

KINKI NIPPON TOURIST CO., LTD.
CONSOLIDATED BALANCE SHEETS

December 31, 2012 and 2011

ASSETS	Millions of Yen	
	2012	2011
CURRENT ASSETS:		
Cash and deposits	¥ 28,541	¥ 32,630
Marketable securities	—	—
Notes and accounts receivable trade	21,150	21,502
Allowance for doubtful accounts	(53)	(79)
Inventories	50	97
Advances paid to suppliers	11,628	9,690
Deferred tax asset	595	139
Prepaid expenses and other current assets	5,229	2,412
Total current assets	67,142	66,394
PROPERTY AND EQUIPMENT, at cost:		
Land	1,548	2,262
Buildings	4,030	4,294
Equipment	3,104	3,364
	8,683	9,921
Accumulated depreciation	(5,192)	(5,378)
Total property and equipment	3,490	4,543
INTANGIBLE ASSETS		
Software	6,644	7,884
Goodwill	0	131
Other	84	121
Total intangible assets	6,728	8,137
INVESTMENTS AND OTHER ASSETS:		
Investment securities	3,070	2,817
Lease deposits	4,336	4,586
Long-term loans receivable	285	396
Allowance for doubtful accounts	(461)	(416)
Deferred tax asset	510	233
Other assets	2,657	6,071
Total investments and other assets	10,398	13,688
Total assets	¥ 87,760	¥ 92,763

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LIABILITIES	Millions of Yen	
	2012	2011
CURRENT LIABILITIES:		
Accounts payable trade	¥ 14,076	¥ 12,594
Advances received	60,844	65,869
Employees' savings deposits	776	807
Short-term debt	0	3,000
Accrued income taxes	332	341
Deferred tax liability	0	16
Accrued expenses and other current liabilities	1,132	1,692
Total current liabilities	<u>77,162</u>	<u>84,322</u>
SEVERANCE AND RETIREMENT ALLOWANCE	1,166	2,019
DEFERRED TAX LIABILITY	—	—
ALLOWANCE FOR LOSSES ON UNCOLLECTED GIFT COUPON FOR FUTURE USE	1,015	874
OTHER LONG-TERM LIABILITIES	2,697	2,619
Total liabilities	<u>4,879</u>	<u>5,512</u>
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	(7,203)	(8,992)
Treasury stock	(143)	(142)
Total stockholders' equity	<u>5,043</u>	<u>3,256</u>
APPRAISAL AND TRANSLATION DIFFERENCES		
Net unrealized holding gains on securities	301	(137)
Gains or losses on deferred hedge accountings	453	(162)
Foreign currency translation adjustment	(161)	(103)
Total appraisal and translation differences	<u>593</u>	<u>(404)</u>
MINORITY INTERESTS	<u>81</u>	<u>75</u>
Total Net Assets	<u>5,718</u>	<u>2,927</u>
Total liabilities and Net Assets	<u>¥ 87,760</u>	<u>¥ 92,763</u>