

Financial Results for the Fiscal Year Ended March 31, 2025 [IFRS]

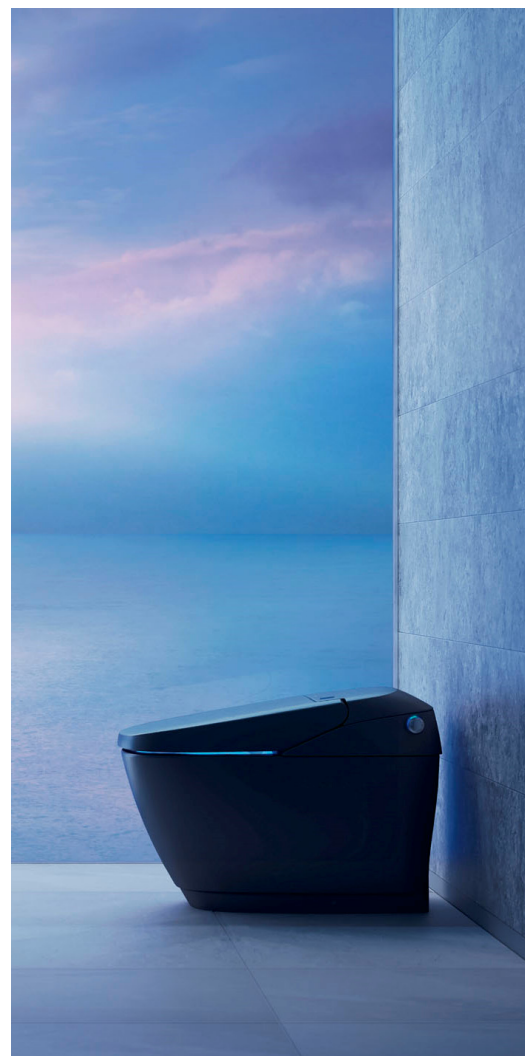
(From April 1, 2024 to March 31, 2025)



LIXIL Corporation
April 30, 2025

TSE Code: 5938

Copyright © LIXIL Corporation. All rights reserved.



› KEY HIGHLIGHTS

LIXIL

1

Summary of results for the fiscal year ended March 2025

Revenue and profits increased year-on-year for Q4 (3 months) FYE2025

- For the Japan business, a decline in new housing starts continued to impact both LWT and LHT. LWT's renovation sales remained strong, however, while LHT's sales, though below plan, still grew year-on-year
- For the LWT international business, revenue and core earnings increased year-on-year due to revenue increases in Europe and growth in the Middle East and India
- Ongoing international structural reforms included the completion of a transfer of the US bathing business and the closure of a plant in Thailand

Revenue and profits increased for Q4 (12 months) FYE2025

- For Japan, new housing starts were lower than forecast in our initial plan. LWT performed well, however, offsetting decreased sales in new housing with increased renovation sales. LHT's performance was below plan due to lower-than-expected sales for window renovations
- For the LWT international business, revenue and core earnings increased year-on-year due to improved sales in Europe and the Middle East as well as the positive impact of structural reforms. Revenue and core earnings declined in the Americas from continued weak demand and the impact of a system outage from an unauthorized security access by a third-party
- Operating cash flow has continued to improve, and free cash flow increased by JPY53.8billion year-on-year

Outlook for the fiscal year ending March 2026

Full-year forecast for FYE2026

- Forecasting revenue of JPY1,540.0 billion, core earnings of JPY35.0 billion, and profit attributable to owners of the parent of JPY8.0 billion
- Forecasting annual dividend of JPY90 per share

Business environment and outlook

- LWT international business:
 - ✓ While the tariff policies of the US administration are expected to have various impacts, both positive and negative, we are currently assuming a neutral impact
 - ✓ We anticipate the global recession in housing equipment and building materials, driven by high interest rates and rising labor costs, will continue in FYE2026
 - ✓ The rationalization benefits from the sale of the US bathing business are expected to materialize in FYE2027 due to the continuation of transition services
 - ✓ The European business may see an improved business environment due to Germany's fiscal policy shift and the potential resolution of conflicts, although a full recovery is forecasted for FYE2027
 - ✓ The Middle East and India (IMEA) are expected to contribute to our sales, supported by robust demand
- Japan business: New housing starts in Japan are expected to be weak for some time, but renovation business is expected to remain strong
- Some structural reforms will continue into FYE2026

KEY HIGHLIGHTS

Progress of structural reforms

	FYE2024	FYE2025	FYE2025	FYE2026	FYE2026
JPY billion	Costs	Effects	Costs	Effects	Costs
Optimize personnel allocation					
Optimize personnel allocation	4.0		1.5		
Restructuring supply chain					
Consolidation of Int'l plants	2.5	Approx. 6.0	2.0	Approx. 1.0	Approx. 3.0
Optimize business portfolio					
Dissolution / transfer of business	5.5		(Profit)-1.5		
Total	12.0		2.0		

- Structural reforms in the international business were mostly completed in FYE2025
- For FYE2026, while reforms will continue, no significant costs are anticipated

Structural reform of the US business

- ✓ Transferred a part of the bathing business to American Bath Group (ABG) as part of a partnership agreement⁽¹⁾
- ✓ The unit's business accounts for approx. 10% of Americas' revenue⁽²⁾
- ✓ Recognized a gain on transfer as "other income" in Q4
- ✓ Under a transition service agreement with ABG, LIXIL will manage production facilities and operate the bathing business for a certain period
- ✓ Aim to significantly strengthen brand recognition and competitiveness, and to expand sales and achieve growth through the joint collaboration

Consolidation of Thailand plants

- ✓ Decided to close the Rayong Plant (manufacturing ASB brand sanitaryware) in Thailand
- ✓ Production was reduced from March 2025, ahead of a full closure
- ✓ Consolidation of sanitaryware production in Thailand from two plants to one

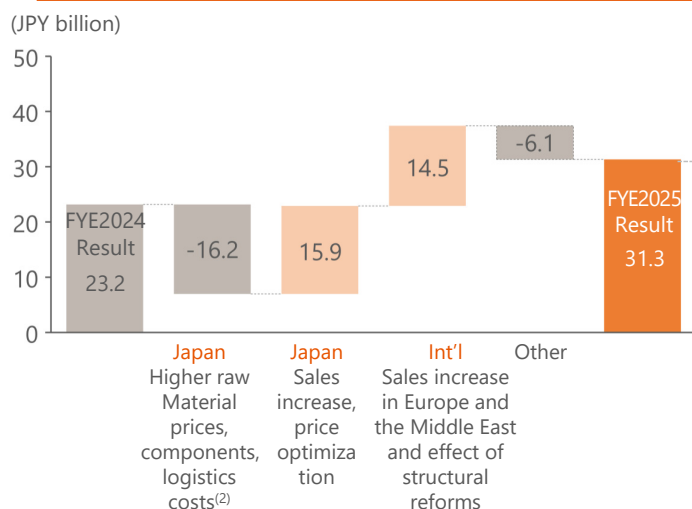
Structural reforms in FYE2026

- ✓ Plan to implement further streamlining of unprofitable businesses
- ✓ Starting with the transfer of the US bathing business, we will accelerate the shift in products and sales channel mix to achieve profitability in our US business
- ✓ The impact of US tariffs necessitates a careful assessment of our supply chain strategy

Core earnings review of FYE2025 and outlook for FYE2026⁽¹⁾

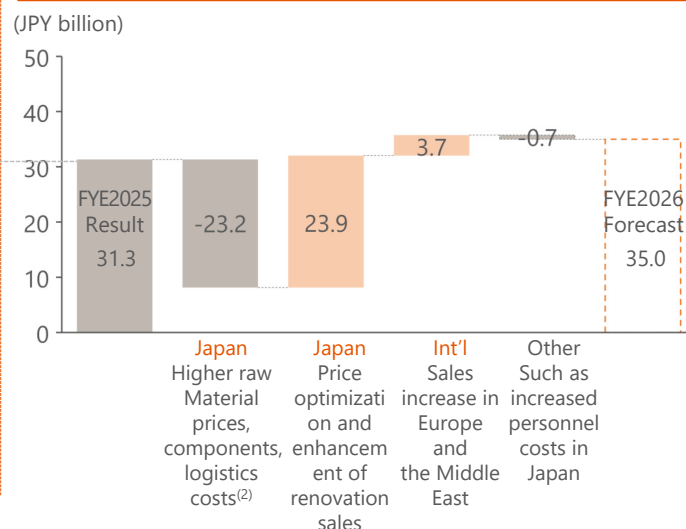
FYE2025

- Japan: Aluminum and component costs continued to rise, but were offset by price optimization
- International: Core earnings increased due to higher sales in Europe and the Middle East and from the impact of structural reforms



FYE2026

- Japan: Aluminum and component costs continue to rise, but will be offset by price optimization and higher renovation sales
- International: Core earnings increases due primarily to sales increases in Europe and the Middle East
- Cost increases expected in Japan due to higher personnel and SG&A expenses



(1) Please refer to p.34-35 and p.40 for analysis on changes of core earnings by segment for FYE2025 results and FYE2026 forecast, respectively

(2) Including FX impact

FYE2025 PERFORMANCE HIGHLIGHTS

Revenue and core earnings increased year-on-year

■ Revenue: JPY1,504.7 billion, up JPY21.5 billion year-on-year

- Q4 (3 months) YoY: +3% in Japan and -2% in international markets (-2% excluding foreign exchange impact)
- Q4 (12 months) YoY: Flat in Japan and +3% in international markets (-1% excluding foreign exchange impact)

■ Core earnings: JPY31.3 billion, up JPY8.2 billion year-on-year

- Q4 (3 months) YoY: +JPY6.0 billion in LWT, -JPY1.1 billion in LHT, and -JPY1.2 billion for consolidation adjustment/other factors
- Q4 (12 months) YoY: +JPY18.2 billion in LWT, -JPY6.7 billion in LHT, and -JPY3.3 billion for consolidation adjustment/other factors

■ EBITDA⁽¹⁾: JPY114.5 billion, up JPY10.0 billion year-on-year

■ Profit⁽²⁾: JPY2.0 billion, up JPY15.9 billion year-on-year

- Q4 (3 months): Increased by JPY18.4 billion YoY due to an increase in core earnings and a decrease in structural reform costs
- Q4 (12 months): Increased by JPY15.9 billion YoY due to an increase in core earnings and a decrease in structural reform costs, despite increase in tax expenses

(1) EBITDA=Core earnings + Depreciation + Amortization

(2) Profit = Profit attributable to owners of the parent

	JPY billion	Q4 (12 months)				Q4 (3 months)		
		FYE2024	FYE2025	Increase/ decrease (YoY)	%	FYE2025	Increase/ decrease (YoY)	%
Revenue		1,483.2	1,504.7	+21.5	+1.4%	364.2	+4.0	+1.1%
Gross Profit		472.7	498.1	+25.4	+5.4%	121.1	+10.6	+9.6%
(%)		31.9%	33.1%	+1.2pp	-	33.2%	+2.6pp	-
SG&A		449.6	466.8	+17.2	+3.8%	120.8	+6.9	+6.1%
Core Earnings (CE) ⁽¹⁾		23.2	31.3	+8.2	+35.3%	0.3	+3.7	-
(%)		1.6%	2.1%	+0.5pp	-	0.1%	+1.0pp	-
Profit for the year including Discontinued Operations ⁽²⁾		-13.9	2.0	+15.9	-	-2.3	+18.4	-
EPS (JPY)		-48.43	6.97	+55.40	-	-7.94	+64.11	-
EBITDA ⁽³⁾		104.5	114.5	+10.0	+9.6%	20.8	+3.3	+18.7%
(%)		7.0%	7.6%	+0.6pp	-	5.7%	+0.8pp	-

■ **Gross profit margin:** Increased by 1.2pp YoY

■ **SG&A expenses:** Increased by JPY17.2 billion YoY (Japan JPY12.4 billion increase, International JPY2.1 billion decrease, forex effect JPY6.9 billion increase) due mainly to higher personnel costs in Japan and an increase in SG&A expenses for int'l businesses as a result of foreign exchange impacts. SG&A ratio increased by 0.7pp

■ **CE margin:** Increased by 0.5pp YoY

(1) Equivalent to "Operating profit" of JGAAP

(2) Profit attributable to owners of the parent

(3) EBITDA=Core earnings + Depreciation + Amortization

> FYE2025 BUSINESS RESULTS BY SEGMENT

Revenue and core earnings increased year-on-year for both LWT Japan and LWT International. Revenue and core earnings decreased year-on-year for LHT, despite increased sales for window renovations, partially offsetting the drop in sales of new housing

	JPY billion	Q4 (12 months)			Q4 (3 months)	
		FYE2024	FYE2025	Increase/ decrease(YoY)	FYE2025	Increase/ decrease(YoY)
LWT	Revenue	896.9	927.8	+30.9	229.1	+0.7
	CE	22.7	40.9	+18.2	9.0	+6.0
LHT	Revenue	596.4	586.8	-9.6	137.1	+3.2
	CE	35.9	29.2	-6.7	1.9	-1.1
Consolidation, Adj. & Other	Revenue	-10.1	-10.0	+0.2	-2.0	+0.1
	CE	-35.4	-38.8	-3.3	-10.7	-1.2
LIXIL	Revenue	1,483.2	1,504.7	+21.5	364.2	+4.0
	CE	23.2	31.3	+8.2	0.3	+3.7

■ Forex impact⁽¹⁾

Q4 12 months:

Revenue +JPY22.6 billion, CE -JPY0.1 billion

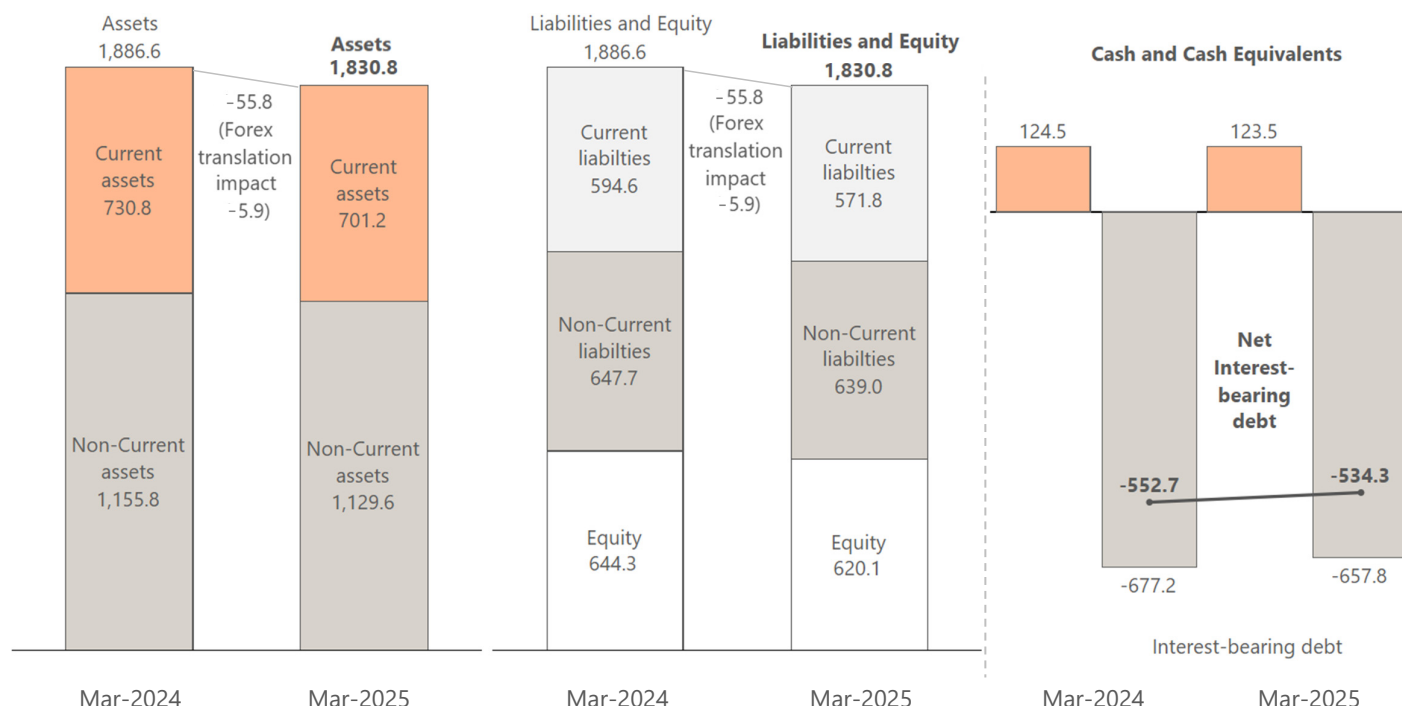
Q4 3 months:

Revenue -JPY0.1 billion, CE -JPY0.1 billion

(1) Forex translation effect gain(loss) from international subsidiaries

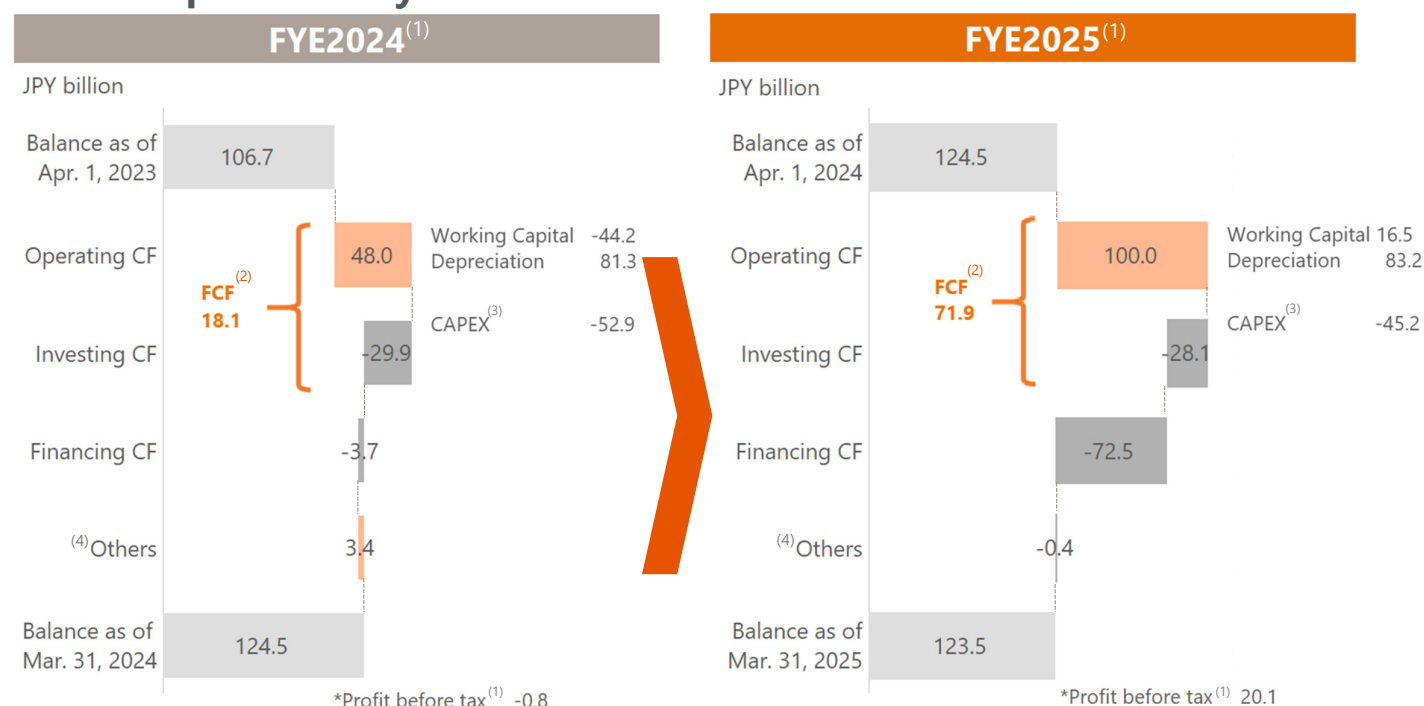
Equity decreased due primarily to completion of the business transfer of the bathing business in the US. Net Debt/EBITDA improved by 0.6 year-on-year to 4.7x. Equity ratio is 33.7%

JPY billion



CASH FLOW STATUS AND CASH BALANCE

Operating cash flow remained positive due to year-on-year improvements in working capital. Free Cash Flow (FCF) increased by JPY53.8 billion from the same period last year



(1) Includes discontinued operations

(2) "FCF" = Operating CF + Investing CF

(3) CAPEX = Purchase of property, plant and equipment + Purchase of intangible assets (Excluding Right of use assets in IFRS16)

(4) "Others" = Effects of exchange rate changes

➤ MEDIUM-TO LONG-TERM DIRECTION

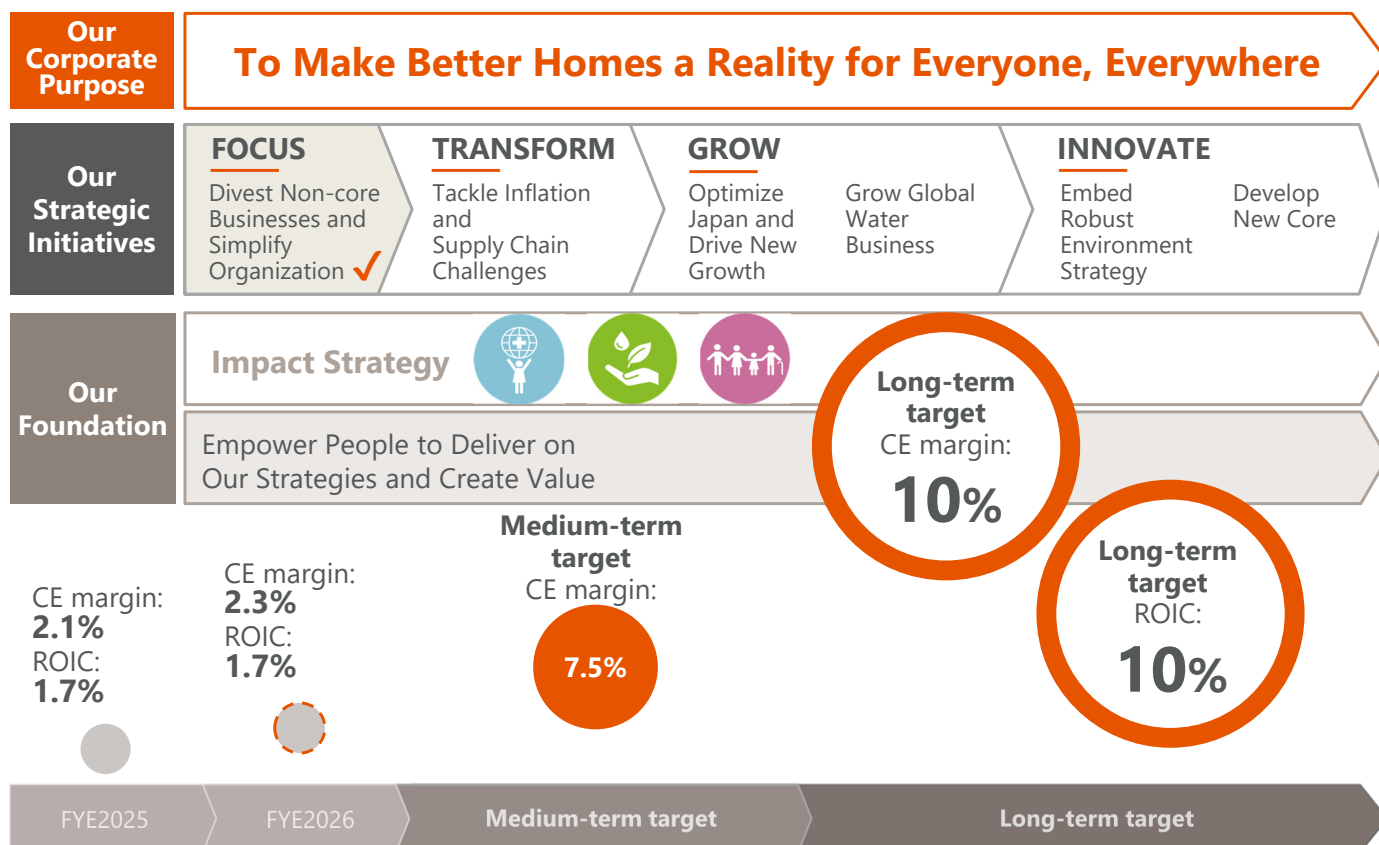
10

➤ MANAGEMENT DIRECTION (LIXIL PLAYBOOK)

LIXIL

11

Management direction – LIXIL Playbook



Consolidated Business Results

JPY billion	FYE2022 Results	FYE2025 Results	FYE2026 Plan	YoY	FYE2027 Image	FYE2028 Image
Revenue	1,428.6	1,504.7	1,540.0	+2.3%	JPY1,600.0 billion	JPY1,670.0 billion
Gross Profit (GP)	486.9	498.1	528.0	+6.0%	-	-
(%)	34.1%	33.1%	34.3%	+1.2pp	GP% +1.1pp YoY	GP% +1.7pp YoY
SG&A	422.0	466.8	493.0	+5.6%	-	-
(%)	29.5%	31.0%	32.0%	+1.0pp	SG&A% -0.8pp YoY	SG&A% -0.7pp YoY
Core Earnings (CE)⁽¹⁾	64.9	31.3	35.0	+11.7%	JPY65.0 billion	JPY110.0 billion
(%)	4.5%	2.1%	2.3%	+0.2pp	CE% +1.9pp YoY	CE% +2.4pp YoY

• FX rate assumptions for FYE2026~FYE2028: 1USD=JPY155, 1EUR=JPY161.2

- ✓ Aim to achieve over JPY110 billion in core earnings (CE margin 6.5%) by FYE2028
- ✓ Growth in international business sales and improvement in gross profit margin (Contribution to CE margin: +2.8pp)
- ✓ Improvement of fixed costs by driving structural reforms and productivity improvement (Same as above: -1.5pp)

Initiatives to achieve the target p.14

Growth image by segment p.15

(1) Equivalent to "Operating profit" of JGAAP

KEY FOCUS AREAS FOR NEXT THREE YEARS

Reasons for focus

- ✓ Despite the global recession in housing equipment, we have been able to generate cash
- ✓ To improve core earnings, we need to streamline underperforming assets and ensure we have the product strength to reliably capture future pent-up demand in Europe and the US
- ✓ Being unable to recognize US deferred tax assets results in no tax benefit, increasing our tax burden
- ✓ In Japan, we must address the expected further decline in new housing starts

Priority focus areas for swift resolution of the above:

1. US business turnaround

- ✓ Transform the cost structure by streamlining the bathing business and others
- ✓ Improve the profitability of the sanitaryware business by capitalizing on the reduced inflow of low-priced products from China
- ✓ Expand sales and drive growth through the partnership with ABG

2. Growth of the GROHE brand

- ✓ Focus on core and growth markets such as Europe and the Middle East
- ✓ Continuously introduce new products

3. Strengthen the renovation business in Japan

- ✓ Improve productivity in the renovation business
- ✓ Continuously introduce new products
- ✓ Expand sales of heat insulation and security products
- ✓ Living business to offer comprehensive solutions

4. Accelerate development of differentiated products for global markets

- ✓ Most critical in the long term

We aim to achieve core earnings margin of 6.5% for FYE2028 through the following initiatives

Recovery of the top line

- ✓ Achieve steady sales recovery in a European and US market rebound
- ✓ Capture demand in international growth markets (India and the Middle East)
- ✓ Maintain sales volume by expanding renovation sales in Japan

FYE2026-2028
(Outlook)

Revenue +17%

Revenue +26%

CAGR
4.1%

Improve Gross Profit (GP) margin

- ✓ Improve product mix through sales recovery in Europe
- ✓ Accelerate shift in products and sales channels in the US
- ✓ Expand sales of high-value-added products (Int'l shower toilets, *PremiAL*, and others)

GP% +1pp

GP% +1pp

GP% +0.8pp

GP%
+2.8pp

Reduce SG&A expense ratio

- ✓ Reduce fixed costs by reorganizing the supply chain
- ✓ Transformation of the US business following optimization of the business portfolio

SG&A%
improvement 1.0pp

SG&A%
improvement 0.5pp

SG&A%
1.5pp
improvement

Reduce headquarters costs

- ✓ Improve operational efficiency by leveraging digital technologies, including AI
- ✓ Make continuous cost reduction efforts through measures such as personnel reallocation

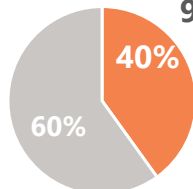
HQ cost
10%
decrease

GROWTH IMAGE BY SEGMENT

Business results for Japan and International (Core earnings image)

FYE2022 results

LWT int'l
CE margin:
9.7%

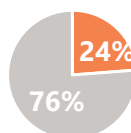


Japan
CE margin:
6.5%

- The Japan business performed steadily, supported by post-COVID-19 renovation demand, despite being affected by rising raw material prices and difficulties in procuring parts
- International business recovered from the disruptions caused by COVID-19, with solid growth in sales and profits across all regions
- Overall profit was driven by the profitability of the international business

FYE2025 results

LWT int'l
CE margin:
3.4%

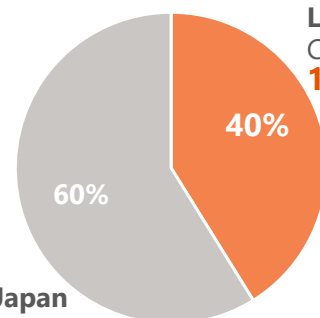


Japan
CE margin:
5.2%

- The significant deterioration in LWT international business's core earnings is primarily due to the weak international markets since FYE2024. In FYE2025, the European business saw a recovery in sales
- Growth markets such as the Middle East and India remain robust
- The Japanese market maintains generally stable profitability and makes a significant contribution to overall company profits

FYE2028 image

LWT int'l
CE margin:
10%



Japan
CE margin:
8%

- We plan to increase the core earnings margin through further sales growth in Europe, our primary revenue source
- Steadily capture growth markets such as the Middle East, India, and Vietnam
- Improve profitability in the Japanese market through timely price optimizations and expanded sales of new and sustainable products
- Enhance company-wide productivity through AI utilization

- The implementation of reciprocal tariffs by the US administration suggests a high likelihood of continued uncertainty in the short term
- Regarding our medium- to long-term direction, we will continue to monitor future developments and adjust our strategies as necessary

Policies of the US administration

- ✓ The future trends of reciprocal tariffs may impact our business (Mexican-origin products, such as ceramics and some faucets, are currently exempted from import duties)
- ✓ Further decline in housing demand due to progressing inflation in the US. On the other hand, there is a possibility that economic stimulus measures will be implemented

Recovery of European Economy

- ✓ The economic impact of lower interest rates in Europe and the shift towards expansionary fiscal policy in Germany and other countries is expected to be realized in the current fiscal year. Large pent-up demand is expected going forward

Interest rates

- ✓ Interest rate cuts are expected to continue in Europe and the US. However, in the US, it will be dependent on inflation trends
- ✓ In Japan, interest rate hikes are anticipated, but the immediate impact on demand is expected to be minimal. The impact of increase in interest payment for our company is also expected to be limited

Subsidy for renovation products to create better heat-insulation

- ✓ Entering its third year, we expect subsidies, including those for water-related areas, to continue in the medium to long term to achieve a low-carbon society

Adoption of AI

- ✓ A field in which our company is focusing its development efforts. We expect to accelerate technological advancements and their application on-site

Expand sales of new products with social and environmental impact

See p.18

RISKS AND OPPORTUNITIES

LWT International business

Categories	Risks	Opportunities
Sales growth	Further slowdown in US housing demand	Accelerated expansion of European and IMEA (India and Middle East) markets
US government policies	Prolonged reciprocal tariff measures	Activation of housing-related measures (subsidies and others)
Geopolitical factors	High costs due to prolonged conflicts	Lower energy costs due to the resolution of the conflict

Japan business (LHT/LWT/Living)







Categories	Risks	Opportunities
Sales growth	Further decline in the new housing market due to rising interest rates	Further expansion of the renovation market
Cost increase	Decreased profitability due to a weak JPY and rising raw material costs	Appreciation of the JPY due to a narrowing interest rate gap between Japan and the US
Government policies	Discontinuation or significant changes to government subsidies	Continuation of subsidies and expansion of eligible products

EXPAND SALES OF NEW PRODUCTS WITH SOCIAL AND ENVIRONMENTAL IMPACT

LIXIL

18

- Aiming to achieve sustainable growth through the expansion of differentiated products and to create an impact on society at the same time
- The development of the following products has already been completed. The key is how far we can penetrate the market with differentiated prices

Creating new value through core technologies			Reducing CO2 emissions		
			Promote circular economy		
KINUAMI	Shower toilet with the feminine front-nozzle	GROHE Blue Greentap	PremiAL	revia	Renovation products for better heat-insulation
					
FYE2025 progress					
Redesigned and branded as GROHE Purefoam⁽¹⁾ for international markets	Achieved JPY50 billion in sales (FYE2025) "SILVER award" at "Femtech Japan Award 2024" (two years in a row) ⁽²⁾	Greentap exhibited at EXPO 2025, OSAKA, KANSAI, JAPAN ⁽³⁾	Quotation amount approx. JPY 30 billion as of October 2024 Numerous implementation examples both in Japan and internationally	Commenced mass production from December 2024 ⁽⁴⁾ Signed a partnership and began collaboration with Tsu City, Mie Prefecture ⁽⁵⁾	Top in applications for advanced window renovation project subsidies for second straight year ; In-plus product line expanded ⁽⁶⁾
Medium-to long-term sales target ⁽⁷⁾					
JPY tens of billions	Projected 5% annual growth	JPY tens of billions	JPY300 billion	JPY100 billion	JPY80 billion
(1) News release https://newsroom.lixil.com/20250318_ish			(5) News release https://newsroom.lixil.com/ja/2025032803 (Japanese only)		
(2) News release https://newsroom.lixil.com/ja/2024121201 (Japanese only)			(6) News release https://newsroom.lixil.com/ja/2025030301-0 (Japanese only)		
(3) News release https://newsroom.lixil.com/ja/2025040301 (Japanese only)			(7) Presentation material for the Fiscal Year Ended March 31, 2024, p.8		
(4) News release https://newsroom.lixil.com/ja/2024121901 (Japanese only)			https://ssl4.eir-parts.net/doc/5938/tdnet/2427536/00.pdf#page=5		

CAPITAL ALLOCATION

LIXIL

19

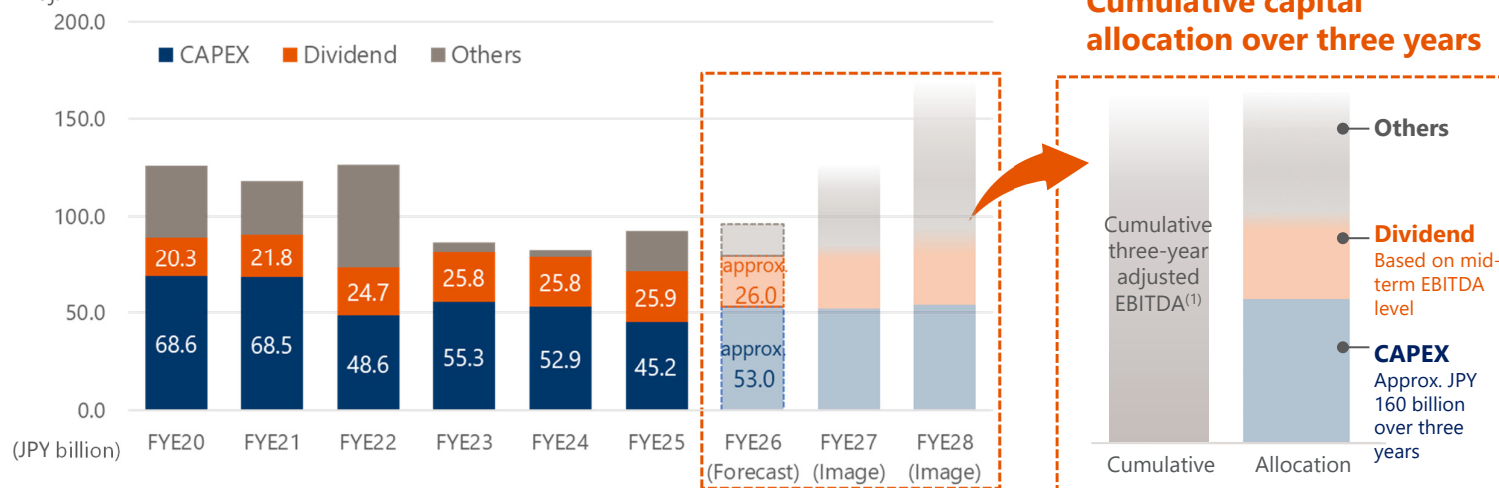
Approach to capital allocation

- ✓ **CAPEX:** Continue capital investments (including new product development, rationalization, and IT investments) to strengthen competitiveness
- ✓ **Shareholder return:** Basic policy is to pay stable dividends to shareholders over the long term, and to determine the amount of annual dividends based on the medium-term EBITDA level, as well as to buy back shares when appropriate
- ✓ **Improve financial position:** Consider based on the business environment, financial condition, and cash flow status

Dividend forecast for FYE2026

Forecast for the DPS is JPY90, unchanged from the previous year (27% of adj. EBITDA⁽¹⁾ forecasted for FYE2026)

Adj. EBITDA⁽¹⁾



(1) Adjusted EBITDA=Core earnings + Depreciation (adjusted for the amount of depreciation recorded as a cash outflow due to the application of lease accounting under IFRS)

➤ PROGRESS OF MANAGEMENT STRATEGY & FORECAST FOR FYE2026

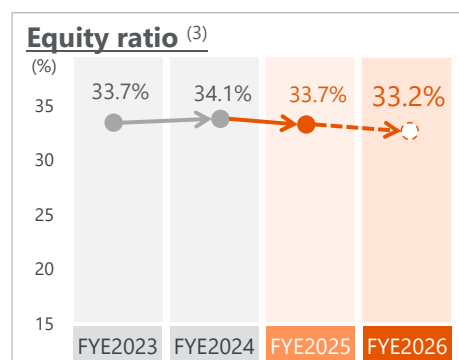
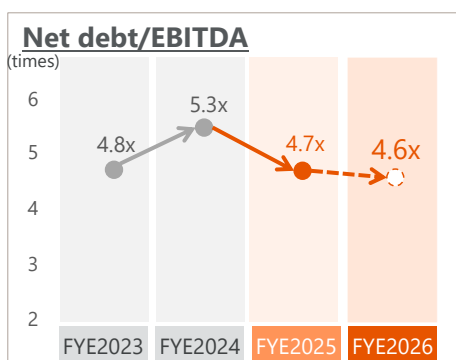
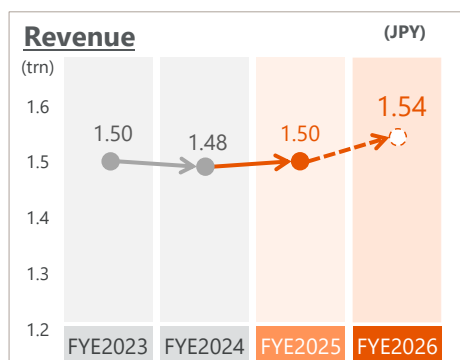
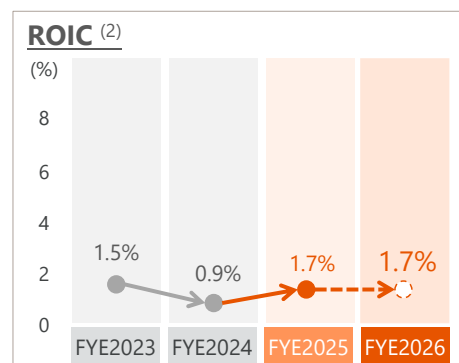
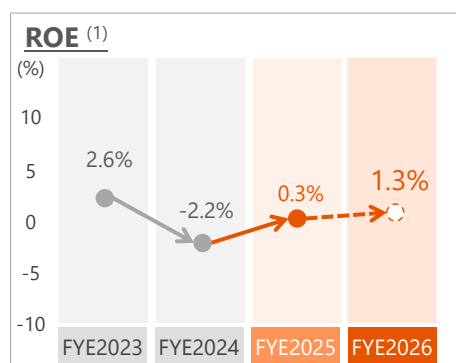
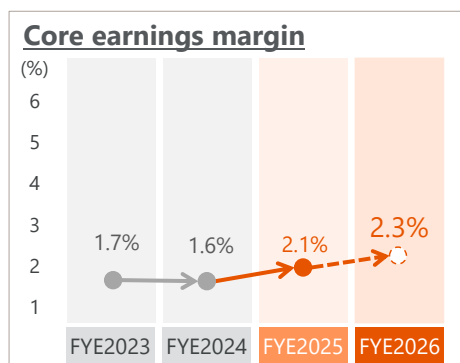
20

➤ FINANCIAL INDICATORS, FYE2026 FORECAST

LIXIL

21

Progress in strengthening balance sheet and improving profitability



(1) Figures before the effect of issuance of new shares announced on April 30, 2025

(2) Calculation: Operating profit x (1-Effective tax rate) ÷ (Working capital + Fixed assets)

(3) Ratio of equity attributable to owners of the parent

Projecting an increase in Revenue and Profits⁽¹⁾ compared to the previous year. Forecasting annual dividend of JPY90 per share

JPY billion	FYE2025 Results	FYE2026 Forecast	Increase /decrease
Revenue	1,504.7	1,540.0	+35.3
Core Earnings (CE)	31.3	35.0	+3.7
Operating Profit (OP)	29.7	30.0	+0.3
Profit before Tax	20.2	21.0	+0.9
Tax expenses	-17.9	-13.0	+4.9
Profit (loss) from discontinued operations	-0.1	0.0	+0.1
Net profit attributable to non-controlling interests	0.2	0.0	-0.2
Net profit attributable to owners of the parent	2.0	8.0	+6.0
EPS (JPY)	6.97	27.85 ⁽²⁾	+20.88
ROE (%)	0.3	1.3 ⁽²⁾	+1.0pp
ROA (%)	0.1	0.4	+0.3pp
ROIC (%)	1.7	1.7	0pp
EBITDA ⁽³⁾	114.5	118.1	+3.6
Adj. EBITDA ⁽⁴⁾	92.3	95.9	+3.6
Net debt/EBITDA ⁽³⁾	4.7x	4.6x	-0.1
Dividend (JPY per share)	90	90 ⁽²⁾	-
Dividend to adj. EBITDA ⁽⁴⁾ ratio	28%	27%	-

(1) In Core earnings basis

(2) Calculated using the number of shares outstanding as of March 31, 2025 (excl. treasury stocks)

(3) EBITDA=Core earnings + Depreciation

(4) Adj. EBITDA = Core earnings + Depreciation (adjusted for the amount of depreciation recorded as a cash outflow due to the application of lease accounting under IFRS)

FYE2026 FORECAST – ASSUMPTIONS

- There is a high possibility of significant changes in the business environment due to increasing global uncertainty, and close attention must be paid to future developments
- Considering the current FX rate situation, this uncertainty could potentially present an opportunity if the conditions persist

Japan demand

		FYE2024 Results	FYE2025 Estimate ⁽¹⁾	FYE2026 Forecasts ⁽²⁾
Housing starts (Units/YoY)	Total	800,000	797,000	783,000/-2%
	Owner-occupied	220,000	218,000	212,000/-3%
	Detached houses for sale	134,000	118,000	114,000/-4%
Renovation (Market size)	JPY trillion/ YoY	7	7	7/0%

Advanced window renovation project subsidy utilization

		FY2023 Results ⁽³⁾	FY2024 Results ⁽³⁾	FY2025 Plan
Budget	JPY billion	100.0	135.0	135.0
Number of applications	Thousand units	244	323	-
Utilization rate	%	90	73	→
Amount utilized	JPY billion	90.0	98.6	→

FX rate

		FYE2024 Results	FYE2025 Results	FYE2026 Forecasts ⁽²⁾
FX rate (Average rate)	JPY/USD	144.40	152.48	155.0
	JPY/EUR	156.80	163.62	161.2

Raw material prices

		FYE2024 Results	FYE2025 Results	FYE2026 Forecasts ⁽²⁾
Raw material prices (JPY/tonne)	Aluminum	335,000	398,000	448,000
	Copper alloy	1,009,000	1,170,000	1,262,000

Interest rates

		FYE2024 Results	FYE2025 Results ⁽⁴⁾	FYE2026 Forecasts ⁽²⁾
Average interest rates (%)	Short-term borrowings	2.8%	3.2%	→
	Long-term borrowings to be repaid within one year	1.1%	1.3%	→
	Long-term borrowings	1.3%	1.5%	→

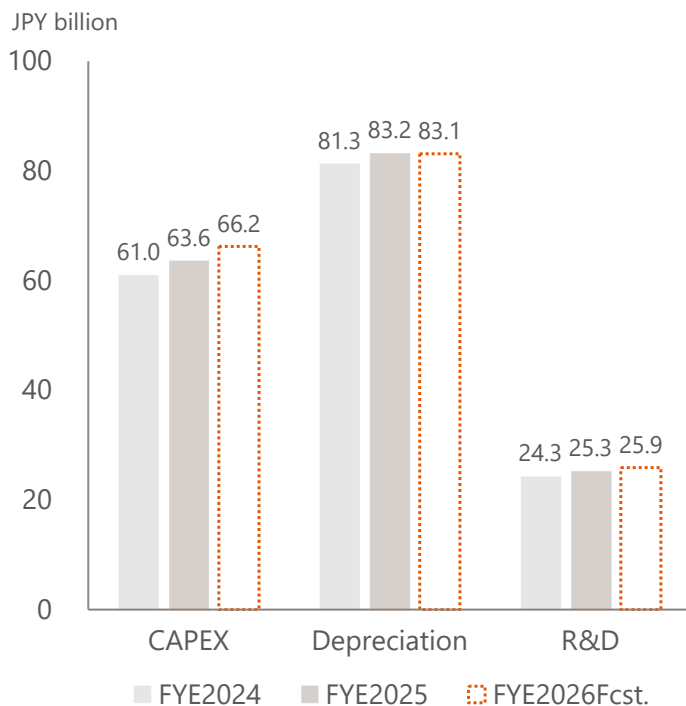
(1) Company estimate as of February 2024

(2) Company forecast

(3) Information from the advanced window renovation 2025 website material <https://tinyurl.com/krkayz77> (Japanese only)

(4) Pre-audit figures

By increasing investment efficiency, we aim to improve financial strength and raise profitability



Breakdown of CAPEX

JPY billion	FYE2024 Actual	FYE2025 Actual	FYE2026 Plan
IT investment	15.1	10.8	11.4
Excluding above	45.9	52.8	54.7
Total CAPEX	61.0	63.6	66.2

Breakdown of Depreciation

JPY billion	FYE2024 Actual	FYE2025 Actual	FYE2026 Plan
IT depreciation	11.5	14.0	14.0
Excluding above	69.8	69.2	69.1
Total Depreciation	81.3	83.2	83.1

(1) Excludes discontinued operations. CAPEX and Depreciation includes intangible assets and IFRS 16 lease

RESULTS BY BUSINESS SEGMENT

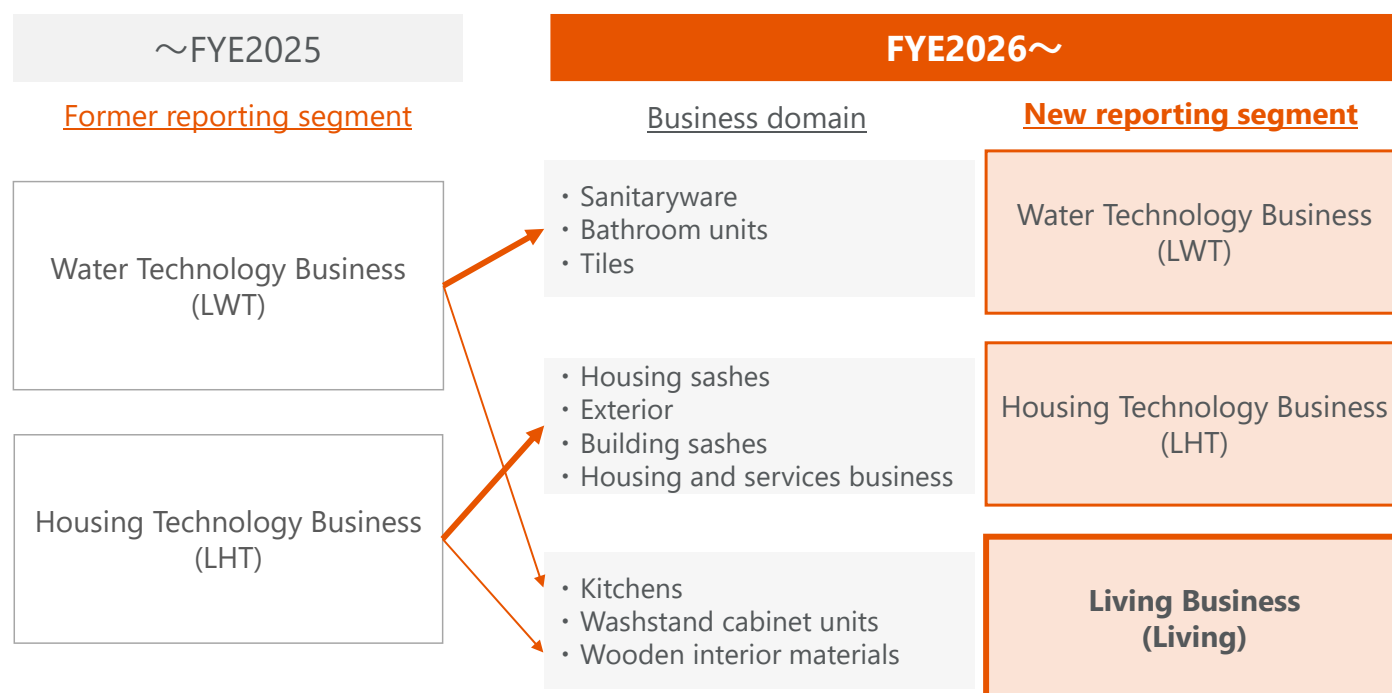
- Water Technology Business (LWT)
- Housing Technology Business (LHT)

Note: Previously, the international regional performance of the Water Technology Business (LWT) was disclosed in four regions, "Americas," "EMEA (Europe, Middle East & Africa)," "China," and "Asia Pacific." However, in light of recent changes in the business environment and the increasing importance of India and the Middle East, which are experiencing particularly significant growth, the disclosure regions will be changed to the following five:

- Americas
- Europe
- IMEA (India, Middle East & Africa)
- Asia Pacific
- China



Established the new segment, "Living Business", by integrating the kitchen and washstand cabinet unit business from the "Water Technology Business" and the wooden interior materials business from the "Housing Technology Business". These businesses share many similarities in terms of products, manufacturing processes, and business models. This integration is part of LIXIL's focus on its strategic initiative to improve profitability of the Japan business and strengthen its business structure, while also providing new value to end users



WATER TECHNOLOGY

Japan revenue and profits increased; revenue and profits also rose for int'l business, driven by higher revenues in Europe and the Middle East

		FYE2025 Results (Former reporting segments)	YoY vs Results		FYE2026 Forecast (New reporting segments)
			Increase /decrease	%	
Japan	Revenue	435.0	+14.4	+3.4%	320.0
	CE	24.3	+3.4	+16.5%	20.5
	CE margin	5.6%	+0.6 pp	-	6.4%
International	Revenue	492.9	+16.5	+3.5%	511.0
	CE	16.6	+14.8	+802.4%	20.0
	CE margin	3.4%	+3.0 pp	-	3.9%
Water Technology Total	Revenue	927.8	+30.9	+3.4%	831.0
	CE	40.9	+18.2	+80.2%	40.5
	CE margin	4.4%	+1.9 pp	-	4.9%

Revenue

- Japan:** Despite weak new housing starts, revenue increased YoY due to price optimizations and higher renovation sales
- Int'l⁽¹⁾:** Overall revenue was flat YoY in local currency terms mainly due to continued soft demand in the US and China offsetting revenue increases in Europe and the Middle East. Revenue increased in JPY terms
- Int'l revenue distribution ratio:** 53.1%, flat YoY

Core earnings

- Japan:** Despite the impact of low new housing starts and an increase in component costs and impact from FX, CE increased YoY, driven by higher renovation sales, the impact of price optimizations, and cost-saving initiatives
- Int'l⁽¹⁾:** CE increased YoY due to revenue increases in Europe and the Middle East, as well as the impact of structural reforms (fixed costs reduction and productivity improvements)
- Int'l CE distribution ratio:** 40.6%, up by 32.5pp YoY

(1) YoY vs Results excluding forex impact: Revenue -JPY5.8 billion, -1%, Core earnings +JPY14.9 billion, +810%

INTERNATIONAL WATER TECHNOLOGY REVENUE BY REGION

LIXIL

28

Revenue by region (Management basis) ⁽¹⁾	JPY billion	FYE2025 Results	YoY local currency basis	FYE2026 Forecast	YoY local currency basis
Americas		167.5	-9% ⁽²⁾		+10% ⁽³⁾
Europe		170.1	+9%		+5%
IMEA (India, Middle East, Africa)		62.2	+20%		+12%
Asia Pacific		43.3	+2%		+11%
China		41.5	-13%		+7%
Adjustments		8.4	-		-
Water Technology International Business Total (Statutory basis)⁽¹⁾		492.9 (+3% YoY)		511.0 (+4% YoY)	

	JPY	Local currency	
Americas	declined	declined	<ul style="list-style-type: none"> ✓ Revenue declined due to lack of recovery in the renovation market despite lower interest rates, and the impact from a system outage in Q3 ✓ Further improvement on profitability will be pursued by accelerating the shift in products and sales channel mix, starting with the transfer of the bathing business
Europe	increased	increased	<ul style="list-style-type: none"> ✓ Revenue increased due to higher sales volumes in key markets such as Germany, the Netherlands, and Italy ✓ Sales recovery for our shower products, along with increased productivity, enhanced profitability
IMEA	increased	increased	<ul style="list-style-type: none"> ✓ Strong sales growth continues in India ✓ Revenue increased in all markets of the Middle East, driven by continued strong demand
Asia Pacific	increased	increased	<ul style="list-style-type: none"> ✓ Vietnam's project business sales recovered, leading to increased revenue ✓ Thailand experienced a revenue decline due to weak economic conditions
China	declined	declined	<ul style="list-style-type: none"> ✓ Ongoing challenges in the real estate sector continue, suppressing a recovery in consumer demand ✓ Revenue declined due to the continued intense competition

(1) Statutory basis currency: FYE2025 full-year results 1USD=JPY152.48, 1EUR=JPY163.62

Management basis currency: FYE2025 1USD=JPY150.0, 1EUR=JPY162.0, FYE2026 assumptions 1USD=JPY155.0, 1EUR=JPY161.2

(2) With the dissolution of DPI, we have excluded its sales from FYE2024 results. Including DPI's sales from FYE2024, sales YoY would be -13%

(3) The revenue growth rate forecast is calculated excluding the impact of the US bathing business transfer. Including the bathing business in FYE2025 results, revenue YoY would be -1%

HOUSING TECHNOLOGY

LIXIL

29

In Japan, while sales for window renovation partially offset the decline in new housing, both revenue and core earnings decreased. International business remained at the same level as the previous year

JPY billion		FYE2025 Results (Former reporting segments)	YoY vs Results		FYE2026 Forecast (New reporting segments)
			Increase /decrease	%	
Japan	Revenue	560.3	-10.4	-1.8%	509.0
	CE	28.0	-6.5	-18.7%	28.0
	CE margin	5.0%	-1.0pp	-	5.5%
International	Revenue	26.5	+0.8	+3.1%	28.0
	CE	1.2	-0.3	-18.2%	1.5
	CE margin	4.4%	-1.2pp	-	5.4%
Housing Technology Total ⁽¹⁾	Revenue	586.8	-9.6	-1.6%	537.0
	CE	29.2	-6.7	-18.7%	29.5
	CE margin	5.0%	-1.0pp	-	5.5%

Revenue

- Revenue decreased YoY due to weak sales for new housing and the absence of revenue from business divestitures in FYE2024
- Sales helped by increased orders for window renovation products

Core earnings

- CE decreased YoY due to low new housing starts and impact from higher component costs/SG&A expenses. The building business maintained strong performance and improved profitability
- YoY comparisons affected by inventory valuation gains in Q1 of the previous year

(1) FYE2025 Full-year results (Reference) LHT excl. building business Revenue JPY485.9 billion, CE JPY21.0 billion, CE margin 4.3%
Building business Revenue JPY101.0 billion, CE JPY8.1 billion, CE margin 8.1%

➤ APPENDIX: FINANCIAL DATA

30

➤ REVENUE BY PRODUCT AND SERVICE

LIXIL

31

LWT sales remained strong due to robust renovation demand, price optimizations, and successful sales initiatives. For LHT, an increase in sales for window renovation products partially offset decreased sales for new housing

Segments	Major products	JPY billion			YoY	〈Quarterly YoY〉 in %							
		Full-year FYE2024 Results	Full-year FYE2025 Results			FYE2024				FYE2025			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
LWT	Sanitaryware** (1)	106.5	115.2	+8.2% (1)		-2.2	-3.7	+2.3	+3.0	+5.7	+8.7	+10.9	+6.9
	Bathroom Units	89.9	92.4	+2.8%		+3.0	+0.1	+3.6	+5.1	+4.2	+0.6	+4.5	+1.6
	Washstand cabinet units (1)	38.9	36.6	-6.0% (1)		+0.7	-1.9	+1.7	+1.8	-5.8	-6.4	-4.7	-7.0
	Kitchens	97.8	100.4	+2.6%		-5.2	-5.0	-1.0	-1.2	+2.3	+1.0	+2.5	+4.7
	Tiles	31.3	30.2	-3.3%		-1.1	-0.8	-3.0	-2.9	-0.9	-6.2	-3.1	-3.0
LHT	Housing sashes and others	185.4	187.9	+1.3%		+14.6	+22.8	+16.2	-5.6	+1.3	-5.4	+5.6	+4.5
	Exterior	94.7	94.5	-0.3%		-6.6	-7.1	-6.8	-6.3	-0.5	-3.4	-2.1	+5.5
	Wooden interior materials	58.7	57.2	-2.5%		-7.4	-9.2	-3.7	-5.4	-3.7	-4.9	-2.2	+0.7
	LHT others	42.4	38.7	-8.6%		+1.8	+0.4	-2.3	-12.1	-12.1	-13.3	-8.5	+1.2
	Building sashes	99.8	101.0	+1.1%		+12.1	-4.9	+8.1	+3.7	+2.0	+8.0	-6.1	+1.9
	Housing and Services business	22.8	19.0	-16.6%		-9.5	-4.6	-29.3	-19.8	-26.7	-25.0	-1.7	-8.0
	International (2)	502.1	519.4	+3.4%		-5.8	-1.6	-5.3	-3.6	+9.9	+1.2	+5.7	-2.5
Others/consolidation & Adj.		112.8	112.2	-									
Total		1,483.2	1,504.7	+1.4%		-0.3	+0.2	-0.1	-3.2	+3.0	-0.8	+2.6	+1.1
(Reference) **Sales of Faucets included in "Sanitaryware."													
LWT	Faucets	25.8	28.0	+8.5%		+7.3	-0.7	+9.1	+2.2	-0.3	+15.3	+10.7	+8.5

(1) The internal product categorization for sales of sanitaryware and washstand cabinet units has changed from FYE2025. If FYE2024 revenue was restated, Q4 (12months) YoY: sanitaryware +4.0%, washstand cabinet units +1.9%, Q4 (3months) YoY: sanitaryware +2.4%, washstand cabinet units +2.4%

(2) Please refer to p.33 for the revenue of water-related products in international business

Renovation sales ratio increased by 2.4pp. Both LWT and LHT saw an increase due to continued strong demand

JPY billion	Q4 (12 months)				Q4 (3 months)	
	FYE2024 Results ⁽¹⁾	FYE2025 Results	Increase /decrease	YoY	FYE2025 Results	YoY
Sales of renovation-related products	353.5	377.6	+24.1	+6.8%	86.0	+7.2%
LWT-J				+9%		+8%
LHT				+5%		+7%
Excl. building				+5%		+9%
Building business				+6%		-4%
Renovation sales ratio	43%	45%	+2.4pp		42%	+1.4pp

Renovation sales ratio by business segment (YoY)

	FYE2024	FYE2025	Increase /decrease
LWT	51%	54%	+3.0pp
LHT	37% ⁽¹⁾	39%	+1.7pp
Japan Total	43% ⁽¹⁾	45%	+2.4pp

Inner window, In-plus



(1) Sales of renovation product was restated for comparison on the same basis

(2) The data on the number of member homebuilders has been excluded since the number is relatively static

GROWTH IN INTERNATIONAL WATER TECHNOLOGY BUSINESS

Leveraging our brands, global structure for R&D, and roll-out of differentiated products, we are positioning for renewed growth by quickly responding to local needs⁽¹⁾

	FYE2025 (12 months)					Q4 FYE2025 (3 months)				
	Intl. Total	Americas	EMEA	China	Asia Pacific	Intl. Total	Americas	EMEA	China	Asia Pacific
Sales distribution ratio										
Bath faucets and showers	41%	13%	61%	46%	40%	40%	12%	61%	40%	37%
Toilets	42%	58%	25%	43%	56%	42%	59%	25%	43%	60%
Kitchen faucets and water systems	8%	5%	13%	5%	2%	8%	5%	13%	6%	2%
Bathing and showering systems	8%	23%	0%	0%	1%	8%	22%	0%	1%	1%
All others	2%	2%	1%	6%	1%	2%	3%	1%	11%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Sales growth										
Bath faucets and showers	+8%	-4%	+15%	-14%	+4%	+2%	-5%	+11%	-29%	-9%
Toilets	-2%	-7%	+9%	-10%	+1%	-0%	-5%	+11%	-4%	-1%
Kitchen faucets and water systems	+4%	+6%	+6%	-22%	+0%	+6%	+20%	+7%	-33%	+5%
Bathing and showering systems	-15%	-15%	-7%	-21%	+13%	-15%	-15%	-22%	-37%	-7%

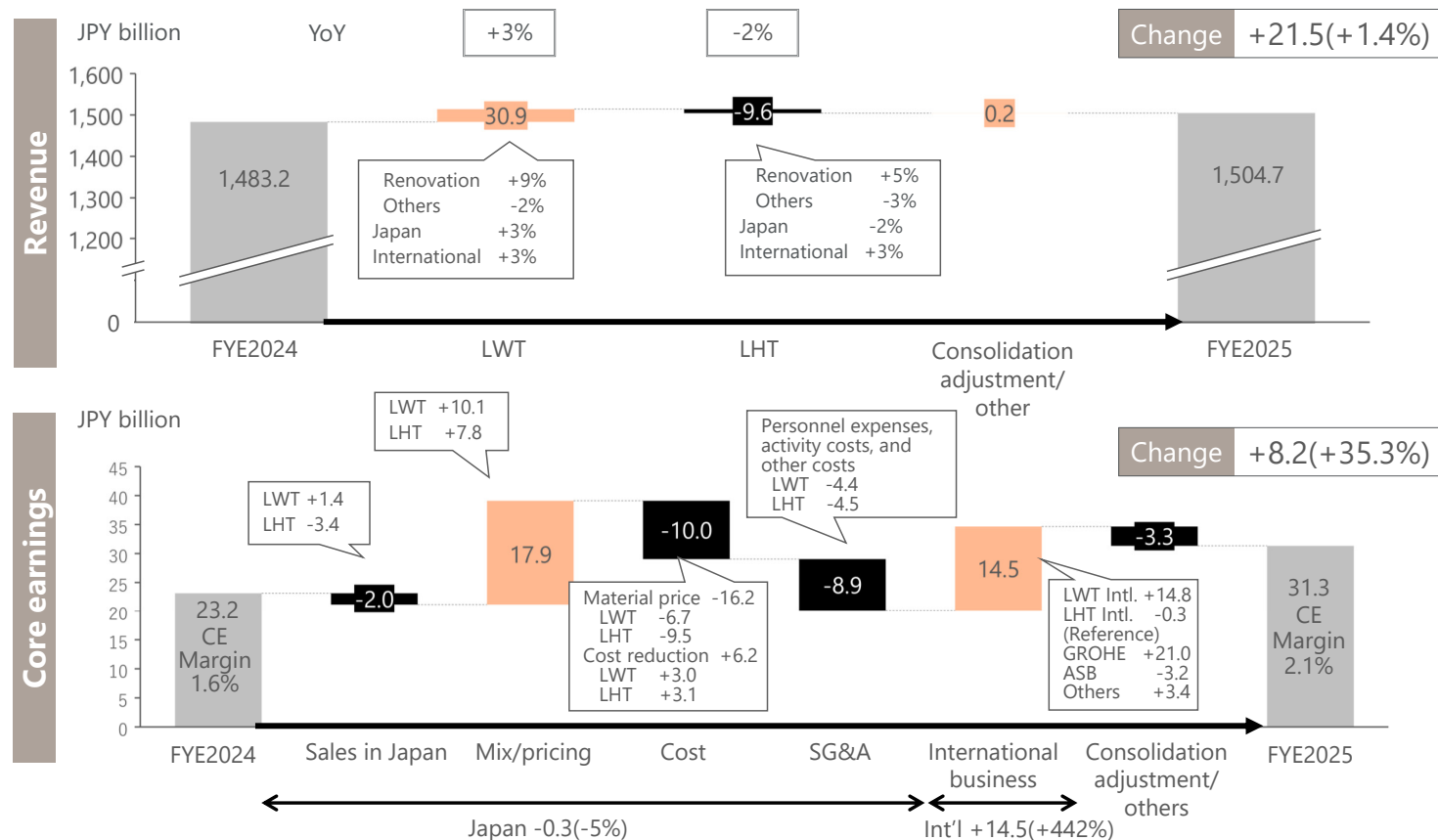
(1) See also, p.31-35, 44 of our INTEGRATED REPORT 2024, for progress of "Grow Global Water Business" in the LIXIL Playbook

https://ssl4.eir-parts.net/doc/5938/ir_material_for_fiscal_ym41/158027/00.pdf#page=32

Q4 (12 MONTHS) FYE2025 CHANGE IN REVENUE AND CORE EARNINGS

LIXIL

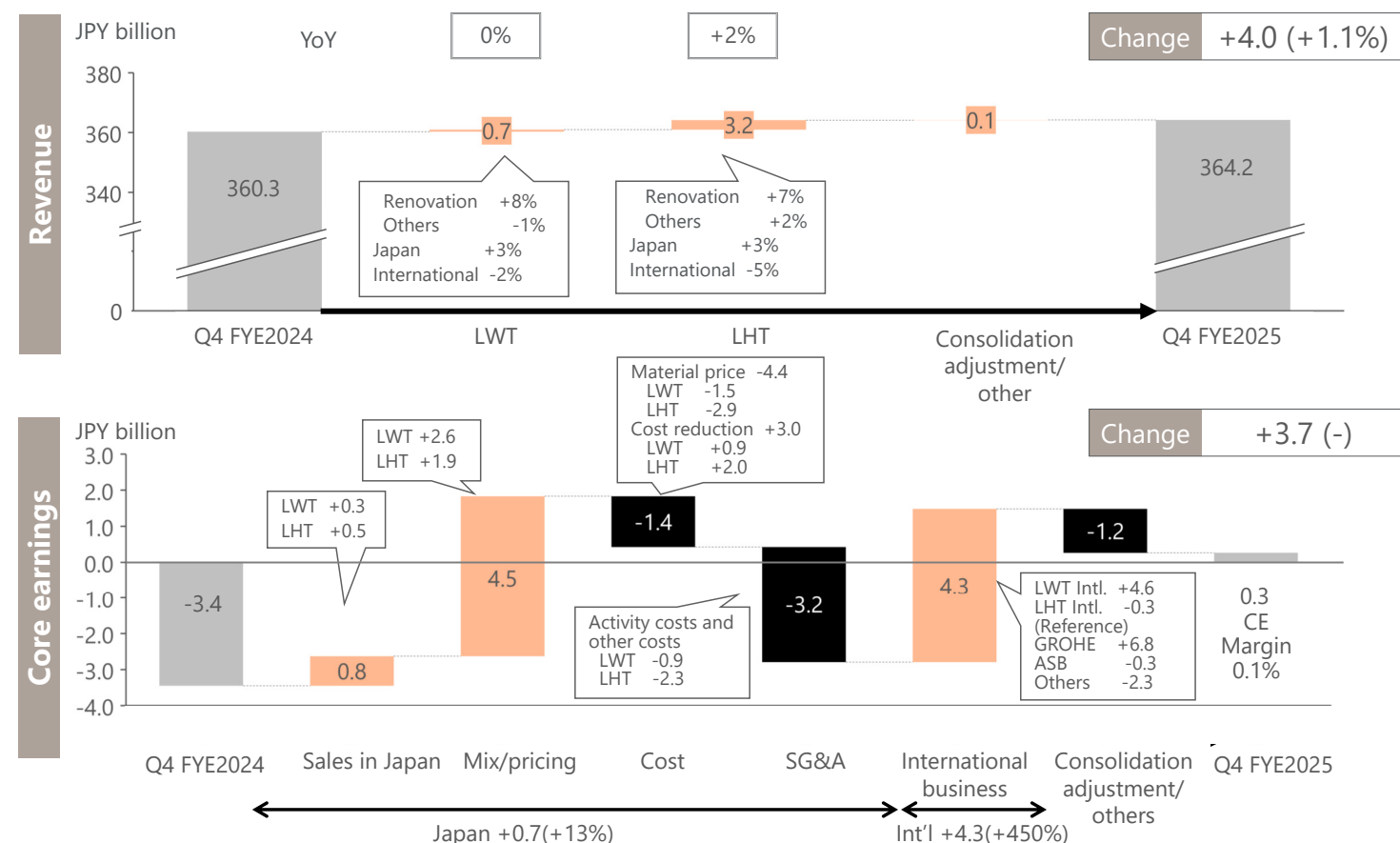
34



Q4 (3 MONTHS) FYE2025 CHANGE IN REVENUE AND CORE EARNINGS

LIXIL

35



JPY billion	FYE2024 Results	FYE2025 Results	Increase/decrease
Gain on disposal of investment property	6.4	-	-6.4
Gain on disposal of assets held for sale	2.2	-	-2.2
Others	5.1	11.0	+5.9
Other income	13.8	11.0	-2.8
Losses on disposal of property, plant and equipment	1.6	1.3	-0.3
Impairment losses	4.6	3.5	-1.1
Loss recognized on the measurement to fair value less costs to sell the disposal group held for sale	1.1	-	-1.1
Others	13.3	7.9	-5.4
Other expenses	20.6	12.7	-8.0
Interest income	1.6	1.8	+0.1
Dividend income	1.1	1.2	0.0
Gains on valuation of derivatives	0.6	0.7	+0.1
Others	0.2	0.3	+0.1
Finance income	3.7	4.0	+0.3
Interest expense	10.1	11.9	+1.8
Losses on exchange differences	2.6	1.7	-0.9
Others	0.5	0.3	-0.2
Finance costs	13.2	13.9	+0.7

- Other income includes income recognized related to Joyou and the proceeds from the transfer of the US bathing business
- Other expenses include costs related to the closure of the Thailand Rayong Plant and costs related to structural reforms such as personnel optimization

> RESULTS BY SEGMENT (2 SEGMENT)

JPY billion		FYE2024 Results			FYE2025 Results			Total YoY%	FYE2025 Initial plan		
		Japan	Intl.	Total	Japan	Intl.	Total		Japan	Intl.	Total
LWT	Revenue	420.5	476.4	896.9	435.0	492.9	927.8	+3.4%	439.0	519.0	958.0
	CE	20.9	1.8	22.7	24.3	16.6	40.9	+80.2%	21.0	18.5	39.5
	CE margin	5.0%	0.4%	2.5%	5.6%	3.4%	4.4%	+1.9pp	4.8%	3.6%	4.1%
LHT	Revenue	570.7	25.7	596.4	560.3	26.5	586.8	-1.6%	595.5	27.5	623.0
	CE	34.4	1.4	35.9	28.0	1.2	29.2	-18.7%	36.5	1.5	38.0
	CE margin	6.0%	5.6%	6.0%	5.0%	4.4%	5.0%	-1.0pp	6.1%	5.5%	6.1%
Cons. Adj. & Others ⁽¹⁾	Revenue			-10.1			-10.0	-			-11.0
	CE			-35.4			-38.8	-			-42.5
LIXIL ⁽¹⁾	Revenue	991.3	502.1	1,483.2	995.3	519.4	1,504.7	+1.4%	1,034.5	546.5	1,570.0
	CE	55.3	3.3	23.2	52.3	17.8	31.3	+35.3%	57.5	20.0	35.0
	CE margin	5.6%	0.7%	1.6%	5.3%	3.4%	2.1%	+0.5pp	5.6%	3.7%	2.2%

(1) Difference between sum total of Japan and International in Revenue and Core earnings and "Total" is the amount of consolidation, adj. & others

		FYE2024 Results			FYE2025 Results				FYE2026 Full-year Forecasts			
JPY billion		Japan	Intl.	Total	Japan	Intl.	Total	Total YoY%	Japan	Intl.	Total	Total YoY%
LWT	Revenue	300.7	476.4	777.0	312.0	492.9	804.9	+3.6%	320.0	511.0	831.0	+3.2%
	CE	16.2	1.8	18.0	20.2	16.6	36.9	+104.3%	20.5	20.0	40.5	+9.9%
	CE margin	5.4%	0.4%	2.3%	6.5%	3.4%	4.6%	+2.3pp	6.4%	3.9%	4.9%	+0.3pp
LHT	Revenue	509.9	25.7	535.6	500.6	26.5	527.1	-1.6%	509.0	28.0	537.0	+1.9%
	CE	30.1	1.4	31.5	24.9	1.2	26.0	-17.4%	28.0	1.5	29.5	+13.3%
	CE margin	5.9%	5.6%	5.9%	5.0%	4.4%	4.9%	-0.9pp	5.5%	5.4%	5.5%	+0.6pp
Living	Revenue	203.8		203.8	205.5		205.5	+0.8%	210.0		210.0	+2.2%
	CE	9.1		9.1	7.2		7.2	-20.2%	10.5		10.5	+45.3%
	CE margin	4.4%		4.4%	3.5%		3.5%	-0.9pp	5.0%		5.0%	+1.5pp
Cons. Adj. & Others ⁽¹⁾	Revenue			-33.2			-32.8	-			-38.0	-
	CE			-35.4			-38.8	-			-45.5	-
LIXIL ⁽¹⁾	Revenue	1,014.3	502.1	1,483.2	1,018.1	519.4	1,504.7	+1.4%	1,039.0	539.0	1,540.0	+2.3%
	CE	55.3	3.3	23.2	52.3	17.8	31.3	+35.3%	59.0	21.5	35.0	+11.7%
	CE margin	5.5%	0.7%	1.6%	5.1%	3.4%	2.1%	+0.5pp	5.7%	4.0%	2.3%	+0.2pp

(1) Difference between sum total of Japan and International in Revenue and Core earnings and "Total" is the amount of consolidation, adj. & others

PERFORMANCE OF MAJOR INTERNATIONAL SUBSIDIARIES

ASB (ASD Holdings) (USD million)	FYE2024					FYE2025					Full-year YoY
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	Q4	Full-year	
Revenue	327	332	315	309	1,283	298	286	262	276	1,122	-13%
Core earnings	-14	0	0	-10	-24	-12	-6	-13	-12	-44	-
Core earnings margin	-	-	-	-	-	-	-	-	-	-	-

Grohe Group (GROHE) (EUR million)	FYE2024					FYE2025					Full-year YoY
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	Q4	Full-year	
Revenue	373	360	343	380	1,457	390	393	412	406	1,601	+10%
Core earnings	8	4	7	4	23	20	39	44	47	150	+562%
Core earnings margin	2%	1%	2%	1%	2%	5%	10%	11%	12%	9%	+7.8pp

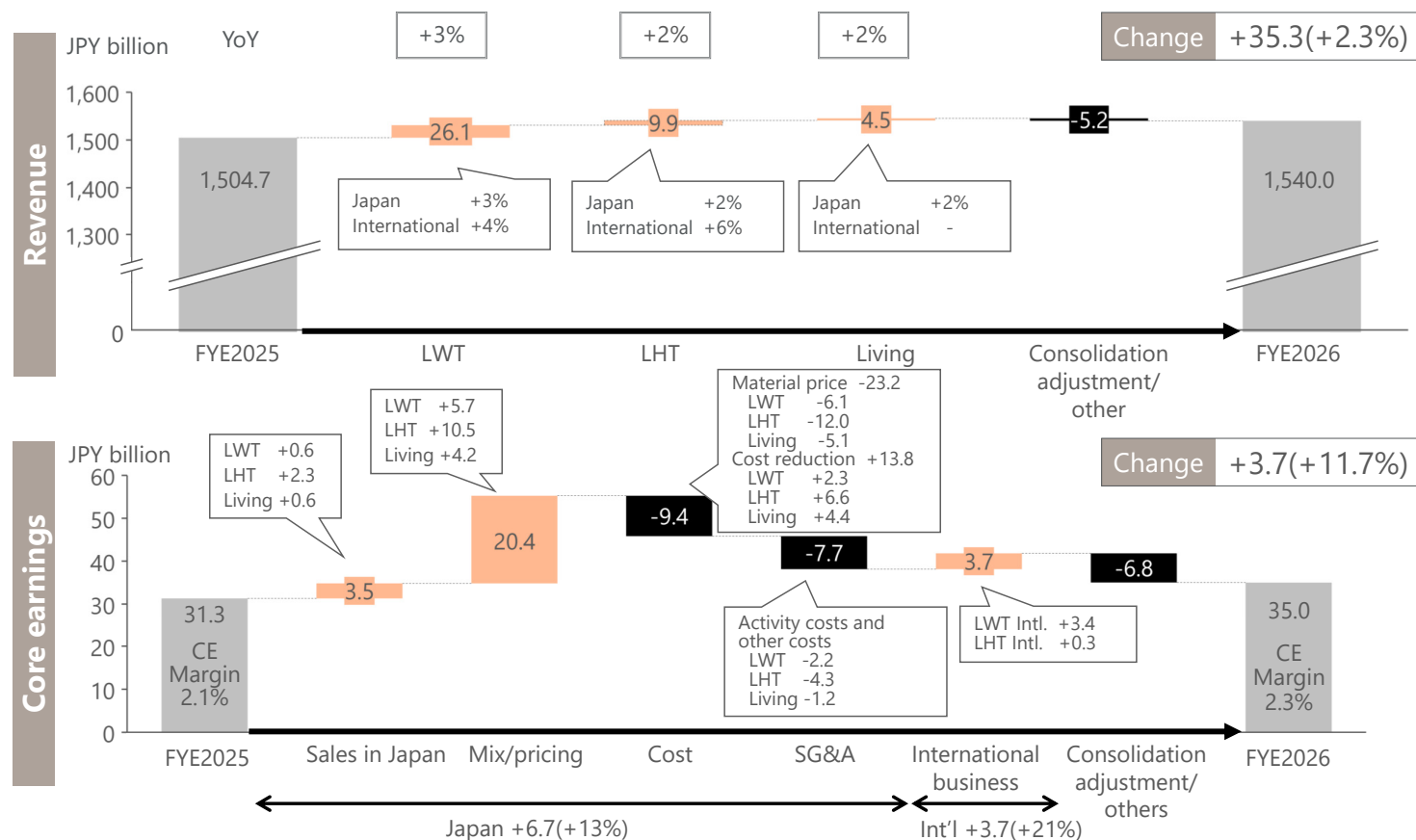
ASB (ASD Holdings) (USD million)	FYE2024 Balance	FYE2025 Balance
Goodwill ⁽¹⁾	248	225
Intangible assets ⁽¹⁾	243	221

Grohe Group (GROHE) (EUR million)	FYE2024 Balance	FYE2025 Balance
Goodwill ⁽¹⁾	1,195	1,199
Intangible assets ⁽¹⁾	1,393	1,382

FYE2025 full-year

FX rates	Average	Current
USD	JPY152.48	JPY149.52
EUR	JPY163.62	JPY162.08

(1) Please refer to p56-62 of the FYE2024 Consolidated Financial Statements "14. Goodwill and Other Intangible Assets" for assessment of goodwill and intangible assets https://ssl4.eir-parts.net/doc/5938/ir_material_for_fiscal_ym35/159277/00.pdf#page=57



APPENDIX: BUSINESS AND ESG-RELATED TOPICS

Effective after the annual shareholders' meeting to be held in June 2025

List of Directors

(Announced on March 24, 2025)

(◎: newly appointed June 2025, □: independent director, Underline: female member)

✳: Chairperson, ●: Member

		Name	Chairperson of the Board	Nomination Committee	Audit Committee	Compensation Committee
Internal Directors ⁽¹⁾		Kinya Seto				
		<u>Hwa Jin Song Montesano</u>				
Outside Directors	□	Jun Aoki		●		✳
	□	Shigeki Ishizuka			●	●
	□◎	Hiroshi Ishino		●	●	
	□	Ryusuke Otori		●	✳	
	□	<u>Shiho Konno</u>			●	
	□	<u>Mayumi Tamura</u>			●	
	□	Yuji Nishiura	✳			
	□	<u>Mariko Watahiki</u>		✳		●

* Only statutory committees are listed

(1) Concurrently serves as an Executive officer

Effective after the annual shareholders' meeting to be held in June 2025

Newly appointed candidate



Hiroshi Ishino

(Date of Birth: April 10, 1951)

Reason for Appointment

Mr. Ishino has extensive experience as a professional in international operations at a major trading company, in addition to deep experience and knowledge regarding business operations, from manufacturing to sales, at a listed manufacturer operating globally. It is expected that he will contribute to the supervision of management from the perspective of an experienced manager in global manufacturing. Therefore, he is considered capable of performing the duties of an outside director of the company.

Vitae

Apr. 1975	Joined Mitsubishi Corporation
Mar. 2003	Joined Kansai Paint Co., Ltd.
Jun. 2006	Director, Deputy General Manager, International Affairs, Kansai Paint Co., Ltd.
Jun. 2008	Managing Director, Sales, Coatings Business, Kansai Paint Co., Ltd.
Apr. 2010	Senior Managing Director, Sales, Kansai Paint Co., Ltd.
Jun. 2011	Director, Senior Managing Executive Officer, Sales, International Affairs and Procurement, Kansai Paint Co., Ltd.
Jun. 2012	Representative Director, Senior Managing Executive Office, Sales, International Affairs and Procurement, Kansai Paint Co., Ltd.
Apr. 2013	Representative Director and President, Kansai Paint Co., Ltd.
Jun. 2019	Senior Corporate Advisor, Kansai Paint Co., Ltd.
Jul. 2020	Director, Nippon Sheet Glass Co., Ltd. (Incumbent)
Jun. 2023	Honorary Advisor, Kansai Paint Co., Ltd. (Incumbent)

(as of April 1, 2025)

List of Executive Officers

(Announced on March 24, 2025)

(※concurrently serves as a director, ◎: newly appointed, Underline: female member)

Name		Positions
Kinya Seto	※	Representative Executive Officer, President, and Chief Executive Officer
<u>Hwa Jin Song</u> <u>Montesano</u>	※	Representative Executive Officer, Executive Vice President, Chief People Officer, Human Resources, Communications, External Affairs, and Impact Strategy
Yugo Kanazawa		Executive Officer, Executive Vice President, Chief Digital Officer, Digital and CX
Bijoy Mohan		Executive Officer, Executive Vice President, LIXIL International
Satoshi Yoshida		Executive Officer, Executive Vice President, LIXIL Housing Technology (LHT)
Hiroyuki Oonishi		Executive Officer, Executive Vice President, LIXIL Water Technology (LWT) Japan
<u>Mariko Fujita</u>		Executive Officer, Executive Vice President, Chief Financial Officer, Finance, Treasury, IR, and Risk Management
Hanseul Kim	◎	Executive Officer, Executive Vice President, Chief Transformation Officer, Corporate Transformation and M&A

BUSINESS AND ESG RELATED TOPICS

Contribute to a Low-Carbon Society and Circular Economy

LIXIL signed a partnership with Tsu City, Mie Prefecture, to advance plastic recycling⁽¹⁾



- Developed the industry's first local production and consumption-based resource recycling system for waste plastics, which have historically been difficult to recycle⁽²⁾
- Tsu City provides its household plastic packaging waste to LIXIL. LIXIL then processes this waste into the raw material for producing the sustainable material, *revia*
- This partnership fosters a sustainable circular economy in Tsu City and contributes to realizing carbon neutrality

Contribute to a Low-Carbon Society and Circular Economy

Achieved recycling of FRP, which has historically been difficult to recycle



- In January 2025, LIXIL commenced the recycling of FRP (fiber-reinforced plastic) used in unit bathtubs through a collaboration with HIROKOU Co., Ltd. Most FRP was put in landfills or incinerated; LIXIL used thermal recycling, but with the new program, about half of the factory's waste FRP can now be recycled⁽³⁾
- Also, LIXIL successfully developed a new technology to recycle waste FRP as raw material for plastering walls. This enables the utilization of FRP as a sustainable material⁽⁴⁾

(1) News release <https://newsroom.lixil.com/ja/2025032803> (JP only)

(2) Company research as of February 2025

(3) News release <https://newsroom.lixil.com/ja/2025011501> (JP only)

(4) News release <https://newsroom.lixil.com/ja/2025031802> (JP only)

Making Better Homes a Reality Through Innovation

GROHE presents latest Innovations at ISH 2025⁽¹⁾



- GROHE showcased the latest innovations and product highlights designed to transform the way we experience water every day
 - ✓ GROHE Purefoam, a technology developed in Japan and utilized globally
 - ✓ GROHE Everstream, a water-recirculating shower
 - ✓ GROHE Rapido Heat Recovery Shower System, a sustainable shower with enhanced energy efficiency
- Creating impact on society and the environment by expanding the offering of differentiated products

External Recognition of D&I Initiatives

Received numerous D&I recognitions in promoting our Global People Strategy



- Selected as a component of the Nadeshiko Brand initiative for the ninth time, jointly conducted by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (March 2025)
- Selected as a component of the "White 500" (an outstanding company 500) for the third consecutive year within the "Health and Productivity Management Outstanding Organization", jointly conducted by METI and the Nippon Kenko Kaigi, Japan (March 2025)



(1) News release https://newsroom.lixil.com/20250318_ish

Please refer to the next page for other external recognitions

EXTERNAL RECOGNITIONS

Selected for all six ESG indices adopted by Japan's Government Pension Investment Fund (GPIF) (as of April 2025)⁽¹⁾⁽²⁾



FTSE Blossom Japan Index

2024 CONSTITUENT MSCI NIKONKABU ESG SELECT LEADERS INDEX

2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)



FTSE Blossom Japan Sector Relative Index

MORNINGSTAR GenDi J
Japan ex-REIT Gender Diversity Tilt Index
TOP CONSTITUENT 2025



MSCI ESG Ratings

Received a rating of AAA⁽¹⁾
[three consecutive years]
(February 2025)



CDP

FYE2025:

• Climate A-, Water Security A-

FYE2024:

• CDP's Climate A list

• Supplier Engagement A-



FTSE4Good Index Series⁽²⁾

[eight consecutive years]



FTSE4Good

DX Platinum Company 2025-2027

Selected as a DX Platinum Company 2025-2027 for the first time
(April 2025)



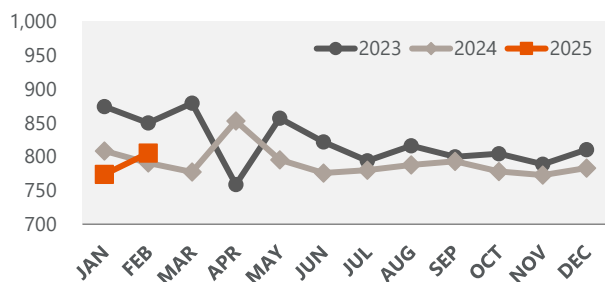
DX Platinum Companies
2025-2027
Digital Transformation

(1) Please see our website for the disclaimer <https://www.lixil.com/en/about/evaluation.html>

(2) FTSE4Good Index Series <https://www.lseg.com/en/ftse-russell/indices/ftse4good/>
FTSE Blossom Japan Index <https://www.lseg.com/en/ftse-russell/indices/blossom-japan>

Trend of new housing starts in Japan

Annualized seasonally adjusted data



Source : Statistics of new housing starts, Ministry of Land, Infrastructure, Transport and Tourism (Jan 2022-Feb 2025)

New housing construction trends in Japan

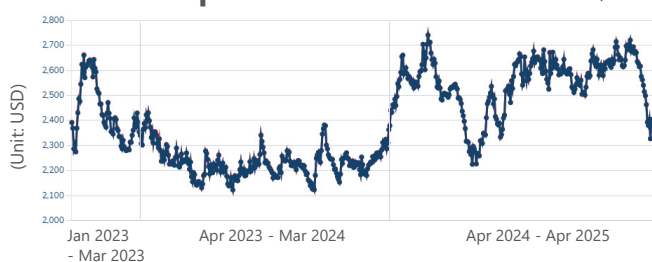
(year-on-year)

- Jan-Feb 2025: -1.1%
- Jan-Dec 2024: -3.4%

	Jan-Dec 2024 (12 months)		Apr 2024-Feb 2025 (11 months)	
	Units	YoY	Units	YoY
Total new housing starts	792,098	-3.4%	726,539	-1.3%
Owner-occupied(1)	218,132	-2.8%	200,180	-1.4%
Rental homes	342,044	-0.5%	314,356	+0.7%
Condos for sale	102,427	-5.1%	94,420	+3.5%
Detached houses for sale(2)	121,191	-11.7%	109,844	-11.1%
Detached houses total (1)+(2)	339,323	-6.2%	310,024	-5.0%

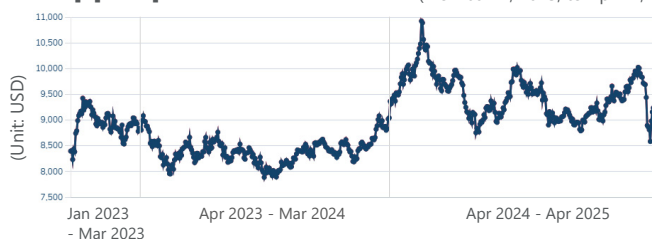
Aluminum price trend

Source : LME 3 months
(From Jan 1, 2023, to Apr 22, 2025)



Copper price trend

Source : LME 3 months
(From Jan 1, 2023, to Apr 22, 2025)



Foreign exchange rates (Average rate)	FYE2024 Actuals	FYE2025 Actuals	FYE2026 Assumptions
US dollar	JPY144.40	JPY152.48	JPY155.0
Euro	JPY156.80	JPY163.62	JPY161.2

Results and assumptions (price)	FYE2024 Actuals	FYE2025 Actuals	FYE2026 Assumptions
Aluminum (Purchasing price)	335,000	398,000	448,000
Copper alloy	1,009,000	1,170,000	1,262,000

(JPY per tonne)

(REFERENCE) LIXIL TRANSITIONED TO IFRS FROM FYE2016 CHANGE IN PROFIT LEVEL STRUCTURE IS AS SHOWN

JGAAP	IFRS (LIXIL Financial Reporting)
	Continuing operations
Net sales	Revenue
Cost of sales	Cost of sales
Gross profit	Gross profit
SG&A	SG&A
Operating profit	Core earnings (CE)
Non-operating income/expenses	Other income/expenses
Ordinary income	Operating profit
Extraordinary income/loss	Finance income/costs
	Share of profit (loss) of investments accounted for using equity method
Profit before income taxes	Profit before tax
	Profit from continuing operations
	Discontinued operations
	Profit for discontinued operations
Net profit attributable to	Profit attributable to
Non-controlling interests	Owners of the parent
Owners of the parent	Non-controlling interests

"Core earnings" in IFRS is equivalent to JGAAP's "Operating profit"



Cautionary Statements with Respect to Forward-Looking Statements

Statements made in these materials with respect to plans, strategies and future performance that are not historical facts are forward-looking statements. LIXIL Corporation cautions that a number of factors could cause actual results to differ materially from those discussed in the forward-looking statements.

MAKE BETTER HOMES A REALITY FOR EVERYONE, EVERYWHERE