

# Consolidated Statements of Shareholders' Equity

Noritz Corporation and Consolidated Subsidiaries  
Years ended December 31, 2002 and 2003

	Number of shares of common stock (thousands)	Millions of yen					
		Common stock	Capital surplus	Retained earnings	Net unrealised holding gains (losses) on securities	Foreign currency translation adjustments	Treasury stock
<b>Balance at December 31, 2001</b>	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)
<b>Balance at December 31, 2002</b>	50,798	¥20,168	¥22,957	¥38,494	¥(386)	¥ 86	¥ (36)
Net income				<b>3,161</b>			
Net unrealised holding gains on securities					<b>810</b>		
Adjustments from translation of foreign currency financial statements						<b>(116)</b>	
Cash dividends paid, ¥17.00 per share				<b>(812)</b>			
Bonuses to directors and statutory auditors				<b>(40)</b>			
Treasury stock purchased							<b>(899)</b>
<b>Balance at December 31, 2003</b>	<b>50,798</b>	<b>¥20,168</b>	<b>¥22,957</b>	<b>¥40,803</b>	<b>¥ 424</b>	<b>¥ (30)</b>	<b>¥(935)</b>

	Thousands of U.S. dollars (Note 1)					
	Common stock	Capital surplus	Retained earnings	Net unrealised holding gains (losses) on securities	Foreign currency translation adjustments	Treasury stock
<b>Balance at December 31, 2002</b>	\$188,240	\$214,271	\$359,287	\$(3,063)	\$ 803	\$ (336)
Net income			<b>29,503</b>			
Net unrealised holding gains on securities				<b>7,560</b>		
Adjustments from translation of foreign currency financial statements					<b>(1,083)</b>	
Cash dividends paid, \$0.159 per share			<b>(7,579)</b>			
Bonuses to directors and statutory auditors			<b>(373)</b>			
Treasury stock purchased						<b>(8,391)</b>
<b>Balance at December 31, 2003</b>	<b>\$188,240</b>	<b>\$214,271</b>	<b>\$380,838</b>	<b>\$ 3,957</b>	<b>\$ (280)</b>	<b>\$(8,727)</b>

See accompanying notes.