

H1 Financial Results for the Fiscal Year Ending March 31, 2026 [IFRS]

(From April 1, 2025 to September 30, 2025)



LIXIL Corporation
October 31, 2025

TSE Code: 5938

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Summary of results for H1 FYE2026

Revenue decreased while core earnings and EBITDA increased year-on-year

■ Japan

- Sales growth slowed in Q2 from Q1 levels, which had seen a surge in demand ahead of changes in the Japan Building Standards Act, specifically in the abolition of the “Article 4 Special Provision”. Renovation sales of water-related products remained solid
- LHT’s core earnings remained flat due to additional costs associated with the ceramic siding business. Renovation sales are trending upward from September onwards, driven by promotional efforts

■ International

- For the LWT international business, profits substantially improved, despite a decrease in revenue YoY
- Strong performance continued in Europe, the Middle East and India. Housing markets remain sluggish in the Americas and China

■ Others

- Tax expenses decreased due to a favorable change in the corporate tax rate at the consolidated subsidiary (LIXIL Europe). Full-year earnings forecast remains unchanged (details will be reassessed Q3 onwards, considering other factors)
- Full-year dividend forecast remains unchanged. Resolved interim dividend of JPY45 / share

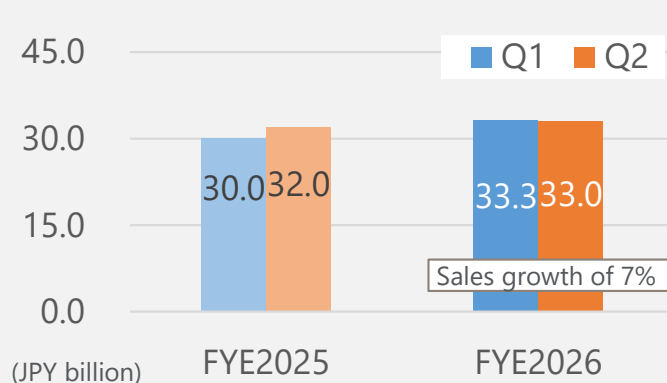
Business environment and outlook for FYE2026: Japan Business

Despite challenges such as low new housing starts, renovation sales is driving strong performance

LWT

- ✓ Renovation sales are expected to remain strong, while the demand surge related to new housing has subsided
- ✓ Showroom visitor numbers saw an upward trend in August and September

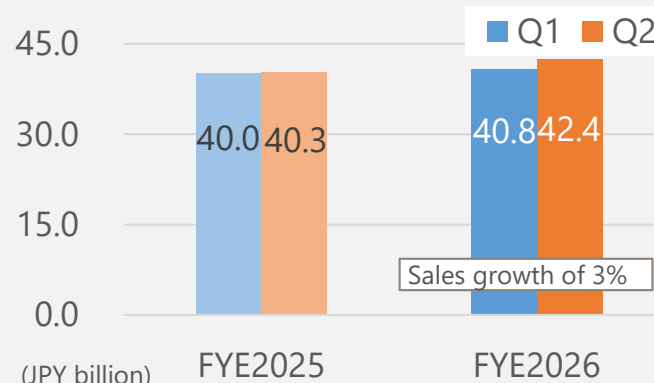
LWT's Renovation Sales



LHT

- ✓ Continued impact from the decline in new housing starts
- ✓ Running a promotion for products eligible for the window renovation subsidy, with sales expected to increase from Q3 onwards

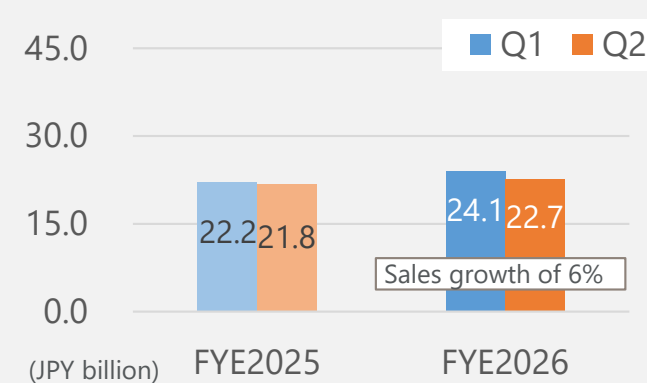
LHT's Renovation Sales



Living

- ✓ Sales for water-related renovations are expected to remain strong, while the demand surge related to new housing has subsided
- ✓ Profitability declined slightly due to an unfavorable product mix in Q2. Focusing on promoting high-end product sales to improve profitability

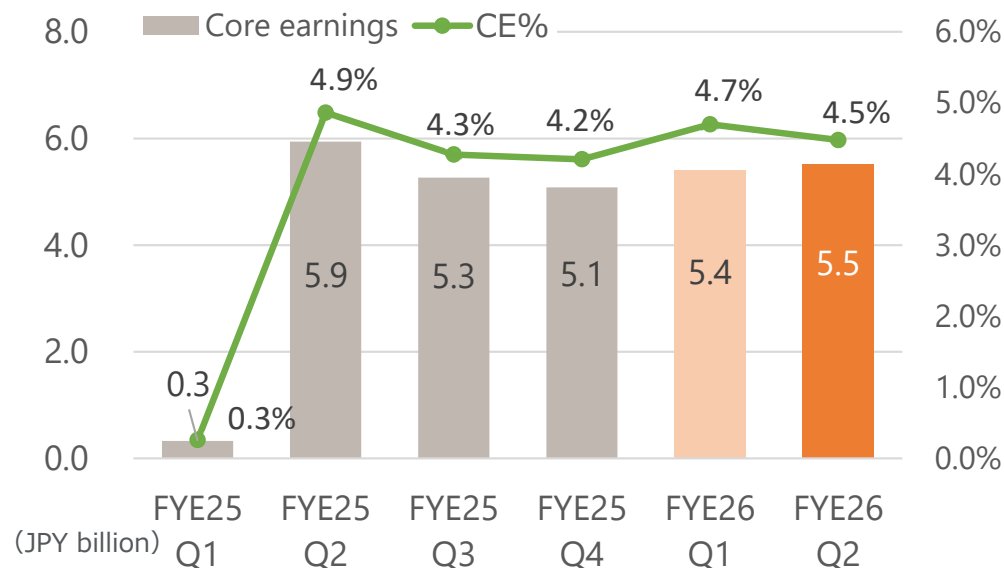
Living's Renovation Sales



Business environment and outlook for FYE2026: LWT International

LWT International

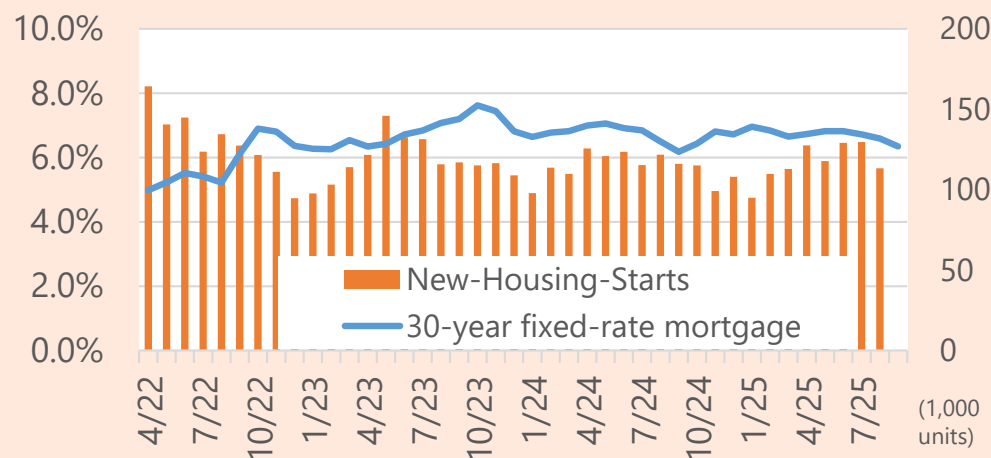
- ✓ Despite the global trend of interest rate cuts, delays in policy decisions to promote housing construction are being seen due to government instability in Europe which is our key market
- ✓ Profitability is recovering in Europe, driven by the positive effects of structural reforms and strong sales of color products
- ✓ Demand weakness continues in the US and China
- ✓ Demand remains robust in the Middle East and India



Americas

- Entering an interest rate cut phase; mortgage rates are declining somewhat compared to peak levels
- The housing market recovery is slowed due to tariffs and immigration policy, with difficult circumstances likely to last through this fiscal year
- Positive impacts from price optimization and structural reforms are expected to materialize gradually from FYE2026 (and substantially from FYE2027 onwards)

Interest Rates and Housing Starts Trends⁽¹⁾



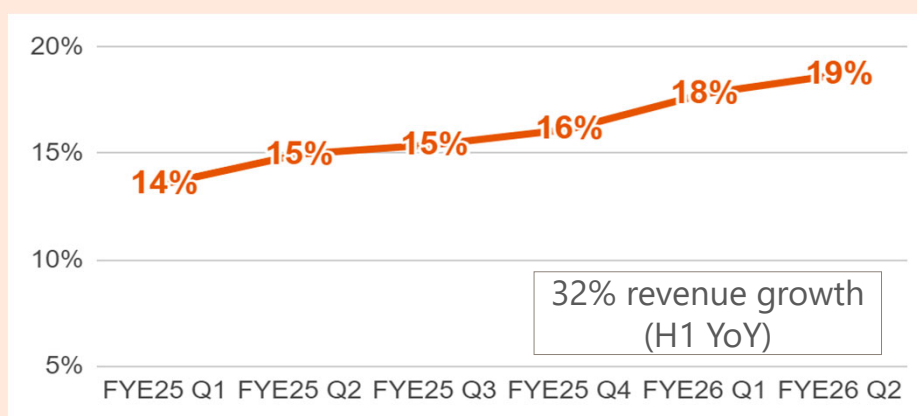
(1) Freddie Mac (prepared by LIXIL)

Business environment and outlook for FYE2026: LWT International

Europe, IMEA (India, Middle East & Africa)

- A full market recovery is expected next year onwards; sales improved by 5% YoY (13% compared to two years ago), due to strong sales of color products and sales initiatives
- Profitability in Europe stabilized, driven by fixed cost reductions from structural reforms
- Sales in the IMEA grew by 16%, driven by robust project momentum in the Middle East, which in turn contributed significantly to profit

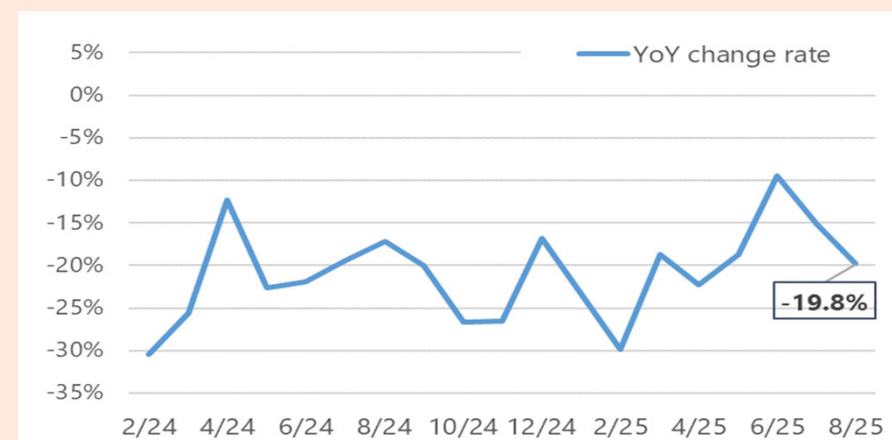
The sales composition ratio of color products to total faucet sales



Asia Pacific, China

- Vietnam shows signs of recovery following a prolonged real estate slump, with sales improving by 10% YoY
- Thailand remains sluggish due to weak economic conditions and intense competition
- While China's sanitary ware market remains challenging due to weak economic conditions and intense competition, GROHE product sales were a bright spot, improving by 25%

China: New Residential Construction Area YoY Change Trend ⁽¹⁾



(1) National Bureau of Statistics of China (prepared by LIXIL). Jan-Feb 2025: Adjusted for Lunar New Year impact

Revenue decreased while core earnings increased year-on-year

■ Revenue: JPY735.9 billion, down JPY3.8 billion year-on-year

- Q2 (3 months) YoY: 0% in Japan and +1% in international markets (-1% excluding foreign exchange impact)
- H1 (6 months) YoY: +1% in Japan and -4% in international markets (-3% excluding foreign exchange impact)

■ Core earnings: JPY16.9 billion, up JPY6.4 billion year-on-year

- Q2 (3 months) YoY: +JPY0.1 billion in LWT, -JPY1.5 billion in LHT, -JPY0.1 billion in Living, and -JPY0.6 billion for consolidation adjustment/other factors
- H1 (6 months) YoY: +JPY6.5 billion in LWT, -JPY0.1 billion in LHT, +JPY0.7 billion in Living, and -JPY0.8 billion for consolidation adjustment/other factors

■ EBITDA⁽¹⁾: JPY57.8 billion, up JPY5.5 billion year-on-year

■ Profit⁽²⁾: JPY3.4 billion, up JPY7.3 billion year-on-year

- Q2 (3 months) YoY: Increased by JPY2.3 billion due to a decrease in income tax expenses, despite an increase in other expenses
- H1 (6 months) YoY: Increased by JPY7.3 billion due to an increase in core earnings and a decrease in income tax expenses, despite increase in other expenses and finance costs

(1) EBITDA=Core earnings + Depreciation + Amortization

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

	H1 (6 months)				Q2 (3 months)		
	FYE2025	FYE2026	Increase/ decrease (YoY)	%	FYE2026	Increase/ decrease (YoY)	%
JPY billion							
Revenue	739.8	735.9	-3.8	-0.5%	371.3	+1.3	+0.4%
Gross Profit	241.2	251.9	+10.7	+4.4%	127.1	+3.3	+2.7%
(%)	32.6%	34.2%	+1.6 pp	-	34.2%	+0.8 pp	-
SG&A	230.7	235.0	+4.4	+1.9%	119.3	+5.3	+4.7%
Core Earnings (CE) ⁽¹⁾	10.5	16.9	+6.4	+60.4%	7.8	-2.0	-20.5%
(%)	1.4%	2.3%	+0.9 pp	-	2.1%	-0.6 pp	-
Profit for the year including Discontinued Operations ⁽²⁾	-3.9	3.4	+7.3	-	4.3	+2.3	+121.4%
EPS (JPY)	-13.69	11.67	+25.36	-	14.84	+8.14	-
EBITDA ⁽³⁾	52.3	57.8	+5.5	+10.5%	28.5	-2.1	-7.0%
(%)	7.1%	7.9%	+0.8 pp	-	7.7%	-0.6 pp	-

■ **Gross profit margin:** Increased by 1.6pp YoY

■ **SG&A expenses:** Increased by JPY4.4 billion YoY (Japan JPY4.7 billion increase, International JPY0.4 billion increase, forex effect JPY0.7 billion decrease) mainly due to higher personnel costs in Japan. SG&A ratio increased by 0.8pp

■ **CE margin:** Increased by 0.9pp YoY

(1) Equivalent to "Operating profit" of JGAAP

(2) Profit attributable to owners of the parent

(3) EBITDA=Core earnings + Depreciation + Amortization

Core earnings increased for both LWT Japan and International, driven by strong profitability in Europe and the Middle East. While LHT's revenue saw a slight decline, core earnings were flat, helped by price optimization and growth in renovation sales. Living achieved both revenue and core earnings increases, supported by strong renovation sales

		H1 (6 months)			Q2 (3 months)	
		FYE2025	FYE2026	Increase /decrease (YoY)	FYE2026	Increase /decrease (YoY)
JPY billion						
LWT	Revenue	396.9	392.9	-4.0	199.7	+2.4
	CE	14.0	20.6	+6.5	9.9	+0.1
LHT	Revenue	261.2	259.2	-2.1	130.9	-1.2
	CE	12.3	12.3	-0.1	6.2	-1.5
Living	Revenue	97.8	100.3	+2.6	49.1	+0.2
	CE	2.7	3.4	+0.7	1.3	-0.1
Consolidation, Adj. & Other	Revenue	-16.1	-16.4	-0.3	-8.4	-0.1
	CE	-18.6	-19.4	-0.8	-9.6	-0.6
LIXIL	Revenue	739.8	735.9	-3.8	371.3	+1.3
	CE	10.5	16.9	+6.4	7.8	-2.0

| Forex impact⁽¹⁾

Q2 3months: Revenue +JPY2.9 billion, CE +JPY0.1 billion **H1 6months:** Revenue –JPY2.9 billion, CE +JPY0.1 billion

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

(2) The segment breakdown has been changed from FYE2026. Please refer to the next page for the results under the former reporting segments

Business results for H1 under previous reporting segments

		H1 (6 months)					Q2 (3 months)			
		FYE2025	FYE2026	Increase/decrease(YoY)			FYE2026	Increase/decrease(YoY)		
					due to the segment change (2)	excluding the segment change			due to the segment change(2)	excluding the segment change
JPY billion										
LWT	Revenue	455.0	453.3	-1.7	+2.3	-4.0	229.0	+2.9	+0.5	+2.4
	CE	15.2	22.9	+7.6	+1.1	+6.5	10.6	+0.3	+0.2	+0.1
LHT	Revenue	290.0	287.7	-2.4	-0.3	-2.1	145.0	-1.6	-0.4	-1.2
	CE	13.8	13.4	-0.4	-0.4	-0.1	6.8	-1.7	-0.2	-1.5
Consolidation, Adj. & Other	Revenue	-5.3	-5.0	+0.2	+0.6	-0.3	-2.7	0.0	+0.1	-0.1
	CE	-18.6	-19.4	-0.9	0.0	-0.8	-9.6	-0.6	0.0	-0.6
LIXIL	Revenue	739.8	735.9	-3.8	-	-	371.3	+1.3	-	-
	CE	10.5	16.9	+6.4	-	-	7.8	-2.0	-	-

Forex impact⁽¹⁾

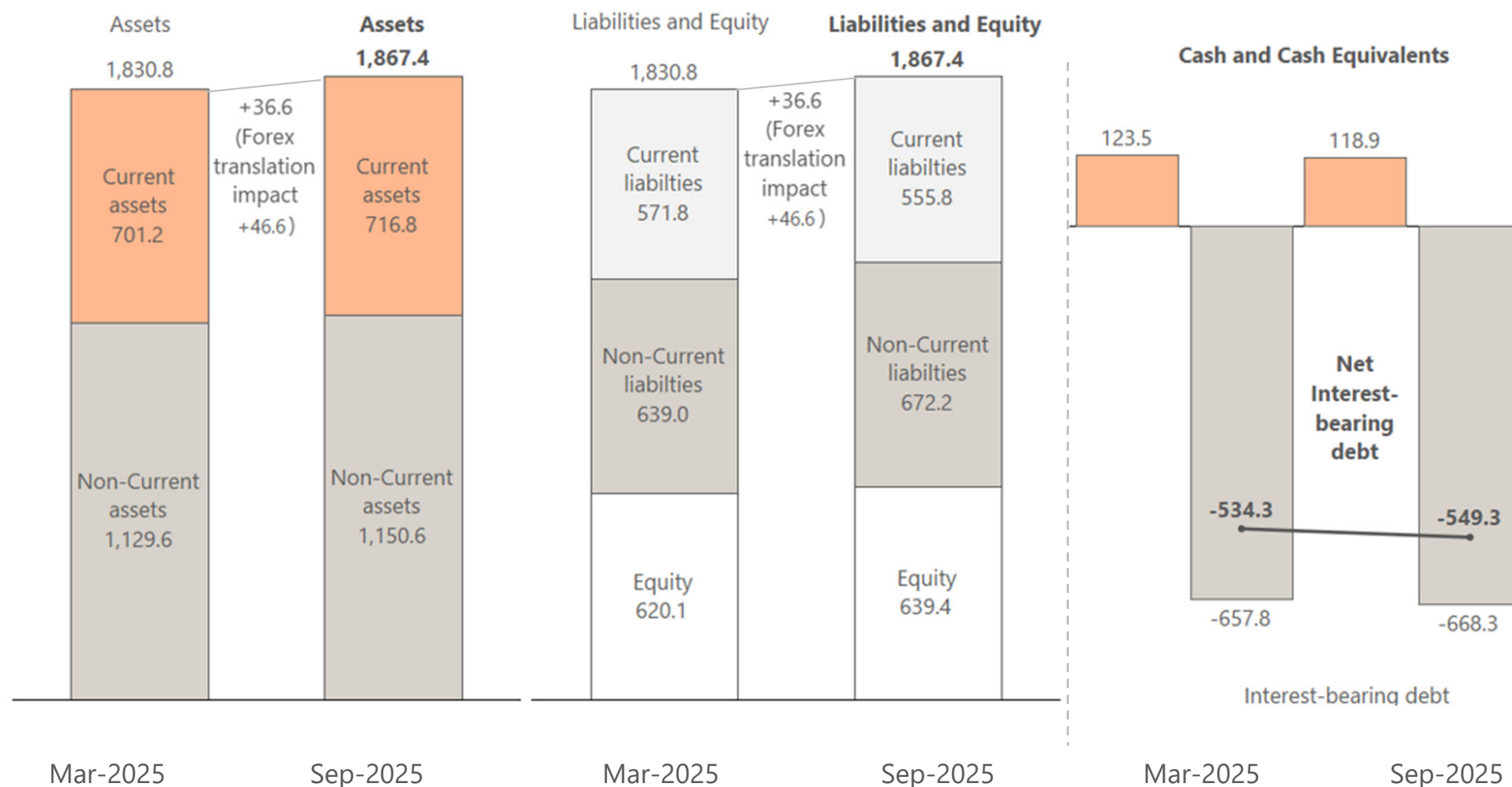
Q2 3months: Revenue +JPY2.9 billion, CE +JPY0.1 billion **H1 6months:** Revenue –JPY2.9 billion, CE +JPY0.1 billion

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

(2) Includes consolidation adjustments resulting from the change from 2 reporting segments to 3 reporting segments

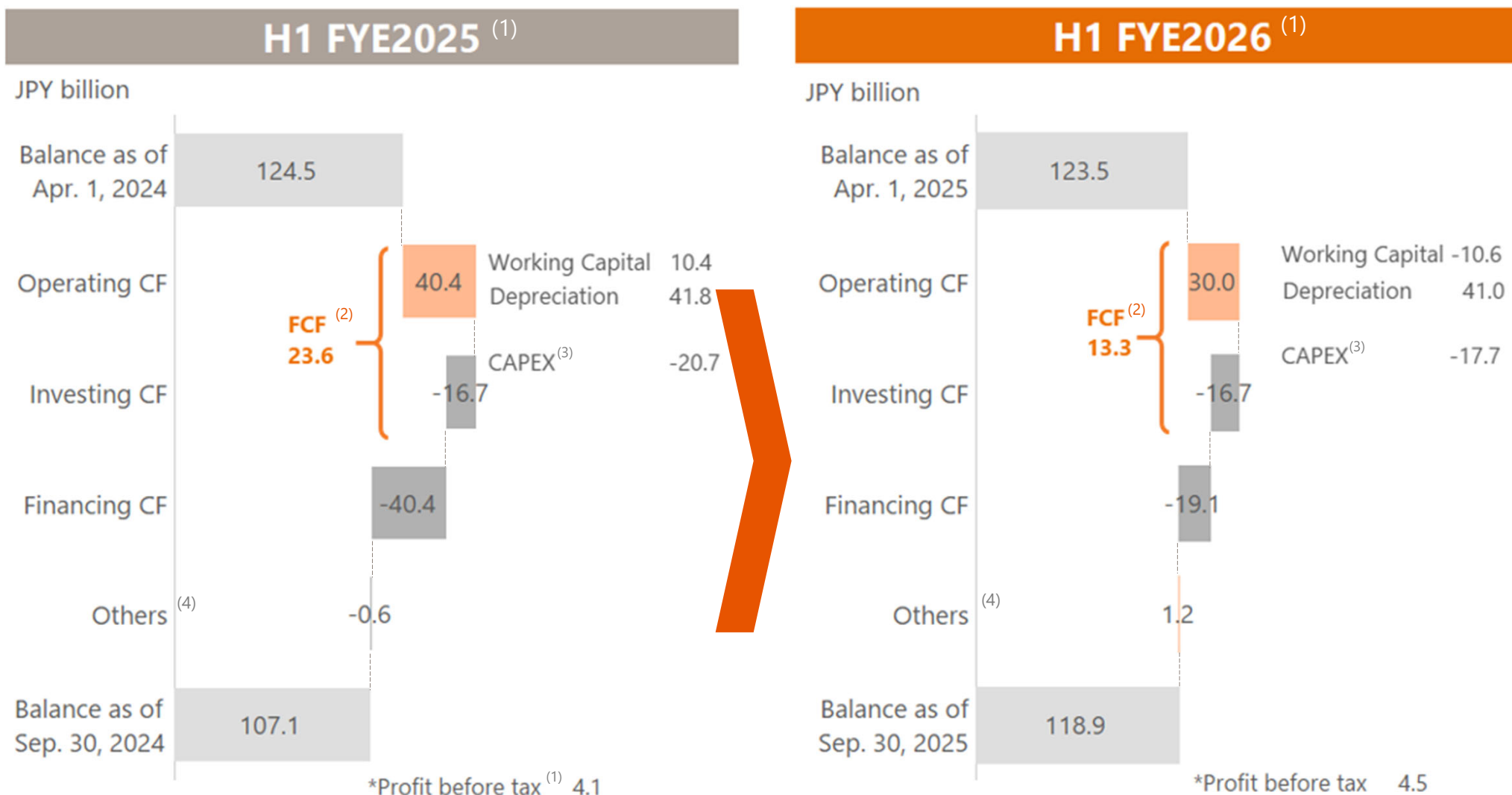
Total assets increased marginally due to the impact of foreign exchange rates on assets held in Europe. The equity ratio is 34.1%

JPY billion



› CASH FLOW STATUS AND CASH BALANCE

Operating cash flow declined due to an increase in inventories. Free Cash Flow (FCF) remained positive



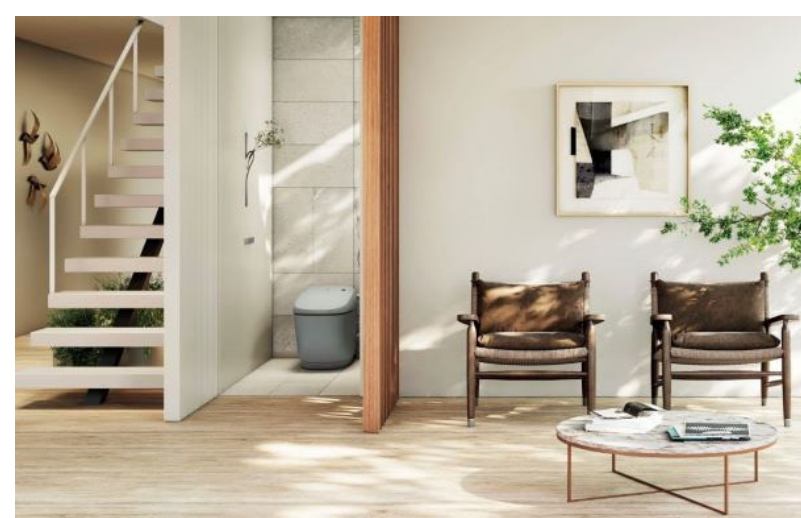
(1) Includes discontinued operations
 (2) "FCF" = Operating CF + Investing CF

(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

RESULTS BY BUSINESS SEGMENT

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

- *Effective from Q1 FYE2026, established the new segment, "Living Business", by integrating the kitchen and vanity 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.*
- *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 were changed to the following five.*
 - *Americas*
 - *Europe*
 - *IMEA (India, Middle East & Africa)*
 - *Asia Pacific*
 - *China*



Japan revenue and core earnings increased driven by strong renovation sales. International core earnings rose as strong performance in Europe and the Middle East outweighed lower revenues in the Americas and China

		FYE2025 H1 Results	FYE2026 H1 Results	YoY vs Results		FYE2026 Forecasts
				Increase /decrease	%	
JPY billion						
Japan	Revenue	148.0	154.0	+6.0	+4.0%	320.0
	CE	7.8	9.6	+1.9	+24.1%	20.5
	CE margin	5.3%	6.3%	+1.0 pp	-	6.4%
International ⁽¹⁾	Revenue	248.9	238.9	-9.9	-4.0%	511.0
	CE	6.3	10.9	+4.6	+74.1%	20.0
	CE margin	2.5%	4.6%	+2.0 pp	-	3.9%
Water Technology Total	Revenue	396.9	392.9	-4.0	-1.0%	831.0
	CE	14.0	20.6	+6.5	+46.4%	40.5
	CE margin	3.5%	5.2%	+1.7 pp	-	4.9%

Revenue

- **Japan:** Revenue increased YoY on strong renovation sales
- **Int'l⁽²⁾:** Despite growth in Europe and the Middle East, revenue decreased YoY in both local currency and JPY terms mainly due to lower sales in the US and China attributed to continued sluggish demand, and the transfer of the bathing business in the US in the last fiscal year
- **Int'l revenue distribution ratio:** 60.8%, down by 1.9pp YoY

Core earnings

- **Japan:** CE increased YoY driven by the impact of price optimizations and higher renovation sales
- **Int'l⁽²⁾:** CE increased YoY due to a strong performance in Europe and the Middle East, along with operational improvements
- **Int'l CE distribution ratio:** 53.1%, up by 8.4pp YoY

(1) FYE2025 results include the US bathing business, which was transferred to the third-party in March 2025

(2) YoY vs Results excluding forex impact: Revenue -JPY7.1 billion, -3%, Core earnings +JPY4.6 billion, +73%

INTERNATIONAL WATER TECHNOLOGY

REVENUE BY REGION

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Revenue by region (Management basis) ⁽¹⁾ JPY billion	H1 FYE2026 Results	YoY local currency basis	FYE2026 Forecast	YoY local currency basis
Americas	76.8	-5% ⁽²⁾		+10% ⁽³⁾
Europe	86.7	+5%		+5%
IMEA (India, Middle East, Africa)	37.1	+16%		+12%
Asia Pacific	20.4	+1%		+11%
China	20.7	-7%		+7%
Adjustments	-2.9	-		-
Water Technology International Business Total (Statutory basis)⁽¹⁾	238.9 (-4% YoY)		511.0 (+4% YoY)	

	JPY	Local currency	
Americas	declined	declined	✓ Revenue declined due to a lack of recovery in the renovation market and the ERP system transition in Q1 ✓ Upon completion of the bathing business transfer, profitability improvement will be pursued by accelerating a shift in products and sales channel mix
Europe	increased	increased	✓ Revenue grew, driven by higher sales volumes in key markets such as Germany, the Netherlands, and Italy ✓ Sales of color faucets remained strong; gradual sales recovery in almost all product categories drove profitability
IMEA	increased	increased	✓ Revenue across all Middle East markets increased, driven by continued strong demand, particularly in Saudi Arabia and other GCC countries ✓ Sales in India were flat YoY
Asia Pacific	declined	increased	✓ Vietnam's revenue increased, supported by retail business recovery, partly attributed to the promotion initiatives ✓ Thailand's revenue declined due to project delays caused by sluggish demand and the earthquake
China	declined	declined	✓ Ongoing challenges in the real estate sector continue, suppressing a recovery in consumer demand ✓ GROHE brand sales improved, while other brands continued to underperform due to intense competition

(1) Statutory basis currency: H1 FYE2026 results 1USD=JPY146.57, 1EUR=JPY167.74 Management basis currency: FYE2026 1USD=JPY155.0, 1EUR=JPY161.2

(2) With the transfer of US bathing business, we have excluded its sales from FYE2025 results. Including its sales from FYE2025, sales YoY would be -14%

(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%

In Japan, revenue remained nearly flat as strong renovation sales offset a decline in new housing. International business offset the sluggish demand in Vietnam and Thailand by expanding sales in India

JPY billion		FYE2025 H1 Results	FYE2026 H1 Results	YoY vs Results		FYE2026 Forecasts
				Increase /decrease	%	
Japan	Revenue	248.3	246.3	-2.0	-0.8%	509.0
	CE	11.7	11.9	+0.2	+1.8%	28.0
	CE margin	4.7%	4.8%	+0.1 pp	-	5.5%
International	Revenue	13.0	12.9	-0.1	-0.6%	28.0
	CE	0.7	0.4	-0.3	-40.3%	1.5
	CE margin	5.1%	3.0%	-2.0 pp	-	5.4%
Housing Technology Total ⁽¹⁾	Revenue	261.2	259.2	-2.1	-0.8%	537.0
	CE	12.3	12.3	-0.1	-0.4%	29.5
	CE margin	4.7%	4.7%	+0.0 pp	-	5.5%

Revenue

- Revenue remained flat YoY as strong renovation sales offset the slight decline in sales for new housing

Core earnings

- CE remained flat YoY, driven by price optimization and inventory valuation gains. This offset the decline in new housing sales and cost associated with the ceramic siding business
- Improved profitability in the building business

(1) H1 FYE2026 Results (Reference)

LHT excl. building business
Building business

Revenue JPY213.0 billion, CE JPY8.3 billion, CE margin 3.9%
Revenue JPY46.1 billion, CE JPY3.9 billion, CE margin 8.5%

Strong renovation sales led to increased revenue and core earnings

		FYE2025 H1 Results	FYE2026 H1 Results	YoY vs Results		FYE2026 Forecasts
JPY billion				Increase /decrease	%	
Living Total	Revenue	97.8	100.3	+2.6	+2.6%	210.0
	CE	2.7	3.4	+0.7	+26.4%	10.5
	CE margin	2.8%	3.4%	+0.6 pp	-	5.0%

Revenue

- Revenue increased YoY, driven by strong growth in renovation sales and continued robust new housing sales for kitchen products

Core earnings

- Core earnings increased YoY, driven by strong renovation sales that offset a Q2 slowdown from an unfavorable product mix. Additionally, effective price optimization mitigated the impact of rising raw material and component costs

Kitchen *Richelle*



Vanities *Lumisis*



Wooden interior materials *Lasissa*



➤ **APPENDIX: FINANCIAL DATA**

› REVENUE BY PRODUCT AND SERVICE

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LWT sales stayed strong, fueled by robust renovation demand, price optimizations, and sales initiatives. For LHT, sales of housing sashes were flat YoY. Living sales remained strong, despite a slight slowdown in kitchen sales

		JPY billion				in %					
Segments	Major products	Full-year FYE2025 Results	H1 FYE2025 Results	H1 FYE2026 Results	YoY	Quarterly YoY					
						FYE2025				FYE2026	
						1Q	2Q	3Q	4Q	1Q	2Q
LWT	Sanitaryware** ⁽¹⁾	115.2	53.4	56.3	+5.4%	+5.7	+8.7	+10.9	+6.9	+8.6	+2.5
	Bathroom Units	92.4	44.7	46.1	+3.2%	+4.2	+0.6	+4.5	+1.6	+6.3	-0.1
	Tiles	30.2	14.5	14.3	-1.5%	-0.9	-6.2	-3.1	-3.0	-2.6	-0.5
LHT	Housing sashes and others	187.9	94.4	94.4	+0.1%	+1.3	-5.4	+5.6	+4.5	+0.6	-0.5
	Exterior	94.5	46.9	48.1	+2.5%	-0.5	-3.4	-2.1	+5.5	+3.7	+1.3
	LHT others	38.7	19.1	19.2	+0.4%	-12.1	-13.3	-8.5	+1.2	+1.4	-0.6
	Building sashes	101.0	48.8	46.1	-5.5%	+2.0	+8.0	-6.1	+1.9	-9.3	-2.2
	Housing and Services business	19.0	9.4	8.6	-9.0%	-26.7	-25.0	-1.7	-8.0	-6.8	-11.1
Living	Kitchens	100.4	47.6	49.5	+4.1%	+2.3	+1.0	+2.5	+4.7	+6.8	+1.4
	Vanities ⁽¹⁾	36.6	17.3	17.7	+2.4%	-5.8	-6.4	-4.7	-7.0	+3.4	+1.4
	Wooden interior materials	57.2	27.5	27.5	+0.2%	-3.7	-4.9	-2.2	+0.7	+3.0	-2.4
	International ⁽²⁾	519.4	261.8	251.8	-3.8%	+9.9	+1.2	+5.7	-2.5	-8.5	+1.0
	Others/consolidation & Adj.	112.2	54.4	56.2	-						
Total		1,504.7	739.8	735.9	-0.5%	+3.0	-0.8	+2.6	+1.1	-1.4	+0.3

(Reference) **Sale of Faucets included in "Sanitaryware"

LWT	Faucets	28.0	12.8	14.0	+9.8%	-0.3	+15.3	+10.7	+8.5	+16.0	+4.3
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(1) The internal product categorization for sales of sanitaryware and vanities has changed from Q1 FYE2025. For the percentage increase/ decrease in FYE2025, please refer to the past Financial Results for the Fiscal Year Ended March 31, 2025

(2) Please refer to p.19 for the revenue of water-related products in international business

Renovation sales ratio increased by 1.6pp. All segments saw an increase due to continued strong demand

JPY billion	H1 (6 months)				Q2 (3 months)	
	FYE2025 Results ⁽¹⁾	FYE2026 Results	Increase /decrease	YoY	FYE2026 Results	YoY
Sales of renovation-related products	184.7	193.6	+8.9	+4.8%	96.9	+3.3%
LWT-J				+7%		+3%
LHT				+3%		+5%
Excl. building				+4%		+5%
Building business				-6%		+6%
Living				+6%		+4%
Renovation sales ratio	46%	47%	+1.6pp		47%	+1.4pp

Renovation sales ratio by business segment (YoY)

	H1 FYE2025	H1 FYE2026	Increase /decrease
LWT	55%	57%	+1.7pp
LHT	41%	42%	+1.4pp
Living	47%	49%	+1.7pp
Japan Total	46%	47%	+1.6pp

Inner window *In-plus*



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

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

	H1 FYE2026 (6 months)						Q2 FYE2026 (3 months)					
	Intl. Total	Americas	Europe	IMEA	APAC	China	Intl. Total	Americas	Europe	IMEA	APAC	China
Sales distribution ratio												
Bath faucets and showers	42%	13%	60%	61%	34%	49%	42%	13%	59%	60%	34%	49%
Toilets	44%	66%	24%	35%	62%	39%	44%	67%	25%	36%	63%	38%
Kitchen faucets and water systems	8%	5%	15%	4%	3%	5%	8%	6%	15%	4%	3%	6%
Bathing and showering systems	4%	13%	0%	0%	1%	1%	4%	12%	0%	0%	1%	1%
All others	2%	3%	1%	0%	1%	6%	2%	3%	1%	0%	0%	6%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Sales growth												
Bath faucets and showers	+3%	-12%	+2%	+18%	+5%	-2%	+4%	-14%	+3%	+19%	+1%	+1%
Toilets	+2%	+1%	+11%	+17%	-0%	-16%	+4%	+3%	+13%	+15%	-2%	-12%
Kitchen faucets and water systems	+4%	-9%	+7%	+12%	+48%	-3%	+8%	-3%	+11%	+23%	+33%	+3%
Bathing and showering systems	-24%	-25%	-16%	-21%	+8%	+46%	-24%	-25%	-8%	+10%	+9%	+53%

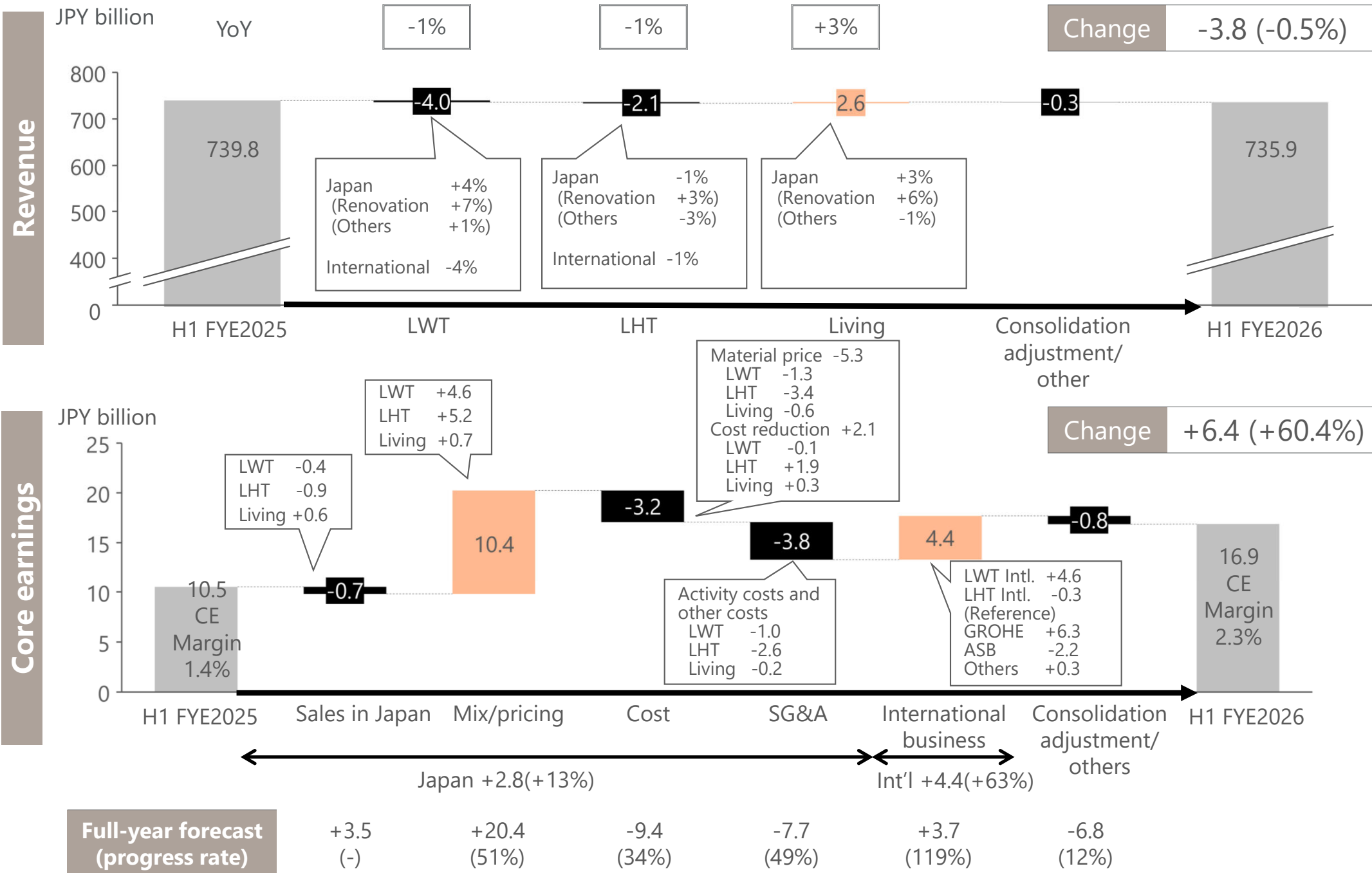
(1) See also, p.27, 29-32,74 of our INTEGRATED REPORT 2025, for progress of "Grow Global Water Business" in the LIXIL Playbook

https://ssl4.eir-parts.net/doc/5938/ir_material_for_fiscal_ym41/181197/00.pdf#page=28

> H1 FYE2026 CHANGE IN REVENUE AND CORE EARNINGS

LIXIL

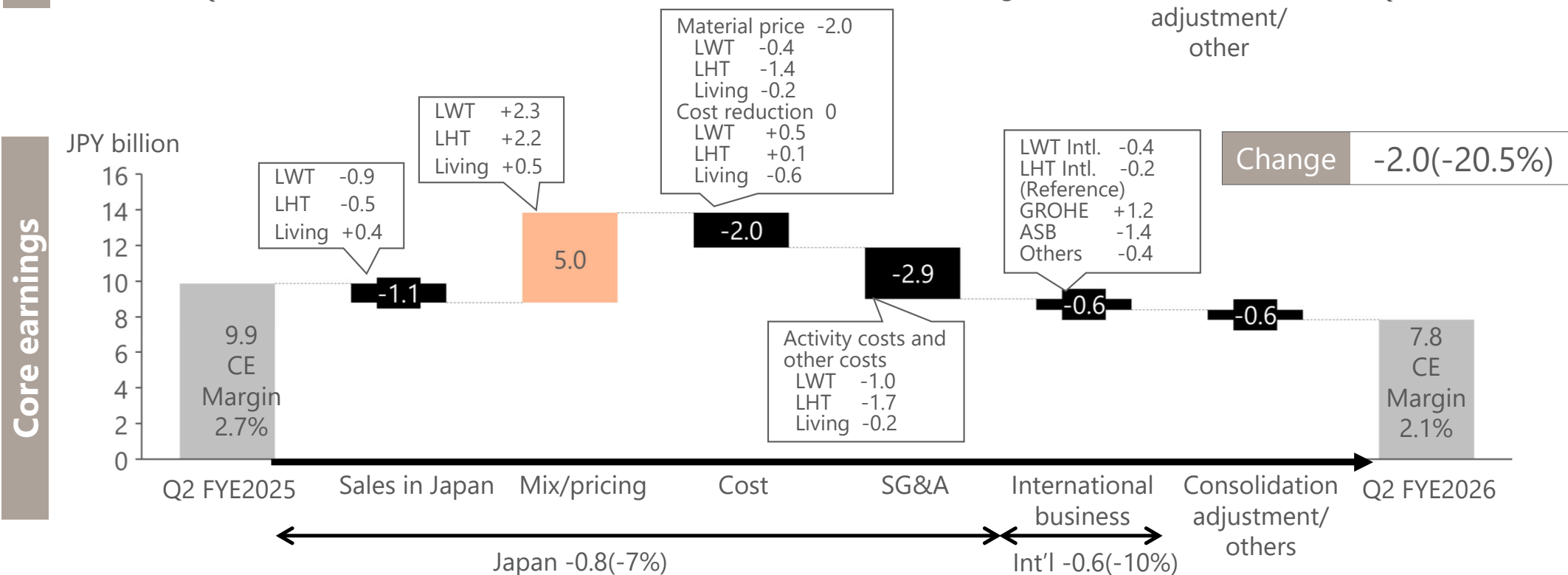
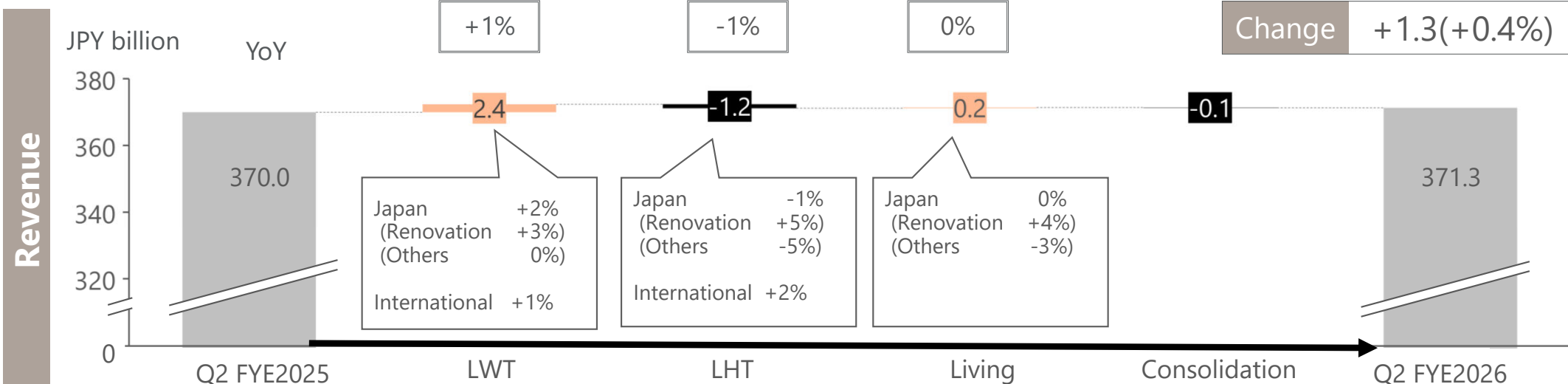
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> Q2 FYE2026 CHANGE IN REVENUE AND CORE EARNINGS

LIXIL

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> H1 FYE2026 OTHER INCOME AND EXPENSES, FINANCE INCOME AND COSTS

JPY billion	H1 FYE2025 Results	H1 FYE2026 Results	Increase/ decrease
Gain from remeasurement relating to application of the equity method	-	1.6 ⁽¹⁾	+1.6
Others	3.5	2.5	-1.0
Other income	3.5	4.1	+0.7
Losses on disposal of property, plant and equipment	0.4	0.4	0.0
Impairment losses	0.3	2.7 ⁽²⁾	+2.4
Others	3.4	6.5 ⁽³⁾	+3.1
Other expenses	4.1	9.6	+5.5
Interest income	0.9	1.1	+0.2
Dividend income	0.7	0.7	0.0
Gains on valuation of derivatives	0.4	0.1	-0.3
Others	0.2	0.1	-0.1
Finance income	2.1	2.0	-0.2
Interest expense	6.0	5.6	-0.4
Losses on exchange differences	1.5	3.0	+1.5
Others	0.3	0.0	-0.2
Finance costs	7.8	8.7	+0.9

■ Other income includes:
 (1) One-time profit recognition in Q1 due to an equity-method affiliate conversion of an investment

■ Other expenses include:
 (2) Impairment losses on the IT system
 (3) Costs from the withdrawal of LHT's ceramic siding business and the reorganization of European bases

■ Losses on exchange differences: due to recent currency fluctuations

		H1 FYE2025 Results			H1 FYE2026 Results				FYE2026 Full-year Forecasts			
JPY billion		Japan	Intl.	Total	Japan	Intl.	Total	Total YoY%	Japan	Intl.	Total	Total YoY%
LWT	Revenue	148.0	248.9	396.9	154.0	238.9	392.9	-1.0%	320.0	511.0	831.0	+3.2%
	CE	7.8	6.3	14.0	9.6	10.9	20.6	+46.4%	20.5	20.0	40.5	+9.9%
	CE margin	5.3%	2.5%	3.5%	6.3%	4.6%	5.2%	+1.7pp	6.4%	3.9%	4.9%	+0.3pp
LHT	Revenue	248.3	13.0	261.2	246.3	12.9	259.2	-0.8%	509.0	28.0	537.0	+1.9%
	CE	11.7	0.7	12.3	11.9	0.4	12.3	-0.4%	28.0	1.5	29.5	+13.3%
	CE margin	4.7%	5.1%	4.7%	4.8%	3.0%	4.7%	+0.0pp	5.5%	5.4%	5.5%	+0.6pp
Living	Revenue	97.8		97.8	100.3		100.3	+2.6%	210.0		210.0	+2.2%
	CE	2.7		2.7	3.4		3.4	+26.4%	10.5		10.5	+45.3%
	CE margin	2.8%		2.8%	3.4%		3.4%	+0.6pp	5.0%		5.0%	+1.5pp
Cons. Adj. & Others ⁽¹⁾	Revenue			-16.1			-16.4	-			-38.0	-
	CE			-18.6			-19.4	-			-45.5	-
LIXIL ⁽¹⁾	Revenue	494.1	261.8	739.8	500.6	251.8	735.9	-0.5%	1,039.0	539.0	1,540.0	+2.3%
	CE	22.1	6.9	10.5	25.0	11.3	16.9	+60.4%	59.0	21.5	35.0	+11.7%
	CE margin	4.5%	2.6%	1.4%	5.0%	4.5%	2.3%	+0.9pp	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

(2) Please refer to "Consolidated Financial Statements under IFRSs for the Year Ended March 31, 2025" disclosed on Apr. 30, 2025, for the FYE2025 results under the new reporting segments

PERFORMANCE OF MAJOR INTERNATIONAL SUBSIDIARIES

LIXIL

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ASB (ASD Holdings) (USD million)	FYE2025					FYE2026			H1 YoY
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	H1	
Revenue	298	286	262	276	1,122	247	250	497	-15%
Core earnings	-12	-6	-13	-12	-44	-19	-16	-34	-
Core earnings margin	-	-	-	-	-	-	-	-	-

Grohe Group (GROHE) (EUR million)	FYE2025					FYE2026			H1 YoY
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	H1	
Revenue	390	393	412	406	1,601	417	425	842	+7%
Core earnings	20	39	44	47	150	51	44	96	+62%
Core earnings margin	5%	10%	11%	12%	9%	12%	10%	11%	+3.8pp

ASB (ASD Holdings) (USD million)	FYE2025 Balance	H1 FYE2026 Balance
Goodwill ⁽¹⁾	225	225
Intangible assets ⁽¹⁾	221	218

Grohe Group (GROHE) (EUR million)	FYE2025 Balance	H1 FYE2026 Balance
Goodwill ⁽¹⁾	1,199	1,182
Intangible assets ⁽¹⁾	1,382	1,377

H1 FYE2026

FX rates	Average	Current
USD	JPY146.57	JPY148.88
EUR	JPY167.74	JPY174.47

(1) Please refer to p42-48 of the FYE2025 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_ym35/183023/00.pdf#page=54

➤ **APPENDIX: BUSINESS AND ESG-RELATED TOPICS**

■ Make Better Homes a Reality Through Innovation

Launched the premium model of *bathtope*, a system bath with removable bathtub⁽¹⁾



- Launched the premium G-type model of *bathtope*, a bathroom space with a foldable fabric bathtub that debuted in Japan last year, representing “a new era of freedom in bathing”
- The G-type features a sliding door to create a seamless connection between the bathroom and wash area. Carefully selected high-end fixtures create an open and refined bathroom space
- Providing value-added products and services for diverse lifestyles, making better homes a reality

(1) News release <https://newsroom.lixil.com/ja/2025072501> (JP only)

■ Contribute to a Low-Carbon Society and Circular Economy

Standardized *PremiAL*, a recycled low-carbon aluminum, across its product lines with no extra cost⁽²⁾



- Starting this October, LIXIL is progressively rolling out *PremiAL* across its product line, offering a recycled aluminum that reduces CO2 emissions by approximately 50% compared to aluminum manufactured using new ingots. Featuring in-house manufactured aluminum extrusions, it comes at no extra cost
- Contributing to a decarbonized society, LIXIL further expands its positive impact by balancing environmental and economic value
- *PremiAL R100*, a 100% recycled low-carbon aluminum, has been selected as a finalist among over 750 applications at the Reuters Global Sustainability Awards 2025

(2) News release <https://newsroom.lixil.com/2025091701>

■ Meeting Diverse Lifestyles and Needs for Better Homes

New Vanity Space Products Launched
"Changing the Norms of the Vanity Space" ⁽¹⁾



- *Custom Vanity*: Offers functionality (a large basin, easy clean) and design versatility (wide range of finishes). All-in-one "set proposal" streamlines professional user workload
- *Laundry Plus*: Modular items allow personalized laundry spaces to match one's layout and preferences, optimizing workflow and household efficiency

(1) News release <https://newsroom.lixil.com/ja/2025011302> (JP only)

■ Global Sanitation & Hygiene

Participation in TICAD 9 Partner Events



- CEO Seto spoke at an event spotlighting investments to address health issues that Africa faces, co-hosted by the Triple I for Global Health, the Cabinet Secretariat of Japan and UNICEF, where he discussed the importance of public-private partnerships to improve the sanitation and hygiene environment
- In addition to the Triple I event above, during a panel discussion on the "Make a Splash!" ⁽²⁾, a strategic partnership between LIXIL and UNICEF, LIXIL presented key lessons* for creating a sustainable "sanitation economy" to help achieve SDGs Target 6⁽³⁾

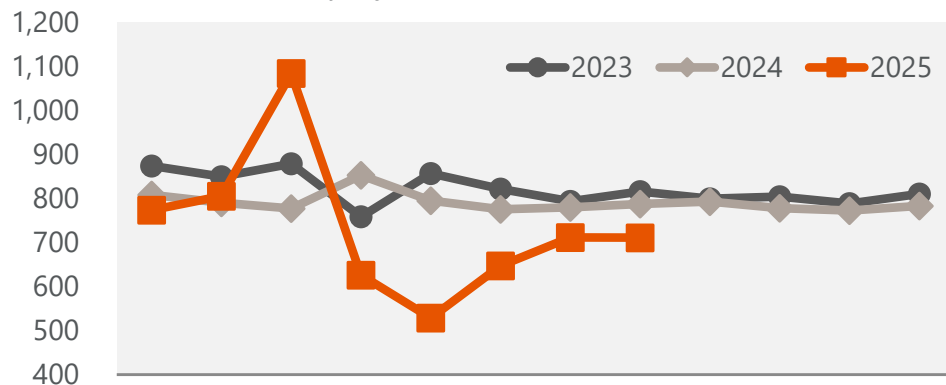
*Building a supply chain for last-mile communities, power of public-private promotion, reducing market fragmentation, smart public finance and active engagement in policy processes

(2) Make a Splash! <https://www.lixil.com/en/makeasplash/>

(3) News release https://newsroom.lixil.com/20250902_ticad9

Trend of new housing starts in Japan

Annualized seasonally adjusted data



(Unit: thousand)

Source : Statistics of new housing starts, Ministry of Land, Infrastructure, Transport and Tourism (Jan 2023-Aug 2025)

New housing construction trends in Japan

Jan-Jun 2025: -7.5% Jan-Aug 2025: -8.1%

	Jan-Aug 2025 (8 months)		Apr-Aug 2025 (5 months)	
	Units	YoY	Units	YoY
Total new housing starts	483,584	-8.1%	277,065	-19.4%
Owner-occupied(1)	129,534	-8.5%	76,782	-18.1%
Rental homes	214,955	-5.9%	122,118	-18.9%
Condos for sale	58,831	-16.5%	30,551	-32.1%
Detached houses for sale(2)	74,274	-7.1%	43,358	-13.7%
Detached houses total (1)+(2)	203,808	-8.0%	120,140	-16.6%

Aluminum price trend

Source : LME 3 months
(From Jul 3, 2023, to Oct 14, 2025)



Copper price trend

Source : LME 3 months
(From Jul 3, 2023, to Oct 14, 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)
	<u>Continuing operations</u>
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
	<u>Discontinued operations</u>
	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