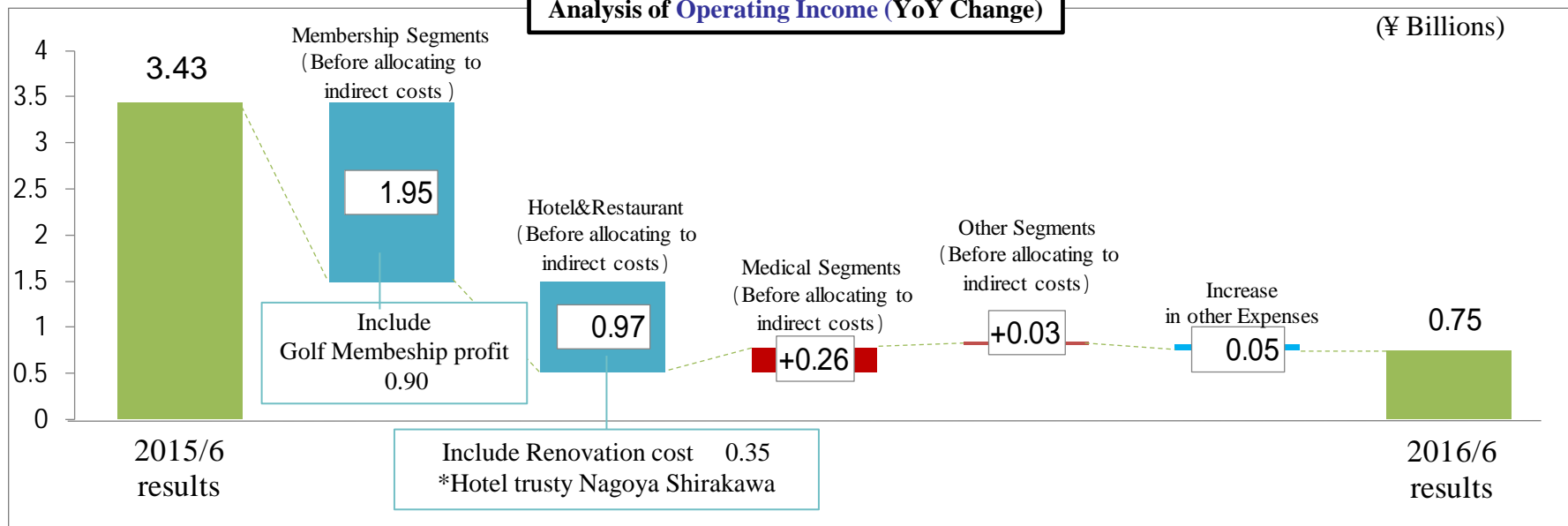
# Analysis of Operating Income

(Before allocating overhead cost)

**Analysis of Operating Income (Difference)**

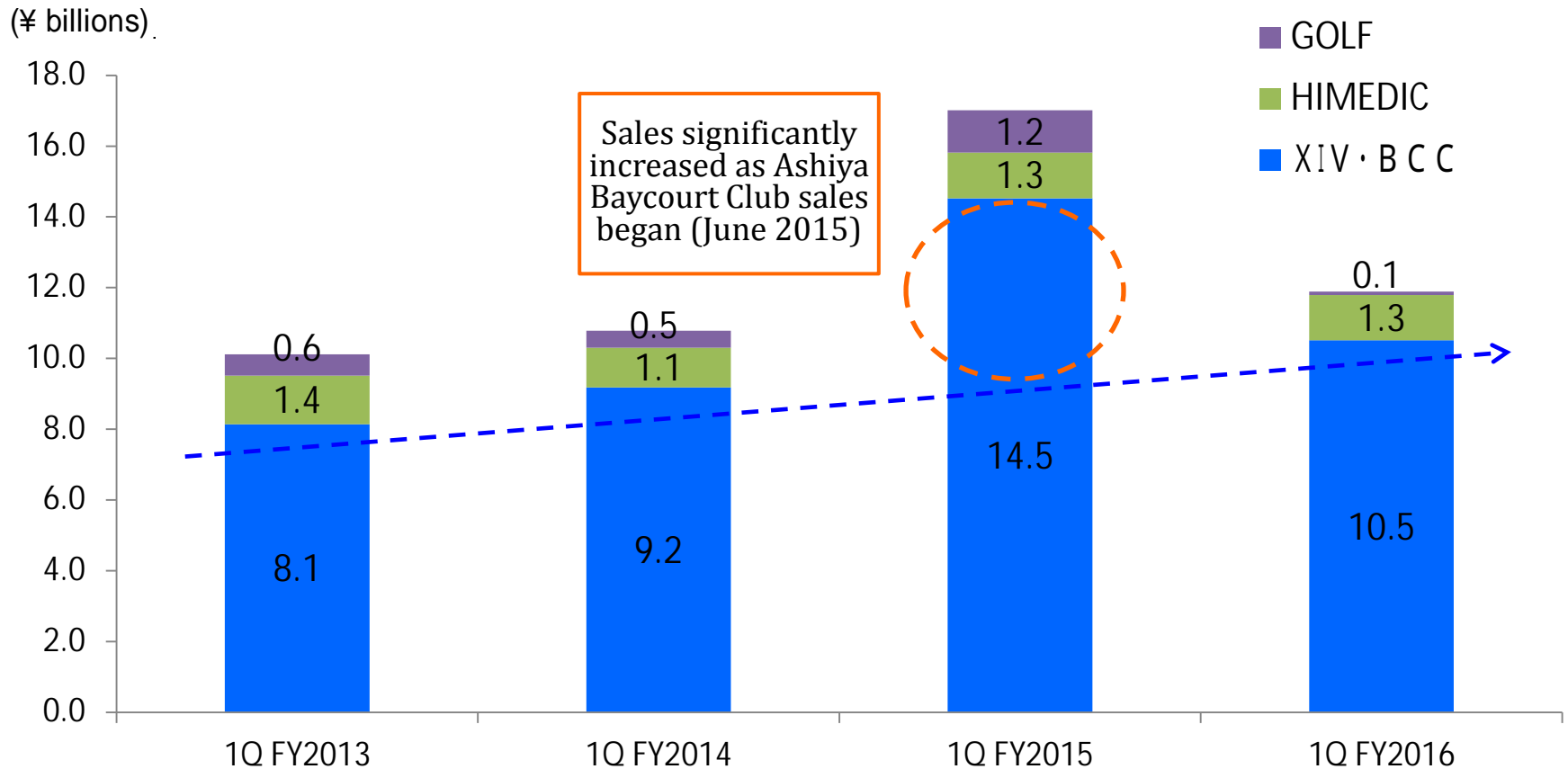


**Analysis of Operating Income (YoY Change)**



# Contract Values for 1Q

Although uncertainty over the economic outlook likely had a certain degree of impact on sales during 1Q (April–June) of FY2016, contract amounts are steadily growing year by year, except for FY2015 in which the release of Ashiya was a factor. (Amounts recorded in 1Q are typically slightly lower than other quarters)



# Progress of Medium-term Management Plan



## “Next 40”

### Results/Plan

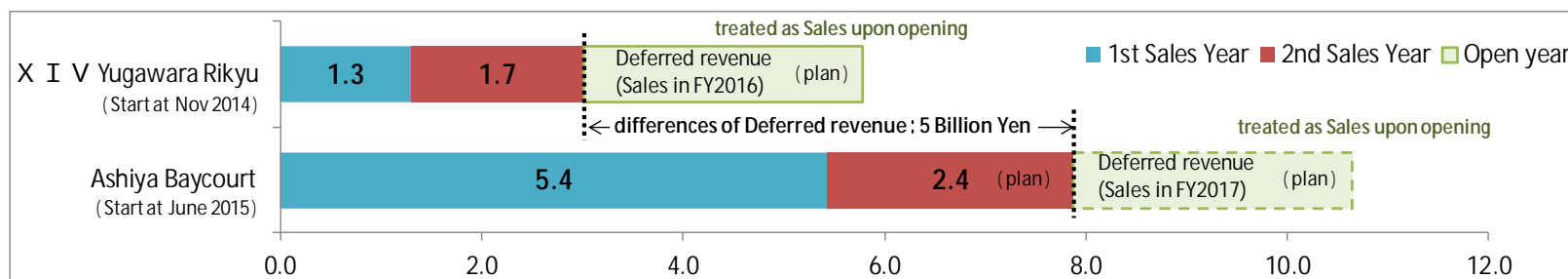
### “Next 40” Quantitative Plan (net sales and operating income)

(¥ Billions)

|                      | FY2012<br>(Final year of previous plan)Results | FY2013<br>Results for the 1st year | FY2014<br>Results for the 2nd year | FY2015<br>Results for the 3rd year | FY2016<br>Targets for the 4th year |
|----------------------|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Net Sales            | 105.3  | 116.8                              | 120.4                              | 142.2                              | 160.4                              |
| Operating Income     | 12.0   | 15.1                               | 16.0                               | 18.6                               | 17.7                               |
| Ordinary Income      | 12.9   | 16.8                               | 20.2                               | 19.4                               | 19.5                               |
| Net Income           | 7.1  | 8.7                                | 11.8                               | 13.0                               | 13.2                               |
| Total contract value | 40.5   | 47.4                               | 53.7                               | 71.5                               |                                    |

|                  | FY2015<br>(Third year of mid-term plan) | FY2017<br>(Final year of mid-term plan) |
|------------------|---|---|
| Net Sales        | 120.0                                   | 150.0                                   |
| Operating Income | 16.0                                    | 24.0                                    |
| Ordinary Income  | 16.0                                    | 24.0                                    |
| Net Income       | 10.0                                    | 15.0                                    |

### Reference: Comparison of Deferred Revenue



<FY2017 vs FY2016>

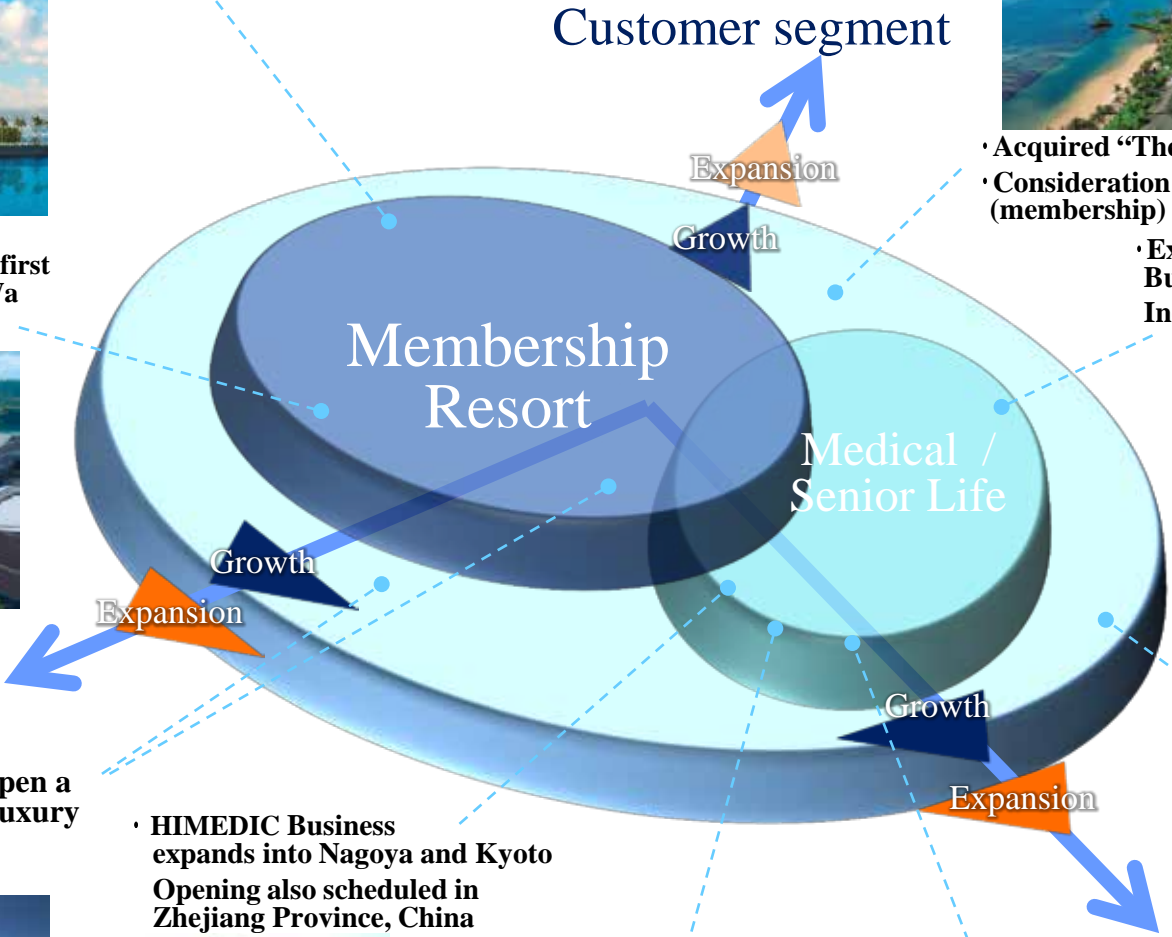
· differences of Deferred revenue: 5.0 Billion Yen

<FY2016> Open: XIV Yugawara Rikyu <FY2017> Open: Ashiya Baycourt

· Increase in Operating Income(Medical Segments) etc

# Developments in the Medium- to Long-term Strategy

**Medium-term Management Plan  
“Next 40” Strategic Image Diagram**



- Acquired “The Kahala Hotel & Resort”
- Consideration of extended stay facilities (membership)

- Expand Senior Life Business
- Increase number of rooms



- Hotel Trusty Expansion into Hokuriku area



## Business Area

- Expand healthcare business (Group investment: 50%)
- BNCT Business: Scheduled to begin clinical trials (Group investment: 41.08%)

- Penetration of Baycourt brand (Urban membership hotel)



- “XIV Toba Bettei” opened, the first property to make full use of “Wa (Japanese style)”



## Business Fields

- In Yokohama, plan to open a Baycourt with general luxury hotel annex (our first)



- HIMEDIC Business expands into Nagoya and Kyoto
- Opening also scheduled in Zhejiang Province, China



# Measures Highlights for Fiscal Year 2016

- “Trust Garden Tokiwamatsu” opened (April 2016)



- Expansion of healthcare business (May 16, 2016)  
(Commencement of joint venture with the ORIX Group)
- Two HIMEDIC bases to open (June, July 2016)



(HIMEDIC Kyoto University Hospital )



(HIMEDIC Nagoya)

- “Hotel Trusty Nagoya Shirakawa”  
Rebrand open(June 2016)



Plan to launch  
the new membership  
of Resort Hotel(Chubu)

- XIV Yugawara Rikyu to open  
(March 2017)



Motivating work environment  
(Employee satisfaction)

Seeking excellent hospitality  
(Customer satisfaction)

Improved brand strength



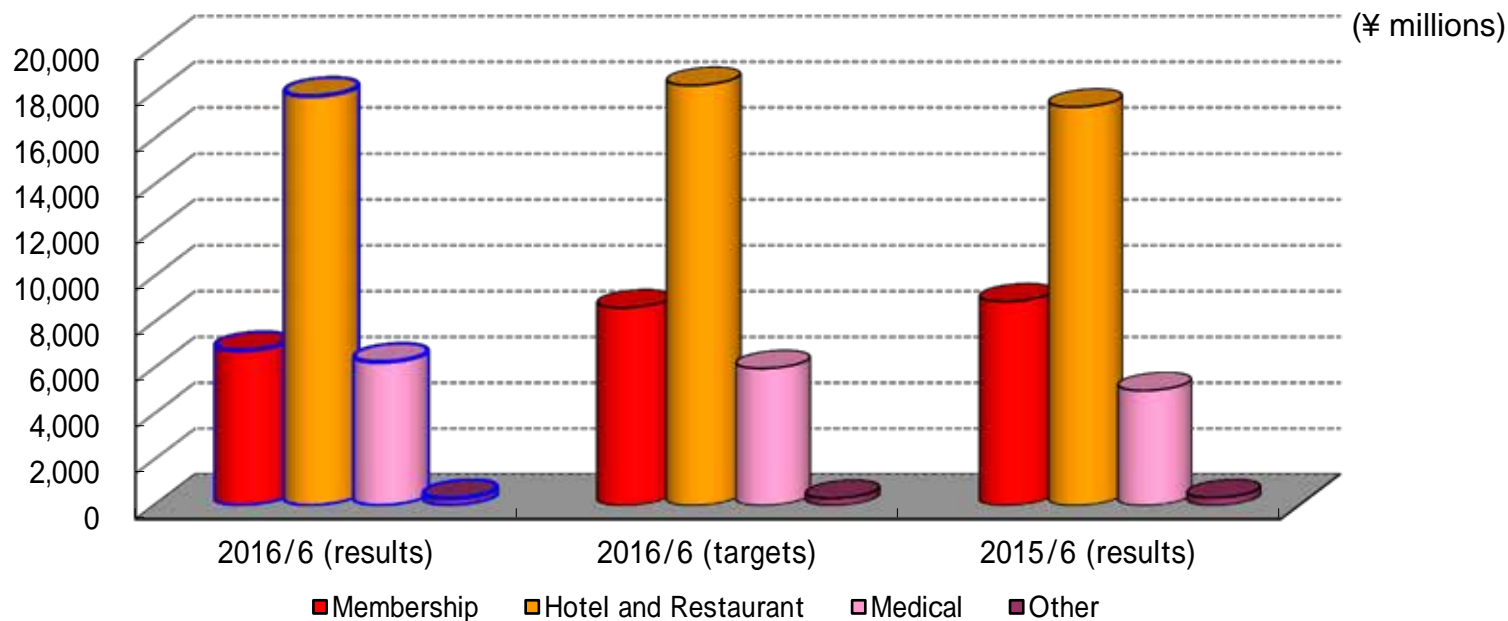
## Section 2: Details of Results for 1Q FY 2016 and Targets for Fiscal Year 2016

- **Topics for Fiscal Year 2016** **P. 9**
- **Results Details for 1Q FY2016**  
(by segment, contract values, etc.) **P. 10-19**
- **Status of Deferred Revenue** **P. 20-21**
- **Plan Details for Fiscal Year 2016** **P. 22-25**

# Topics for Fiscal Year 2016

- (1) Opened a private nursery home “Trust Garden Tokiwamatsu,” in Shibuya Ward, Tokyo.(April 1, 2016)**
- (2) Launch of Healthcare Business Through Joint Venture between ORIX Corporation and the Resorttrust Group.  
(May 16, 2016)**
- (3) Holding of the Resorttrust Ladies golf championship was held at Grandee Naruto Golf Club 36.  
(from May 27 to May 29, 2016)**
- (4) “Hotel Trusty Nagoya Shirakawa” reopened.(June 20, 2016)**
- (5) “HIMEDIC Kyoto University Hospital” opened.(June 20, 2016)**
- (6) “HIMEDIC Nagoya” opened.(July 5, 2016)**
- (7) The Dunlop Srixon Fukushima Open was held at Grandee Nasu Shirakawa Golf Club’s course  
for conservative years. (from July 21 to July 24, 2016)**
- (8) Plan to launch the new membership of Resort Hotel(Chubu).**
- (9) “XIV Yugawara Rikyu” is scheduled to be opened.(March, 2017)**

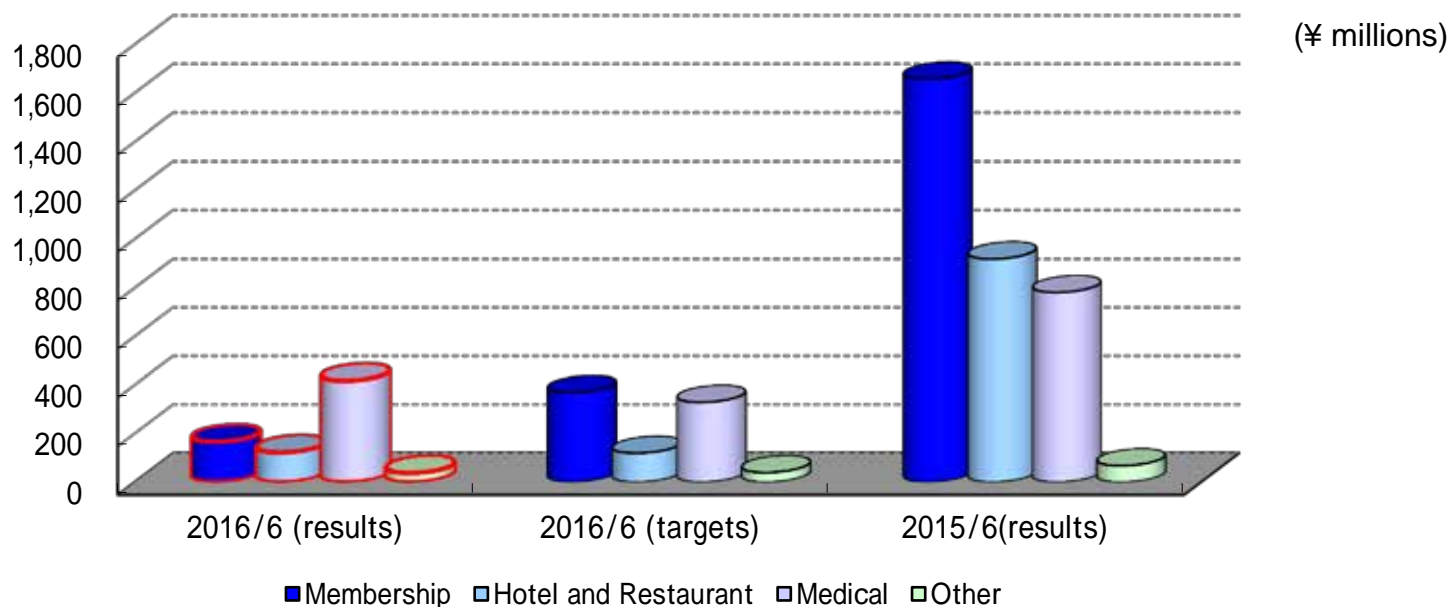
# Segment Sales ( 1st Quarter )



(¥ millions)

|                         | Membership   | Hotel and Restaurant | Medical      | Other      | Total         |
|-------------------------|--------------|----------------------|--------------|------------|---------------|
| <b>2016/6 (results)</b> | <b>6,784</b> | <b>17,871</b>        | <b>6,276</b> | <b>319</b> | <b>31,251</b> |
| 2016/6 (targets)        | 8,650        | 18,340               | 5,990        | 320        | 33,300        |
| Difference              | (21.6%)      | (2.6%)               | +4.8%        | (0.2%)     | (6.2%)        |
| 2015/6 (results)        | 8,919        | 17,392               | 5,023        | 345        | 31,680        |
| YoY Change              | (23.9%)      | +2.8%                | +24.9%       | (7.5%)     | (1.4%)        |

# Segment Operating Income ( 1st Quarter )



(¥ millions)

|                         | Membership | Hotel and Restaurant | Medical    | Other     | Total      |
|-------------------------|------------|----------------------|------------|-----------|------------|
| <b>2016/6 (results)</b> | <b>167</b> | <b>123</b>           | <b>418</b> | <b>38</b> | <b>748</b> |
| 2016/6 (targets)        | 370        | 120                  | 330        | 40        | 860        |
| Difference              | (54.7%)    | +3.2%                | +26.7%     | (2.7%)    | (13.0%)    |
| 2015/6 (results)        | 1,659      | 920                  | 782        | 68        | 3,431      |
| YoY Change              | (89.9%)    | (86.5%)              | (46.6%)    | (43.3%)   | (78.2%)    |

# Contract Values of Membership ( 1st Quarter )

(¥ billions)

|                                    | 2016/6<br>results | 2016/6<br>targets | Difference   | 2015/6<br>results | YoY<br>Change | * Progress rate<br>of contract<br>(cumulative) | 2017/ 3<br>targets |
|------------------------------------|-------------------|-------------------|--------------|-------------------|---------------|--|--------------------|
| Membership Hotel(Chubu)            | -                 | -                 | -            | -                 | -             | -  | 7.5                |
| XIV Rokko SV                       | 0.5               | 1.2               | (0.8)        | -                 | +0.5          | 20.0%  | 5.5                |
| Ashiya Baycourt Club               | 4.0               | 2.9               | +1.1         | 4.6               | (0.6)         | 43.6%  | 13.5               |
| XIV Yugawara Rikyu                 | 2.2               | 4.6               | (2.3)        | 3.1               | (0.9)         | 40.4%  | 20.0               |
| XIV Toba Bettei                    | 2.0               | 2.3               | (0.3)        | 3.9               | (1.9)         | 86.7%  | 6.0                |
| Other Hotels                       | 1.8               | 2.8               | (0.9)        | 3.0               | (1.2)         | -  | 12.1               |
| <b>Hotel Membership Total</b>      | <b>10.5</b>       | <b>13.8</b>       | <b>(3.3)</b> | <b>14.5</b>       | <b>(4.0)</b>  | <b>-</b>                                       | <b>64.5</b>        |
| Golf                               | 0.1               | 0.1               | (0.0)        | 1.2               | (1.1)         | -  | 0.4                |
| <b>Membership Operations Total</b> | <b>10.6</b>       | <b>13.9</b>       | <b>(3.3)</b> | <b>15.7</b>       | <b>(5.1)</b>  | <b>-</b>                                       | <b>65.0</b>        |
| HIMEDIC                            | 1.3               | 1.1               | +0.2         | 1.3               | (0.0)         | -  | 4.9                |
| <b>Total</b>                       | <b>11.9</b>       | <b>14.9</b>       | <b>(3.1)</b> | <b>17.0</b>       | <b>(5.2)</b>  | <b>-</b>                                       | <b>69.9</b>        |

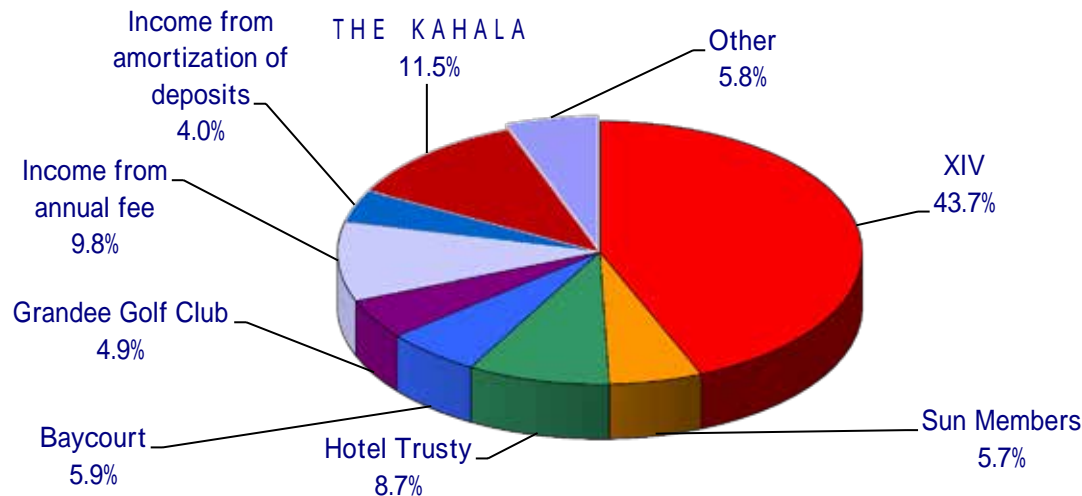
\* Progress rate of the total contract amount

# Sales of Membership Segment ( 1st Quarter )

(¥ billions)

|                                    |                            | 2016/6<br>results | 2016/6<br>targets | Difference   | 2015/6<br>results | YoY<br>Change | 2017/3<br>targets |
|------------------------------------|----------------------------|-------------------|-------------------|--------------|-------------------|---------------|-------------------|
| Membership Hotel(Chubu)            |                            | -                 | -                 | -            | -                 | -             | 7.0               |
| XIV Rokko SV                       |                            | 0.4               | 1.1               | (0.7)        | -                 | +0.4          | 5.0               |
| Ashiya Baycourt Club               |                            | 3.6               | 2.6               | +1.0         | 4.2               | (0.5)         | 12.2              |
| XIV Yugawara Rikyu                 |                            | 1.8               | 4.2               | (2.4)        | 2.8               | (1.0)         | 18.3              |
| XIV Toba Bettei                    |                            | 1.8               | 2.2               | (0.4)        | 3.4               | (1.6)         | 5.6               |
| Other Hotels                       |                            | 1.5               | 2.2               | (0.8)        | 2.4               | (0.9)         | 9.8               |
| <b>Hotel Membership Total</b>      |                            | <b>9.1</b>        | <b>12.3</b>       | <b>(3.3)</b> | <b>12.7</b>       | <b>(3.6)</b>  | <b>58.0</b>       |
| Deferred<br>Sales                  | Membership<br>Hotel(Chubu) | -                 | -                 | -            | -                 | -             | (4.0)             |
|                                    | XIV Rokko SV               | (0.2)             | (0.6)             | +0.4         | -                 | (0.2)         | (2.8)             |
|                                    | Ashiya Baycourt Club       | (2.0)             | (1.5)             | (0.6)        | (2.3)             | +0.3          | (6.9)             |
|                                    | XIV Yugawara Rikyu         | (0.9)             | (2.4)             | +1.5         | (1.5)             | +0.6          | 10.3              |
|                                    | XIV Toba Bettei            | -                 | -                 | -            | (1.8)             | +1.8          | -                 |
| <b>All Hotels</b>                  |                            | <b>5.9</b>        | <b>7.9</b>        | <b>(2.0)</b> | <b>7.0</b>        | <b>(1.0)</b>  | <b>54.6</b>       |
| Golf                               |                            | 0.0               | 0.0               | (0.0)        | 1.0               | (1.0)         | 0.1               |
| <b>Subtotal</b>                    |                            | <b>6.0</b>        | <b>7.9</b>        | <b>(2.0)</b> | <b>8.0</b>        | <b>(2.0)</b>  | <b>54.8</b>       |
| Other                              |                            | 0.8               | 0.7               | +0.1         | 0.9               | (0.1)         | 2.3               |
| <b>Membership Operations Total</b> |                            | <b>6.8</b>        | <b>8.7</b>        | <b>(1.9)</b> | <b>8.9</b>        | <b>(2.1)</b>  | <b>57.1</b>       |

# Sales of Hotel and Restaurant Segment ( 1st Quarter )



(¥ millions)

|                                      | 2016/6<br>results | 2016/6<br>targets | 2015/6<br>results | 2017/3<br>targets |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
| XIV                                  | 7,809             | 8,187             | 7,518             | 34,651            |
| Sun Members                          | 1,022             | 1,088             | 1,089             | 4,786             |
| Hotel Trusty                         | 1,560             | 1,561             | 1,458             | 6,600             |
| Baycourt                             | 1,050             | 1,124             | 1,083             | 4,749             |
| Grandee Golf Club                    | 884               | 855               | 826               | 3,091             |
| Income from annual fees              | 1,746             | 1,737             | 1,702             | 7,012             |
| Income from amortization of deposits | 718               | 728               | 720               | 2,915             |
| THE KAHALA                           | 2,062             | 2,064             | 1,921             | 8,606             |
| Other                                | 1,017             | 991               | 1,071             | 4,045             |
| <b>Total</b>                         | <b>17,871</b>     | <b>18,340</b>     | <b>17,392</b>     | <b>76,460</b>     |

# Operations by category (1st Quarter)

## < HOTEL >

Number of overnight visitors

(Thousands)

|               | 2015/6<br>results | 2016/6<br>results | 2016/6<br>targets | 2015/3<br>results | 2016/3<br>results | 2017/3<br>targets |
|---------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| XIV           | 395               | <b>395</b>        | 420               | 1,815             | 1,786             | 1,893             |
| Sun Members*  | 115               | <b>99</b>         | 107               | 496               | 477               | 461               |
| Hotel Trusty* | 154               | <b>156</b>        | 157               | 603               | 637               | 678               |
| Baycourt      | 34                | <b>31</b>         | 35                | 135               | 150               | 155               |

Occupancy rates

(%)

|               | 2015/6<br>results | 2016/6<br>results | 2016/6<br>targets | 2015/3<br>results | 2016/3<br>results | 2017/3<br>targets |
|---------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| XIV           | 48.7              | <b>47.5</b>       | 49.9              | 54.0              | 54.0              | 54.5              |
| Sun Members*  | 63.8              | <b>59.7</b>       | 64.2              | 64.7              | 65.2              | 66.5              |
| Hotel Trusty* | 91.3              | <b>91.1</b>       | 92.4              | 89.7              | 92.5              | 92.6              |
| Baycourt      | 55.7              | <b>52.2</b>       | 58.6              | 53.2              | 59.5              | 62.6              |

Spending per visitor

(¥)

|               | 2015/6<br>results | 2016/6<br>results | 2016/6<br>targets | 2015/3<br>results | 2016/3<br>results | 2017/3<br>targets |
|---------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| XIV           | 19,007            | <b>19,726</b>     | 19,490            | 17,822            | 17,901            | 18,305            |
| Sun Members*  | 9,444             | <b>10,229</b>     | 10,135            | 9,591             | 9,759             | 10,369            |
| Hotel Trusty* | 9,421             | <b>10,001</b>     | 9,928             | 8,835             | 9,667             | 9,726             |
| Baycourt      | 31,678            | <b>32,951</b>     | 31,581            | 32,458            | 30,206            | 30,539            |

\*Hotel Trusty Nagoya Shirakawa reopened on June 2016. (Before closing on Jan 2016, within Sun members category)

## < Senior residences and private nursery homes >

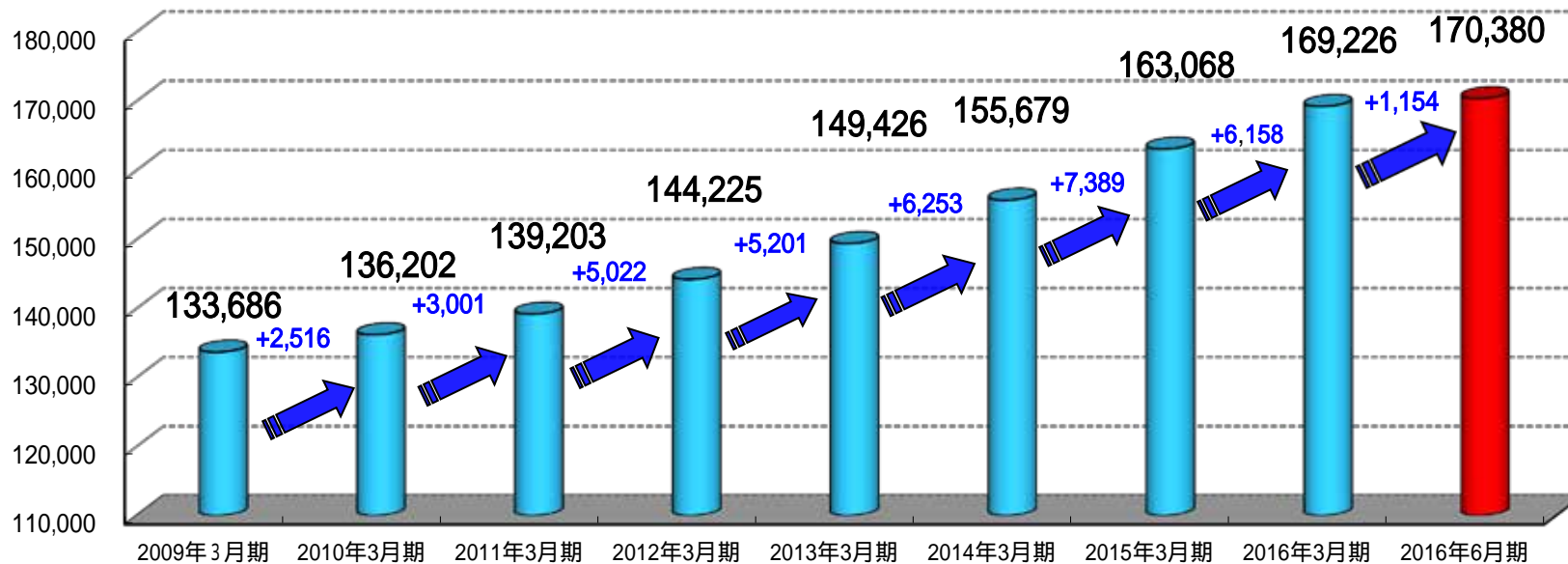
|                    | 2015/6<br>results | 2016/6<br>results | 2016/6<br>targets | 2015/3<br>results | 2016/3<br>results | 2017/3<br>targets |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Occupancy rates(%) | 82.6              | <b>86.2</b>       | 89.1              | 80.8              | 87.6              | 94.9              |
| number of rooms    | 907               | <b>1,075</b>      | 1,075             | 907               | 1,025             | 1,075             |

Trust Garden Tokiwamatsu : Opened on April 1, 2016.



# Number of Members

(Members)



(Members)

|                         | Baycourt      | XIV           | Sun Members   | Golf          | Medical       | Cruiser    | Total          |
|-------------------------|---------------|---------------|---------------|---------------|---------------|------------|----------------|
| 2016/3                  | 10,646        | 76,546        | 35,103        | 31,343        | 15,132        | 456        | 169,226        |
| <b>2016/6</b>           | <b>11,019</b> | <b>77,036</b> | <b>34,982</b> | <b>31,285</b> | <b>15,603</b> | <b>455</b> | <b>170,380</b> |
| Change<br>2016/3-2016/6 | +373          | +490          | (121)         | (58)          | +471          | (1)        | +1,154         |
| Change<br>2015/3-2015/6 | +176          | +867          | (105)         | +769          | +574          | +15        | +2,296         |



“XIV Toba Chinese Restaurant Suiyou”  
(Reopened on March 27, 2016)

# Consolidated Balance Sheets

(¥ millions)

|   | 2016/3         | 2016/6         | Change          |   | 2016/3         | 2016/6         | Change         |
|---|----------------|----------------|-----------------|---|----------------|----------------|----------------|
| <b>Total current assets</b>             | <b>147,250</b> | <b>132,205</b> | <b>(15,044)</b> | <b>Total current liabilities</b>            | <b>81,794</b>  | <b>80,299</b>  | <b>(1,495)</b> |
| Cash and deposits                       | 24,742         | 22,545         | (2,196)         | Notes and accounts payable-trade            | 1,123          | 1,036          | (87)           |
| Notes and accounts receivable-trade     | 6,738          | 5,951          | (787)           | Short-term loans payable                    | 12,842         | 11,974         | (867)          |
| Operating loans                         | 38,050         | 38,412         | +361            | Current portion of bonds                    | 450            | 450            | -              |
| Short-term investment securities        | 28,466         | 18,534         | (9,931)         | Accounts payable-other and accrued expenses | 27,616         | 20,046         | (7,570)        |
| Merchandise, raw materials and supplies | 1,742          | 1,859          | +116            | Advance received                            | 25,227         | 27,502         | +2,275         |
| Real estate for sale                    | 5,614          | 4,945          | (668)           | Other                                       | 14,533         | 19,288         | +4,754         |
| Real estate for sale in process         | 27,902         | 30,210         | +2,308          | <b>Total noncurrent liabilities</b>         | <b>213,119</b> | <b>210,510</b> | <b>(2,609)</b> |
| Deferred tax assets                     | 3,985          | 4,270          | +284            | Bonds payable and long-term loans payable   | 63,423         | 62,811         | (612)          |
| Other                                   | 10,007         | 5,476          | (4,531)         | Long-term guarantee deposited               | 103,098        | 99,359         | (3,739)        |
| <b>Total noncurrent assets</b>          | <b>260,179</b> | <b>266,052</b> | <b>+5,873</b>   | Bonds with subscription rights to shares    | 30,242         | 30,232         | (10)           |
| Property, plant and equipment, net      | 156,884        | 156,721        | (162)           | Other                                       | 16,354         | 18,107         | +1,753         |
| Intangible assets                       | 4,341          | 8,542          | +4,201          | <b>Total liabilities</b>                    | <b>294,914</b> | <b>290,809</b> | <b>(4,104)</b> |
| Investments and other assets            | 98,954         | 100,788        | +1,833          | <b>Net Assets</b>                           | <b>112,515</b> | <b>107,448</b> | <b>(5,066)</b> |
|   |                |                |                 | Shareholders' equity                        | 108,109        | 105,816        | (2,292)        |
|   |                |                |                 | Treasury shares                             | (3,451)        | (3,243)        | +208           |
|   |                |                |                 | Accumulated Other Comprehensive Income      | 3,694          | 711            | (2,982)        |
|   |                |                |                 | Subscription rights to shares               | 16             | -              | (16)           |
|   |                |                |                 | Non-controlling interests                   | 4,146          | 4,163          | +16            |
| <b>Total assets</b>                     | <b>407,430</b> | <b>398,258</b> | <b>(9,171)</b>  | <b>Total liabilities and net assets</b>     | <b>407,430</b> | <b>398,258</b> | <b>(9,171)</b> |

# Consolidated Cash Flows

(¥ millions)

|   | 2015/6   | 2016/6  |
|---|----------|---------|
| Cash flows from operating activities  | (5,283)  | 6,256   |
| Cash flows from investing activities  | (18,002) | (8,389) |
| Cash flows from financing activities  | (2,119)  | (1,643) |
| Effect of exchange rate changes on cash and cash equivalents                                      | (33)     | (31)    |
| Net increase (decrease) in cash and cash equivalents  | (25,437) | (3,807) |
| Increase (decrease) in cash and cash equivalents resulting from changes of scope of consolidation | (944)    | -       |
| Cash and cash equivalents at end of period  | 40,022   | 21,668  |

# Effects of Deferred Revenue from properties before completion of construction①

Method of recording sales and income from property before completion of construction p.29

Registration fee treated as Sales upon signing.

Sales or Cost of the real estate deferred until the Hotel opens

(¥ Billions)

| Fiscal year  | Results for 1Q FY2014<br>(2014/6) | Results for 1Q FY2015<br>(2015/6)  | Results for 1Q FY2016<br>(2016/6)  | Targets for 1Q FY2016<br>(2016/6)  |            |            |            |            |
|--|-----------------------------------|--|--|--|------------|------------|------------|------------|
| Contract amount of properties<br>before completion of construction | (XIV Toba Bettei)<br>2.7 billion  | (XIV Toba Bettei)<br>3.9billion<br>(XIV Yugawara Rikyu)<br>3.1 billion<br>(Ashiya Baycourt)<br>4.6 billion | (XIV Yugawara Rikyu)<br>2.2 billion<br>(Ashiya Baycourt)<br>4.0 billion<br>(XIV Rokko SV)<br>0.5 billion | (XIV Yugawara Rikyu)<br>4.6 billion<br>(Ashiya Baycourt)<br>2.9 billion<br>(XIV Rokko SV)<br>1.2 billion |            |            |            |            |
| Deferred sales and income from<br>properties                       | Sales                             | Income   | Sales  | Income   | Sales      | Income     | Sales      | Income     |
| XIV Toba Bettei<br>(RH)  | 1.5                               | 0.4  | 1.8  | 0.6  | -          | -          | -          | -          |
| XIV Yugawara Rikyu<br>(RH)   | -                                 | -  | 1.5  | 0.4  | 0.9        | 0.3        | 2.4        | 0.7        |
| Ashiya Baycourt<br>(RH)  | -                                 | -  | 2.3  | 0.9  | 2.0        | 0.7        | 1.5        | 0.5        |
| XIV Rokko SV<br>(RH')  | -                                 | -  | -  | -  | 0.2        | 0.0        | 0.6        | 0.1        |
| <b>Value affected<br/>(included in disclosed figures)</b>          | <b>1.5</b>                        | <b>0.4</b>   | <b>5.7</b>   | <b>1.8</b>   | <b>3.0</b> | <b>1.0</b> | <b>4.4</b> | <b>1.3</b> |

# Effects of Deferred Revenue from properties before completion of construction ②

Method of recording sales and income from property before completion of construction p.29

Registration fee treated as Sales upon signing.

Sales or Cost of the real estate deferred until the Hotel opens

(¥ Billions)

| Fiscal year   | Results for 2013<br>(2014/3)     | Results for 2014<br>(2015/3)   | Results for 2015<br>(2016/3)   | Targets for 2016<br>(2017/3)   | (For reference)<br>Predictions for 2017<br>(2018/3) |
|---|----------------------------------|--|--|--|---|
| Contract amount of properties before completion of construction | (XIV Toba Bettei)<br>6.6 billion | (XIV Toba Bettei)<br>11.8 billion<br>(XIV Yugawara Rikyu)<br>9.2 billion | (XIV Yugawara Rikyu)<br>12.3 billion<br>(Ashiya Baycourt)<br>30.1 billion<br>(XIV Rokko SV)<br>4.5 billion | (Ashiya Baycourt)<br>13.5 billion<br>(XIV Rokko SV)<br>5.5 billion<br>(Chubu)<br>7.5 billion |   |

| Deferred sales and income from properties             |                | Sales      | Income     | Sales       | Income     | Sales       | Income     | Sales      | Income     | Sales               | Income              |
|---|----------------|------------|------------|-------------|------------|-------------|------------|------------|------------|---------------------|---------------------|
| XIV Toba Bettei<br>(RH)                               | Value deferred | 3.6        | 1.1        | 6.3         | 1.7        | -           | -          | -          | -          | -                   | -                   |
|   | Value realized | -          | -          | -           | -          | +9.8        | +3.0       | -          | -          | -                   | -                   |
| XIV Yugawara Rikyu<br>(RH)                            | Value deferred | -          | -          | 4.7         | 1.3        | 5.5         | 1.7        | -          | -          | -                   | -                   |
|   | Value realized | -          | -          | -           | -          | -           | -          | +10.3      | +3.0       | -                   | -                   |
| Ashiya Baycourt<br>(RH)                               | Value deferred | -          | -          | -           | -          | 15.3        | 5.4        | 6.9        | 2.4        | -                   | -                   |
|   | Value realized | -          | -          | -           | -          | -           | -          | -          | -          | +22.2               | +7.9                |
| XIV Rokko SV<br>(RH)                                  | Value deferred | -          | -          | -           | -          | 2.1         | 0.4        | 2.8        | 0.6        | (Unspecified value) | (Unspecified value) |
|   | Value realized | -          | -          | -           | -          | -           | -          | -          | -          | -                   | -                   |
| Chubu<br>(RH)   | Value deferred | -          | -          | -           | -          | -           | -          | 4.0        | 1.2        | (Unspecified value) | (Unspecified value) |
|   | Value realized | -          | -          | -           | -          | -           | -          | -          | -          | -                   | -                   |
| <b>Value affected (included in disclosed figures)</b> |                | <b>3.6</b> | <b>1.1</b> | <b>11.0</b> | <b>3.0</b> | <b>13.2</b> | <b>4.6</b> | <b>3.3</b> | <b>1.2</b> | (Unspecified value) | (Unspecified value) |

XIV Yugawara Rikyu is scheduled to open in Mar. 2017.

Ashiya Baycourt is scheduled to open in Feb. 2018.

XIV Rokko SV is scheduled to open in Apr. 2018.

Deferred until opening of the facility

| Financial highlights of consolidated results               | Results for 2013 |                  | Results for 2014 |                  | Results for 2015 |                  | Targets for 2016 |                  |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|  | Sales            | Operating income | Sales            | Operating income | Sales            | Operating income | Sales            | Operating income |
| Disclosed figures (Recorded value)                         | 116.8            | 15.1             | 120.4            | 16.0             | 142.2            | 18.6             | 160.4            | 17.7             |
| (For reference) Value excluding effects of deferred values | 120.4            | 16.2             | 131.4            | 19.1             | 155.4            | 23.2             | 163.7            | 18.9             |
| (For reference) Value excluding effects of extra costs     | 120.4            | 16.2             | 131.4            | 19.1             | 155.4            | 23.8             | 163.7            | 20.4             |

Extra costs such as real estate acquisition tax and opening cost, which usually about 1.0 ~ 1.5 billion yen for each XIV hotel, will be added upon opening.  
XIV Toba Bettei: 0.6 billion  
XIV Yugawara Rikyu: 1.5 billion

# Targets for Fiscal Year 2016

|   | 2016/3<br>(results) | 2017/3<br>(targets) |         |
|---|---------------------|---------------------|---------|
|   | (¥ millions)        | (¥ millions)        | Change  |
| Net sales                               | 142,249             | 160,400             | + 12.8% |
| Operating income<br>(vs. net sales (%)) | 18,640<br>《13.1%》   | 17,700<br>《11.0%》   | (5.0%)  |
| Ordinary income<br>(vs. net sales (%))  | 19,439<br>《13.7%》   | 19,500<br>《12.2%》   | + 0.3%  |
| Net income<br>(vs. net sales (%))       | 13,044<br>《9.2%》    | 13,200<br>《8.2%》    | +1.2%   |

|                          |        |        |
|--------------------------|--------|--------|
| Net income per share (¥) | 123.34 | 124.14 |
|--------------------------|--------|--------|

|                          |       |       |
|--------------------------|-------|-------|
| Annual Cash dividend (¥) | 46.00 | 46.00 |
|--------------------------|-------|-------|



“XIV Yugawara Rikyu”

(scheduled to be opened on March, 2017)



# Net Sales by segment for Fiscal Year 2016

## <Sales>

(¥ millions)

|                      | <b>2016/3<br/>(result)</b> | <b>2017/3<br/>(targets)</b> |               |
|----------------------|----------------------------|-----------------------------|---------------|
| Membership           | 46,282                     | 57,080                      | + 23.3%       |
| Hotel and Restaurant | 72,817                     | 76,460                      | + 5.0%        |
| Medical              | 21,806                     | 25,560                      | +17.2%        |
| Other                | 1,344                      | 1,300                       | (3.3%)        |
| <b>Total</b>         | <b>142,249</b>             | <b>160,400</b>              | <b>+12.8%</b> |

# Operating Income by segment for Fiscal Year 2016

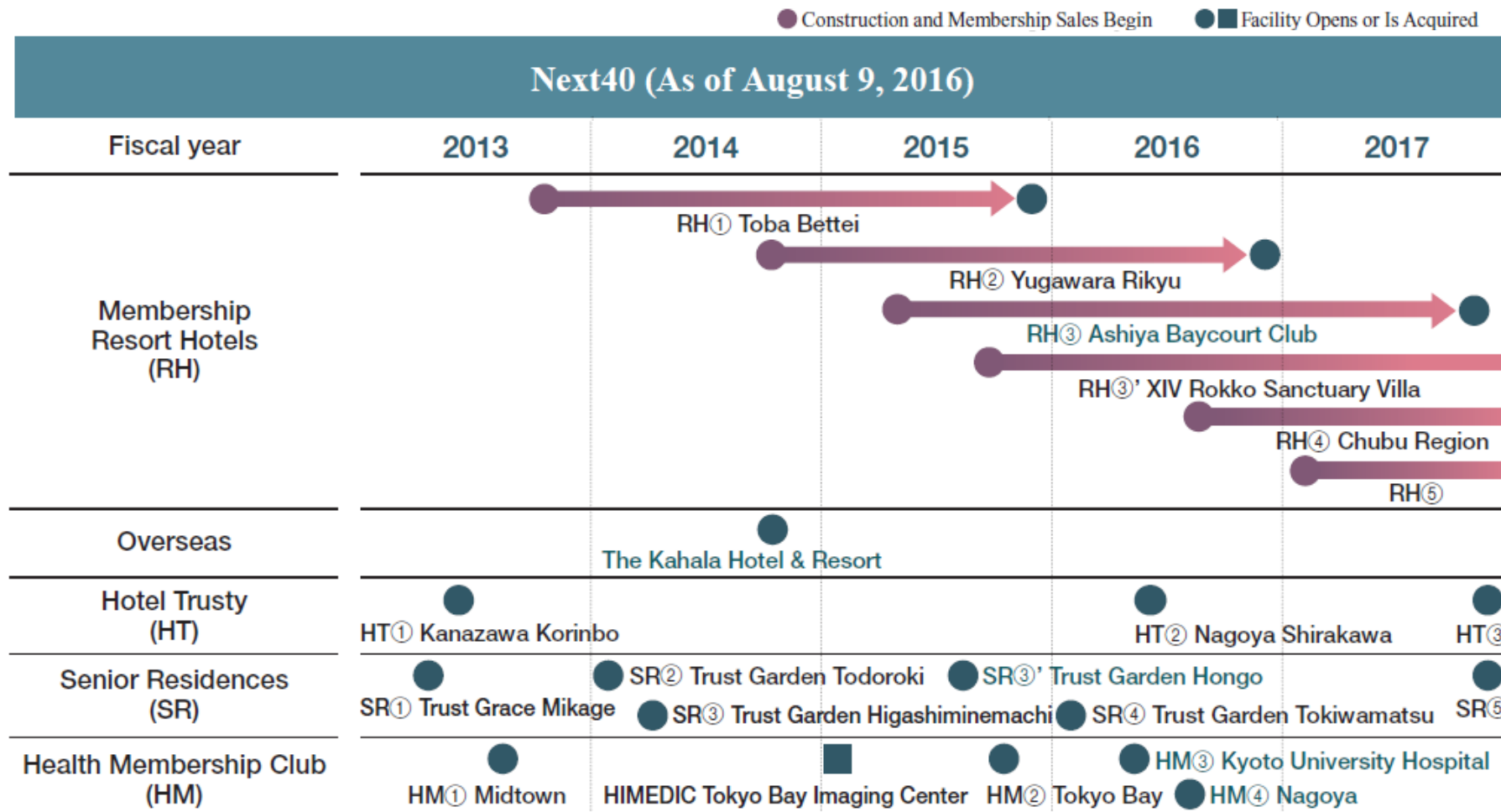
## <Operating Income>

(¥ millions)

|                      | 2016/3<br>(result) | 2017/3<br>(targets) |               |
|----------------------|--------------------|---------------------|---------------|
| Membership           | 9,898              | 9,940               | + 0.4%        |
| Hotel and Restaurant | 4,567              | 3,460               | (24.2%)       |
| Medical              | 3,629              | 3,720               | + 2.5%        |
| Other                | 545                | 580                 | + 6.3%        |
| <b>Total</b>         | <b>18,640</b>      | <b>17,700</b>       | <b>(5.0%)</b> |

# Reference materials

# Group's Development schedule



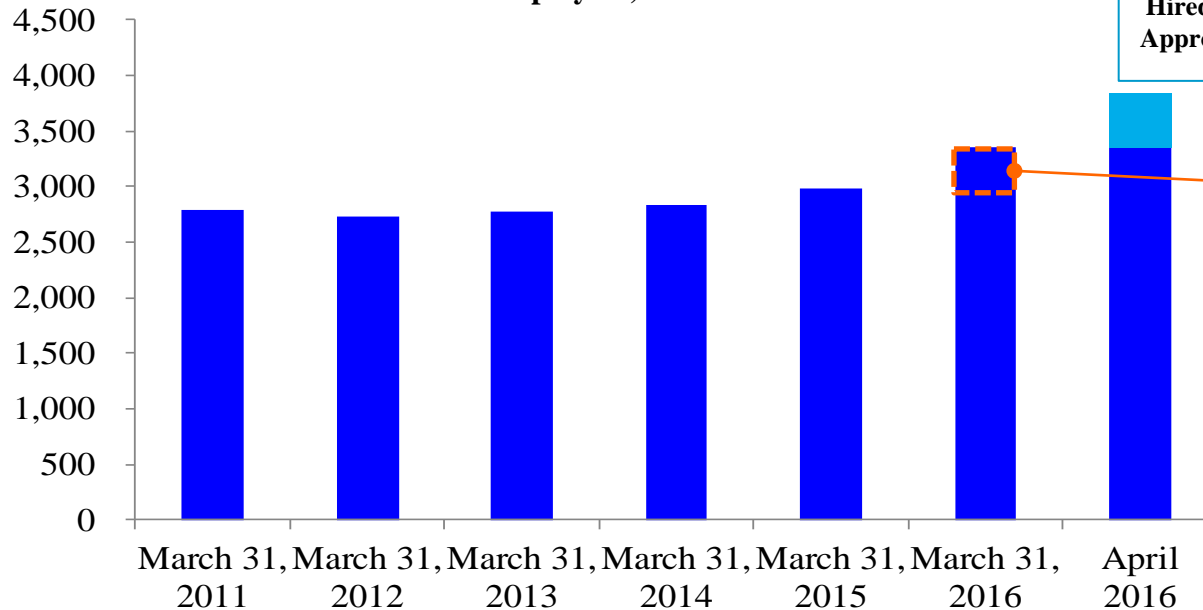
\* Items not yet confirmed are based on plans as of the date "NEXT40" was announced (April 2013)

There is the Hotel Business Development Plan in "Minato Mirai 21 Central District Block 20 MICE Facility Development Business". We plan to open "Yokohama Baycourt Club(tentative)" and the Standard Hotel with the same place.(Spring, 2020)

# <Reference> Status of Personnel Expenses in Hotels and Restaurants for Fiscal Year 2016

- In preparation for openings following Yugawara, approximately 500 new employees to increase in April in fiscal year 2016
- In the current term, although Toba Bettei will contribute to higher revenue, personnel expenses to increase as forward expenses as in the previous term

<Trends in Personnel Numbers (Non-consolidated, Full-time Employees) in Hotels and Restaurants>



There were no openings in fiscal year 2015, and personnel expenses increased as forward expenses (Year-on-year increase in personnel expenses: approx. ¥2.0 billion)

In fiscal year 2016, personnel expenses are forecast to increase by about ¥1.0 billion as forward expenses (Scale: Toba Bettei < Yugawara, Ashiya)

Opened Facilities (contributed to revenue.)



Opened in March 2011  
Arima Rikyu  
(175 rooms)



Opened in March 2012  
Karuizawa PASEO, SV  
MUSEO  
(Total 48 rooms)

Upon the Great East Japan Earthquake, conducted revision, etc.



Opened in March 2016  
Toba Bettei  
(121 rooms)



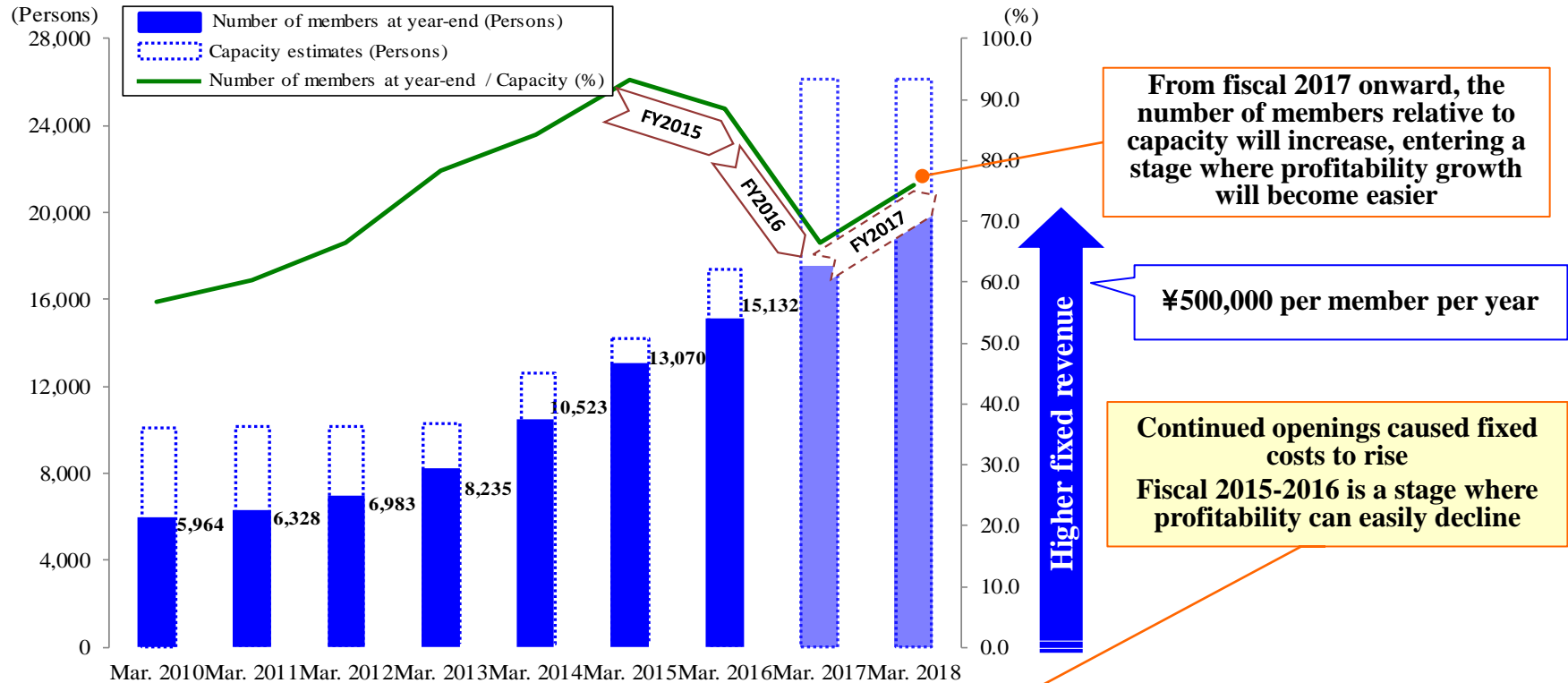
Opening in March 2017  
Yugawara Rikyu  
(187 rooms)



Opening in February 2018  
Ashiya Baycourt Club  
(201 rooms)

# HIMEDIC Base Expansion in Fiscal Year 2016

- The number of HIMEDIC members was 7,000 persons as of March 31, 2012, and was over 15,000 members as of March 31, 2016.
- Examination capacity (sales inventory) was enriched by openings (3 bases and 4 facilities) from fiscal 2015 to fiscal 2016.
- After openings, fixed costs are high until membership numbers grow (fiscal 2015-2016), but they contribute to revenue over the medium- to long-term.

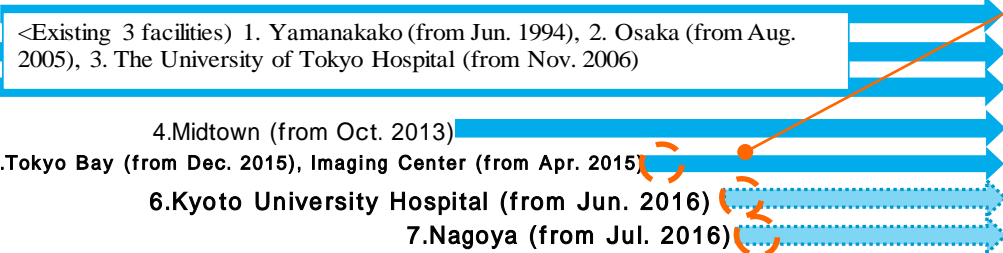


From fiscal 2017 onward, the number of members relative to capacity will increase, entering a stage where profitability growth will become easier

¥500,000 per member per year

Continued openings caused fixed costs to rise  
Fiscal 2015-2016 is a stage where profitability can easily decline

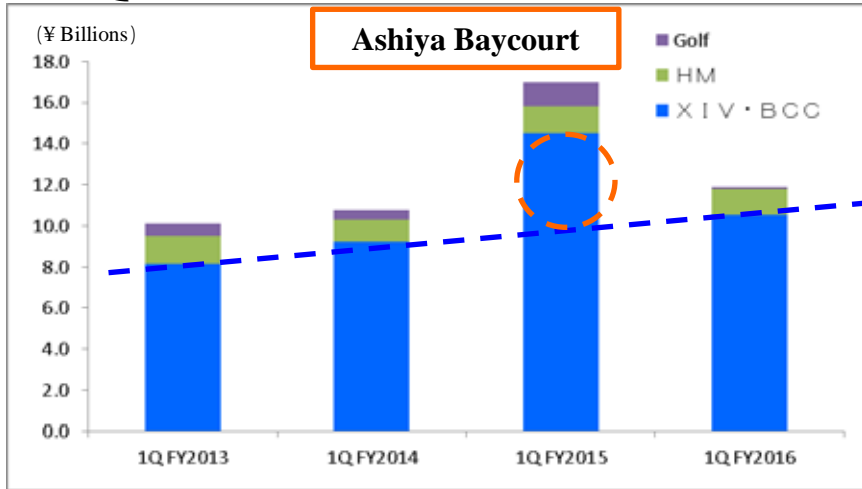
Medical examination facility operation



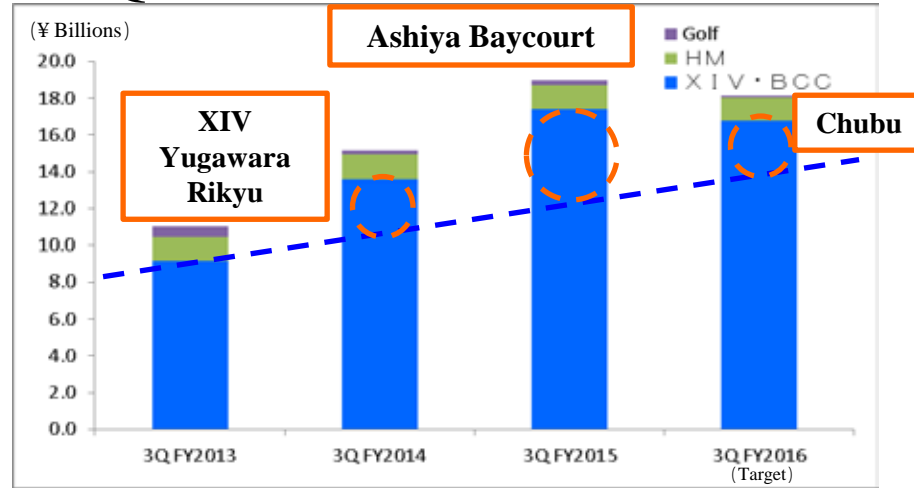
On the scale of about ¥1.0 billion to ¥1.2 billion per facility a year (when operating at full capacity)

# <Reference> Contract Values for each Quarters

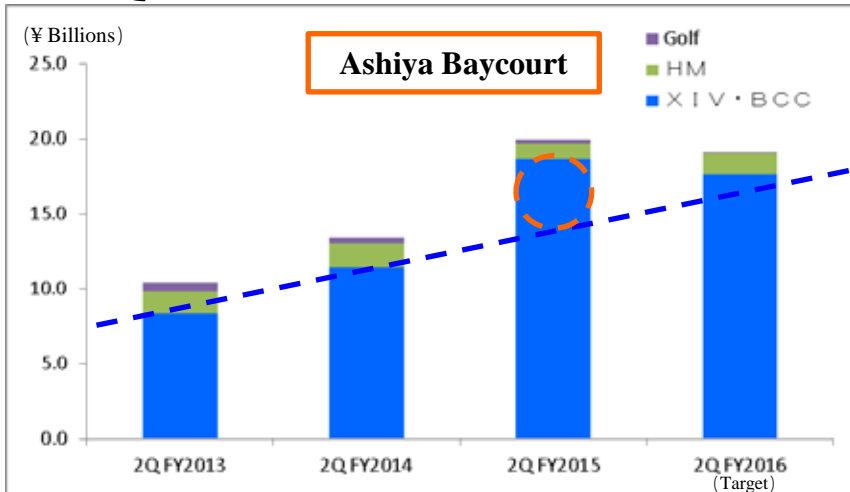
## 1st Quarter



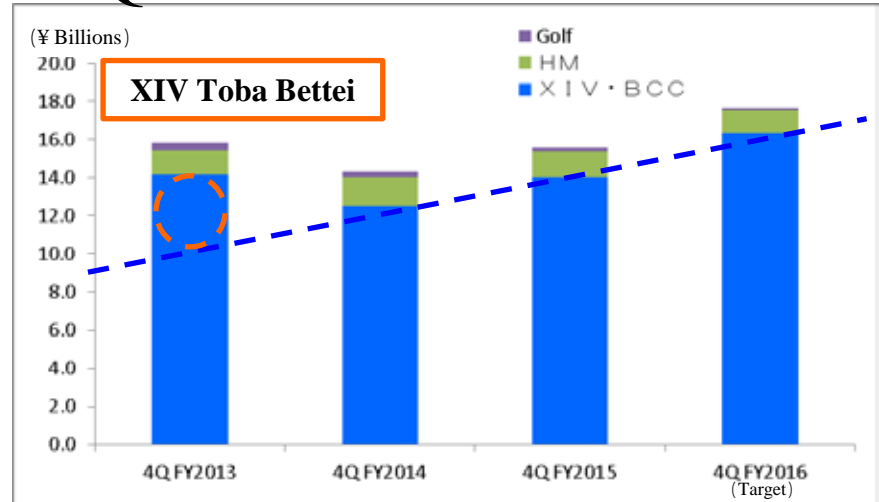
## 3rd Quarter



## 2nd Quarter



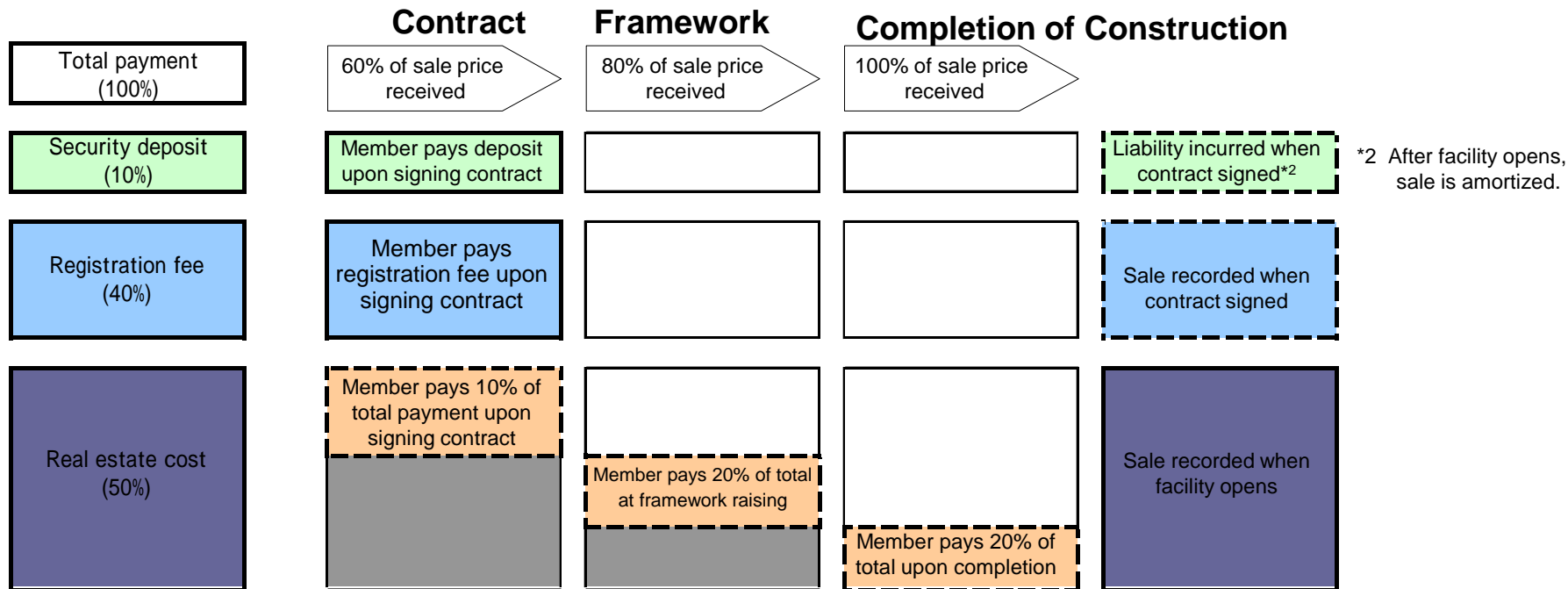
## 4th Quarter



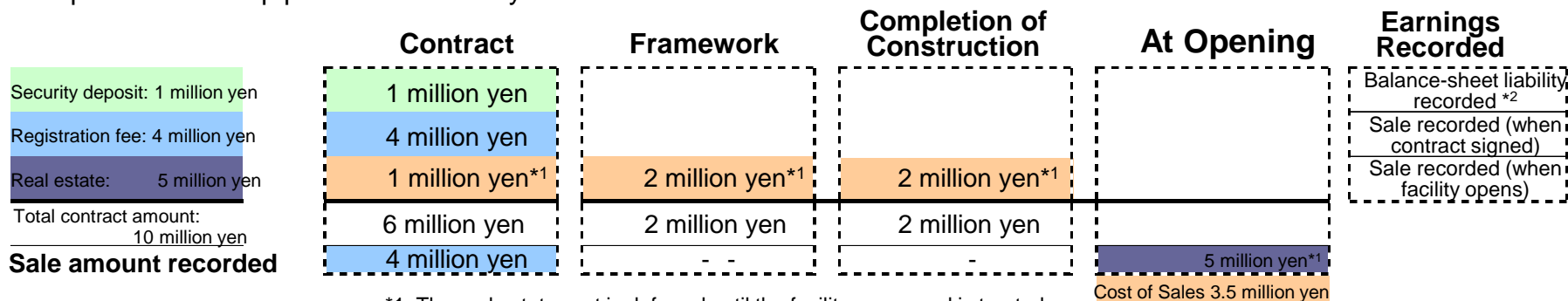
The impact of starting sales of the new hotel membership

# Income and Accounting for a Core XIV Facility

(Before completion of construction)



Example: Membership price of 10 million yen



\*1 The real estate cost is deferred until the facility opens and is treated as revenue after the facility opens.

\*2 After facility opens, sale is amortized.

Annual fee:  
0.13 million yen



## ***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.**



RESORTTRUST  
GROUP

<http://www.resorttrust.co.jp/>

**(Securities code 4681)**