

KNT-CT HOLDINGS CO., LTD.
CONSOLIDATED BALANCE SHEETS

March 31, 2018 and 2017

ASSETS	Millions of Yen	
	March 31, 2018	March 31, 2017
CURRENT ASSETS:		
Cash and deposits	¥ 68,140	¥ 66,155
Notes and accounts receivable trade	24,337	23,950
Allowance for doubtful accounts	(15)	(22)
Inventories	109	105
Advances paid to suppliers	15,284	16,119
Deferred tax asset	1,918	1,852
Prepaid expenses and other current assets	3,157	4,438
Total current assets	<u>112,931</u>	<u>112,599</u>
PROPERTY AND EQUIPMENT, at cost:		
Land	134	162
Buildings	2,938	3,020
Equipment	4,136	3,833
Construction in progress	16	64
Accumulated depreciation	(5,518)	(5,483)
Total property and equipment	<u>1,708</u>	<u>1,597</u>
INTANGIBLE ASSETS		
Software	2,282	899
Other	14	14
Total intangible assets	<u>2,296</u>	<u>913</u>
INVESTMENTS AND OTHER ASSETS:		
Investment securities	5,188	4,901
Lease deposits	4,697	4,861
Long-term loans receivable	79	123
Allowance for doubtful accounts	(410)	(406)
Net Defined Benefit Asset	1,564	1,153
Deferred tax asset	757	2,022
Other assets	1,602	1,125
Total investments and other assets	<u>13,479</u>	<u>13,780</u>
Total assets	<u>¥ 130,416</u>	<u>¥ 128,890</u>

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LIABILITIES	Millions of Yen	
	March 31, 2018	March 31, 2017
CURRENT LIABILITIES:		
Accounts payable trade	¥ 30,156	¥ 27,640
Advances received	66,923	67,942
Accrued income taxes	505	617
Deferred tax liability	-	0
Accrued expenses and other current liabilities	4,045	3,708
Total current liabilities	101,631	99,908
DEFERRED TAX LIABILITY	-	820
ALLOWANCE FOR LOSSES ON UNCOLLECTED GIFT COUPON FOR FUTURE USE	1,041	1,121
OTHER LONG-TERM LIABILITIES	2,439	2,521
Total liabilities	105,111	104,372
STOCKHOLDERS' EQUITY:		
Common stock,		
Authorized - 380,000,000 shares		
Issued - 273,310,135 shares	8,041	8,041
Capital surplus	7,204	7,204
Retained earnings	7,731	6,318
Treasury stock	(10)	(8)
Total stockholders' equity	22,966	21,556
APPRAISAL AND TRANSLATION DIFFERENCES		
Net unrealized holding gains on securities	1,693	1,498
Gains or losses on deferred hedge accountings	(265)	645
Foreign currency translation adjustment	235	352
Remeasurements of defined benefit plans	597	373
Total appraisal and translation differences	2,261	2,869
NON-CONTROLLING INTERESTS	77	91
Total Net Assets	25,304	24,517
Total liabilities and Net Assets	¥ 130,416	¥ 128,890