

Balance Sheet

As of March 31, 2024

(In thousands of yen)

Assets		Liabilities	
Account Items	Amount	Account Items	Amount
Current assets	26,546,123	Current liabilities	25,298,990
Cash and deposits	1,142,132	Accounts payable	17,522,454
Accounts receivable	20,304,805	Accounts payable to affiliates	4,013,318
Accounts receivable from affiliates	149,085	Lease obligations of affiliates (short-term)	92,020
Undelivered coupons	34,540	Accrued payments	260,845
Inventories	23,515	Accrued expenses	181,652
Business prepayments	51,904	Accrued bonuses	784,253
Prepayments	98,841	Accrued corporate tax, etc.	2,401
Prepaid expenses	41,906	Accrued consumption tax, etc.	180,591
Short-term loans to affiliates	4,633,210	Advances received	2,161,736
Accounts receivable-other	8,493	Deposits	98,348
Advances	57,687	Income in advance	1,366
		Fixed liabilities	1,310,898
Fixed assets	2,564,494	Lease obligations of affiliates (long-term)	167,562
Property, plant and equipment	154,463	Deposits on contracts	469,642
Equipment attached to buildings	23,142	Allowance for retirement benefits	647,861
Equipment and fixtures	131,320	Allowance for retirement benefits for officers	9,090
Intangible fixed assets	615,540	Long-term accounts payable to affiliates	16,741
Software	382,880		
Lease assets	232,487	Total liabilities	26,609,889
Telephone rights	172	Net assets	
Investments and other assets	1,794,490	Shareholders' equity	2,500,728
Shares in affiliated companies	342,000	Capital stock	100,000
Long-term prepaid expenses	500,000	Capital surplus	803,028
Guarantee deposits	227,209	Other capital surplus	803,028
Long-term prepaid expenses	6,806	Earned surplus	1,597,700
Deferred tax assets	718,473	Earned reserve	122,500
Long-term receivables	9,402	Other earned surplus	1,475,200
Allowance for bad debts	△ 9,402	Contingent reserve	1,900,000
		Earned surplus carried forward	△ 424,799
Total assets	29,110,617	Total net assets	2,500,728
		Total liabilities and net assets	29,110,617

Statements of Income

From: April 1, 2023

To: March 31, 2024

(In thousands of yen)

Account Items	Amount	
Sales		9,360,432
Cost of goods sold		1,696,677
Gross profit		<u>7,663,755</u>
Selling, general, and administrative expenses		6,880,425
Operating profit		<u>783,330</u>
Non-operating income		
Interest received	2,847	
Development contribution income	75,863	
Other	<u>1,476</u>	80,187
Non-operating expenses		
Interest expense	40	
Exchange loss	344	
miscellaneous losses	<u>36</u>	420
Ordinary profit		863,097
extraordinary loss		
Loss on retirement of fixed assets	<u>23,050</u>	23,050
Net income before tax		<u>840,046</u>
Corporate, resident and business taxes	2,401	
Income taxes adjustment	<u>△ 311,344</u>	△ 308,942
Net income		<u>1,148,989</u>

Notes to Financial Statements

[Notes for the matters associated with the important accounting policy]

1. Asset evaluation standards and method

(1) Evaluation standards and methods for affiliated company stocks

The cost method using the moving average method is applied Inventory.

(2) Cost method by the specific identification method is used. (Values in the balance sheet are calculated by a write-down of book values due to lowering profitability.)

2. Method of depreciation of fixed assets

(1) Property, plant and equipment: Declining-balance method is used.

(Other than lease assets) For the equipment attached to buildings acquired no earlier than April 1, 2016, however, the straight-line method is used.

(2) Intangible fixed assets: The straight-line method is used.

(Other than lease assets) For the software, however, the straight-line method is used subject to the availability period internally expected (five years).

(3) Lease assets: Lease assets associated with the finance lease transactions under ownership transfer

The same depreciation method is used as for the depreciation for self-owned fixed assets.

Lease assets associated with the finance lease transactions under other than ownership transfer.

The straight-line method is used by assuming the lease period as durable life and the remaining value as zero.

3. Standards for recording allowances

(1) Allowance for bad debts: In preparation for a loss from the non-collection of accounts receivable and other credits, the amount expected to be unrecoverable is recorded by individually considering the recoverability for doubtful accounts receivable and other credits.

(2) Allowance for retirement benefits: In preparation for the retirement benefits for employees, the amount considered to have accrued as of the end of such fiscal year is recorded in accordance with the obligations for retirement benefits and the estimated amount of pension assets as of the end of this fiscal year.

For the actuarial difference, the amount prorated under the straight-line method for certain years within the average remaining service period of employee at that time (i.e., 10 years) is recorded as expenses in the fiscal year next to the year when the difference occurs.

(3) Allowance for retirement benefits for officers: In preparation for the payment of retirement benefits for officers and executive officers, the amounts payable at the end of year are recorded in accordance with internal rules.

4. Significant standards for recording income and expenses

The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) has been adopted, and revenue is recognized at the time of the transfer of control of promised goods or services to customers in the amount expected to be received in exchange for the goods or services concerned. The primary performance obligation in the business travel management segment is to arrange travel, and revenue is recognized when or as the performance obligation for a series of arrangement services is satisfied, such as when tickets are issued or services are provided.

5. Other important matters underlying the preparation of financial statements

(1) Others: In the Balance Sheet, Income Statements, Statements of Changes in Net Assets, and Notes to Financial Statements, values less than one thousand yen are discarded.

[Notes for the Balance Sheet]

1. Accumulated depreciation of property, plant and equipment: 481,349 thousand yen

2. Guarantee obligation

(1) Guarantee of obligations of corporations that employed the Company's business travel settlement system "B+PLUS" affiliated "Business Eki Net (JR online solution for corporations)" to Viewcard Co., Ltd.

Number of subject corporations: 14

Amount of obligations guaranteed: 76,125 thousand yen

3. Balance of receivables arising under the contracts with customers, and contract liabilities

(Unit: thousand yen)

	This interim accounting period
Receivables arising under the contracts with customers	20,453,890
Contract liabilities (*1)	2,161,736

(*1) On the balance sheet, contract liabilities are shown as operating advances.

[Notes to the tax effect accounting]

Main reasons for the occurrence of deferred tax assets and deferred tax obligations

The main reasons for the occurrence of deferred tax assets are the loss carried forward, denial of the allowance for retirement benefits, etc.

[Notes for the transactions with concerned parties]

1. Parent company and corporate main shareholders, etc.

(In thousands of yen)

Type	Corporate name	Ownership of voting right, etc. (%)	Relationship with concerned parties		Contents of transaction	Transaction amount (Note 5)	Account items	Year-end balance (Note 5)
			Dual officer ship	Business relationship				
Parent	JTB Corporation	Directly owned 70.0%	Part-time officer from the parent Three	Receipt of income from agent sale	Income from agent sale (Note 1)	1,740,532	Accounts receivable from affiliates	149,085
				Group management fee.	Payment of management fee. (Note 1)	86,493	Accounts payable from affiliates	4,013,318
				Fund loan and receipt, etc.	Loan by CMS finance (Note 2)	—	Loans to affiliates (long-term/ short-term)	5,133,210
					Interest on loan (Note 3)	2,840	—	40
				Lease transactions	Payment of lease fee (Note 4)	137,077	Lease obligations of affiliates (short-term/ long-term)	259,583
Long-term receivables from affiliates	16,741							

Business conditions and policy to decide business conditions.

(Note 1) Business conditions are based on contracts and negotiations with suppliers.

(Note 2) Funds are borrowed and loaned under the cash management system where the entire JTB group comprehensively manages the fund. Since participating companies loan and borrow the fund daily, no transacted amount is shown.

(Note 3) Interest rates for borrowing and loans of funds are reasonably decided with the market interest rate considered.

(Note 4) The lease fee is decided by negotiations based on the system development and other related expenses for the software, which is among the lease assets.

(Note 5) No consumption tax, etc., is included in the transaction amount. The consumption tax, etc., is included in the year-end balance.

[Notes for the per-share information]

1. Net assets per share:	233,385.78 yen
2. Net loss —profit per share:	107,231.84 yen