

KINKI NIPPON TOURIST CO., LTD.
CONSOLIDATED BALANCE SHEETS

December 31, 2011 and 2010

ASSETS	Millions of Yen	
	2011	2010
CURRENT ASSETS:		
Cash and deposits	¥ 32,630	¥35,314
Marketable securities	—	—
Notes and accounts receivable trade	21,502	24,009
Allowance for doubtful accounts	(79)	(47)
Inventories	97	86
Advances paid to suppliers	9,690	9,888
Deferred tax asset	139	57
Prepaid expenses and other current assets	2,412	1,910
Total current assets	66,394	71,218
PROPERTY AND EQUIPMENT, at cost:		
Land	2,262	2,273
Buildings	4,294	4,249
Equipment	3,364	2,777
	9,921	9,300
Accumulated depreciation	(5,378)	(5,105)
Total property and equipment	4,543	4,195
INTANGIBLE ASSETS		
Software	7,884	4,549
Goodwill	131	321
Other	121	130
Total intangible assets	8,137	5,001
INVESTMENTS AND OTHER ASSETS:		
Investment securities	2,817	2,605
Lease deposits	4,586	5,134
Long-term loans receivable	396	307
Allowance for doubtful accounts	(416)	(725)
Deferred tax asset	233	241
Other assets	6,071	6,099
Total investments and other assets	13,688	13,663
Total assets	¥ 92,763	¥ 94,078

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LIABILITIES	Millions of Yen	
	2011	2010
CURRENT LIABILITIES:		
Accounts payable trade	¥ 12,594	¥ 13,945
Advances received	65,869	68,696
Employees' savings deposits	807	842
Short-term debt	3,000	—
Accrued income taxes	341	281
Deferred tax liability	16	28
Accrued expenses and other current liabilities	1,692	1,440
Total current liabilities	84,322	85,235
SEVERANCE AND RETIREMENT ALLOWANCE	2,019	1,430
DEFERRED TAX LIABILITY	—	—
ALLOWANCE FOR LOSSES ON UNCOLLECTED GIFT COUPON FOR FUTURE USE	874	1,394
OTHER LONG-TERM LIABILITIES	2,619	3,657
Total liabilities	5,512	6,481
STOCKHOLDERS' EQUITY:		
Common stock,		
Authorized - 240,000,000 shares		
Issued - 96,175,121 shares	7,579	7,579
Capital surplus	4,812	4,812
Retained earnings	(8,992)	(9,703)
Treasury stock	(142)	(155)
Total stockholders' equity	3,256	2,532
APPRAISAL AND TRANSLATION DIFFERENCES		
Net unrealized holding gains on securities	(137)	(61)
Gains or losses on deferred hedge accountings	(162)	(243)
Foreign currency translation adjustment	(103)	23
Total appraisal and translation differences	(404)	(281)
MINORITY INTERESTS	75	110
Total Net Assets	2,927	2,361
Total liabilities and Net Assets	¥ 92,763	¥ 94,078