

Consolidated Balance Sheets

Noritz Corporation and Consolidated Subsidiaries
As of December 31, 2002 and 2003

ASSETS	Millions of yen		Thousands of U.S. dollars (Note 1)
	2002	2003	2003
Current assets:			
Cash and time deposits (Note 3)	¥ 16,475	¥ 30,166	\$ 281,557
Marketable securities (Note 4)	13,364	9,395	87,689
Receivables—			
Trade notes and accounts	53,689	47,969	447,722
Trade note and accounts to non-consolidated subsidiaries and affiliates	—	512	4,779
Other	1,873	2,480	23,147
Allowance for doubtful receivables	(150)	(103)	(961)
	55,412	50,858	474,687
Inventories—			
Finished goods and work in process	6,491	6,395	59,688
Raw materials and supplies	1,862	1,732	16,166
	8,353	8,127	75,854
Deferred tax assets (Note 9)	738	737	6,879
Other	3,502	2,880	26,881
Total current assets	97,844	102,163	953,547
Investments and other assets:			
Investments in and loans to non-consolidated subsidiaries and affiliates	191	668	6,235
Investment in securities (Note 4)	11,649	8,474	79,093
Long-term loans receivable	2,226	77	719
Lease deposits	2,957	2,916	27,217
Long-term deferred tax assets (Note 9)	5,797	5,657	52,800
Allowance for doubtful receivables	(1,986)	(541)	(5,049)
Other	1,303	1,244	11,609
	22,137	18,495	172,624
Property, plant and equipment:			
Land	10,385	10,619	99,113
Buildings and structures	28,350	28,421	265,269
Machinery and equipment	48,323	50,391	470,329
Construction in progress	505	851	7,943
	87,563	90,282	842,654
Less accumulated depreciation	(55,794)	(59,165)	(552,221)
	31,769	31,117	290,433
Intangible assets	2,792	2,838	26,489
	¥154,542	¥ 154,613	\$ 1,443,093

See accompanying notes.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of yen		Thousands of U.S. dollars (Note 1)
	2002	2003	2003
Current liabilities:			
Bank loans (Note 7)	¥ 1,046	¥ 1,960	\$ 18,294
Long-term debt due within one year (Note 7)	200	—	—
Payables—			
Trade notes and accounts:			
Non-consolidated subsidiaries and affiliates	—	285	2,660
Other	43,288	37,029	345,613
Construction	726	1,232	11,499
Other	3,912	3,939	36,765
	47,926	42,485	396,537
Accrued expenses	2,058	2,515	23,474
Income taxes and enterprise tax payable	2,156	1,632	15,232
Other	1,102	1,901	17,744
Total current liabilities	54,488	50,493	471,281
Long-term debt due after one year (Note 7)	700	—	—
Employees' severance and retirement benefits (Note 10)	11,360	14,268	133,172
Directors' and statutory auditors' retirement benefits	801	821	7,663
Long-term deposits received from customers	3,236	3,170	29,587
Long-term deferred tax liabilities (Note 9)	189	300	2,800
Other non-current liabilities	566	514	4,797
Minority interests in consolidated subsidiaries	1,919	1,660	15,494
Contingent liabilities (Note 8)			
Shareholders' equity (Note 11):			
Common stock			
Authorised—156,369,000 shares			
Issued—50,797,651 shares	20,168	20,168	188,240
Capital surplus	22,957	22,957	214,271
Retained earnings	38,494	40,803	380,838
Net unrealised holding gains (losses) on securities	(386)	424	3,957
Foreign currency translation adjustments	86	(30)	(280)
Treasury stock, at cost—34,473 shares in 2002 and 2,966,395 shares in 2003	(36)	(935)	(8,727)
Total shareholders' equity	81,283	83,387	778,299
	¥154,542	¥154,613	\$1,443,093