

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

December 31, 2014 and 2013

ASSETS	Millions of Yen	
	2014	2013
<b>CURRENT ASSETS:</b>		
Cash and deposits	¥ 60,277	¥ 57,369
Notes and accounts receivable trade	21,753	23,674
Allowance for doubtful accounts	(31)	(25)
Inventories	106	120
Advances paid to suppliers	14,129	16,073
Deferred tax asset	1,728	2,444
Prepaid expenses and other current assets	5,218	3,435
Total current assets	103,182	103,092
<b>PROPERTY AND EQUIPMENT, at cost:</b>		
Land	1,224	1,282
Buildings	4,269	4,304
Equipment	4,333	4,133
	9,827	9,720
Accumulated depreciation	(6,963)	(6,590)
Total property and equipment	2,863	3,130
<b>INTANGIBLE ASSETS</b>		
Software	4,944	5,755
Goodwill	-	2,902
Other	35	81
Total intangible assets	4,980	8,739
<b>INVESTMENTS AND OTHER ASSETS:</b>		
Investment securities	4,556	4,202
Lease deposits	5,160	5,192
Long-term loans receivable	161	194
Allowance for doubtful accounts	(440)	(414)
Deferred tax asset	1,631	2,319
Other assets	1,950	2,853
Total investments and other assets	13,018	14,347
Total assets	¥ 124,045	¥ 129,308

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LIABILITIES	Millions of Yen	
	2014	2013
<b>CURRENT LIABILITIES:</b>		
Accounts payable trade	¥ 15,151	¥ 16,340
Advances received	74,916	79,169
Employees' savings deposits	831	86
Accrued income taxes	495	554
Deferred tax liability	530	147
Accrued expenses and other current liabilities	2,213	2,499
Total current liabilities	94,139	98,797
SEVERANCE AND RETIREMENT ALLOWANCE	-	2,578
DEFERRED TAX LIABILITY	284	238
ALLOWANCE FOR LOSSES ON UNCOLLECTED GIFT COUPON FOR FUTURE USE	1,208	1,138
NET DIFINED BENEFIT LIABILITY	2,012	-
OTHER LONG-TERM LIABILITIES	2,696	2,602
Total liabilities	100,340	105,354
<b>STOCKHOLDERS' EQUITY:</b>		
Common stock,		
Authorized - 380,000,000 shares		
Issued - 270,530,635 shares	7,862	7,825
Capital surplus	7,025	6,988
Retained earnings	5,149	7,131
Treasury stock	(4)	(2)
Total stockholders' equity	20,033	21,943
<b>APPRAISAL AND TRANSLATION DIFFERENCES</b>		
Net unrealized holding gains on securities	1,197	844
Gains or losses on deferred hedge accountings	1,651	882
Foreign currency translation adjisument	529	267
Remeasurements of difined benefit plans	274	-
Total appraisal and translation differences	3,653	1,994
<b>MINORITY INTERESTS</b>	17	17
Total Net Assets	23,704	23,954
Total liabilities and Net Assets	¥ 124,045	¥ 129,308