

Nippon Cargo Airlines Co., Ltd.

**Balance Sheets**

Years ended March 31, 1996 and 1995

<b>Assets</b>	Millions of yen		Thousands of U.S. dollar
	1996	1995	1996
<b>Current assets:</b>			
Cash .....	¥ 1,925	¥ 2,065	\$ 18,103
Marketable securities .....	851	1,698	8,004
Trade receivables .....	9,029	7,303	84,899
Less allowance for doubtful receivables .....	(29)	(18)	(273)
	<u>8,999</u>	<u>7,284</u>	<u>84,625</u>
Short-term receivables .....	1,420	17	13,360
Short-term trust deposits .....	4,843	7,710	45,541
Prepaid expenses and other current assets .....	458	758	4,308
Total .....	<u>18,498</u>	<u>19,535</u>	<u>173,943</u>
<b>Investments and long-term receivables:</b>			
Investment securities .....	408	399	3,838
Long-term prepaid expenses .....	538	685	5,061
Lease and guaranty deposits .....	370	366	3,487
Other investments and long-term receivables .....	532	415	5,006
Total .....	<u>1,849</u>	<u>1,866</u>	<u>17,392</u>
<b>Property and equipment:</b>			
Aircraft .....	41,607	41,458	391,234
Other property and equipment .....	3,756	3,251	35,319
Less accumulated depreciation .....	(14,344)	(12,109)	(134,883)
	<u>31,019</u>	<u>32,600</u>	<u>291,669</u>
Construction in progress .....	60	69	572
Total .....	<u>31,079</u>	<u>32,670</u>	<u>292,242</u>
<b>Other assets</b> .....	<b>16</b>	<b>36</b>	<b>158</b>
<b>Total assets</b> .....	<b>¥51,445</b>	<b>¥54,107</b>	<b>\$483,736</b>

The accompanying notes are an integral part of these statements.

<b>Liabilities and shareholders' equity</b>	Millions of yen		Thousands of U.S. dollars
	1996	1995	1996
<b>Current liabilities:</b>			
Short-term loans (Note 4).....	¥11,150	¥16,800	\$ 104,842
Current portion of long-term debt (Note 4) .....	2,340	1,998	22,008
Trade payables .....	5,591	4,677	52,572
Other current liabilities .....	4,920	5,201	46,267
Total .....	24,002	28,678	225,690
<b>Long-term liabilities:</b>			
long-term debt, less current portion (Note 4).....	15,173	17,513	142,674
Other long-term liabilities.....	40	32	376
Total .....	15,213	17,546	143,050
<b>Shareholders' equity (Note 6):</b>			
Common stock, par value ¥50 per share			
Authorized— 768,000,000 shares			
Issued— 432,000,000 shares .....	21,600	21,600	203,102
Deficit .....	(9,370)	(13,717)	(88,106)
Total .....	12,229	7,882	114,996
<b>Contingent liabilities (Note 7)</b>			
<b>Total liabilities and shareholders' equity</b> .....	<b>¥51,445</b>	<b>¥54,107</b>	<b>\$483,736</b>

The accompanying notes are an integral part of these statements.