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First Quarter Results
for Fiscal Year Ending March 2027

This notice has been translated from the original notice in Japanese.
In the event of any discrepancy, the original in Japanese shall prevail.

Security Code: 5332

TOTO LTD.

July 31, 2026

Introduction: TOTO Business Overview

* The sales distribution ratios and operating profits composition ratios are based on FY2025 results, excluding company-wide adjustments.

Global Housing Equipment Business

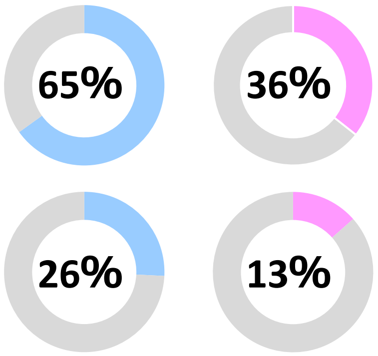
Sales distribution ratio | Operating profits composition

Japan

- TOTO's core business that has been built up over 100 years
- The core business is the Remodeling sector, which does not rely on new construction demand. We offer a wide range of products.
- Profits are gradually declining due to various cost increases. Structural reforms are underway to improve profitability.

International

- Aiming to become an indispensable presence in each country and region.
- Americas, and Asia are the growth markets based mainly on WASHLET and water-saving toilets.
- In the Mainland China Business, as performance had deteriorated sharply, structural reforms are underway.



Main Products

Sanitary Ware

Leading the world with superior quality

WASHLET

The core business and growth driver. Has the highest profitability in the housing equipment business.

Faucet Fixtures

Pursuing design and water efficiency

Bathtubs/ System Bathrooms, Vanity units, Modular kitchens, etc.

TOTO Group Development System and Production System

Development System

Research Institute and various business divisions

development

Creating value by developing proprietary technologies

Proprietary Core Technologies

Ex:

Advanced forming and firing technologies for sanitary ware

Faucet polishing and machining technologies

Applying housing equipment technologies to product development and manufacturing in advanced ceramics business

<Advanced Ceramics Business>

Electrostatic chucks

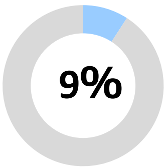
AD components

Introduction: TOTO Business Overview

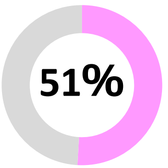
* The sales distribution ratios and operating profits composition ratios are based on FY2025 results, excluding company-wide adjustments.

New Business Domains (Advanced Ceramics Business)

Sales distribution ratio



Operating profits composition

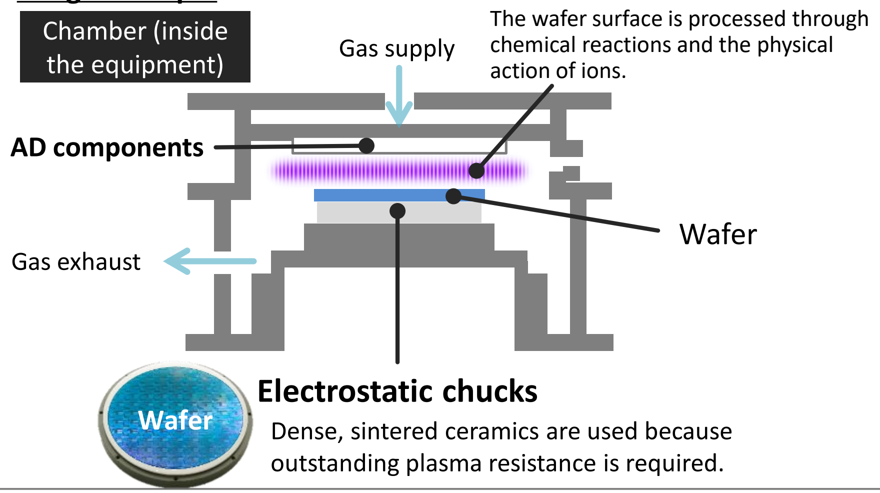


- Core products are high-grade, high-precision ceramic components for semiconductor manufacturing equipment.
- Achieving high profitability by collaborating with all TOTO group business divisions in R&D and manufacturing

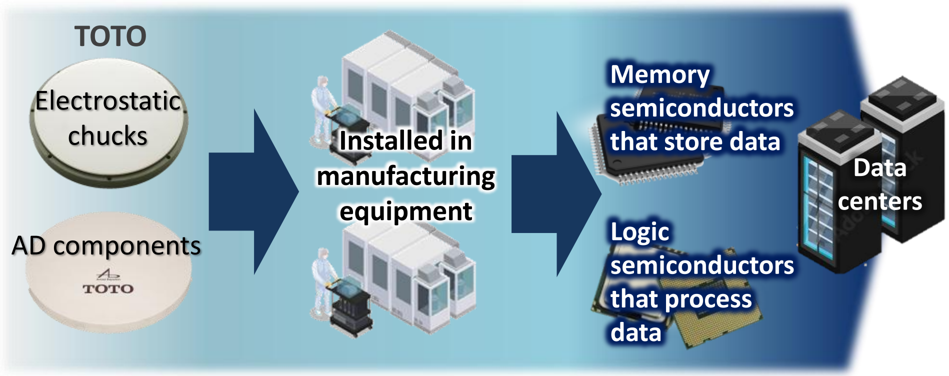
Main Products

Electrostatic chucks 	• Components used to hold wafers in place inside semiconductor manufacturing equipment. • Made of high-purity ceramics, these components are highly regarded for their exceptional durability and are used in ultra-low-temperature etching processes in equipment for manufacturing NAND flash memory.
AD components 	• Components used as ceiling materials inside semiconductor manufacturing equipment. • Ceramic films formed using TOTO's proprietary AD method* are dense and have strong adhesion, providing high plasma resistance and preventing the generation of ultrafine particles. • Used in etching processes in equipment for manufacturing logic semiconductors. * Aerosol deposition method

Usage Example



Product Positioning



First Quarter Results for Fiscal Year Ending March 2027 (FY2026)

Highlights

Increased sales and decreased profits; progress is generally on track with the plan

Japan Housing Equipment Business : Decreased sales and profits

- Sales and profits decreased due to lower sales of bathroom products caused by the situation in the Middle East and increased external procurement costs, among other factors.
- Net sales were in line with the plan, which incorporated the above impacts, while operating profit exceeded the plan.

International Housing Equipment Business: Increased sales and decreased profits

- In the Americas Business, sales increased, driven by factors including new sanitary ware products, while loss was posted due to growth investments. (The aggregate results of group companies were profitable.)
- In the Asia Business, sales increased and profits decreased. Sales in key markets such as the Taiwan region and Vietnam remained strong.
- In the European Business, sales increased and the business posted a profit due to continued growth of WASHLET sales.
- In the Mainland China Business, sales increased due to strong retail sales. Losses were significantly reduced due to the effects of business restructuring. (The aggregate results of group companies turned profitable.)
- Both net sales and operating profit for the International Housing Equipment Business as a whole are progressing according to plan.

New Business Domains (Advanced Ceramics Business) : Increased sales and profits

- Despite shipment timing shifts due to supply chain impacts, sales and profits increased due to foreign exchange effects.
- Although 1Q fell short of the plan, the impact is temporary and we expect to make up the shortfall in 2Q.

Financial results

Unit: Y billion

	FY25 1Q	FY26 1Q	YoY	Influence of exchange rate	Currency-neutral basis
Net Sales	165.7	168.6	+2.9 (102%)	+3.7	-0.8 (99.5%)
Operating Profit [Operating Margin]	8.2 【5.0%】	8.1 【4.8%】	-0.1 (98%) 【-0.2pt】	+0.6	-0.7 (91%)
Recurring Profit	8.7	9.4	+0.6 (107%)	+2.7	-2.1 (77%)
Profit attributable to owners of parent Company	6.3	6.9	+0.6 (110%)	+1.8	-1.2 (81%)

■ **Exchange rates (period average)**

	2025 January to March	2025 April to June	2025 July to Septembe	2025 October to December	2026 January to March	2026 April to June
1 $	¥152.6	¥144.6	¥147.5	¥154.1	¥157.0	¥159.6
1 CNY	¥20.9	¥20.0	¥20.6	¥21.7	¥22.7	¥23.5
1 €	¥160.6	¥163.8	¥172.3	¥179.4	¥183.7	¥185.4
1 TWD	¥4.6	¥4.7	¥4.9	¥5.0	¥5.0	¥5.1
1 VND	¥0.0060	¥0.0056	¥0.0056	¥0.0059	¥0.0060	¥0.0061
1 THB	¥4.5	¥4.4	¥4.6	¥4.8	¥5.0	¥4.9
1 INR	¥1.8	¥1.7	¥1.7	¥1.7	¥1.7	¥1.7

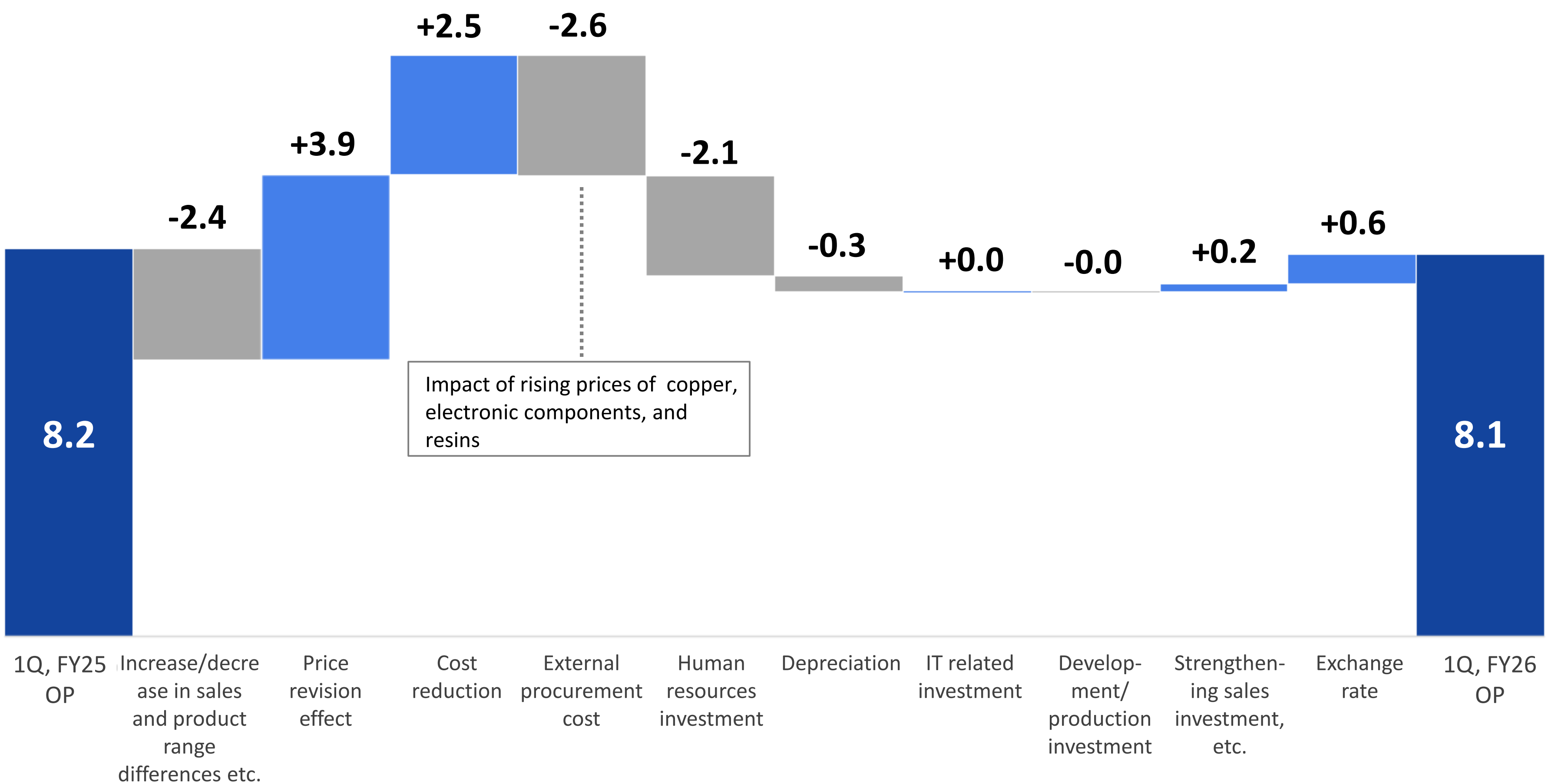
***Subject periods and segments**

- **Japan H.E. business, New business domains April to June 2026**
- **International H.E. business January to March 2026 (April to June 2026 for India)**

Increased sales and decreased profits

Cause of increase/decrease of operating profits

Unit: Y billion



Impact of the situation in the Middle East on performance (operating profit): Decrease of approx. 3.0 billion yen

Despite lower sales due to the situation in the Middle East and increased external procurement costs, operating profit was on par with the previous year, supported by cost reductions and the effects of price revisions.

Sales and profits by business segment

* Subject periods and segments
Japan H.E. business, New business domain: April to June, 2026
International H.E. Business: January to March 2026
(April to June 2026 for India)

Unit: Y billion

<Net Sales>	FY25 1Q	FY26 1Q	YoY	Influence of exchange rate	Currency-neutral basis
Japan H.E.	108.4	105.6	-2.8 (97%)		-2.8 (97%)
International H.E.	42.2	47.0	+4.8 (111%)	+2.3	+2.4 (106%)
New business domains *	15.1	16.0	+0.9 (106%)	+1.3	-0.4 (97%)
Others	0.1	0.1	+0.0		+0.0
Total	165.7	168.6	+2.9 (102%)	+3.7	-0.8 (99.5%)

<Operating Profit>	FY25 1Q	FY26 1Q	YoY	Influence of exchange impact	Currency-neutral basis
Japan H.E.	1.2	0.6	-0.5 (54%)	-0.9	+0.4 (134%)
International H.E.	1.7	1.6	-0.2 (91%)	+0.2	-0.4 (78%)
New business domains *	5.9	6.5	+0.6 (110%)	+1.3	-0.7 (88%)
Others	-0.6	-0.6	-0.0		-0.0
Total	8.2	8.1	-0.1 (98%)	+0.6	-0.7 (91%)

*The method for allocating common expenses has been partially revised. (Prior-year figures have also been retroactively adjusted.)

*New business domains : Advanced Ceramics business

The Japan Housing Equipment Business saw decreases in sales and profits, the International Housing Equipment Business saw increased sales and decreased profits, and the new business domains (Advanced Ceramics Business) saw increases in sales and profits.

Japan Housing Equipment Business: Performance by demand

Base segment

Remodeling (YoY)

Net Sales
JPY **75.1** billion (98%)
Operating profits
JPY **1.2** billion (-0.4 billion yen)

New Housing (YoY)

Net Sales
JPY **30.5** billion (96%)
Operating profits
JPY **0.6** billion (-0.1 billion yen)

Current status of Remodeling business

〈Commercial remodeling〉

- Sales to lodging facilities remained strong.
  - Sales of WASHLET integrated toilets and modular bathrooms grew by double digits, driven by guest room renovations.
  - Increases in inbound tourism, domestic tourism, business travel, and large-scale events are supporting continued market expansion.
- Sales to offices also continued to grow year on year.
  - Major metropolitan areas have a large stock of office buildings.
  - Investment is also increasing to support returning to the office and attracting and retaining talent.

New Product to Launch in August 2026:
WASHLET for Hotels

Incorporating an instant water-heating system that provides warm water on demand, achieving both guest comfort and facility energy efficiency.

〈Status of Supply chain〉

- Orders for bathroom products gradually resumed, and normal order acceptance resumed on June 9.
- There are no issues with any other products.

〈Status of Structural Reforms〉

- Progressing as planned

Sales decreased due to the gradual resumption of orders for the bathroom products. Profit decreased due to higher external procurement costs resulting from the situation in the Middle East and investment in human resources. (Price revisions will be implemented in December 2026.)

Price Revisions in the Japan Housing Equipment Business

Price Revisions

Effective for orders received
on or after **December 1, 2026**

Due to the continued surge in raw material prices and the added impact of the situation in the Middle East, we determined that these cost pressures could no longer be absorbed solely through internal efforts, such as cost reduction through productivity improvements and rationalization. As a result, we will implement price revisions in our Japan Housing Equipment Business.).

■ Main Products Subject to Price Revision and Revision Rates

Applicable Products	Revision Rate
Sanitary Ware	13%
System Toilets	9%
WASHLET (Seat / Toilet integrated)	10%
Faucet Fixtures	8%
Modular bathrooms	8%
Vanity Units	9%
Other Products	9%

International Housing Equipment Business

Unit: Y billion

*Including consolidation adjustments and allocations of common expenses

Net Sales	FY25 1Q	FY26 1Q	YoY	Influence of exchange rate	Currency-neutral basis
Americas	18.7	20.0	+1.3 (107%)	+0.6	+0.7 (104%)
Asian & Oceanian Region	11.2	12.6	+1.5 (113%)	+0.6	+0.9 (108%)
Europe	1.5	1.9	+0.4 (129%)	+0.2	+0.2 (113%)
Mainland China	10.8	12.4	+1.6 (114%)	+0.9	+0.6 (106%)
Total	42.2	47.0	+4.8 (111%)	+2.3	+2.4 (106%)

Operating Profit	FY25 1Q	FY26 1Q	YoY	Influence of exchange rate	Currency-neutral basis
Americas	1.1	-0.1	-1.2	+0.0	-1.2
Asian & Oceanian Region	2.2	1.9	-0.3 (88%)	+0.2	-0.4 (80%)
Europe	0.1	0.0	-0.0 (53%)	+0.0	-0.1
Mainland China	-1.6	-0.3	+1.3	+0.0	+1.3
Total	1.7	1.6	-0.2 (91%)	+0.2	-0.4 (78%)

The International Housing Equipment Business as a whole saw increased sales and decreased profits.

Americas Business

Growth segment

*Figures that do not include consolidated adjustment and common expense allocations

Net Sales (YoY)

128 million dollars
(104%)

Net sales growth of 2Q of FY2026 (April to June 2026) YoY: 101%

Operating profits (YoY)

3 million dollars
(-5 million dollars)

*Growth temporarily slowed due to inventory adjustments by agencies. Sell-out remained strong, increasing by double digits.

■ Growth rate by product

		YoY	Sales distribution ratio
Net sales	Sanitary Ware	113%	52%
	WASHLET	99%	38%
	Faucet Fixtures	105%	8%
Sales volume	WASHLET	88%	

Sales volume of WASHLET
2Q of FY2026 (April to June 2026) YoY: 120%

■ Market trends and WASHLET sales

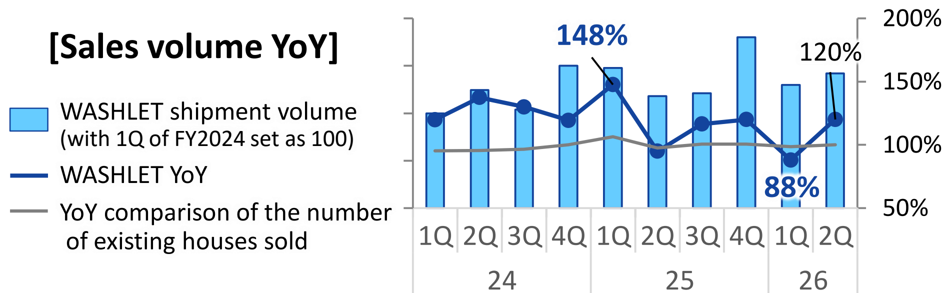
Market conditions YoY comparison of the number of existing houses sold (based on delivery time) Jan to Mar 2026 : 99%

Despite market stagnation due to uncertainty about the future and changes in purchasing behavior, spray seats demand remains steady.

WASHLET sales

Sales decreased YoY due to a pullback following sell-in associated with new product launches in the previous year, but demand remained strong. For the first half overall, sales exceeded the previous year's level across all channels.

[Sales volume YoY]



Sales increased due to new sanitary ware products. WASHLET sales decreased due to a pullback following the previous year's sell-in, but are expected to recover from 2Q onward.
Operating profit decreased due to growth investments.

Asia Business

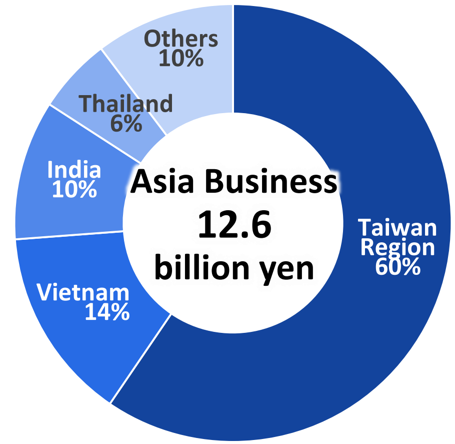
Growth segment

■ Net Sales (YoY in local currency)

*Figures that do not include consolidated adjustment and common expense allocations

Taiwan region	1,500 million Taiwan dollars	(103%)
Vietnam	3,035 billion dong	(157%)
India	776 million Indian rupees	(119%)
Thailand	146 million baht	(101%)

■ Sales Distribution Ratio (Y Billion)



■ Situation by country and region

Taiwan Region	WASHLET sales remained strong
Vietnam	Growth continued due to market recovery and the effects of sales initiatives
India	Sales increased due to the effects of expanding sales channels and other initiatives
Thailand	Sales remained at approximately the same level as the previous year due to market conditions

2Q (Apr to June)	Sales YoY
Taiwan region	103%
Vietnam	119%
Thailand	105%

* Fiscal year in India
April 2026 to March 2027

■ Growth rate by product (Y Billion)

Across Asia		YoY	Sales distribution ratio
Net sales	Sanitary Ware	103%	41%
	WASHLET	127%	29%
	Faucet Fixtures	120%	27%
Sales volume	WASHLET	143%	[redacted]

Sales volume of WASHLET
2Q of FY2026 (April to June 2026) YoY: 118%

**Sales increased in the Taiwan region due to expanded WASHLET sales and other factors.
Sales increased in Vietnam due to market recovery and the effects of expanding sales of new products.**

Europe Business

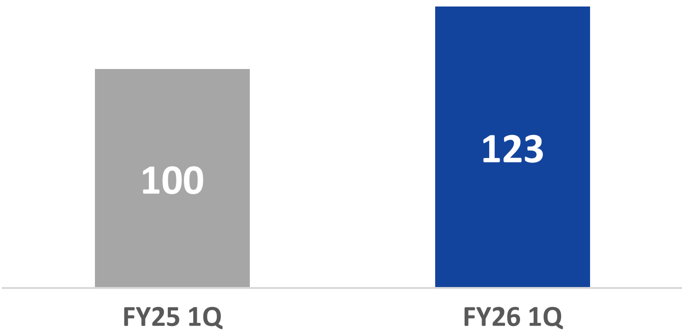
Growth segment

*Figures that do not include consolidated adjustment and common expense allocations

Net Sales (YoY)	Operating profits (YoY)
10 million euros (113%)	**1** million euros (+0.0 million euros)

Net sales growth of 2Q of FY2026 (April to June 2026) YoY: 114%

■ WASHLET: Growth in sales volume (index)



Sales volume of WASHLET
2Q of FY2026 (April to June 2026) YoY: 118%

■ Initiatives to establish market position in the European market

The London showroom reopened in May 2026 after renovation. By expanding displays of actual products and enhancing the technical exhibits, we will strengthen TOTO brand's visibility and drive product adoption.

Main exhibition space

Opening event

Image credits: @ella_ling_photography

Sales increased and profitability was maintained due to the effect of expanded WASHLET sales to priority plumbers.

Mainland China Business

Base segment

*Figures that do not include consolidated adjustment and common expense allocations

Net Sales (YoY)	Operating profits (YoY)
547 million yuan (106%)	**22** million yuan (+82 million yuan)

Net sales growth of 2Q of FY2026 (April to June 2026) YoY: 94%

*Although total sales fell below the previous year due to lower project sales, retail sales rose to more than 120% of the previous year's level.

■ Growth rate by product

		YoY	Sales distribution ratio
Net sales	Sanitary Ware	106%	45%
	WASHLET	110%	30%
	Faucet Fixtures	99%	20%
Sales volume	WASHLET	100%	

Sales volume of WASHLET
2Q of FY2026 (April to June 2026) YoY: 104%

■ Structural Reform (announced on April, 2025)

■ Production — Company liquidation procedures underway

[Reducing fixed costs through factory closures and workforce optimization]

■ Sale — Progressing as planned

Implementing remodeling proposals in collaboration with contractors in key metropolitan areas

■ Products — Progressing as planned

New products for the mid-to-high-end and mid-range markets (WASHLET integrated toilets) are selling well, contributing to retail performance, including a shift up to the mid-to-high-end and high-end segments.

[Strong retail sales offset lower project sales]

Sales increased due to strong retail sales. Profit increased significantly and the business returned to profitability due to the introduction of strategic products and reductions in fixed costs that resulted from business restructuring.

New Business Domains: Advanced Ceramic Business

Growth segment

Net Sales (YoY)	Operating profits (YoY)
16.0 billion yen (106%)	6.5 billion yen (+0.6 billion yen)

■ **Status of major products and applications**

Electrostatic chucks

Advanced semiconductor market conditions remain favorable, supported by growing demand for data centers.
Rapid demand growth has caused delays in equipment deliveries and component supplies throughout the supply chain, which also affects TOTO, with deliveries shifting to 2Q and beyond.

AD Components

Sales increased due to robust AI-related demand and improved productivity.

In anticipation of future demand growth, we are proceeding as planned with investments to expand production capacity and develop next-generation products, aiming for long-term business growth while further enhancing TOTO's strengths. (See pages 17 and 22.)

Despite shipment timing shifts due to supply chain impacts,
sales and profits increased due to foreign exchange effects.
Although 1Q fell short of the plan, the impact is temporary and we expect to make up the shortfall in 2Q.

Establishing a next-generation R&D hub to drive growth in the Advanced Ceramics Business

Purpose: To strengthen the R&D system for electrostatic chucks and AD components
Plan: Construction scheduled to begin in December 2026 and to be completed in April 2028.

*April 2026 news release announcement
Growth investment in the Advanced Ceramics Business: Approx. ¥30 billion

Enhanced functionality beyond our current products

Accelerating R&D for next-generation products

Faster development

Shortening development lead times by expanding prototype lines

In developing next-generation products, we will strengthen our ability to respond quickly to customer requirements. By leveraging synergies across the TOTO Group, we will continue to support the manufacture of advanced semiconductors.

Outlook for the current fiscal year -Unchanged from the initial plan

Although the Americas Housing Products Business is affected by inventory adjustments and the Advanced Ceramics Business by semiconductor supply chain disruptions, these are temporary impacts, and full-year results are expected to meet the initial plan.

FY2026 plan（Announced April 30）

Unit: Y billion

	FY2025	FY2026	YoY
Net Sales	737.4	785.0	+47.6 (106%)
Operating Profit [Operating Margin]	53.8 [7.3%]	60.0 [7.6%]	+6.2 (112%) [+0.4pt]
Recurring Profit	60.7	58.5	-2.2 (96%)
Profit attributable to owners of parent company	40.3	46.0	+5.7 (114%)
ROA	6.6%	7.2%	+0.6pt
ROE	7.7%	8.5%	+0.8pt
ROIC*	6.9%	8.6%	+1.6pt

*TOTO version ROIC

$$\frac{\text{Operating profits after tax}}{\text{(Operating capital + Fixed assets)}}$$

2. Topic

External Evaluation

■ **Selected for the Dow Jones Best-in-Class World** Index for the 14th time

Selected as a stock in all ESG investment indices adopted by the Government Pension Investment Fund (GPIF)

■ **Selected as a Constituent of the FTSE4Good Index Series** for the 11th consecutive year

Continued Selection as a Constituent of the FTSE JPX Blossom Japan Index and FTSE JPX Blossom Japan Sector Relative Index

■ **Selected as a constituent of the MSCI Japan ESG Select Leaders Index** for 2 consecutive years

Selected as a constituent of the MSCI Japan Empowering Women Select Index (WIN) for 9 consecutive years

■ S&P/JPX Carbon Efficient Index

Morningstar Japan ex-REIT Gender Diversity Tilt Index

■ Named in the CDP Supplier Engagement Assessment Leaderboard, which is the highest-ranking leaderboard, for 4 consecutive years

We will continue to promote sustainability management with the aim of achieving clean, comfortable, and healthy lifestyles as well as contributing to society and the global environment.

3. Reference

Reference: Advanced Ceramics Business

■ TOTO's Strengths in the Long-Term Outlook

<table>
<tr><th></th><th>For 3D NAND memory</th><th colspan="2">For logic semiconductors</th></tr>
<tr><td>Technological innovation in etching equipment</td><td>• Fundamental technological innovation in semiconductor multilayering ⇒ High-power and ultra-low-temperature environments</td><td colspan="2">• Thorough low-particle control
• Few-nanometer node miniaturization
⇒ Precise wafer temperature control</td></tr>
<tr><td rowspan="3">TOTO's strengths</td><td>Electrostatic chucks
• Exceptionally high material purity
➡ High durability and long service life
• Ultra-high-precision surface processing
➡ Precise wafer temperature control
• Proprietary bonding and insulation technology
➡ Maintaining performance at ultra-low temperatures</td><td>AD components
Proprietary dense film formation
➡ Industry-leading low-particle performance</td><td>Electrostatic chucks
• High-precision heater control
➡ Uniform temperature control
• Exceptionally high purity
➡ High durability and long service life</td></tr>
<tr><td colspan="3">TOTO has earned high acclaim and exceptional trust from customers, particularly for our high durability and low-particle performance.
We continue to carry out R&D on next-generation products based on these strong relationships of trust.</td></tr>
<tr><td colspan="3">[Production System] Achieving high-yield, highly profitable systems through full-scale transformation to smart factories
(Maintained an operating margin of 30% even in FY2023, when sales fell sharply during a demand adjustment phase.)</td></tr>
<tr><td>Performance drivers</td><td>• Continuous enhancement of added value in new-generation products
• Volume growth through deliveries for newly installed equipment and expansion of the install base of chambers
• Expansion of replacement demand due to increased utilization by device manufacturers</td><td colspan="2">• Continuous enhancement of added value in new-generation products
• Expansion of deliveries for newly installed equipment</td></tr>
</table>

We aim for long-term business growth by supporting technological innovation in advanced manufacturing equipment through our proprietary technology and production system.

This presentation material contains forward-looking statements based on assumptions, estimates and plans as of July 31, 2026.
Actual performance may differ materially from these forward-looking statements due to risks and undermined factors arising from changes in the world economy, competition and foreign currency exchange rates.

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