

KEIHIN ELECTRIC EXPRESS RAILWAY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As at March 31, 2005 and 2006

	2005	2006	2006
	<i>(Millions of yen)</i>		<i>(Thousands of U.S.dollars) (Note 1)</i>
ASSETS			
Current assets:			
Cash and cash equivalents	¥ 22,018	¥ 61,767	\$ 525,813
Time deposits	176	99	845
Marketable securities (Note 3)	85	408	3,473
Accounts receivables	21,001	18,194	154,883
Inventories (Note 5)	97,879	97,631	831,112
Deferred tax assets (Note 11)	2,877	5,927	50,453
Prepaid expenses and other current assets	5,520	8,183	69,661
Total current assets	149,556	192,209	1,636,240
Investments and long-term loans:			
Investments in:			
Affiliates	838	832	7,081
Other (Note 3)	37,760	47,468	404,089
Long-term loans to:			
Affiliates	400	-	-
Other	2,451	2,391	20,348
Other investments	24,599	21,800	185,581
	66,048	72,491	617,099
Property and equipment (Notes 6 and 7):			
Land	123,765	138,407	1,178,231
Buildings and structures	539,261	558,250	4,752,281
Machinery, equipment and rolling stock	215,040	215,407	1,833,718
Construction in progress	74,319	99,246	844,861
	952,385	1,011,310	8,609,091
Less accumulated depreciation	426,359	439,550	3,741,808
Property and equipment, at net book value	526,026	571,760	4,867,283
Intangible assets	5,932	6,547	55,734
Deferred tax assets (Note 11)	5,830	5,121	43,596
	¥ 753,392	¥ 848,128	\$ 7,219,952
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term debt (Note 7)	¥ 108,612	¥ 113,712	\$ 968,008
Current portion of long-term debt (Note 7)	46,786	51,530	438,667
Accounts payables	40,040	44,952	382,667
Accrued expenses	10,115	10,048	85,538
Accrued income taxes (Note 11)	7,187	9,987	85,022
Advances received	7,317	7,546	64,235
Deferred tax liabilities (Note 11)	209	212	1,807
Other current liabilities	21,806	21,750	185,151
Total current liabilities	242,072	259,737	2,211,095
Long-term debt (Note 7)	287,681	330,769	2,815,774
Employees' retirement benefits (Note 8)	20,002	22,029	187,528
Long-term advances received	41,033	56,860	484,040
Other long-term liabilities	29,661	30,617	260,635
Deferred tax liabilities (Note 11)	200	207	1,765
Minority interests	5,445	4,238	36,075
Contingent liabilities (Note 12)			
Shareholders' equity (Notes 9,10 and 15):			
Common stock,			
Authorized - 1,800,000 thousand shares			
Issued -			
March 31, 2005: 521,872,627 shares	34,755	-	-
March 31, 2006: 530,663,046 shares	-	37,419	318,539
Capital surplus	32,423	35,088	298,698
Retained earnings	56,247	65,165	554,736
Unrealized holding gains on securities	8,852	12,268	104,434
Less treasury stock, at cost			
March 31, 2005: 11,865,561 shares	(4,979)	-	-
March 31, 2006: 13,152,734 shares	-	(6,269)	(53,367)
Total shareholders' equity	127,298	143,671	1,223,040
	¥ 753,392	¥ 848,128	\$ 7,219,952

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.