

CONSOLIDATED BALANCE SHEETS

Noritz Corporation and Consolidated Subsidiaries

As of December 31, 2001 and 2002

ASSETS	Millions of yen		Thousands of U.S. dollars (Note 1)
	2001	2002	2002
Current assets:			
Cash and time deposits (Note 3)	¥ 15,725	¥ 16,475	\$ 137,406
Marketable securities (Note 4)	12,485	13,364	111,460
Receivables—			
Trade notes and accounts	47,697	53,689	447,782
Other	1,903	1,873	15,621
Allowance for doubtful receivables	(111)	(150)	(1,251)
	49,489	55,412	462,152
Inventories—			
Finished goods and work in process	6,846	6,491	54,137
Raw materials and supplies	1,668	1,862	15,530
	8,514	8,353	69,667
Deferred tax assets (Note 9)	547	738	6,155
Other	1,030	3,502	29,208
Total current assets	87,790	97,844	816,048
Investments and other assets:			
Investments in and loans to non-consolidated subsidiaries and affiliates	2,170	191	1,592
Investment securities (Note 4)	14,048	11,649	97,156
Loans receivable	2,274	2,226	18,565
Lease deposits	3,052	2,957	24,662
Long-term deferred tax assets (Note 9)	5,230	5,797	48,349
Allowance for doubtful receivables	(1,930)	(1,986)	(16,564)
Other	960	1,303	10,868
	25,804	22,137	184,628
Property, plant and equipment:			
Land	9,795	10,385	86,614
Buildings and structures	26,679	28,350	236,447
Machinery and equipment	46,866	48,323	403,028
Construction in progress	188	505	4,212
	83,528	87,563	730,301
Less accumulated depreciation	(51,538)	(55,794)	(465,338)
	31,990	31,769	264,963
Intangible assets	2,132	2,792	23,286
	¥147,716	¥154,542	\$1,288,925

See accompanying notes.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of yen		Thousands of U.S. dollars (Note 1)
	2001	2002	2002
Current liabilities:			
Bank loans (Note 7)	¥ —	¥ 1,046	\$ 8,724
Long-term debt due within one year (Note 7)	—	200	1,668
Payables—			
Trade notes and accounts:			
Non-consolidated subsidiaries and affiliates	3,589	—	—
Other	39,614	43,288	361,034
Construction	1,462	726	6,055
Other	2,644	3,912	32,627
	47,309	47,926	399,716
Accrued expenses	1,673	2,058	17,164
Income taxes and enterprise tax payable	1,454	2,156	17,982
Other	1,615	1,102	9,191
Total current liabilities	52,051	54,488	454,445
Long-term debt due after one year (Note 7)	600	700	5,838
Employees' severance and retirement benefits (Note 10)	10,399	11,360	94,746
Directors' and statutory auditors' retirement benefits	638	801	6,681
Long-term deposits received from customers	3,174	3,236	26,989
Long-term deferred tax liabilities (Note 9)	199	189	1,576
Other non-current liabilities	76	566	4,721
Minority interests in consolidated subsidiaries	1,738	1,919	16,005
Contingent liabilities (Note 8)			
Shareholders' equity (Note 11):			
Common stock			
Authorised—156,369,000 shares			
Issued—50,797,651 shares	20,168	20,168	168,207
Additional paid-in capital	22,957	22,957	191,468
Retained earnings	35,799	38,494	321,051
Net unrealised holding losses on securities	(239)	(386)	(3,219)
Foreign currency translation adjustments	163	86	717
Treasury stock, at cost—5,475 shares in 2001 and 34,473 shares in 2002	(7)	(36)	(300)
Total shareholders' equity	78,841	81,283	677,924
	¥147,716	¥154,542	\$1,288,925