A Brief Note on the Settlement of Accounts
(Consolidated) for the 3rd Quarter of the Fiscal Year Ending March 31, 2004

Listed Company Name: TOTO LTD. Listing Stock Exchanges: Tokyo, Osaka, Nagoya, Fukuoka
Code Number: 5332 Head Office: Fukuoka Prefecture
URL: http://www.toto.co.jp/ Representative: Teruo Kise, Representative Director & President
The Person to Contact: Hisao Ono, Director & Chief Controller TEL (093) 951-2109

1. Notes Relating to the Preparation of the Quarterly Statements

1) Quarterly financial information has been prepared based on the standards applied in the preparation of the Company's consolidated interim financial statements. The simplified method has also been applied in certain sections of this report.

2) The quarterly financial statements have not been audited.

2. Cumulative Financial Results of the First Three Quarters of the Fiscal Year Ending March 31, 2004
(April 1 to December 31, 2003)

<table>
<thead>
<tr>
<th></th>
<th>Net Sales</th>
<th>Operating Profit</th>
<th>Recurring Profit (Loss)</th>
<th>Net Profit (Loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nine Months Ended Dec. 31, 2003</td>
<td>347,650 6.9%</td>
<td>19,785 58.4%</td>
<td>18,390 100.3%</td>
<td>10,736 324.4%</td>
</tr>
<tr>
<td>Nine Months Ended Dec. 31, 2002</td>
<td>325,090 -</td>
<td>12,490 -</td>
<td>9,183 -</td>
<td>2,529 -</td>
</tr>
<tr>
<td>Fiscal Year Ended March 31, 2003</td>
<td>439,683 -</td>
<td>17,619 -</td>
<td>13,331 -</td>
<td>4,073 -</td>
</tr>
</tbody>
</table>

Notes:
1. The above figures are cumulative financial results through the third quarter (a nine-month period).
2. Amounts below 1 million yen are rounded down.
3. Percentages indicated for net sales and operating profit above are the rates of increase from the corresponding period of the previous fiscal year.
4. This is the first fiscal year for which quarterly results have been reported. Cumulative results for the nine months ended December 31, 2002 have been recalculated using the same methods used for the period under review for comparative purposes.

3. Qualitative Information Regarding the Status and Progress of Consolidated Business Results

In the nine-month period ended December 31, 2003, sales in the new construction-related business were largely unchanged year-on-year as new housing starts remained at a low level. Sales in the remodeling business increased 12% year-on-year as a result of aggressive efforts to stimulate remodeling demand. Overseas sales rose 16% year-on-year on the back of expansion in China and the United States.

As a result, sales for the nine-month period ended December 31, 2003 grew 6.9% to ¥347.65 billion, while recurring profit rose 2 times to ¥18.39 billion and net income increased 4 times to ¥10.736 billion.

4. Anticipated Consolidated Performance in the Fiscal Year Ending March 31, 2004

<table>
<thead>
<tr>
<th></th>
<th>Net Sales</th>
<th>Recurring Profit</th>
<th>Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Year</td>
<td>465,000</td>
<td>23,000</td>
<td>11,000</td>
</tr>
</tbody>
</table>

Forecasts for the fiscal year ending March 31, 2004 remain unchanged since November 12, 2003.

Note: The above figures were prepared based on the economic conditions and market trends that can be anticipated currently and the actual performance will be subject to change according to various factors in the future.