CONSOLIDATED STATEMENTS OF INCOME

Noritz Corporation and Consolidated Subsidiaries
Years ended December 31, 2001 and 2002

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2001	2002	2002
Net sales	¥154,482	**¥170,184**	**$1,419,383**
Cost of sales	109,754	**124,712**	**1,040,133**
Selling, general and administrative expenses	37,016	**38,599**	**321,927**
Operating income	7,712	**6,873**	**57,323**
Other income (expenses):			
Interest and dividend income	485	**315**	**2,627**
Interest expense	(95)	**(61)**	**(509)**
Equity in losses of affiliates	(159)	**(148)**	**(1,234)**
Write-down of securities	(1,128)	**(171)**	**(1,426)**
Loss on sales of securities	(177)	**(44)**	**(367)**
Gain on return of substitutional portion of employee pension fund	—	**2,298**	**19,167**
Loss on sales and disposal of property, plant and equipment	(1,027)	**(593)**	**(4,946)**
Write-down of golf club memberships	(78)	**(7)**	**(58)**
Effect of adopting new accounting standard for retirement benefits	(2,784)	**(2,625)**	**(21,893)**
Expenses of withdrawing from new software system implementation	(371)	**—**	**—**
Expenses for the repair of products on recall	(340)	**(298)**	**(2,485)**
Other, net	522	**832**	**6,937**
	(5,152)	**(502)**	**(4,187)**
Income before income taxes	2,560	**6,371**	**53,136**
Income taxes:			
Current	3,003	**3,744**	**31,226**
Deferred	(1,601)	**(771)**	**(6,430)**
Minority interests	(164)	**(86)**	**(717)**
Net income	¥ 994	**¥ 3,312**	**$ 27,623**

	Yen		U.S. dollars (Note 1)
Net income per share	¥ 19.21	**¥ 65.23**	**$ 0.54**

See accompanying notes.