

# Consolidated Balance Sheets

Noritz Corporation and Consolidated Subsidiaries  
As of December 31, 2006 and 2007

ASSETS	Millions of yen		Thousands of U.S. dollars (Note 1)
	2006	2007	2007
<b>Current assets:</b>			
Cash and time deposits (Note 3)	¥ 19,424	¥ 11,904	\$ 104,275
Marketable securities (Note 4)	3,682	2,269	19,876
Receivables—			
Trade notes and accounts	50,370	48,156	421,829
Trade notes and accounts from nonconsolidated subsidiaries and affiliates	501	296	2,593
Other	3,399	2,713	23,765
Allowance for doubtful receivables	(331)	(654)	(5,729)
	53,939	50,511	442,458
Inventories—			
Finished goods, purchased goods and work-in-process	7,443	9,919	86,887
Raw materials and supplies	2,380	2,937	25,727
	9,823	12,856	112,614
Short-term loans receivable to nonconsolidated subsidiaries and affiliates	545	527	4,616
Deferred tax assets (Note 8)	792	1,322	11,580
Other	1,659	1,430	12,526
Total current assets	89,864	80,819	707,945
<b>Investments and other assets:</b>			
Investments in nonconsolidated subsidiaries and affiliates	378	295	2,584
Investment in securities (Note 4)	24,878	27,484	240,750
Long-term loans receivable	234	182	1,594
Lease deposits	2,448	2,394	20,971
Long-term deferred tax assets (Note 8)	1,532	3,217	28,180
Allowance for doubtful receivables	(419)	(411)	(3,600)
Other	1,472	6,595	57,769
	30,523	39,756	348,248
<b>Property, plant and equipment:</b>			
Land (Note 9)	10,509	10,333	90,513
Buildings and structures (Note 9)	29,925	32,736	286,755
Machinery and equipment (Note 9)	55,115	57,775	506,088
Construction-in-progress	2,364	639	5,597
	97,913	101,483	888,953
Less accumulated depreciation	(65,868)	(68,605)	(600,954)
	32,045	32,878	287,999
<b>Intangible assets</b>	2,717	3,229	28,285
	¥155,149	¥156,682	\$1,372,477

See accompanying notes.

LIABILITIES AND NET ASSETS	Millions of yen		Thousands of U.S. dollars (Note 1)
	2006	2007	2007
<b>Current liabilities:</b>			
Bank loans (Note 6)	¥ 907	¥ 11,191	\$ 98,029
Payables—			
Trade notes and accounts:			
Nonconsolidated subsidiaries and affiliates	147	141	1,235
Other	37,815	33,931	297,223
Construction	1,357	924	8,094
Other	4,111	5,137	44,998
	43,430	40,133	351,550
Accrued expenses (Note 2 (11))	3,006	3,698	32,393
Income taxes and enterprise tax payable	1,018	464	4,064
Other	2,097	1,697	14,866
Total current liabilities	50,458	57,183	500,902
<b>Employees' severance and retirement benefits</b> (Note 10)	8,553	8,119	71,119
<b>Directors' and statutory auditors' retirement benefits</b>	158	148	1,296
<b>Long-term deposits received from customers</b>	2,955	2,946	25,806
<b>Long-term deferred tax liabilities</b> (Note 8)	319	216	1,892
<b>Other noncurrent liabilities</b>	471	940	8,235
<b>Contingent liabilities</b> (Note 7)			
<b>Net assets</b> (Note 12):			
Common stock:			
Authorized—156,369,000 shares			
Issued—50,797,651 shares	20,168	20,168	176,664
Capital surplus	22,956	22,957	201,095
Retained earnings	48,746	46,754	409,548
Treasury stock, at cost—2,949,942 shares in 2006 and 2,954,114 shares in 2007	(5,051)	(5,059)	(44,315)
Net unrealized holding gains on securities	3,205	1,009	8,838
Foreign currency translation adjustments	432	515	4,512
Minority interests in consolidated subsidiaries	1,779	786	6,885
Total net assets	92,235	87,130	763,227
	¥155,149	¥156,682	\$1,372,477