Consolidated Statements of Operations

Noritz Corporation and Consolidated Subsidiaries
Years ended December 31, 2007 and 2008

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2007	2008	2008
Net sales	¥180,017	**¥181,255**	**$1,990,938**
Cost of sales	127,248	**129,766**	**1,425,373**
Selling, general and administrative expenses	50,411	**48,043**	**527,713**
Operating income	2,358	**3,446**	**37,852**
Other income (expenses):			
Interest and dividend income	442	**445**	**4,888**
Interest expense	(58)	**(110)**	**(1,208)**
Gains on sales of securities	1	**—**	**—**
Loss on sales and disposal of property, plant and equipment	(280)	**(131)**	**(1,439)**
Loss on write-down of securities (Note 4)	(78)	**(2,544)**	**(27,944)**
Loss on write-down of golf club memberships	(2)	**(4)**	**(44)**
Expenses for the repair of products on recall	(2,176)	**(733)**	**(8,051)**
Loss on impairment of fixed assets (Note 9)	(1,165)	**—**	**—**
Net loss on changes in equity interest	(14)	**—**	**—**
Foreign exchange loss	(303)	**(1,084)**	**(11,907)**
Other, net	579	**591**	**6,491**
	(3,054)	**(3,570)**	**(39,214)**
Loss before income taxes	(696)	**(124)**	**(1,362)**
Income taxes:			
Current	1,258	**1,238**	**13,599**
Deferred	(750)	**388**	**4,262**
Minority interests	(4)	**(47)**	**(516)**
Net loss	¥ (1,208)	**¥ (1,797)**	**$ (19,739)**

	Yen		U.S. dollars (Note 1)
Net loss per share	¥ (25.26)	**¥ (37.56)**	**$ (0.413)**

See accompanying notes.