

Nippon Cargo Airlines Co., Ltd.
Balance Sheets
Years ended March 31, 1997 and 1996

Assets	Millions of yen		Thousands of U.S. dollars
	1997	1996	1997
Current assets:			
Cash	¥ 1,665	¥ 1,925	\$ 13,420
Marketable securities.....	453	851	3,652
Trade receivables	10,843	9,029	87,378
Less allowance for doubtful receivables.....	(38)	(29)	(308)
	<u>10,805</u>	<u>8,999</u>	<u>87,069</u>
Short-term receivables	3,635	1,420	29,297
Short-term trust deposits.....	2,337	4,843	18,835
Other current assets	950	458	7,655
Total	<u>19,847</u>	<u>18,498</u>	<u>159,931</u>
Investments and long-term receivables:			
Investment securities.....	405	408	3,265
Long-term prepaid expenses	404	538	3,262
Lease and guaranty deposits.....	344	370	2,774
Other investments and long-term receivables	574	532	4,631
Total	<u>1,729</u>	<u>1,849</u>	<u>13,934</u>
Property and equipment:			
Aircraft	41,653	41,607	335,642
Other property and equipment	4,318	3,756	34,796
Less accumulated depreciation.....	(16,836)	(14,344)	(135,668)
	<u>29,134</u>	<u>31,019</u>	<u>234,770</u>
Construction in progress	900	60	7,260
Total	<u>30,035</u>	<u>31,079</u>	<u>242,030</u>
Other assets	11	16	96
Total assets	<u>¥51,624</u>	<u>¥51,445</u>	<u>\$ 415,992</u>

The accompanying notes are an integral part of these statements.

Liabilities and shareholders' equity	Millions of yen		Thousands of U.S. dollars
	1997	1996	1997
Current liabilities:			
Short-term loans (Note 4).....	¥9,630	¥11,150	\$77,598
Current portion of long-term debt (Note 4)	2,152	2,340	17,347
Trade payables	5,610	5,591	45,206
Other current liabilities	5,180	4,920	41,745
Total	22,573	24,002	181,897
Long-term liabilities:			
long-term debt, less current portion (Note 4).....	11,687	15,173	94,176
Other long-term liabilities.....	47	40	381
Total	11,734	15,213	94,557
Shareholders' equity (Note 6):			
Common stock, par value ¥50 per share			
Authorized- 768,000,000 shares			
Issued- 432,000,000 shares	21,600	21,600	174,053
Deficit	(4,283)	(9,370)	(34,515)
Total	17,316	12,229	139,537
Total liabilities and shareholders' equity.....	¥51,624	¥51,445	\$415,992

The accompanying notes are an integral part of these statements.