

The Nippon Road Co., Ltd. and Consolidated Subsidiaries  
**Consolidated Balance Sheets**  
As at 31 March 2004 and 2003

ASSETS	Millions of Yen		Thousands of U.S. Dollars (Note 3)
	2004	2003	2004
<b>Current Assets:</b>			
Cash in hand and at bank (Notes 4) .....	¥ 13,619	¥ 13,654	\$ 128,931
Notes and accounts receivable-trade.....	51,807	55,277	490,457
Cost on uncompleted construction contracts .....	8,259	11,723	78,188
Other inventories .....	4,732	4,248	44,798
Deferred tax assets(Note 7) .....	3,622	4,254	34,290
Other current assets .....	3,691	3,579	34,943
Less: allowance for doubtful accounts .....	(507)	(348)	(4,800)
<b>Total current assets</b>	<b>85,223</b>	<b>92,387</b>	<b>806,807</b>
<b>Non-Current Assets</b>			
<b>Tangible Fixed Assets</b>			
Buildings and structures .....	15,452	15,474	146,284
Machinery and equipment .....	30,741	31,105	291,025
Leased Assets .....	16,840	15,299	159,425
Land.....	16,368	16,345	154,956
Construction in progress.....	283	64	2,679
Less: accumulated depreciation.....	(43,374)	(43,068)	(410,622)
	<b>36,310</b>	<b>35,219</b>	<b>343,747</b>
<b>Intangibles Assets</b>			
Intangible assets.....	773	909	7,318
<b>Investments and Other Assets</b>			
Investments in securities (Notes 5).....	6,911	4,085	65,427
Other investments.....	1,974	2,676	18,688
Less: allowance for doubtful accounts.....	(526)	(960)	(4,980)
Deferred taxes assets(Note 7).....	215	1,883	2,035
	<b>8,574</b>	<b>7,684</b>	<b>81,170</b>
<b>Total non-current assets</b>	<b>45,657</b>	<b>43,812</b>	<b>432,235</b>
<b>Total assets</b>	<b>¥130,880</b>	<b>¥136,199</b>	<b>\$1,239,042</b>

The accompanying notes are an integral part of the financial statements.

---

**LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY**

	Millions of Yen		Thousands of U.S. Dollars (Note 3)
	2004	2003	2004
<b>Current Liabilities:</b>			
Notes and accounts payable-trade .....	¥45,825	¥52,108	\$433,826
Short-term borrowings (Note 6)	7,361	7,262	69,687
Accrued expenses .....	1,815	2,000	17,182
Accrued income taxes (Note 7)	277	295	2,622
Advances received on uncompleted construction contracts .....	4,906	8,217	46,445
Warranty reserve.....	92	95	871
Other current liabilities.....	7,075	4,475	66,979
<b>Total current liabilities</b>	<b>67,351</b>	<b>74,452</b>	<b>637,612</b>
<b>Long-term borrowings (Note6) .....</b>	<b>7,267</b>	<b>7,735</b>	<b>68,797</b>
<b>Reserve for retirement benefits (Note10)</b>			
<b>Employees.....</b>	<b>3,215</b>	<b>3,380</b>	<b>30,436</b>
<b>Directors and corporate auditors .....</b>	<b>119</b>	<b>189</b>	<b>1,127</b>
<b>Other non-current liabilities .....</b>	<b>153</b>	<b>189</b>	<b>1,448</b>
<b>Total non-current liabilities</b>	<b>10,754</b>	<b>11,493</b>	<b>101,808</b>
<b>Minority Interests in Consolidated Subsidiaries .....</b>	<b>89</b>	<b>79</b>	<b>842</b>
<b>Contingent Liabilities and Commitments (Note 11)</b>			
<b>Shareholders' Equity :</b>			
Common stock, par value ¥50 per share:			
Authorized: 380,000,000 shares			
at 31 March 2004 and 2003			
Issued: 97,616,187 shares			
at 31 March 2004 and 2003.....			
	12,290	12,290	116,350
Additional paid-in capital .....	14,520	14,520	137,461
Retained earnings (Note 12) .....	23,982	23,563	227,038
Unrealized gain on investments in securities .....	1,924	(117)	18,215
Foreign currency translation adjustments .....	(16)	(70)	(151)
Less: treasury stock .....	(14)	(11)	(133)
<b>Total shareholders' equity</b>	<b>52,686</b>	<b>50,175</b>	<b>498,780</b>
<b>Total liabilities and shareholders' equity</b>	<b>¥130,880</b>	<b>¥136,199</b>	<b>\$1,239,042</b>

---