Consolidated Statements of Operations

Noritz Corporation and Consolidated Subsidiaries
Years ended December 31, 2006 and 2007

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2006	**2007**	**2007**
Net sales	¥182,077	**¥180,017**	**$1,576,883**
Cost of sales	128,179	**127,248**	**1,114,646**
Selling, general and administrative expenses	48,092	**50,411**	**441,582**
Operating income	5,806	**2,358**	**20,655**
Other income (expenses):			
Interest and dividend income	322	**442**	**3,872**
Interest expense	(77)	**(58)**	**(508)**
Gains (losses) on sales of securities	271	**1**	**9**
Loss on sales and disposal of property, plant and equipment	(330)	**(280)**	**(2,453)**
Loss on write-down of securities	(141)	**(78)**	**(683)**
Loss on write-down of golf club memberships	(44)	**(2)**	**(18)**
Expenses for the repair of products on recall	(752)	**(2,176)**	**(19,061)**
Loss on impairment of fixed assets (Note 9)	(9)	**(1,165)**	**(10,205)**
Net loss on changes in equity interest	—	**(14)**	**(123)**
Foreign exchange gain (loss)	32	**(303)**	**(2,654)**
Other, net	944	**579**	**5,072**
	216	**(3,054)**	**(26,752)**
Income (loss) before income taxes	6,022	**(696)**	**(6,097)**
Income taxes:			
Current	2,435	**1,258**	**11,020**
Deferred	505	**(750)**	**(6,570)**
Minority interests	(85)	**(4)**	**(35)**
Net income (loss)	¥ 2,997	**¥ (1,208)**	**$ (10,582)**

	Yen		U.S. dollars (Note 1)
Net income (loss) per share	¥ 62.62	**¥ (25.26)**	**$ (0.221)**

See accompanying notes.