Flash Report

LIXIL CORPORATION

October 31, 2025

Consolidated Financial Results for the First Half Ended September 30, 2025
(International Financial Reporting Standards)

Company Name: LIXIL CORPORATION
Stock Listings: Tokyo, Nagoya
Code Number: 5938
URL: https://www.lixil.com/en/investor/
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Scheduled date to file semi-annual securities report:	November 11, 2025
Scheduled date to commence dividend payments:	November 28, 2025
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	Yes (For investment analysts and institutional investors)

(Amounts less than one million Japanese yen are rounded)

1. Consolidated Financial Results for the H1 of FY Ending March, 2026 (April 1 through September 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	From Continuing Operations									
	Revenue		Core earnings		Operating profit		Profit before tax		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FYE 2026 H1	**735,942**	**△0.5**	**16,862**	**60.4**	**11,407**	**15.5**	**4,459**	**9.1**	**3,899**	**—**
FYE 2025 H1	739,775	1.0	10,511	18.9	9,880	49.0	4,087	54.5	△3,810	—

	Including Discontinued Operations							
	Profit		Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen	Yen
FYE 2026 H1	**3,899**	**—**	**3,355**	**—**	**32,119**	**—**	**11.67**	**11.67**
FYE 2025 H1	△3,794	—	△3,932	—	△17,828	—	△13.69	△13.69

Note: Core earnings is calculated by deducting the cost of sales and selling, general and administrative expenses (SG&A) from revenue.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
	Million yen	Million yen	Million yen	%
FYE 2026 H1	**1,867,417**	**639,394**	**636,571**	**34.1**
FYE 2025	1,830,804	620,070	617,886	33.7

2. Cash Dividends

	Annual dividends per share				
	End of Q1	End of Q2	End of Q3	End of period	For the year
	Yen	Yen	Yen	Yen	Yen
FYE 2025	—	45.00	—	45.00	90.00
FYE 2026	—	45.00			
FYE 2026 (forecast)			—	45.00	90.00

Note: Revision of dividends forecast after the recent announcement: None

3. Consolidated Forecast for the FY Ending March, 2026 (April 1, 2025 through March 31, 2026)

(Percentages indicate year-on-year changes)

	From Continuing Operations									
	Revenue		Core earnings		Operating profit		Profit before tax		Profit for the year	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FYE 2026	1,540,000	2.3	35,000	11.7	30,000	1.1	21,000	4.2	8,000	252.7

	Including Discontinued Operations				
	Profit for the year		Profit for the year attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Yen
FYE 2026	8,000	260.6	8,000	299.7	27.85

Note: Revision of consolidated operating performance forecast after the recent announcement: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None
Newly consolidated company: None
Excluded company: None

(2) Changes in accounting policies and accounting estimate
(i) Changes in accounting policies required by IFRS: None
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimate: None

(3) Outstanding shares (Common shares)

(i) Outstanding shares including treasury shares	(September 30, 2025)	287,514,957 shares	(FY ended March 31, 2025)	287,340,460 shares
(ii) Treasury shares	(September 30, 2025)	67,522 shares	(FY ended March 31, 2025)	66,074 shares
(iii) Average number of shares during the first half	(September 30, 2025)	287,391,289 shares	(September 30, 2024)	287,242,866 shares

* This financial results report is exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters
(Cautionary statements with respect to forward-looking statements)
Performance forecast and other forward-looking statements contained in this report are based on information currently available and on certain assumptions deemed rational at the time of this report's release. Due to various circumstances, however, actual results may differ significantly from such statements.

(How to access supplementary financial results material)
The financial results presentation material "H1 Results for the Fiscal Year Ending March 31, 2026 (IFRS) (From April 1, 2025 to September 30, 2025)" has been posted on TDnet and the Company's website on October 31, 2025.

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1. Overview of Operating Results

An overview of operating results and financial position for the first half (six months ended September 30, 2025) is presented in the supplementary financial results material.

The supplementary financial results material "H1 Results for the Fiscal Year Ending March 31, 2026 (IFRS) (From April 1, 2025 to September 30, 2025)" has been posted on TDnet and the Company's website on October 31, 2025.

2. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

(Unit: Millions of yen)

	As of March 31, 2025	End of H1 (As of September 30, 2025)
ASSETS		
Current assets:		
Cash and cash equivalents	Y 123,527	Y 118,916
Trade and other receivables	283,914	287,249
Inventories	243,926	257,926
Contract assets	17,861	19,438
Income taxes receivable	1,691	2,318
Other financial assets	7,176	7,464
Other current assets	22,993	21,540
Subtotal	**701,088**	**714,851**
Assets held for sale	153	1,939
Total current assets	**701,241**	**716,790**
Non-current assets:		
Property, plant and equipment	365,552	359,288
Right-of-use assets	63,530	64,561
Goodwill and other intangible assets	545,561	567,723
Investment property	2,406	2,468
Investments accounted for using the equity method	7,561	9,832
Other financial assets	60,994	64,711
Deferred tax assets	80,145	79,124
Other non-current assets	3,814	2,920
Total non-current assets	**1,129,563**	**1,150,627**
Total assets	**Y 1,830,804**	**Y 1,867,417**

(Unit: Millions of yen)

		As of March 31, 2025		End of H1 (As of September 30, 2025)
LIABILITIES AND EQUITY				
LIABILITIES				
Current liabilities:				
Trade and other payables	**Y**	246,802	**Y**	246,188
Bonds and borrowings		190,337		171,907
Lease liabilities		19,786		20,665
Contract liabilities		9,850		12,487
Income taxes payable		8,129		9,439
Other financial liabilities		4,437		4,914
Provisions		1,156		2,430
Other current liabilities		91,286		87,753
Total current liabilities		**571,783**		**555,783**
Non-current liabilities:				
Bonds and borrowings		402,209		430,322
Lease liabilities		45,468		45,362
Other financial liabilities		29,581		28,606
Net defined benefit liabilities		72,975		77,896
Provisions		6,595		9,139
Deferred tax liabilities		75,628		73,960
Other non-current liabilities		6,495		6,955
Total non-current liabilities		**638,951**		**672,240**
Total liabilities		**1,210,734**		**1,228,023**
EQUITY				
Share capital		68,654		68,807
Capital surplus		221,587		221,562
Treasury shares		-138		-140
Other components of equity		121,146		149,294
Retained earnings		206,637		197,048
Equity attributable to owners of the parent		617,886		636,571
Non-controlling interests		2,184		2,823
Total equity		**620,070**		**639,394**
Total liabilities and equity	**Y**	**1,830,804**	**Y**	**1,867,417**

(2) Consolidated Statements of Profit or Loss and Comprehensive Income

Consolidated Statement of Profit or Loss

(Unit: Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Continuing operations		
Revenue	Y 739,775	Y 735,942
Cost of sales	-498,585	-484,042
GROSS PROFIT	241,190	251,900
Selling, general and administrative expenses	-230,679	-235,038
Other income	3,455	4,144
Other expenses	-4,086	-9,599
OPERATING PROFIT	9,880	11,407
Finance income	2,120	1,950
Finance costs	-7,842	-8,719
Share of loss of associates accounted for using the equity method	-71	-179
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	4,087	4,459
Income tax expenses	-7,897	-560
PROFIT (LOSS) FROM CONTINUING OPERATIONS	-3,810	3,899
Discontinued operations		
PROFIT FROM DISCONTINUED OPERATIONS	16	—
PROFIT (LOSS)	-3,794	3,899
Profit (loss) attributable to:		
Owners of the parent		
Continuing operations	-3,948	3,355
Discontinued operations	16	—
Total	-3,932	3,355
Non-controlling interests	138	544
PROFIT (LOSS)	Y -3,794	Y 3,899

(Unit: Yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Earnings (Losses) per share		
Basic (yen per share)		
Continuing operations	-13.75	11.67
Discontinued operations	0.06	—
Total	-13.69	11.67
Diluted (yen per share)		
Continuing operations	-13.75	11.67
Discontinued operations	0.06	—
Total	-13.69	11.67

Consolidated Statement of Comprehensive Income

(Unit: Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
PROFIT (LOSS)	**Y -3,794**	**Y 3,899**
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss		
Net fair value gain (loss) on equity instruments measured through other comprehensive income	-869	2,898
Remeasurements of defined benefit pension plans	105	-21
Total of items that will not be reclassified to profit or loss	-764	2,877
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	-12,065	23,552
Net fair value gain (loss) on hedging instruments entered into for cash flow hedges	-1,203	1,618
Share of other comprehensive income of associates accounted for using the equity method	-2	173
Total items that may be reclassified subsequently to profit or loss	-13,270	25,343
Other comprehensive income, net of tax	-14,034	28,220
TOTAL COMPREHENSIVE INCOME	-17,828	32,119
Total comprehensive income attributable to:		
Owners of the parent	-18,059	31,486
Non-controlling interests	231	633
TOTAL COMPREHENSIVE INCOME	**Y -17,828**	**Y 32,119**

(3) Consolidated Statement of Changes in Equity

(Unit: Millions of yen)

	Equity attributable to owners of the parent						
				Other components of equity			
	Share capital	Capital surplus	Treasury shares	Net fair value gain (loss) on equity instruments measured through other comprehensive income	Remeasurements of defined benefit pension plans	Exchange differences on translation of foreign operations	Net fair value gain (loss) on hedging instruments entered into for cash flow hedges
BALANCE AS OF APRIL 1, 2024	**68,530**	**221,632**	**-126**	**16,743**	**—**	**107,390**	**1,443**
Profit (loss)	—	—	—	—	—	—	—
Other comprehensive income	—	—	—	-869	105	-12,158	-1,203
Total comprehensive income	—	—	—	-869	105	-12,158	-1,203
Purchase of treasury shares	—	—	-5	—	—	—	—
Disposal of treasury shares	—	-0	0	—	—	—	—
Share-based payment transactions	124	-71	—	—	—	—	—
Dividends	—	—	—	—	—	—	—
Changes in interests in subsidiaries that do not result in the Group losing control over the subsidiaries	—	-29	—	—	—	—	—
Transfers from other components of equity to retained earnings	—	—	—	-2	-105	—	—
Total transactions with owners	124	-100	-5	-2	-105	—	—
BALANCE AS OF SEPTEMBER 30, 2024	**68,654**	**221,532**	**-131**	**15,872**	**—**	**95,232**	**240**
BALANCE AS OF APRIL 1, 2025	**68,654**	**221,587**	**-138**	**16,295**	**—**	**104,296**	**558**
Profit (loss)	—	—	—	—	—	—	—
Other comprehensive income	—	—	—	2,898	-21	23,463	1,618
Total comprehensive income	—	—	—	2,898	-21	23,463	1,618
Purchase of treasury shares	—	—	-2	—	—	—	—
Disposal of treasury shares	—	-0	0	—	—	—	—
Share-based payment transactions	153	-19	—	—	—	—	—
Dividends	—	—	—	—	—	—	—
Changes in interests in subsidiaries that do not result in the Group losing control over the subsidiaries	—	-6	—	—	—	—	—
Transfers from other components of equity to retained earnings	—	—	—	-4	21	—	—
Total transactions with owners	153	-25	-2	-4	21	—	—
BALANCE AS OF SEPTEMBER 30, 2025	**68,807**	**221,562**	**-140**	**19,189**	**—**	**127,759**	**2,176**

(Unit: Millions of yen)

	Equity attributable to owners of the parent					
	Other components of equity					
	Other	Total	Retained earnings (losses)	Total	Non-controlling interests	Total equity
BALANCE AS OF APRIL 1, 2024	**2**	**125,578**	**226,897**	**642,511**	**1,827**	**644,338**
Profit (loss)	—	—	-3,932	-3,932	138	-3,794
Other comprehensive income	-2	-14,127	—	-14,127	93	-14,034
Total comprehensive income	-2	-14,127	-3,932	-18,059	231	-17,828
Purchase of treasury shares	—	—	—	-5	—	-5
Disposal of treasury shares	—	—	—	0	—	0
Share-based payment transactions	—	—	—	53	—	53
Dividends	—	—	-12,922	-12,922	—	-12,922
Changes in interests in subsidiaries that do not result in the Group losing control over the subsidiaries	—	—	—	-29	29	—
Transfers from other components of equity to retained earnings	—	-107	107	—	—	—
Total transactions with owners	—	-107	-12,815	-12,903	29	-12,874
BALANCE AS OF SEPTEMBER 30, 2024	**0**	**111,344**	**210,150**	**611,549**	**2,087**	**613,636**
BALANCE AS OF APRIL 1, 2025	**-3**	**121,146**	**206,637**	**617,886**	**2,184**	**620,070**
Profit (loss)	—	—	3,355	3,355	544	3,899
Other comprehensive income	173	28,131	—	28,131	89	28,220
Total comprehensive income	173	28,131	3,355	31,486	633	32,119
Purchase of treasury shares	—	—	—	-2	—	-2
Disposal of treasury shares	—	—	—	0	—	0
Share-based payment transactions	—	—	—	134	—	134
Dividends	—	—	-12,927	-12,927	—	-12,927
Changes in interests in subsidiaries that do not result in the Group losing control over the subsidiaries	—	—	—	-6	6	—
Transfers from other components of equity to retained earnings	—	17	-17	—	—	—
Total transactions with owners	—	17	-12,944	-12,801	6	-12,795
BALANCE AS OF SEPTEMBER 30, 2025	**170**	**149,294**	**197,048**	**636,571**	**2,823**	**639,394**

(4) Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
OPERATING ACTIVITIES:		
Profit before tax from continuing operations	Y 4,087	Y 4,459
Profit before tax from discontinued operations	23	—
Profit before tax	4,110	4,459
Depreciation and amortization	41,825	40,952
Impairment losses	254	2,650
Interest and dividend income	-1,546	-1,767
Interest expense	6,047	5,627
Gain from remeasurement relating to application of the equity method	—	-1,647
Share of (profit) loss of associates accounted for using the equity method	71	179
Losses (gains) on disposal of property, plant and equipment	-50	375
Decrease (increase) in trade and other receivables	22,505	1,016
Decrease (increase) in inventories	-4,441	-8,795
(Decrease) increase in trade and other payables	-7,703	-2,844
(Decrease) increase in net defined benefit liabilities	-578	351
Other	-13,168	1,181
Subtotal	47,326	41,737
Interest received	857	1,009
Dividends received	747	808
Interest paid	-5,848	-5,903
Income taxes paid	-2,691	-7,647
Net cash generated by operating activities	**Y 40,391**	**Y 30,004**

(Unit: Millions of yen)

	Six months ended September 30, 2024		Six months ended September 30, 2025	
INVESTING ACTIVITIES:				
Decrease (increase) in time deposits	Y	279	Y	1,235
Purchase of property, plant and equipment		-15,510		-12,944
Proceeds from disposal of property, plant and equipment		473		362
Purchase of intangible assets		-5,200		-4,775
Decrease (increase) in short-term loans receivable		5,135		110
Purchase of investments		-56,038		-102,995
Proceeds from sale and redemption of investments		56,031		103,074
Payments for absorption-type company split		-2,362		—
Payments for acquisition of subsidiaries		-85		—
Other		534		-796
Net cash used in investing activities	**Y**	**-16,743**	**Y**	**-16,729**
FINANCING ACTIVITIES:				
Dividends paid	Y	-12,922	Y	-12,927
(Decrease) increase in short-term borrowings and commercial paper		-11,951		-17,003
Proceeds from long-term borrowings		36,189		85,387
Repayment of long-term borrowings		-76,705		-38,017
Proceeds from issuance of bonds		35,835		—
Redemption of bonds		—		-25,000
Lease liabilities paid		-10,891		-11,511
Other		-1		-3
Net cash used in financing activities	**Y**	**-40,446**	**Y**	**-19,074**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		-16,798		-5,799
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		124,485		123,527
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		-599		1,188
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**Y**	**107,088**	**Y**	**118,916**

(5) Notes related to Financial Statements
(Notes related to Going Concern Assumptions)
Not applicable.

(Segment Information)
1. Description of Reportable Segments
The Group's reportable segments are those for which discrete financial information is available among the Group’s constituent units and regular evaluation by the Board of Directors is performed in order to decide how resources are allocated and performance is assessed.

The Group is managed based on three reportable segments consisting of the "Water Technology Business" , the "Housing Technology Business" and the "Living Business" with the performance of their respective business units reported to the Board of Executive Officers or Board of Directors.

The "Water Technology Business" includes manufacturing and sales of sanitaryware, faucets, bathroom fixtures, and other items. The "Housing Technology Business" includes manufacturing and sales of sashes, doors, shutters, curtain walls, and other items and provides services such as proposals for housing solutions and management of real estate. The "Living Business" includes manufacturing and sales of kitchen, vanity and wooden interior materials.

Change in reporting segment classification
In the fiscal year ended March 31, 2025, the Group reported in two segments, which include "Water Technology Business" and "Housing Technology Business". However, from the first quarter of the fiscal year ending March 31, 2026, the Group has decided to change to report in three segments, which include "Water Technology Business", "Housing Technology Business", and “Living Business”.

The reason for the reporting segments change is that the Group has 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 the Group's focus on its strategic initiative to improve profitability of the Japan business and strengthen the Group’s business structure, while also providing new value to end users.

As a change, kitchen and washstand cabinet unit business, previously included in the "Water Technology Business," and the wooden interior materials business, previously included in the "Housing Technology Business," will be classified under the "Living Business" in the new segments.

The segment information for the six months ended September 30, 2024, is presented based on the new reportable segments classification.

2. Methods of measurement for the amounts of revenue and profit or loss for each reportable segment
The accounting policies of each reportable segment are consistent with those for the preparation of the consolidated financial statements. Profit or loss for reportable segments is presented on the basis of core earnings or losses. Intersegment revenue or transfers are determined based on market prices.

3. Information on the amounts of revenue, profit or loss, and other items for each reportable segment

For the six months ended September 30, 2024 (April 1 through September 30, 2024)

(Unit: Millions of yen)

	Reportable Segments			Total	Reconciliations (Note 2)	Consolidated
	Water Technology Business	Housing Technology Business	Living Business			
Revenue						
Revenue from external customers	Y 395,734	Y 257,799	Y 86,242	Y 739,775	Y —	Y 739,775
Intersegment revenue or transfers	1,120	3,436	11,547	16,103	-16,103	—
Total	396,854	261,235	97,789	755,878	-16,103	739,775
Segment profit (Note 1)	14,041	12,307	2,727	29,075	-18,564	10,511
Other income						3,455
Other expenses						-4,086
Operating profit						9,880
Finance income						2,120
Finance costs						-7,842
Share of loss of associates accounted						-71
Profit before tax from continuing operations						4,087

For the six months ended September 30, 2025 (April 1 through September 30, 2025)

(Unit: Millions of yen)

	Reportable Segments			Total	Reconciliations (Note 2)	Consolidated
	Water Technology Business	Housing Technology Business	Living Business			
Revenue						
Revenue from external customers	Y 391,790	Y 255,524	Y 88,628	Y 735,942	Y —	Y 735,942
Intersegment revenue or transfers	1,102	3,634	11,712	16,448	-16,448	—
Total	392,892	259,158	100,340	752,390	-16,448	735,942
Segment profit (Note 1)	20,556	12,257	3,446	36,259	-19,397	16,862
Other income						4,144
Other expenses						-9,599
Operating profit						11,407
Finance income						1,950
Finance costs						-8,719
Share of loss of associates accounted						-179
Profit before tax from continuing operations						4,459

(Notes)

1. Segment profit is core earnings which are defined as revenue less cost of sales and selling, general and administrative expenses.
2. A process of Segment profit reconciliations takes place for Company expenses that are not allocated to reportable segments. These expenses primarily represent costs associated with administrative departments, including Human Resources, General Affairs, Finance and other departments of the Company.