Consolidated Statements of Income

Noritz Corporation and Consolidated Subsidiaries
Years ended December 31, 2003 and 2004

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2003	2004	2004
Net sales	¥170,080	**¥171,598**	**$1,646,814**
Cost of sales	117,130	**118,943**	**1,141,488**
Selling, general and administrative expenses	44,874	**44,961**	**431,487**
Operating income	8,076	**7,694**	**73,839**
Other income (expenses):			
Interest and dividend income	224	**192**	**1,843**
Interest expense	(53)	**(66)**	**(633)**
Gains (losses) on sales of securities	126	**(52)**	**(499)**
Equity in income of affiliates	80	**—**	**—**
Loss on sales and disposal of property, plant and equipment	(411)	**(376)**	**(3,608)**
Write-down of securities	(345)	**(16)**	**(154)**
Write-down of golf club memberships	(13)	**(19)**	**(182)**
Effect of adopting new accounting standard for retirement benefits	(1,812)	**—**	**—**
Expenses for the repair of products on recall	(264)	**—**	**—**
Foreign exchange loss	—	**(96)**	**(925)**
Gain on amendment of corporate pension plan (Note 2 (12))	—	**612**	**5,879**
Other, net	507	**1,071**	**10,274**
	(1,961)	**1,250**	**11,995**
Income before income taxes	6,115	**8,944**	**85,834**
Income taxes:			
Current	3,286	**2,716**	**26,065**
Deferred	(121)	**1,098**	**10,537**
Minority interests	211	**(180)**	**(1,727)**
Net income	¥ 3,161	**¥ 4,950**	**$ 47,505**

	Yen		U.S. dollars (Note 1)
Net income per share	¥ 61.42	**¥ 98.01**	**$ 0.941**

See accompanying notes.