Q3 Financial Results for the Fiscal Year Ending March 31, 2026 [IFRS]

(From April 1, 2025 to December 31, 2025)

LIXIL

LIXIL Corporation
January 30, 2026

TSE Code: 5938

Summary of results for Q3 FYE2026

Core earnings: JPY36.5 billion and EBITDA: JPY98.4 billion

Japan

- Both LWTJ and Living continue to see sluggish new housing demand, but renovation products remain strong. Both achieved YoY growth in revenue and core earnings
- While demand for new housing remained soft, significant sales growth of subsidy-eligible products contributed to LHT's profit. LHT matched last year's levels for revenue and core earnings

International

- For the LWT international business, core earnings 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

- Financial costs increased YoY due to the recognition of losses on exchange differences
- Similar to Q2, tax expense at consolidated subsidiary decreased YoY due to changes in the corporate tax rate in Germany

FYE2027 Outlook：Business Environment

Overall

- Commodity Prices: Rising/elevated aluminum and copper prices
- FX: Continued JPY weakness negatively impacting Japan business
- Impact of government policies on easing housing supply constraints

Japan

- New housing: Construction starts remain weak
- Renovation: Growth driven by stricter energy efficiency standards and ongoing window subsidies

Strengthen the renovation business

Americas

- Housing market recovery remains sluggish. Positive impact from policy (such as curbing home price increases) is anticipated
- Closely monitoring impact of interest rates and inflation on the housing market

US business turnaround

Europe

- Although formulated the roadmap assuming full market recovery from FYE2027, timing of market recovery remains uncertain
- Policy implementation in various countries is a cause for concern

Growth of the GROHE brand

IMEA

- Housing demand rising due to urban development and a growing middle class in India
- Strong demand in the Middle East, as represented by Saudi Arabia

Growth of the GROHE brand

China and Asia Pacific

- Continued sluggish housing market and potential impact of export VAT policy change in China
- APAC is recovering, led by Vietnam. Thailand competition may ease post-China VAT refund abolition

Expanding sales of differentiated products

Q3 FYE2026 PERFORMANCE HIGHLIGHTS

Revenue decreased while core earnings increased year-on-year

- **Revenue: JPY1,138.5 billion, down JPY2.0 billion year-on-year**
  - Q3 (3 months) YoY: 0% in Japan and +2% in international markets (-3% excluding foreign exchange impact)
  - Q3 (9 months) YoY: +1% in Japan and -2% in international markets (-3% excluding foreign exchange impact)
- **Core earnings: JPY36.5 billion, up JPY5.4 billion year-on-year**
  - Q3 (3 months) YoY: -JPY0.2 billion in LWT, +JPY0.1 billion in LHT, -JPY0.2 billion in Living, and -JPY0.7 billion for consolidation adjustment/other factors
  - Q3 (9 months) YoY: +JPY6.3 billion in LWT, +JPY0.1 billion in LHT, +JPY0.6 billion in Living, and -JPY1.5 billion for consolidation adjustment/other factors
- **EBITDA(1): JPY98.4 billion, up JPY4.7 billion year-on-year**
- **Profit(2): JPY11.8 billion, up JPY7.5 billion year-on-year**
  - Q3 (3 months) YoY: Increased by JPY0.2 billion due to a decrease in income tax expenses, despite an increase in finance costs
  - Q3 (9 months) YoY: Increased by JPY7.5 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

Q3 FYE2026 CONSOLIDATED BUSINESS RESULTS

JPY billion	Q3 (9 months)				Q3 (3 months)		
	FYE2025	**FYE2026**	Increase/ decrease (YoY)	%	**FYE2026**	Increase/ decrease (YoY)	%
Revenue	1,140.5	**1,138.5**	-2.0	-0.2%	**402.6**	+1.9	+0.5%
Gross Profit	377.0	**391.2**	+14.1	+3.8%	**139.3**	+3.4	+2.5%
(%)	33.1%	**34.4%**	+1.3 pp	-	**34.6%**	+0.7 pp	-
SG&A	346.0	**354.7**	+8.7	+2.5%	**119.6**	+4.3	+3.8%
Core Earnings (CE) (1)	31.1	**36.5**	+5.4	+17.5%	**19.6**	-0.9	-4.5%
(%)	2.7%	**3.2%**	+0.5 pp	-	**4.9%**	-0.3 pp	-
Profit for the quarter including Discontinued Operations (2)	4.3	**11.8**	+7.5	+175.7%	**8.5**	+0.2	+2.9%
EPS (JPY)	14.91	**41.08**	+26.17	+175.5%	**29.40**	+0.81	+2.8%
EBITDA (3)	93.7	**98.4**	+4.7	+5.0%	**40.6**	-0.8	-1.9%
(%)	8.2%	**8.6%**	+0.4 pp	-	**10.1%**	-0.2pp	-

- **Gross profit margin:** Increased by 1.3pp YoY
- **SG&A expenses:** Increased by JPY8.7 billion YoY (Japan JPY6.7 billion increase, International JPY0.8 billion increase, forex effect JPY1.4 billion decrease) mainly due to higher personnel costs in Japan. SG&A ratio increased by 0.8pp
- **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

Q3 FYE2026 BUSINESS RESULTS BY SEGMENT

Core earnings increased for both LWT Japan and International, driven by strong profitability in Europe and the Middle East. LHT achieved flat sales and core earnings due to price optimization and renovation sales. Living achieved both revenue and core earnings increases, supported by strong renovation sales

JPY billion		Q3 (9 months) FYE2025	Q3 (9 months) FYE2026	Q3 (9 months) Increase /decrease (YoY)	Q3 (3 months) FYE2026	Q3 (3 months) Increase /decrease (YoY)
LWT	Revenue	606.6	**604.0**	-2.7	**211.1**	+1.3
	CE	28.0	**34.3**	+6.3	**13.7**	-0.2
LHT	Revenue	404.7	**404.4**	-0.2	**145.3**	+1.9
	CE	24.4	**24.5**	+0.1	**12.3**	+0.1
Living	Revenue	154.3	**155.8**	+1.6	**55.5**	-1.0
	CE	6.7	**7.3**	+0.6	**3.9**	-0.2
Consolidation, Adj. & Other	Revenue	-25.1	**-25.7**	-0.6	**-9.3**	-0.3
	CE	-28.1	**-29.6**	-1.5	**-10.2**	-0.7
LIXIL	Revenue	1,140.5	**1,138.5**	-2.0	**402.6**	+1.9
	CE	31.1	**36.5**	+5.4	**19.6**	-0.9

Forex impact[1]
Q3 3months: Revenue +JPY6.8 billion, CE +JPY0.5 billion **Q3 9months:** Revenue +JPY3.8 billion, CE +JPY0.6 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

Q3 FYE2026 BUSINESS RESULTS BY SEGMENT

Business results for Q3 under previous reporting segments

JPY billion		Q3 (9 months) FYE2025	Q3 (9 months) FYE2026	Q3 (9 months) Increase/decrease(YoY)	Q3 (9 months) due to the segment change (2)	Q3 (9 months) excluding the segment change	Q3 (3 months) FYE2026	Q3 (3 months) Increase/decrease(YoY)	Q3 (3 months) due to the segment change (2)	Q3 (3 months) excluding the segment change
LWT	Revenue	698.7	**698.4**	-0.3	+2.4	-2.7	**245.1**	+1.5	+0.2	+1.3
	CE	31.9	**39.5**	+7.6	+1.3	+6.3	**16.7**	0.0	+0.2	-0.2
LHT	Revenue	449.7	**448.0**	-1.7	-1.5	-0.2	**160.4**	+0.7	-1.2	+1.9
	CE	27.3	**26.6**	-0.7	-0.7	+0.1	**13.2**	-0.2	-0.4	+0.1
Consolidation, Adj. & Other	Revenue	-7.9	**-8.0**	0.0	+0.6	-0.6	**-2.9**	-0.3	0.0	-0.3
	CE	-28.1	**-29.6**	-1.5	0.0	-1.5	**-10.2**	-0.7	0.0	-0.7
LIXIL	Revenue	1,140.5	**1,138.5**	-2.0	-	-	**402.6**	+1.9	-	-
	CE	31.1	**36.5**	+5.4	-	-	**19.6**	-0.9	-	-

Forex impact[1]

Q3 3months: Revenue +JPY6.8 billion, CE +JPY0.5 billion **Q3 9months:** Revenue +JPY3.8 billion, CE +JPY0.6 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

CONSOLIDATED FINANCIAL POSITION

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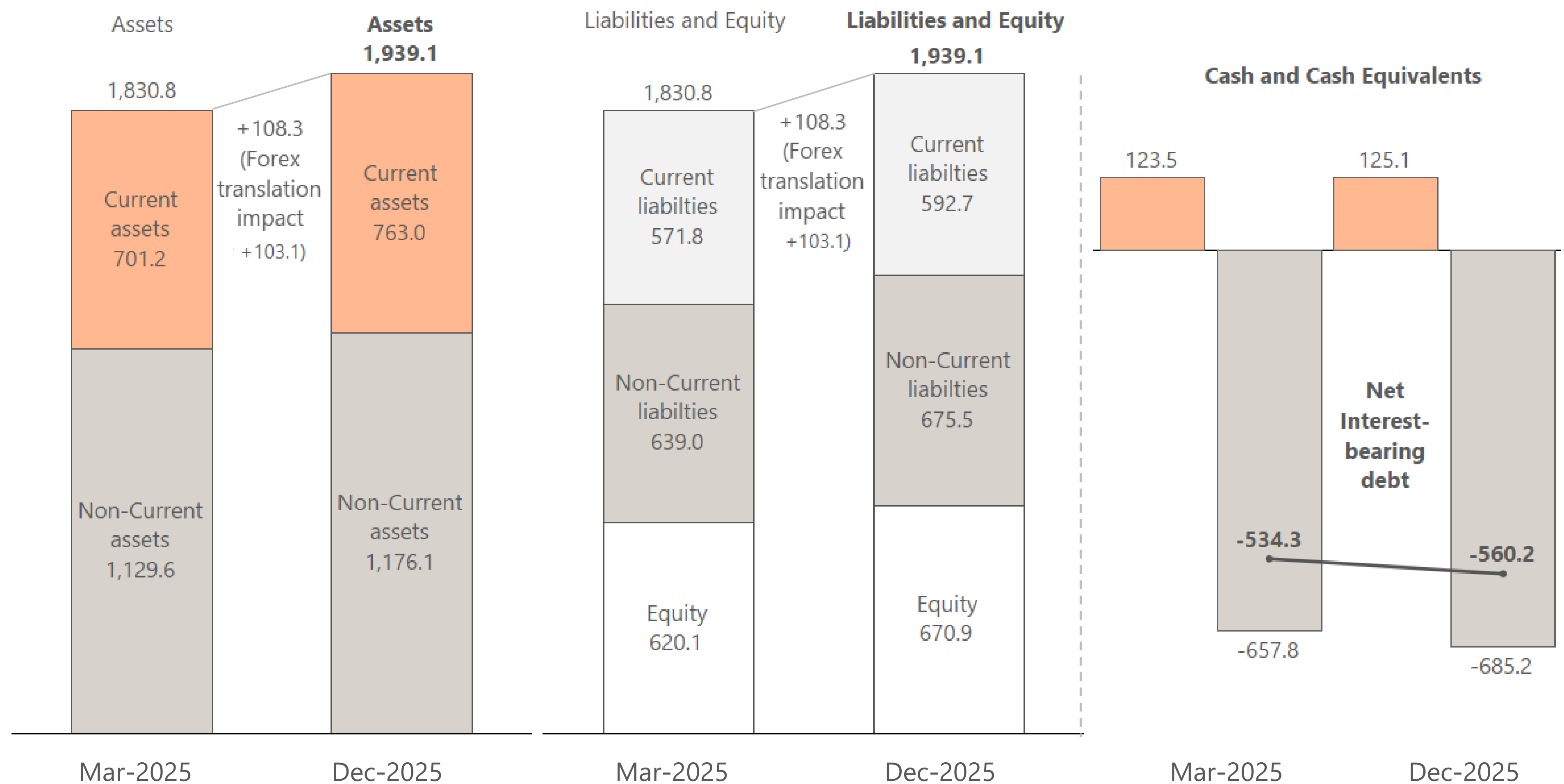
Total assets increased, driven by foreign exchange impacts on assets held in Europe. The equity ratio is 34.4%

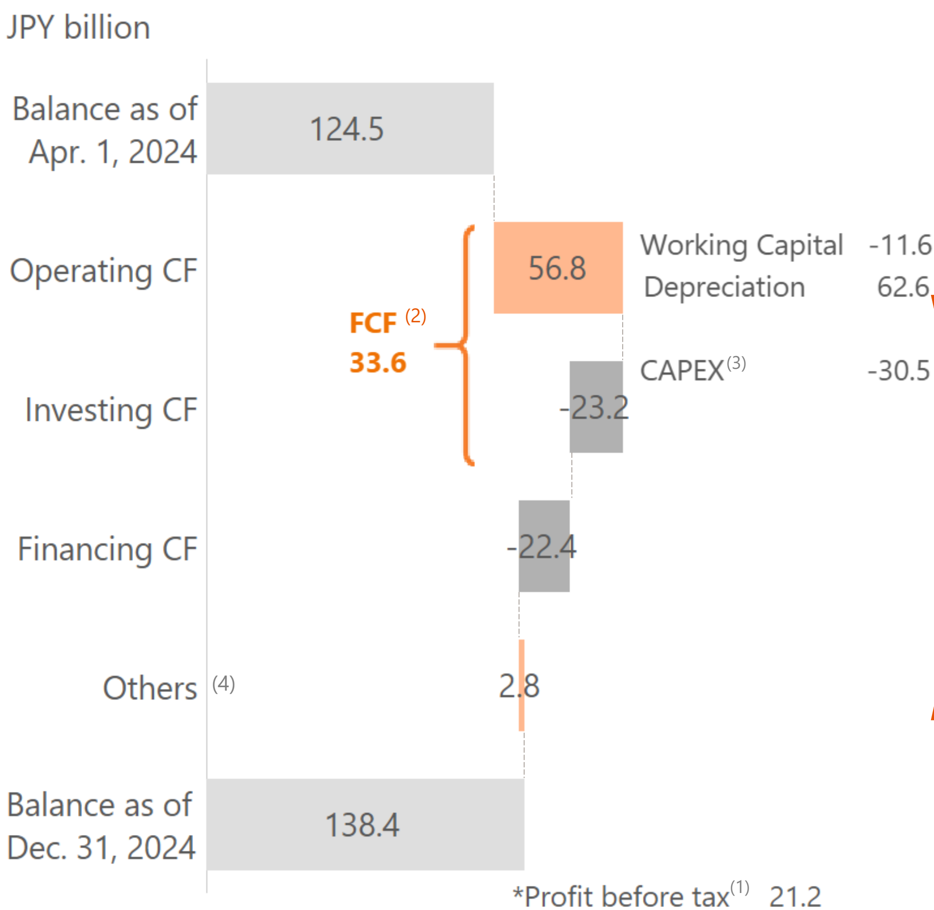
JPY billion



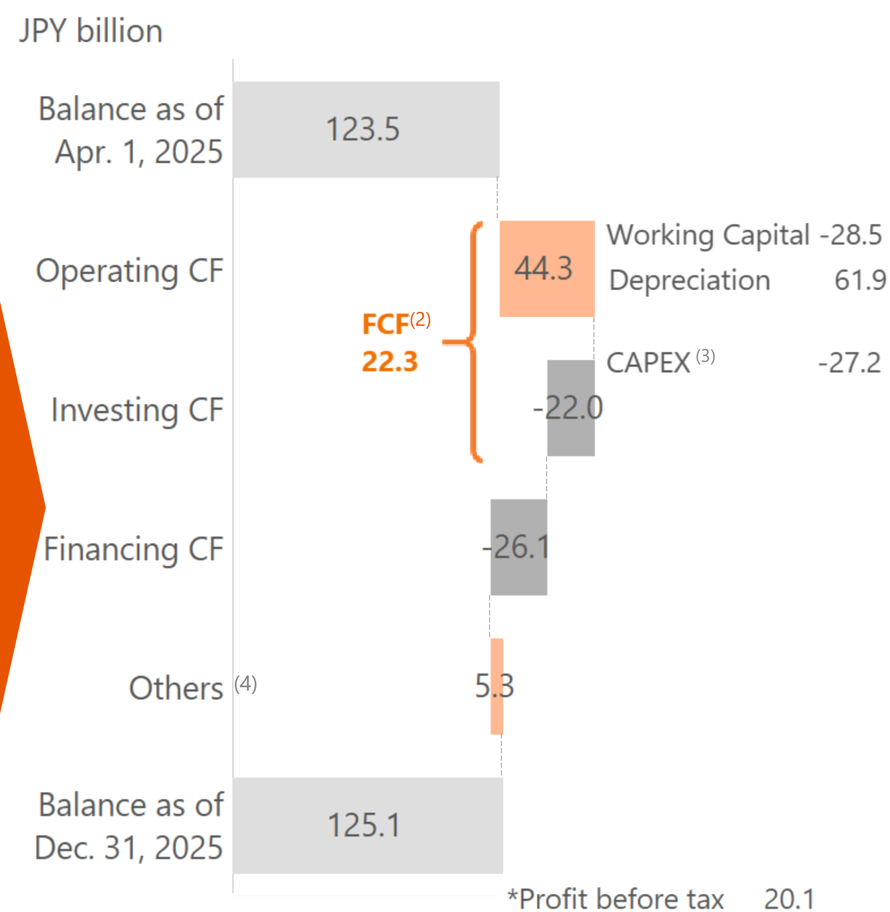
CASH FLOW STATUS AND CASH BALANCE

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

Q3 FYE2025 [1]



Q3 FYE2026



(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*

› WATER TECHNOLOGY

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

	JPY billion	FYE2025 Q3 Results	FYE2026 Q3 Results	YoY vs Results Increase /decrease	YoY vs Results %	FYE2026 Forecasts
Japan	Revenue	234.6	239.6	+5.1	+2.2%	320.0
	CE	16.4	19.1	+2.6	+15.9%	20.5
	CE margin	7.0%	8.0%	+0.9 pp	-	6.4%
International (1)	Revenue	372.1	364.3	-7.8	-2.1%	511.0
	CE	11.5	15.2	+3.7	+32.0%	20.0
	CE margin	3.1%	4.2%	+1.1 pp	-	3.9%
Water Technology Total	Revenue	606.6	604.0	-2.7	-0.4%	831.0
	CE	28.0	34.3	+6.3	+22.5%	40.5
	CE margin	4.6%	5.7%	+1.1 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:** 60.3%, down by 1.0pp 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 increased revenue in Europe and the Middle East, coupled with improved product mix driven by strong performance of color products
- **Int'l CE distribution ratio:** 44.4%, up by 3.2pp 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 –JPY11.6 billion, -3%, Core earnings +JPY3.1 billion, +27%

INTERNATIONAL WATER TECHNOLOGY REVENUE BY REGION

Revenue by region (Management basis) (1) JPY billion	Q3 FYE2026 Results	YoY local currency basis	FYE2026 Forecast	YoY local currency basis
Americas	113.8	-4% (2)		+10% (3)
Europe	131.2	+5%		+5%
IMEA (India, Middle East, Africa)	54.8	+15%		+12%
Asia Pacific	31.8	0%		+11%
China	29.4	-11%		+7%
Adjustments	3.3	-		-
Water Technology International Business Total (Statutory basis) (1)	**364.3** (-2% 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 ✓ 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 and the Netherlands, in addition to Southern and Eastern Europe ✓ 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, in Saudi Arabia and other GCC countries ✓ Revenue in India maintained increased YoY
Asia Pacific	declined	flat	✓ Vietnam's revenue increased, driven by retail business recovery and promotion initiatives ✓ Thailand's revenue declined due to project delays caused by sluggish demand and oversupply
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: Q3 FYE2026 results 1USD=JPY149.33, 1EUR=JPY171.84 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 -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%

In Japan, revenue declined, but core earnings increased as strong renovation sales offset a decline in new housing. International business: revenue and core earnings are flat, offset the sluggish demand in Thailand by expanding sales in India

	JPY billion	FYE2025 Q3 Results	FYE2026 Q3 Results	YoY vs Results		FYE2026 Forecasts
				Increase /decrease	%	
Japan	Revenue	384.7	383.6	-1.1	-0.3%	509.0
	CE	23.4	23.6	+0.2	+1.0%	28.0
	CE margin	6.1%	6.2%	+0.1 pp	-	5.5%
International	Revenue	20.0	20.8	+0.9	+4.3%	28.0
	CE	1.0	0.9	-0.1	-13.5%	1.5
	CE margin	5.2%	4.3%	-0.9 pp	-	5.4%
Housing Technology Total (1)	Revenue	404.7	404.4	-0.2	-0.1%	537.0
	CE	24.4	24.5	+0.1	+0.3%	29.5
	CE margin	6.0%	6.1%	+0.0 pp	-	5.5%

Revenue

- Revenue slightly declined YoY as strong renovation sales offset the slight decline in sales for new housing

Core earnings

- CE remained flat YoY, driven by remodeling sales remained strong, price optimization, and inventory valuation gains. This offset the decline in new housing sales and cost associated with the ceramic siding business in Q2
- Improved profitability in the building business

(1) Q3 FYE2026 Results (Reference)
LHT excl. building business Revenue JPY330.6billion, CE JPY17.9 billion, CE margin 5.4%
Building business Revenue JPY73.8 billion, CE JPY6.6 billion, CE margin 9.0%

Strong renovation sales led to increased revenue and core earnings

	JPY billion	FYE2025 Q3 Results	FYE2026 Q3 Results	YoY vs Results Increase /decrease	YoY vs Results %	FYE2026 Forecasts
Living Total	Revenue	**154.3**	**155.8**	+1.6	+1.0%	**210.0**
	CE	**6.7**	**7.3**	+0.6	+8.2%	**10.5**
	CE margin	**4.4%**	**4.7%**	+0.3 pp	-	**5.0%**

Revenue

- Revenue increased YoY, driven by strong growth in renovation

Core earnings

- Core earnings increased YoY, driven by strong renovation sales that offset remained 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

For LWT, sanitaryware and bathroom units were flat YoY. For LHT, housing sashes sales increased YoY due to growth in renovation. For Living, interior materials are struggling as high proportion of new housing starts

JPY billion / in %

Segments	Major products	Full-year FYE2025 Results	Q3 FYE2025 Results	Q3 FYE2026 Results	YoY	Quarterly YoY						
						FYE2025				FYE2026		
						Q1	Q2	Q3	Q4	Q1	Q2	Q3
LWT	Sanitaryware** (1)	115.2	85.4	**88.2**	+3.2%	+5.7	+8.7	+10.9	+6.9	+8.6	+2.5	**-0.4**
	Bathroom Units	92.4	70.4	**71.9**	+2.1%	+4.2	+0.6	+4.5	+1.6	+6.3	-0.1	**+0.3**
	Tiles	30.2	22.7	**22.1**	-2.4%	-0.9	-6.2	-3.1	-3.0	-2.6	-0.5	**-3.8**
LHT	Housing sashes and others	187.9	147.6	**150.1**	+1.7%	+1.3	-5.4	+5.6	+4.5	+0.6	-0.5	**+4.7**
	Exterior	94.5	71.9	**72.9**	+1.4%	-0.5	-3.4	-2.1	+5.5	+3.7	+1.3	**-0.8**
	LHT others	38.7	29.4	**28.7**	-2.4%	-12.1	-13.3	-8.5	+1.2	+1.4	-0.6	**-7.8**
	Building sashes	101.0	75.5	**73.8**	-2.2%	+2.0	+8.0	-6.1	+1.9	-9.3	-2.2	**+3.7**
	Housing and Services business	19.0	14.4	**12.9**	-10.4%	-26.7	-25.0	-1.7	-8.0	-6.8	-11.1	**-12.9**
Living	Kitchens	100.4	75.3	**77.2**	+2.6%	+2.3	+1.0	+2.5	+4.7	+6.8	+1.4	**-0.1**
	Vanities (1)	36.6	27.4	**27.9**	+1.8%	-5.8	-6.4	-4.7	-7.0	+3.4	+1.4	**+0.8**
	Wooden interior materials	57.2	43.2	**42.6**	-1.2%	-3.7	-4.9	-2.2	+0.7	+3.0	-2.4	**-3.8**
	International (2)	519.4	392.1	**385.1**	-1.8%	+9.9	+1.2	+5.7	-2.5	-8.5	+1.0	**+2.4**
	Others/consolidation & Adj.	112.2	85.2	**84.9**	-							
Total		1,504.7	1,140.5	**1,138.5**	-0.2%	+3.0	-0.8	+2.6	+1.1	-1.4	+0.3	**+0.5**
(Reference) **Sale of Faucets included in "Sanitaryware"												
LWT	Faucets	28.0	20.3	**21.8**	+7.1%	-0.3	+15.3	+10.7	+8.5	+16.0	+4.3	**+2.4**

(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.17 for the revenue of water-related products in international business

Renovation sales ratio increased by 2.3pp. All segments saw an increase due to continued strong demand

JPY billion	Q3 (9 months)				Q3 (3 months)	
	FYE2025 Results[(1)]	**FYE2026 Results**	Increase /decrease	YoY	**FYE2026 Results**	YoY
Sales of renovation-related products	291.6	**309.3**	+17.7	+6.1%	**115.7**	+8.2%
LWT-J				+6%		+4%
LHT				+6%		+13%
Excl. building				+7%		+12%
Building business				+3%		+17%
Living				+6%		+5%
Renovation sales ratio	46%	**48%**	+2.3pp		**50%**	+3.4pp

Renovation sales ratio by business segment (YoY)

	Q3 FYE2025	**Q3 FYE2026**	Increase /decrease
LWT	55%	57%	+1.9pp
LHT	41%	44%	+2.5pp
Living	47%	49%	+2.1pp
Japan Total	**46%**	**48%**	**+2.3pp**

Inner window *In-plus*

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

GROWTH IN INTERNATIONAL WATER TECHNOLOGY BUSINESS

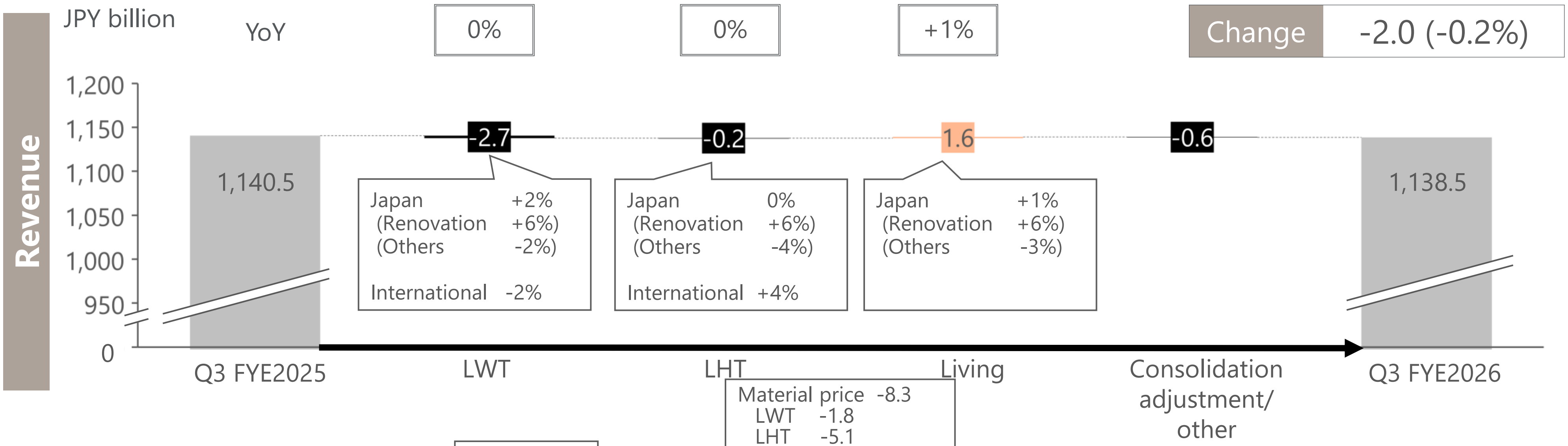
LIXIL

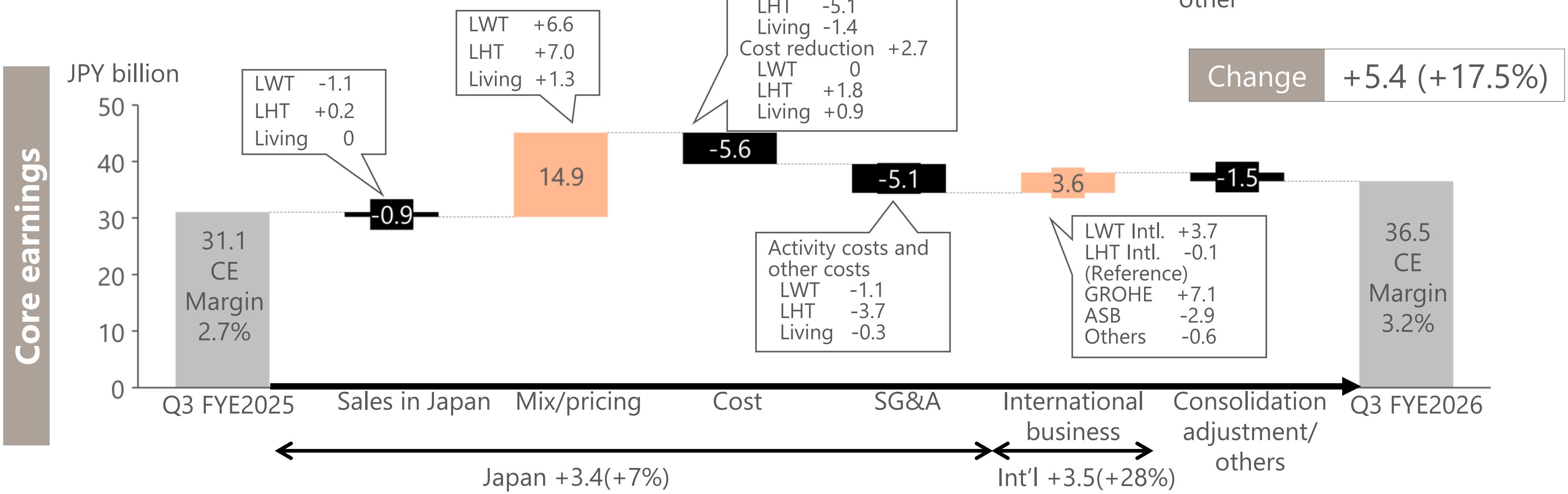
Leveraging our brands, global structure for R&D, and roll-out of differentiated products, we are positioned for renewed growth by quickly responding to local needs(1)

	Q3 FYE2026 (9 months)						Q3 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%	35%	50%	42%	13%	60%	60%	35%	51%
Toilets	43%	66%	24%	35%	61%	38%	43%	67%	24%	36%	61%	35%
Kitchen faucets and water systems	9%	5%	16%	4%	3%	5%	9%	6%	16%	3%	2%	5%
Bathing and showering systems	4%	13%	0%	0%	1%	1%	4%	12%	0%	0%	1%	0%
All others	2%	3%	1%	0%	1%	7%	2%	3%	0%	1%	1%	9%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Sales growth												
Bath faucets and showers	+2%	-10%	+2%	+15%	+4%	-6%	0%	-6%	+1%	+9%	+2%	-13%
Toilets	+2%	+1%	+10%	+18%	-2%	-21%	+2%	+3%	+9%	+21%	-5%	-32%
Kitchen faucets and water systems	+5%	-2%	+7%	+11%	+27%	-9%	+7%	+13%	+8%	+9%	-6%	-19%
Bathing and showering systems	-23%	-23%	-11%	-23%	-2%	+14%	-21%	-21%	+1%	-29%	-14%	-48%

(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

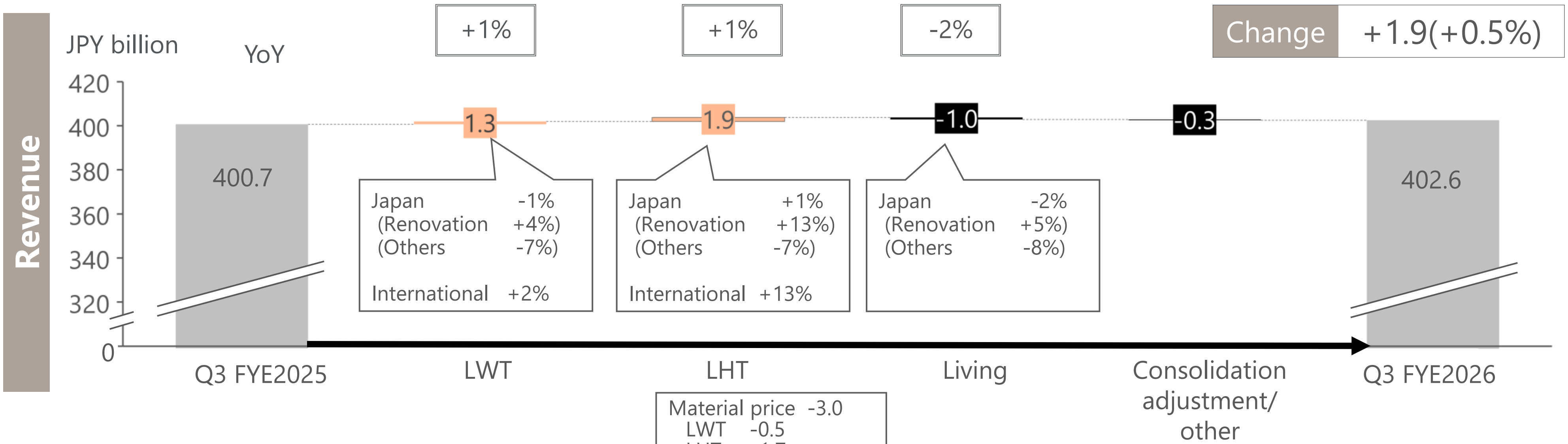
Q3 (9MONTHS) FYE2026 CHANGE IN REVENUE AND CORE EARNINGS

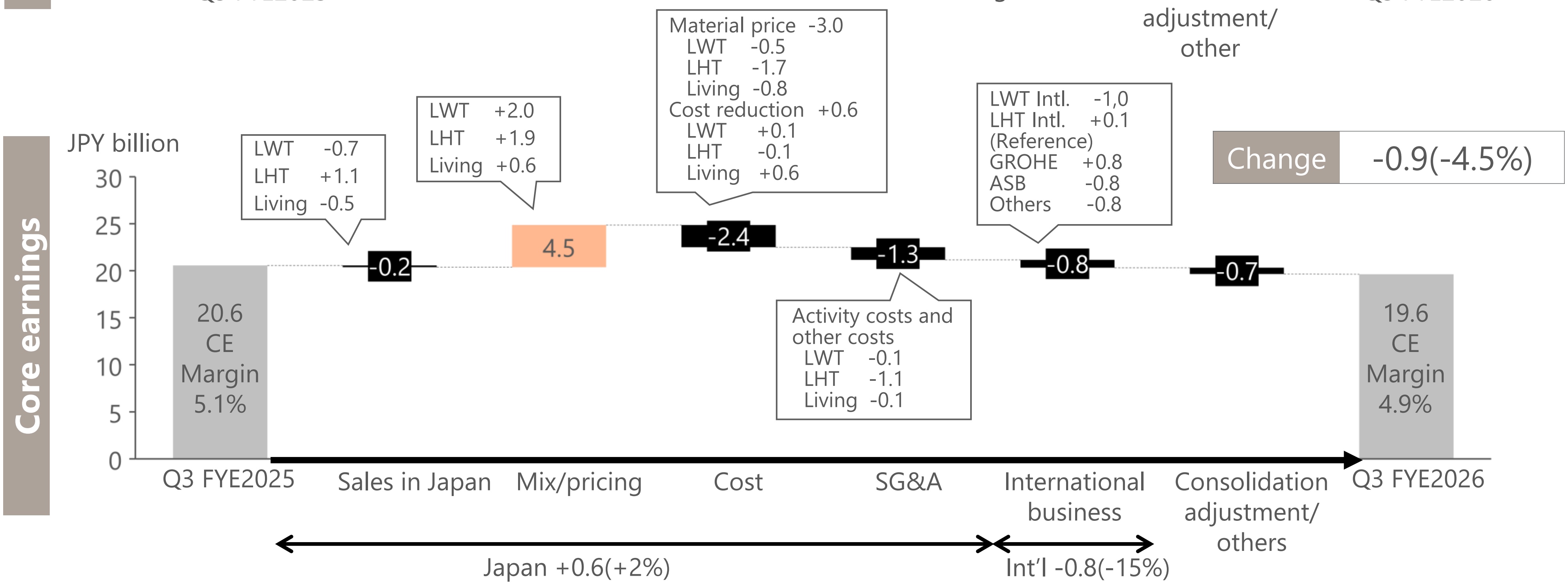




Full-year forecast (progress rate)	+3.5 (-)	+20.4 (73%)	-9.4 (59%)	-7.7 (66%)	+3.7 (97%)	-6.8 (22%)

Q3 (3MONTHS) FYE2026 CHANGE IN REVENUE AND CORE EARNINGS





Q3 FYE2026 OTHER INCOME AND EXPENSES, FINANCE INCOME AND COSTS

JPY billion	Q3 FYE2025 Results	Q3 FYE2026 Results		Increase/ decrease
Gain from remeasurement relating to application of the equity method	-	1.7	(1)	+1.7
Others	4.3	4.1		-0.2
Other income	**4.3**	**5.8**		**+1.5**
Losses on disposal of property, plant and equipment	0.6	0.6		0.0
Impairment losses	1.0	3.5	(2)	+2.5
Others	5.3	7.8	(3)	+2.5
Other expenses	**7.0**	**11.9**		**+4.9**

Interest income	1.3	1.5	+0.1
Dividend income	1.1	1.2	+0.1
Gains on valuation of derivatives	0.2	0.1	-0.1
Others	0.2	0.1	-0.1
Finance income	**2.9**	**3.0**	**+0.1**
Interest expense	9.1	8.5	-0.5
Losses on exchange differences	0.8	4.3	+3.5
Others	0.3	0.1	-0.2
Finance costs	**10.2**	**12.9**	**+2.7**

- 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

›RESULTS AND FORECASTS BY SEGMENT

LIXIL

	JPY billion	Q3 FYE2025 Results			Q3 FYE2026 Results				FYE2026 Full-year Forecasts			
		Japan	Intl.	Total	Japan	Intl.	Total	Total YoY%	Japan	Intl.	Total	Total YoY%
LWT	Revenue	234.6	372.1	**606.6**	239.6	364.3	**604.0**	-0.4%	320.0	511.0	**831.0**	+3.2%
	CE	16.4	11.5	**28.0**	19.1	15.2	**34.3**	+22.5%	20.5	20.0	**40.5**	+9.9%
	CE margin	7.0%	3.1%	**4.6%**	8.0%	4.2%	**5.7%**	+1.1pp	6.4%	3.9%	**4.9%**	+0.3pp
LHT	Revenue	384.7	20.0	**404.7**	383.6	20.8	**404.4**	-0.1%	509.0	28.0	**537.0**	+1.9%
	CE	23.4	1.0	**24.4**	23.6	0.9	**24.5**	+0.3%	28.0	1.5	**29.5**	+13.3%
	CE margin	6.1%	5.2%	**6.0%**	6.2%	4.3%	**6.1%**	+0.0pp	5.5%	5.4%	**5.5%**	+0.6pp
Living	Revenue	154.3		**154.3**	155.8		**155.8**	+1.0%	210.0		**210.0**	+2.2%
	CE	6.7		**6.7**	7.3		**7.3**	+8.2%	10.5		**10.5**	+45.3%
	CE margin	4.4%		**4.4%**	4.7%		**4.7%**	+0.3pp	5.0%		**5.0%**	+1.5pp
Cons. Adj. & Others (1)	Revenue			**-25.1**			**-25.7**	-			**-38.0**	-
	CE			**-28.1**			**-29.6**	-			**-45.5**	-
LIXIL (1)	Revenue	773.5	392.1	**1,140.5**	779.1	385.1	**1,138.5**	-0.2%	1,039.0	539.0	**1,540.0**	+2.3%
	CE	46.6	12.6	**31.1**	50.0	16.1	**36.5**	+17.5%	59.0	21.5	**35.0**	+11.7%
	CE margin	6.0%	3.2%	**2.7%**	6.4%	4.2%	**3.2%**	+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
(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

ASB (ASD Holdings) (USD million)	FYE2025					FYE2026				Q3 (9 months) YoY
	Q1	Q2	**Q3**	Q4	Full-year	Q1	Q2	**Q3**	Q3 (9 months)	
Revenue	298	286	**262**	276	1,122	247	250	**239**	736	-13%
Core earnings	-12	-6	**-13**	-12	-44	-19	-16	**-18**	-52	-
Core earnings margin	**-**	-	**-**	-	-	-	-	-	-	-

Grohe Group (GROHE) (EUR million)	FYE2025					FYE2026				Q3 (9 months) YoY
	Q1	Q2	**Q3**	Q4	Full-year	Q1	Q2	**Q3**	Q3 (9 months)	
Revenue	390	393	**412**	406	1,601	417	425	**414**	1,256	+5%
Core earnings	20	39	**44**	47	150	51	44	**45**	141	+36%
Core earnings margin	5%	10%	**11%**	12%	9%	12%	10%	**11%**	11%	+2.5pp

ASB (ASD Holdings) (USD million)	FYE2025 Balance	Q3 FYE2026 Balance
Goodwill(1)	225	225
Intangible assets(1)	221	217

Grohe Group (GROHE) (EUR million)	FYE2025 Balance	Q3 FYE2026 Balance
Goodwill(1)	1,199	1,184
Intangible assets(1)	1,382	1,374

Q3 FYE2026

FX rates	Average	Current
USD	JPY149.33	JPY156.56
EUR	JPY171.84	JPY184.33

(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

Contribute to a Low-Carbon Society and Circular Economy

First in Industry: Recipient of the "Environmental Value Award" at the 7th Nikkei SDGs Management Awards (1)

- LIXIL was awarded the "Environmental Value Award" at the 7th Nikkei SDGs Management Awards—an industry-first for the housing equipment and building materials sector
- The award recognizes initiatives addressing critical themes, including climate change, resource circulation, and biodiversity
- LIXIL was noted for its initiatives to reduce its society-wide environmental impact through solutions such as PV roll-up screens (2) and FRP material recycling (3)

Expanding Impact Through Partnerships

Participation in the SWA (Sanitation and Water for All) 2025 Sector Ministers' Meeting (4)

- LIXIL CEO Seto serves as the first-ever private sector member of the SWA Global Leadership Council, following his appointment in 2023
- Attending the Sector Ministers' Meeting in October 2025, he emphasized the need for sustainable business models that go beyond product provision. He also discussed the importance of robust public-private partnerships to accelerate global solutions to sanitation and water availability for all

(1) News release https://newsroom.lixil.com/ja/2025112899 (JP only)
(2) News release https://newsroom.lixil.com/ja/2025041401 (JP only)
(3) News release https://newsroom.lixil.com/ja/2025011501 (JP only)
(4) Website https://www.lixil.com/en/impact/sanitation/partnerships.html

Solving Social Issues Through Innovation

Bidet-specific nozzle wins Gold Top Prize at Femtech Japan Award 2025 (1)

- Bidet-specific nozzle (2) won the top gold prize, recognizing our commitment to hygiene and the needs of female users. The award highly evaluated the design for addressing hygiene concerns by providing separate nozzles
- The nozzle is now provided across all our Shower Toilet models, demonstrating our commitment to women's health issues and promoting awareness activities across various generations
- Leveraging the diverse insights of our employees and fostering internal and external collaboration, we address a wide range of needs. Through these initiatives, we contribute to healthy and comfortable lifestyles for all

Enhancing Brand Value Through Sophisticated Design

"*bathtope*" and other innovative products won major design awards globally and in Japan

GOOD DESIGN AWARD 2025

- Establishing a global network of eight Design Centers and integrating designers from the upstream stages of product development. High-design product lineups, led by a fabric-lined bathtub "*bathtope*" launched in Japan, driving the enhancement of brand value
- Major Awards

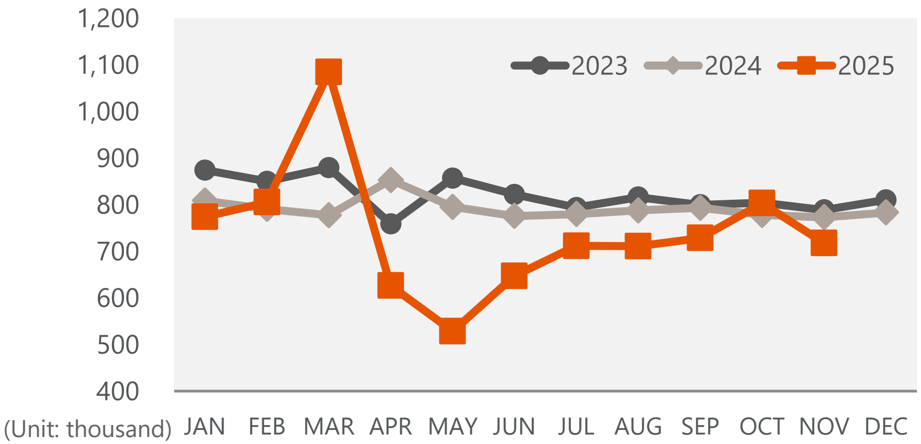
-Good Design Award 2025: 8 products awarded (3)
-German Design Award 2026: 10 products awarded (4)
-JIDA Design Museum Selection Vol. 27: 2 products awarded (5)

(1) News release https://newsroom.lixil.com/ja/2025121801 (JP only)
(2) Website https://www.lixil.co.jp/lineup/toiletroom/s/2nozzle/ (JP only)
(3) News release https://newsroom.lixil.com/ja/2025101599 (JP only)
(4) News release https://newsroom.lixil.com/ja/2025112501 (JP only)
(5) News release https://newsroom.lixil.com/ja/2025112802 (JP only)

MARKET TRENDS

Trend of new housing starts in Japan

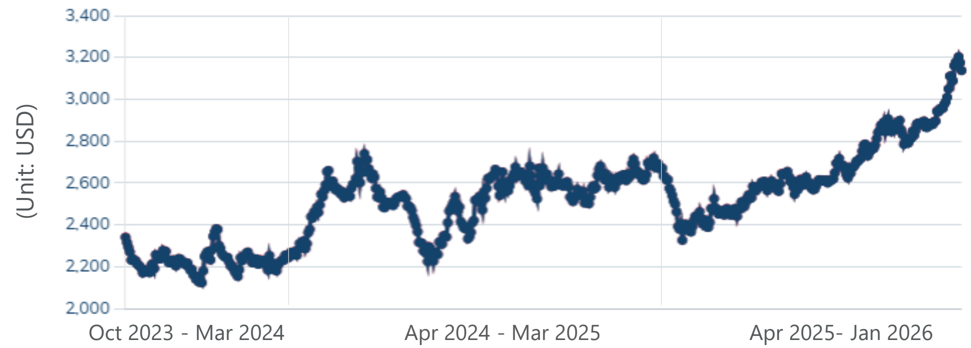
Annualized seasonally adjusted data



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

Aluminum price trend

Source：LME 3 months (From Oct 2, 2023, to Jan 19, 2026)



Copper price trend

Source：LME 3 months (From Oct 2, 2023, to Jan 19, 2026)

(year-on-year)

New housing construction trends in Japan

- Jan-Sep 2025: -8.0%
- Jan-Nov 2025: -7.0%

	Jan-Nov 2025 (11 months)		Apr-Nov 2025 (8 months)	
	Units	YoY	Units	YoY
Total new housing starts	**678,549**	-7.0%	**472,030**	-13.7%
Owner-occupied(1)	**183,789**	-8.3%	**131,037**	-14.1%
Rental homes	**299,473**	-5.1%	**206,636**	-13.1%
Condos for sale	**82,153**	-13.4%	**53,873**	-22.4%
Detached houses for sale(2)	**105,297**	-4.9%	**74,381**	-8.2%
Detached houses total (1)+(2)	**289,086**	-7.1%	**205,418**	-12.1%

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

(JPY per tonne)

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

(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