



NORITZ Corporation

Annual Report 2005



Profile

Established in Kobe in 1951, Noritz Corporation is Japan's leading manufacturer of household water heaters and related products, including Japanese-style bath heaters as well as gas-related and kerosene-fired water heaters for residential and commercial use. As it strives to become a top supplier of a comprehensive range of household products, the Company is diversifying its product lineup to include such products as hot-water floor heaters and bathroom-use drying systems that circulate hot water to generate heat. Additionally, Noritz is continuing the production of such bathroom- and kitchen-related products as luxury baths, vanity units, and system kitchens.

At the end of 1994, in its quest toward creating healthier, more-pleasant, and people-friendly living spaces through the use of water, the Company introduced its new corporate philosophy—"Noritz: Hot water and health, gentleness and tranquillity, and the creation of better lifestyles." Furthermore, by continuing to "Change, Challenge, and Create," Noritz employees are striving to contribute to and play a more active role in society.

Consolidated Financial Highlights

Noritz Corporation and Consolidated Subsidiaries
Years ended December 31, 2004 and 2005

	Millions of yen		Thousands of U.S. dollars (Note)
	2004	2005	2005
For the year:			
Net sales	¥171,598	¥176,048	\$1,491,048
Net income	4,950	4,274	36,199
Per share data (Yen and U.S. dollars):			
Net income	¥ 98.01	¥ 86.65	\$ 0.734
Cash dividends, applicable to the year	28.00	28.00	0.237
At year-end:			
Total assets	¥148,773	¥151,533	\$1,283,417
Total shareholders' equity	85,780	89,089	754,544

Note: The U.S. dollar amounts in this report represent translations of yen, for convenience only, at the rate of ¥118.07 to U.S.\$1.00, the rate prevailing at December 31, 2005.

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Forward-looking statements

Statements contained in the *Annual Report 2005* regarding business results for fiscal 2005 represent judgments based on currently available information. It should be noted that there is a possibility that actual results could differ significantly from those anticipated due to such factors as exchange rate fluctuations.