

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

December 31, 2015 and 2014

ASSETS	Millions of Yen	
	2015	2014
CURRENT ASSETS:		
Cash and deposits	¥ 67,382	¥ 60,277
Notes and accounts receivable trade	22,000	21,753
Allowance for doubtful accounts	(31)	(31)
Inventories	114	106
Advances paid to suppliers	13,065	14,129
Deferred tax asset	1,927	1,728
Prepaid expenses and other current assets	2,861	5,218
Total current assets	107,321	103,182
PROPERTY AND EQUIPMENT, at cost:		
Land	982	1,224
Buildings	4,314	4,269
Equipment	3,773	4,333
Construction in progress	0	-
Accumulated depreciation	(6,593)	(6,963)
Total property and equipment	2,477	2,863
INTANGIBLE ASSETS		
Software	3,122	4,944
Other	14	35
Total intangible assets	3,136	4,980
INVESTMENTS AND OTHER ASSETS:		
Investment securities	5,335	4,556
Lease deposits	4,994	5,160
Long-term loans receivable	140	161
Allowance for doubtful accounts	(431)	(440)
Deferred tax asset	1,225	1,631
Other assets	1,480	1,950
Total investments and other assets	12,744	13,018
Total assets	¥ 125,679	¥ 124,045

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LIABILITIES	Millions of Yen	
	2015	2014
CURRENT LIABILITIES:		
Accounts payable trade	¥ 15,286	¥ 15,151
Advances received	74,034	74,916
Employees' savings deposits	860	831
Accrued income taxes	645	495
Deferred tax liability	1	530
Accrued expenses and other current liabilities	2,874	2,213
Total current liabilities	93,702	94,139
DEFERRED TAX LIABILITY	723	284
ALLOWANCE FOR LOSSES ON UNCOLLECTED GIFT COUPON FOR FUTURE USE	1,252	1,208
NET DIFINED BENEFIT LIABILITY	559	2,012
OTHER LONG-TERM LIABILITIES	2,656	2,696
Total liabilities	98,893	100,340
STOCKHOLDERS' EQUITY:		
Common stock,		
Authorized - 380,000,000 shares		
Issued - 270,530,635 shares	7,915	7,862
Capital surplus	7,078	7,025
Retained earnings	9,490	5,149
Treasury stock	(7)	(4)
Total stockholders' equity	24,476	20,033
APPRAISAL AND TRANSLATION DIFFERENCES		
Net unrealized holding gains on securities	1,803	1,197
Gains or losses on deffered hedge accountings	(277)	1,651
Foreign currency translation adjisument	461	529
Remeasurements of difined benefit plans	235	274
Total appraisal and translation differences	2,223	3,653
MINORITY INTERESTS	86	17
Total Net Assets	26,786	23,704
Total liabilities and Net Assets	¥ 125,679	¥ 124,045