

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

Noritz Corporation and Consolidated Subsidiaries

Years ended December 31, 2001 and 2002

	Number of shares of common stock (thousands)	Millions of yen					
		Common stock	Additional paid-in capital	Retained earnings	Net unrealised holding losses on securities	Foreign currency translation adjustments	Treasury stock
Balance at December 31, 2000	52,318	¥20,168	¥22,957	¥37,594	¥ —	¥ —	¥ (1)
Net income				994			
Increase in retained earnings, resulting from merger of an unconsolidated subsidiary with a consolidated subsidiary				30			
Net unrealised holding losses on securities					(239)		
Adjustments from translation of foreign currency financial statements						163	
Cash dividends paid, ¥15.00 per share				(774)			
Bonuses to directors and statutory auditors				(66)			
Common stock purchased and retired	(1,520)			(1,979)			
Treasury stock purchased							(6)
Balance at December 31, 2001	50,798	¥20,168	¥22,957	¥35,799	¥(239)	¥163	¥ (7)
Net income				3,312			
Adjustment at beginning of year for initial inclusion of subsidiaries in consolidation				189			
Net unrealised holding losses on securities					(147)		
Adjustments from translation of foreign currency financial statements						(77)	
Cash dividends paid, ¥15.00 per share				(761)			
Bonuses to directors and statutory auditors				(45)			
Treasury stock purchased							(29)
Balance at December 31, 2002	50,798	¥20,168	¥22,957	¥38,494	¥(386)	¥ 86	¥(36)

	Thousands of U.S. dollars (Note 1)						
	Common stock	Additional paid-in capital	Retained earnings	Net unrealised holding losses on securities	Foreign currency translation adjustments	Treasury stock	
Balance at December 31, 2001	\$168,207	\$191,468	\$298,574	\$(1,997)	\$1,357	\$ (57)	
Net income			27,623				
Adjustment at beginning of year for initial inclusion of subsidiaries in consolidation			1,576				
Net unrealised holding losses on securities				(1,222)			
Adjustments from translation of foreign currency financial statements					(640)		
Cash dividends paid, \$0.125 per share			(6,347)				
Bonuses to directors and statutory auditors			(375)				
Treasury stock purchased						(243)	
Balance at December 31, 2002	\$168,207	\$191,468	\$321,051	\$(3,219)	\$ 717	\$(300)	

See accompanying notes.