

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

(From April 1, 2025 to March 31, 2026)



LIXIL Corporation
April 30, 2026

TSE Code: 5938



Summary of results for FYE2026

Core earnings: JPY38.5 billion and EBITDA: JPY121.6 billion

Core earnings exceeded the forecast

■ Japan

- All segments achieved YoY growth in core earnings, driven by strong renovation sales, despite a significant YoY decline of over 10% in new housing demand
- The LHT business saw higher sales of subsidy-eligible products, although a surge in aluminum prices in the second half from previously low levels impacted Q4 earnings

■ International

- For LWT international business, revenue remained flat YoY, but core earnings improved significantly, driven by a successful shift to value-added products in Europe and IMEA⁽¹⁾. While housing markets remain sluggish in the Americas and China, the Americas turned profitable in core earnings in the month of March, reflecting the benefits of structural reforms

■ Others

- Other income and expenses increased YoY due to the recording of additional structural reform costs
- Finance costs increased YoY due to losses on exchange differences

(1) IMEA (India, Middle East, Africa)

Difference from Initial Forecast for FYE 2026

Core earnings exceeded the forecast. While other expenses and finance costs increased, profit⁽¹⁾ was in line with the initial plan due to a decrease in tax expenses

Profits below Core Earnings

(JPY billion)	FYE2026 Initial Plan	FYE2026 Actual	Difference
Core Earnings	35	38.5	+3.5
Other Income and Expenses	-5	-10.1	-5.1
Operating profit	30	28.4	-1.6
Finance Income and Costs	-9	-12.7	-3.7
Profit before Tax	21	15.7	-5.3
Tax Expenses	-13	-6.9	+6.1
Net Profit	8	8.8	+0.8
Profit⁽¹⁾	8	8.1	+0.1

Main Changes

✓ Other Income and Expenses

In addition to the initially planned structural reforms, additional expenses were recognized, including further restructuring costs in the U.S., impairment losses on fixed assets due to the economic downturn in China, and impairment losses on IT systems

✓ Finance Income and Costs

While interest income and expenses were in line with the plan, finance costs exceeded the initial plan due to the recognition of foreign exchange losses

✓ Tax Expenses

Tax expenses decreased from the initial plan due to a change in the corporate tax rate at a consolidated subsidiary

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

Europe

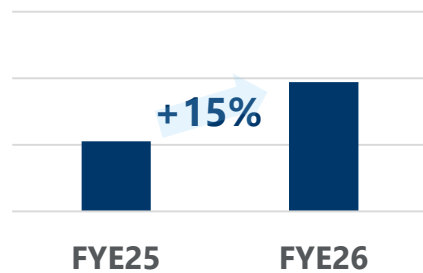


Growth of the GROHE Brand

Sales Mix by Brand



Core earnings growth rate



Current Situation

- ✓ Housing demand in Europe remains soft due to rising construction costs in major markets
- ✓ Pent-up demand is gradually emerging

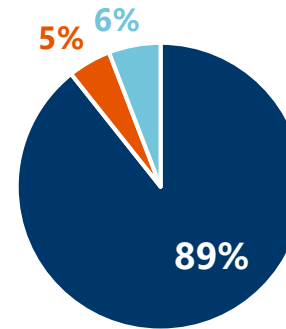
Future Initiatives

- ✓ Maintain and improve the product mix by increasing sales of high-value-added products, such as color products and GROHE SPA
- ✓ Further streamline the supply chain through measures such as optimizing the logistics network

IMEA



Ensuring stable supply



Sales Mix by Brand

GROHE	89%
AS	5%
Cobra	6%

Current Situation

- ✓ Demand in the Middle East remains resilient, led by Saudi Arabia. While the impact of the situation in Iran on revenue is currently limited, the situation requires close monitoring
- ✓ In India, housing demand is increasing due to urbanization and the expanding middle class; performance in the project channel is strong
- ✓ GROHE saw its solid performance in the Africa region, with exceptional growth rates led by Egypt and Morocco

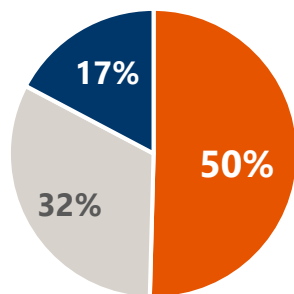
Future Initiatives

- ✓ Strengthen showroom expansion and project wins in priority markets such as Saudi Arabia and India, focusing on GROHE products and the GROHE SPA brand

APAC



Market Recovery and Sales Network Expansion



Sales Mix by Brand

AS	50%
INAX	32%
GROHE	17%

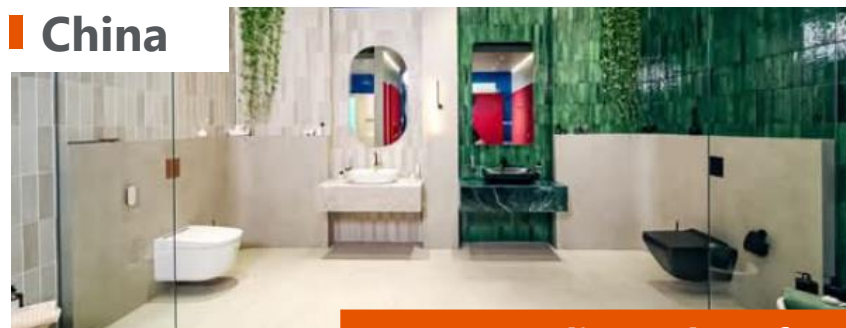
Current Situation

- ✓ In Vietnam, suspended projects are resuming due to the deregulation of the real estate market
- ✓ Concerns over a further economic downturn in Thailand persist, requiring close monitoring of the situation

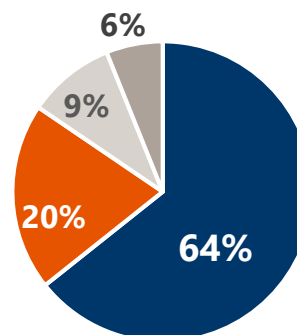
Future Initiatives

- ✓ Expand project wins and direct sales through new product development and brand value enhancement
- ✓ Accelerate the optimization of business structures and bases

China



Expanding sales of differentiated products



Sales Mix by Brand

GROHE	64%
AS	20%
INAX	9%
others	6%

Current Situation

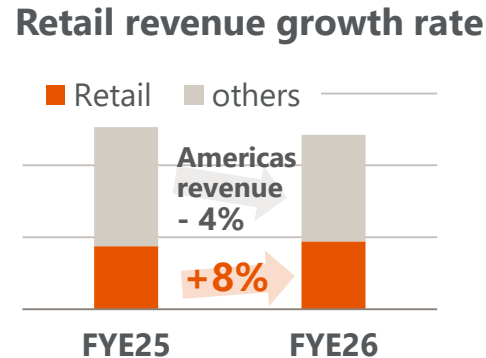
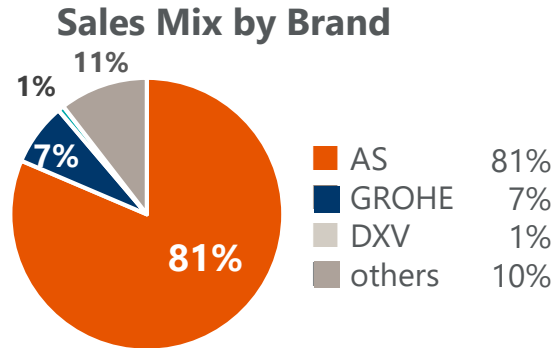
- ✓ Downward pressure continues in the housing market
- ✓ The project market has declined significantly due to liquidity issues among real estate developers
- ✓ Meanwhile, sales for the GROHE brand expanded further

Future Initiatives

- ✓ Clarify brand strategies, including differentiating from local manufacturers by expanding GROHE sales and strengthening the American Standard Brand for commercial facilities
- ✓ Transition to an asset-light model through optimization of the production network

Progress in FYE2026

Americas Business Turnaround



Recovery lagged initial expectations due to cost pressures and delayed price revision benefits; however, measures materialized in 4Q, with the business turning profitable in March

Optimizing workforce allocation

- ✓ The effects of additional structural reforms, implemented in anticipation of the conclusion of the Transition Service Agreement for the bathing business, have begun to materialize (headcount reduced 10% YoY)

Restructuring the supply chain

- ✓ Completed the Transition Service Agreement for the bathing business ended at the end of March
- ✓ Reorganizing the logistics network

Optimizing the business portfolio

- ✓ Reallocating resources from the low-margin DIY volume segment to the pro wholesale channel
- ✓ Strengthening sales expansion approaches for ASB and GROHE; focusing on expanding GROHE's wholesale presence and strengthening ASB's relationships with installers

Initiatives for FYE2027



- ✓ Expansion of AS premium toilets: Launching the Champion series to expand the premium toilet category
- ✓ Growth of GROHE: Strengthening supply infrastructure and further investment in showrooms
- ✓ Leveraging ASB's strengths: Improving relationships with installers through training and lab utilization, and by providing integrated product and installation solutions
- ✓ Expansion of shower toilets: Increasing priority in the Americas and driving market expansion

Revenue and core earnings increased year-on-year

■ Revenue: JPY1,510.7 billion, up JPY6.0 billion year-on-year

- Q4 (3 months) YoY: Flat in Japan and +7% in international markets (-2% excluding foreign exchange impact)
- Q4 (12 months) YoY: +1% in Japan and flat in international markets (-3% excluding foreign exchange impact)

■ Core earnings: JPY38.5 billion, up JPY7.2 billion year-on-year

- Q4 (3 months) YoY: +JPY2.3 billion in LWT, +JPY0.6 billion in LHT, +JPY0.1 billion in Living and -JPY1.2 billion for consolidation adjustment/other factors
- Q4 (12 months) YoY: +JPY8.6 billion in LWT, +JPY0.7 billion in LHT, +JPY0.6 billion in Living and -JPY2.7 billion for consolidation adjustment/other factors

■ EBITDA⁽¹⁾: JPY121.6 billion, up JPY7.1 billion year-on-year

■ Profit⁽²⁾: JPY8.1 billion, up JPY6.1 billion year-on-year

- Q4 (3 months): Decreased by JPY1.4 billion YoY due to an increase in other expenses, despite an increase in core earnings and a decrease in corporate income tax expenses
- Q4 (12 months) : Increased by JPY6.1 billion YoY due to an increase in core earnings and a decrease in corporate 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

	Q4 (12 months)				Q4 (3 months)		
	FYE2025	FYE2026	Increase/ decrease (YoY)	%	FYE2026	Increase/ decrease (YoY)	%
JPY billion							
Revenue	1,504.7	1,510.7	+6.0	+0.4%	372.2	+8.0	+2.2%
Gross Profit	498.1	515.2	+17.0	+3.4%	124.0	+2.9	+2.4%
(%)	33.1%	34.1%	+1.0pp	-	33.3%	+0.1pp	-
SG&A	466.8	476.7	+9.9	+2.1%	122.0	+1.2	+1.0%
Core Earnings (CE) ⁽¹⁾	31.3	38.5	+7.2	+22.9%	2.0	+1.7	+646.8%
(%)	2.1%	2.5%	+0.5pp	-	0.5%	+0.5pp	-
Profit for the year including Discontinued Operations ⁽²⁾	2.0	8.1	+6.1	+306.9%	-3.7	-1.4	-
EPS (JPY)	6.97	28.33	+21.36	+306.5%	-12.74	-4.80	-
EBITDA ⁽³⁾	114.5	121.6	+7.1	+6.2%	23.2	+2.4	+11.4%
(%)	7.6%	8.0%	+0.4pp	-	6.2%	+0.5pp	-

- **Gross profit margin:** Increased by 1.0pp YoY
- **SG&A expenses:** Increased by JPY9.9 billion YoY (Japan JPY7.2 billion increase, International JPY2.3 billion decrease, forex effect JPY5.1 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 0.5pp
- **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

Core earnings for LWT Japan and International grew, driven by Japan's renovation growth and a value-added product shift in Europe and IMEA. LHT achieved core earnings growth by increasing renovation sales, despite soft new housing demand. Living achieved both revenue and core earnings growth, supported by strong renovation sales

		Q4 (12 months)			Q4 (3 months)	
		FYE2025	FYE2026	Increase /decrease (YoY)	FYE2026	Increase /decrease (YoY)
JPY billion						
LWT	Revenue	804.9	811.1	+6.2	207.1	+8.9
	CE	36.9	45.4	+8.6	11.1	+2.3
LHT	Revenue	527.1	525.7	-1.5	121.2	-1.2
	CE	26.0	26.7	+0.7	2.2	+0.6
Living	Revenue	205.5	207.6	+2.1	51.7	+0.5
	CE	7.2	7.8	+0.6	0.5	+0.1
Consolidation, Adj. & Other	Revenue	-32.8	-33.6	-0.8	-7.9	-0.2
	CE	-38.8	-41.5	-2.7	-11.9	-1.2
LIXIL	Revenue	1,504.7	1,510.7	+6.0	372.2	+8.0
	CE	31.3	38.5	+7.2	2.0	+1.7

Forex impact⁽¹⁾

Q4 3months: Revenue +JPY11.3 billion, CE +JPY0.9 billion **Q4 12months:** Revenue +JPY15.1 billion, CE +JPY1.5 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 Q4 under previous reporting segments

JPY billion		Q4 (12 months)					Q4 (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
LWT	Revenue	927.8	936.8	+9.0	+2.8	+6.2	238.4	+9.3	+0.4	+8.9
	CE	40.9	50.8	+9.9	+1.3	+8.6	11.3	+2.3	0.0	+2.3
LHT	Revenue	586.8	584.0	-2.9	-1.4	-1.5	135.9	-1.2	+0.1	-1.2
	CE	29.2	29.2	0.0	-0.7	+0.7	2.6	+0.7	+0.1	+0.6
Consolidation, Adj. & Other	Revenue	-10.0	-10.1	-0.1	+0.7	-0.8	-2.1	-0.1	+0.1	-0.2
	CE	-38.8	-41.5	-2.7	0.0	-2.7	-11.9	-1.2	0.0	-1.2
LIXIL	Revenue	1,504.7	1,510.7	+6.0	-	-	372.2	+8.0	-	-
	CE	31.3	38.5	+7.2	-	-	2.0	+1.7	-	-

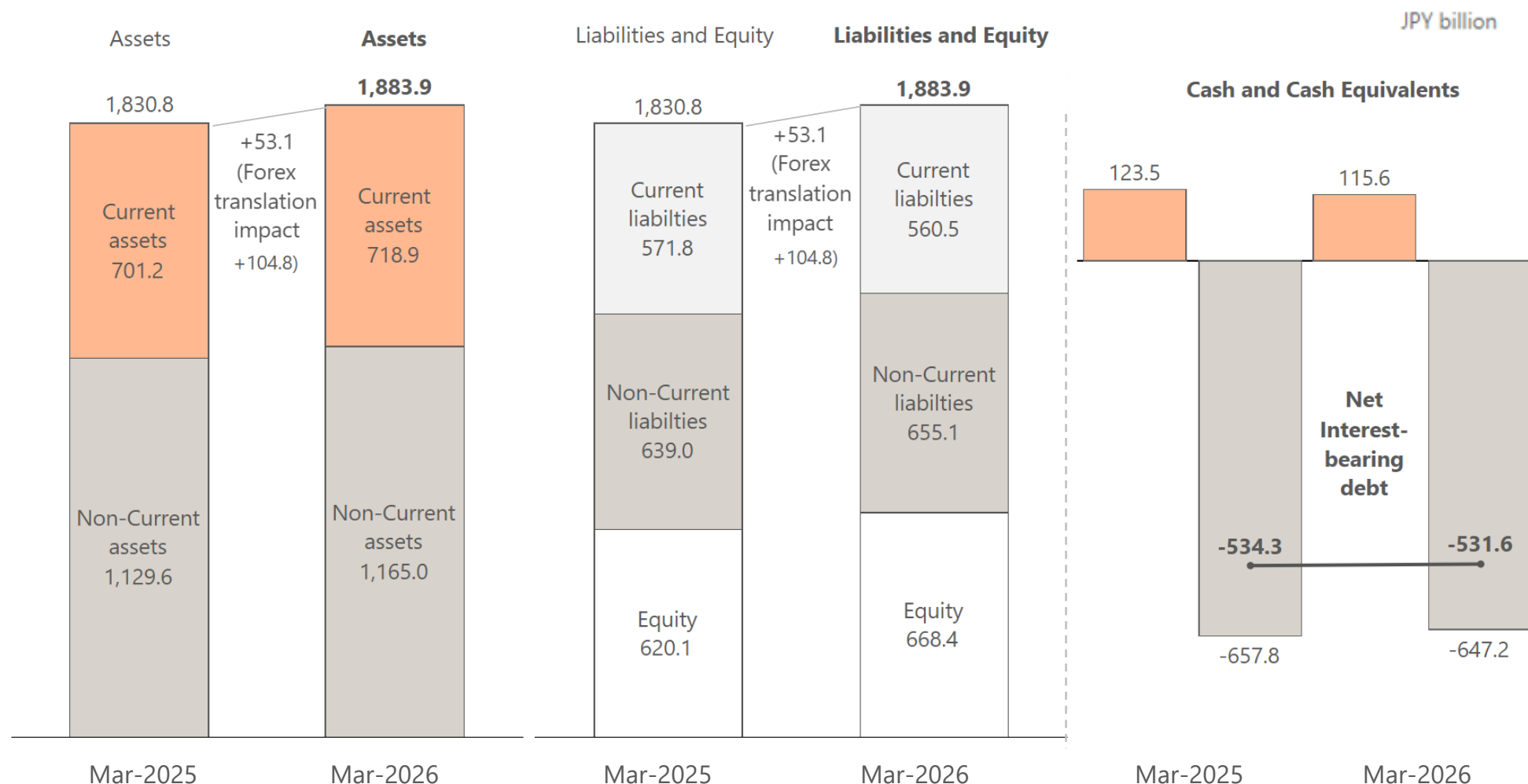
I Forex impact⁽¹⁾

Q4 3months: Revenue +JPY11.3 billion, CE +JPY0.9 billion **Q4 12months:** Revenue +JPY15.1 billion, CE +JPY1.5 billion

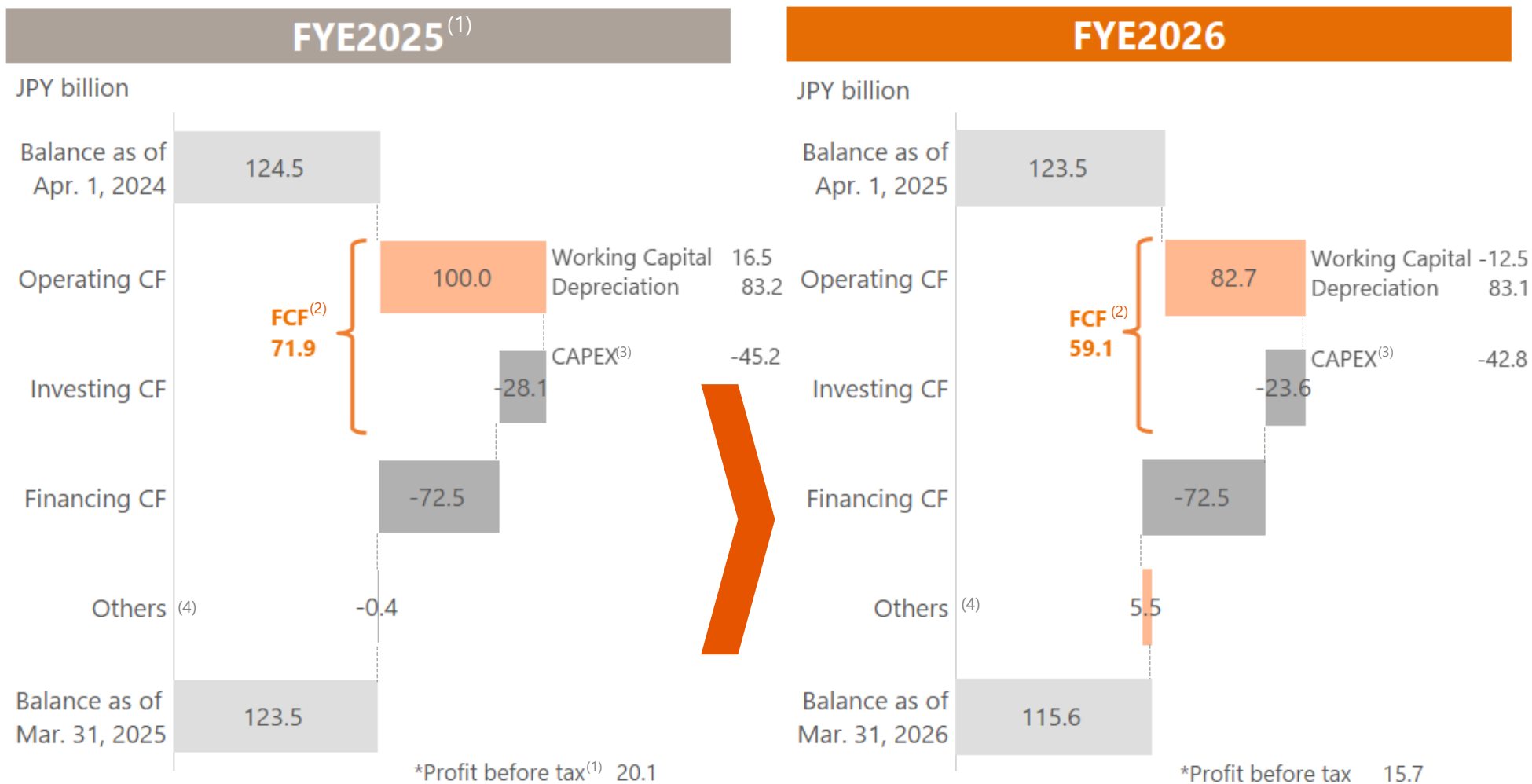
(1) Forex translation effect gain(loss) from international subsidiaries

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

Equity increased, driven by foreign exchange impacts and the recognition of profit for FYE2026. The equity ratio is 35.3%



Operating cash flow declined due to an increase in accounts receivable and 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



**PROGRESS OF MANAGEMENT STRATEGY &
FORECAST FOR FYE2027**

Outlook for the fiscal year ending March 2027

Full-year forecast for FYE2027

- Forecasting revenue of JPY1,600.0 billion, core earnings of JPY45.0 billion, and profit attributable to owners of the parent of JPY12.0 billion
(The impact of the situation in the Middle East is excluded from the annual forecasts as it is difficult to reasonably factor in at this time)
- Forecasting annual dividend of JPY90 per share

Business environment and outlook

- General: Closely monitor future developments regarding the impact of the situation in the Middle East (refer to p. 15)
- LWT International Business:
 - Americas:
 - ✓ The effects of SG&A reductions through structural reforms and the restructuring of sales organizations are expected to materialize during this fiscal year
 - ✓ The U.S. economy, which had shown signs of improvement, remains sluggish, and uncertainty persists for the recovery of the housing market
 - Europe:
 - ✓ While pent-up demand is gradually emerging, a full-scale recovery of the housing market is projected to be delayed
 - IMEA:
 - ✓ Despite disruptions caused by the situation in the Middle East, there is no significant impact at present. The potential impact on future revenue requires close monitoring
 - APAC & China:
 - ✓ Focusing on expanding sales of solid GROHE products, despite the sluggish overall housing market
- Japan Business: While new housing starts in Japan are forecasted to remain weak, we expect to offset the decline in new construction demand by promoting sales in the renovation market

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

JPY billion	FYE2026 Results	FYE2027 Forecast	Increase /decrease
Revenue	1,510.7	1,600.0	+89.3
Core Earnings (CE)	38.5	45.0	+6.5
Operating Profit (OP)	28.4	37.5	+9.1
Profit before Tax	15.7	25.0	+9.3
Tax expenses	-6.9	-13.0	-6.1
Profit (loss) from discontinued operations			
Net profit attributable to non-controlling interests	0.6	0.0	-0.6
Net profit attributable to owners of the parent	8.1	12.0	+3.9
EPS (JPY)	28.33	41.75 ⁽²⁾	+13.42
ROE (%)	1.3	1.8 ⁽²⁾	+0.5pp
ROA (%)	0.4	0.6	+0.2pp
ROIC (%)	1.5	2.0	+0.5pp
EBITDA ⁽³⁾	121.6	126.4	+4.8
Adj. EBITDA ⁽⁴⁾	98.4	103.3	+4.9
Net debt/EBITDA ⁽³⁾	4.4x	4.3x	-0.1
Dividend (JPY per share)	90	90 ⁽²⁾	-
Dividend to adj. EBITDA ⁽⁴⁾ ratio	26%	25%	-

(1) In Core earnings basis

(2) Calculated using the number of shares outstanding as of March 31, 2026 (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)

RESPONSE STATUS TO MATERIALIZED RISKS FROM THE RECENT SITUATION IN THE MIDDLE EAST

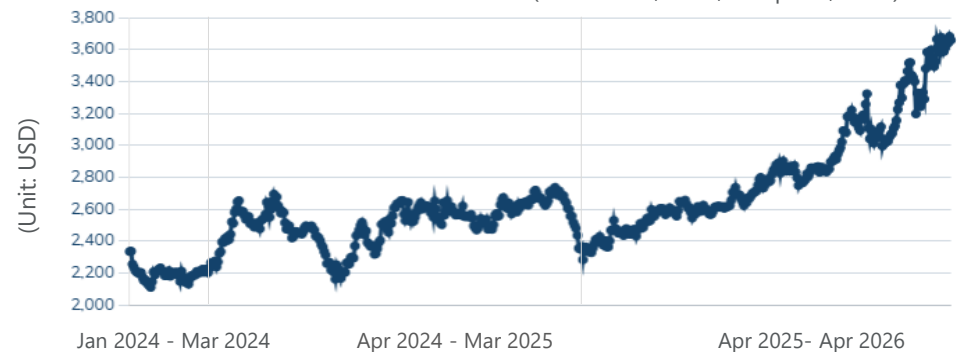
- **Uncertain Business Environment:** Market prices for crude oil, aluminum ingots, and others are soaring due to the prolonged conflict in the Middle East. We are currently assessing the negative cost impact on domestic operations and scrutinizing mitigation measures, including global production optimization and price revisions
- **Supply Constraint Risk:** The outlook for raw material procurement (particularly resins, plastics, chemicals, and packaging materials) and product supply, as well as the potential for various cost increases, remains highly uncertain. At this stage, it is difficult to incorporate these factors into a financial forecast in a reasonable manner

	Main Risk Factors	Response Directions
Manufacturing and Supply	<ul style="list-style-type: none"> • Soaring prices and supply concerns for petroleum-based raw materials • Soaring aluminum prices • Copper prices remaining at elevated levels, alongside rising costs and supply concerns for other MRO materials 	<ul style="list-style-type: none"> • Additional price revisions • Diversification of procurement sources • Increasing the ratio of recycled scrap for aluminum
Cost Inflation and Supply Concerns (Fuel and logistics costs)	<ul style="list-style-type: none"> • Soaring fuel and electricity costs at each plant • Rising freight rates across ocean, land, and air transport 	<ul style="list-style-type: none"> • Mitigating price fluctuation risks through hedging • Flexibly determining shipping priorities
Product Lead Times	<ul style="list-style-type: none"> • Shipment delays and extended lead times for delivery commitment due to supply instability of certain parts and materials 	<ul style="list-style-type: none"> • Mitigating the impact on revenue by prioritizing shipments of core products, despite delivery adjustments and supply concerns

WTI price trend Source: US Energy Information Administration (24/1/1-26/4/20)



Aluminum price trend Source: LME 3 months (From Jan 1, 2024, to Apr 27, 2026)



Core earnings review of FYE2026 and outlook for FYE2027⁽¹⁾

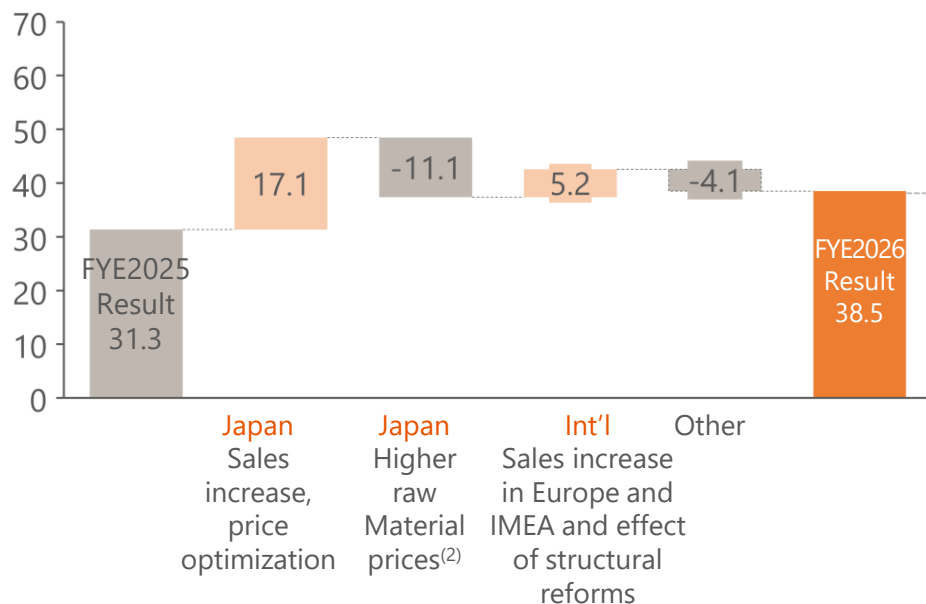
FYE2026

- Japan: Price optimization covered increased aluminum and component costs
- International: Core earnings increased due to higher sales in Europe and the Middle East and from the impact of structural reforms

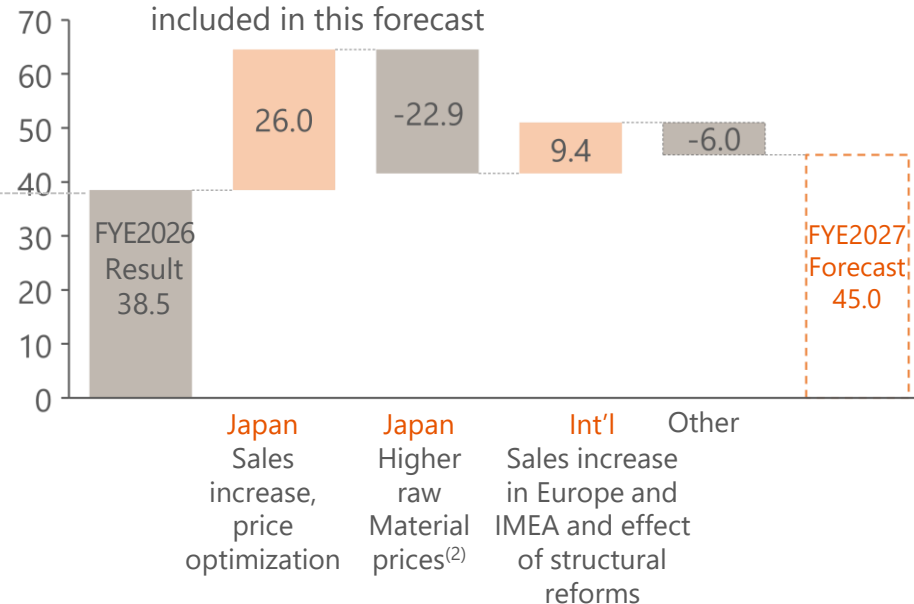
FYE2027

- Japan: Raw metals (aluminum/copper) 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

(JPY billion)



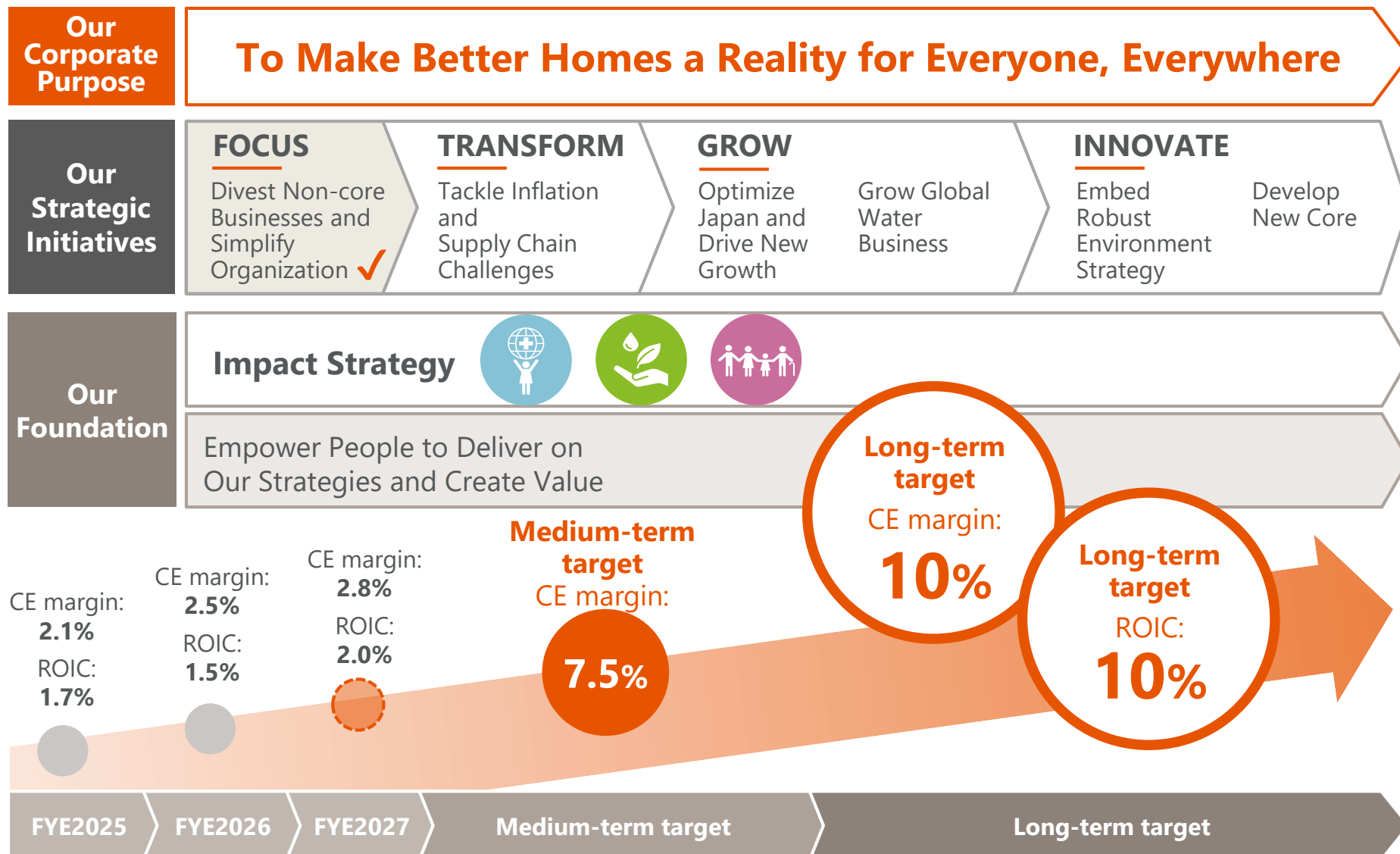
(JPY billion) *The impact of the situation in the Middle East is not included in this forecast



(1) Please refer to p.35-36 and p.40 for segment-specific figures for FYE2026 results and FYE2027 forecast, respectively

(2) Including FX impact

Management direction – LIXIL Playbook



FYE2027 Earnings Forecast

		FYE2026		Revised FYE2027 Plan
Unit		Initial Plan	Result	
Revenue	JPY billion	1,540.0	1,510.7	1,600.0
CE ⁽¹⁾	JPY billion	35.0	38.5	45.0
CE margin	%	2.3%	2.5%	2.8%
FX rate	USD	JPY155.0	JPY150.97	JPY155.0
	EUR	JPY161.2	JPY174.54	JPY186.0

Differences from the initial plan

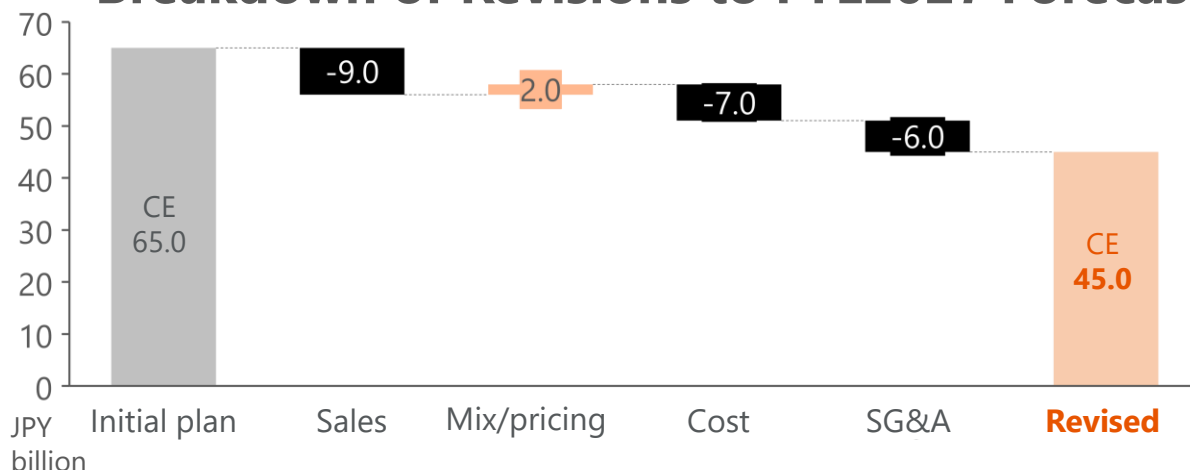
Positive Factors

- Revenue and profit growth driven by self efforts in Europe
- Resilient market growth in IMEA
- Expanding the market share of the GROHE brand
- Growth in domestic renovation sales

Negative Factors

- Continued economic deterioration and housing market stagnation in the U.S.
- Delayed recovery in the European housing market
- Delayed recovery following the sharp decline in new housing starts in Japan
- Soaring and sustained high commodity prices
- Increase in SG&A expenses, such as personnel and logistics costs

Breakdown of Revisions to FYE2027 Forecast



(1) Equivalent to "Operating profit" of JGAAP

For both Japan and international businesses, the impact of the situation in the Middle East on revenue and rising costs remains a highly uncertain risk factor

■ LWT International business

Categories	Risks	Opportunities
Sales growth	<ul style="list-style-type: none"> • Further delay in the recovery of the European market • Further stagnation of the housing and real estate markets in the U.S. and China 	<ul style="list-style-type: none"> • Acceleration of recovery momentum in the European market • Recovery of the U.S. market
US government policies	<ul style="list-style-type: none"> • Imposition of additional tariffs, economic recession driven by inflation and rising interest rates, and continued stagnation in the housing market • Labor shortages and a decrease in homebuyers due to illegal immigration policies 	<ul style="list-style-type: none"> • Additional economic stimulus measures by the Trump administration ahead of the midterm elections • Falling interest rates and the implementation of housing-related measures (subsidies/tax incentives)
Geopolitical factors	<ul style="list-style-type: none"> • Revenue decline and soaring material prices due to the outbreak or expansion of conflicts • Soaring aluminum and copper prices driven by increased demand and supply constraints 	<ul style="list-style-type: none"> • Lower procurement costs and market stabilization due to the resolution of conflicts

■ Japan businesses (LHT/LWT/Living)

Categories	Risks	Opportunities
Sales growth	<ul style="list-style-type: none"> • Market stagnation due to interest rates, inflation, and labor shortages • Stagnation of the housing market (new construction) due to rising interest rates • Stagnation in the new housing market due to supply shortages of insulation and other materials 	<ul style="list-style-type: none"> • Further expansion of the renovation market
Cost increase	<ul style="list-style-type: none"> • Rising procurement prices due to further JPY depreciation and soaring commodity prices • Soaring procurement and material prices due to heightened geopolitical risks 	<ul style="list-style-type: none"> • Decrease in import prices due to a shift toward a stronger JPY • Commodity prices stabilizing at low levels • Driving cost reductions through digitalization, including the leveraging of AI
Government policies	<ul style="list-style-type: none"> • Sluggish growth in the utilization rate of subsidies for insulation renovation 	<ul style="list-style-type: none"> • Stimulating demand through new economic stimulus measures

Addressing rising costs and supply risks by balancing stable procurement and profitability through recycled materials and enhanced energy efficiency. Pursuing profit contribution by integrating them into business strategy

PremiAL : Circular Low-Carbon Aluminum

Stabilized procurement and significantly lower energy consumption via scrap usage (~80% content)



✓ **Focus:** Minimize impact of soaring aluminum and power costs by reducing reliance on imported primary ingots

revia : Circular Material

Stable procurement using domestic waste plastic and wood



✓ **Focus:** Scale business and product range; establish local ecosystems

Energy-saving Renovation Products

(In-plus renovation inner windows, Rechent high-insulation doors, etc.)

Improving residential insulation through small-scale renovations



✓ **Focus:** Capture energy-saving demand from rising utility costs and promote government subsidies

bathtope : Bathroom space with fabric bathtub

Reduced material use vs. conventional tubs; contributing to water conservation



✓ **Focus:** Mitigate cost risks and develop new markets

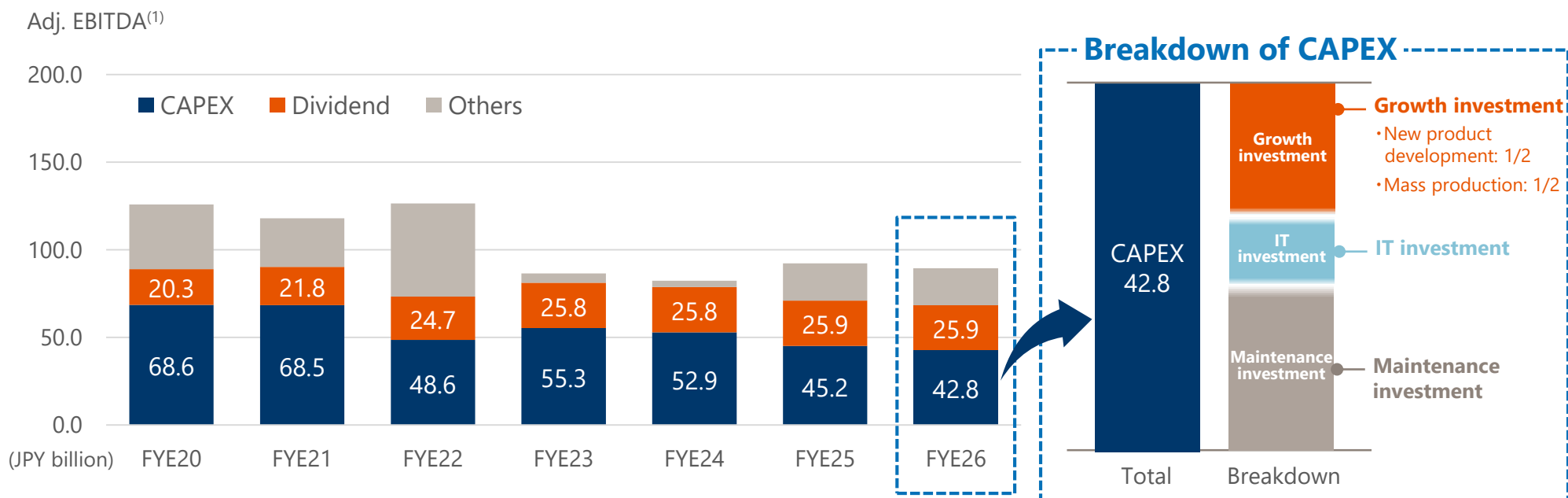
Approach to capital allocation

Policy remains unchanged

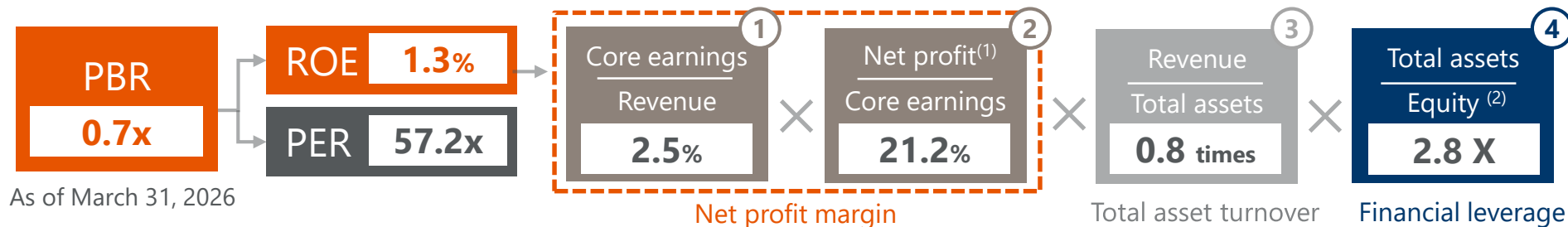
- ✓ **CAPEX:** Continue capital investments (including new product development, rationalization, and IT investments) to strengthen competitiveness
- ✓ **Shareholder return:** Basic policy is to pay stable dividends to shareholders over the long term, and to determine the amount of annual dividends based 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 FYE2027

Forecast for the DPS is JPY90, unchanged from the previous year (25% of adj. EBITDA⁽¹⁾ forecasted for FYE2027)



(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)



Trends in Key Indicators

	Unit	2020	2021	2022	2023	2024	2025	2026
ROE	(%)	2.4	6.3	8.3	2.6	-2.2	0.3	1.3
CE margin	(%)	3.5	4.2	4.5	1.7	1.6	2.1	2.5
Net profit margin ⁽³⁾	(%)	23.9	57.7	74.9	62.1	-60.0	6.4	21.2
Asset turnover	(times)	0.7	0.7	0.8	0.8	0.8	0.8	0.8
Financial leverage	(X)	4.2	3.2	2.9	3.0	2.9	3.0	2.8

- Improving ROE is essential to enhance PBR
- Asset turnover and financial leverage remain stable
- The key to improving ROE lies in enhancing core earnings margin and net profit margin
 - ✓ CE margin: Improving profitability of international businesses
 - ✓ Net profit margin: Optimizing the tax rate

For details, please refer to "Our Earnings Structure" in the 3Q results

Future Initiatives

Improving ROE through enhancing profitability

Improving CE margin

- Strengthening the renovation business in the Japan business
- Turnaround of the Americas business
- Accelerating the development of differentiated products for global markets
- Reducing SG&A (fixed costs) through the utilization of DX and AI

Improving net profit margin

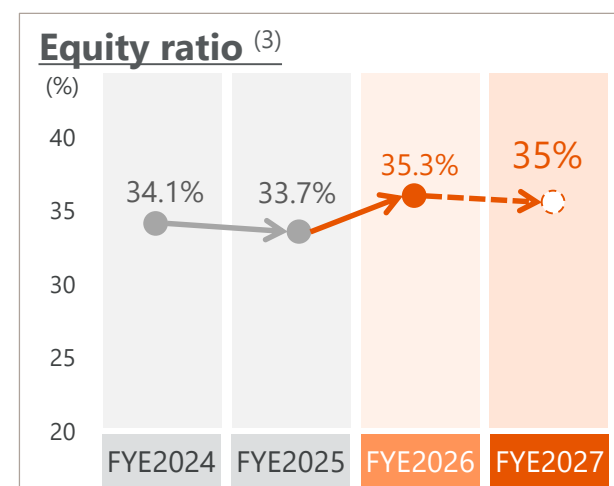
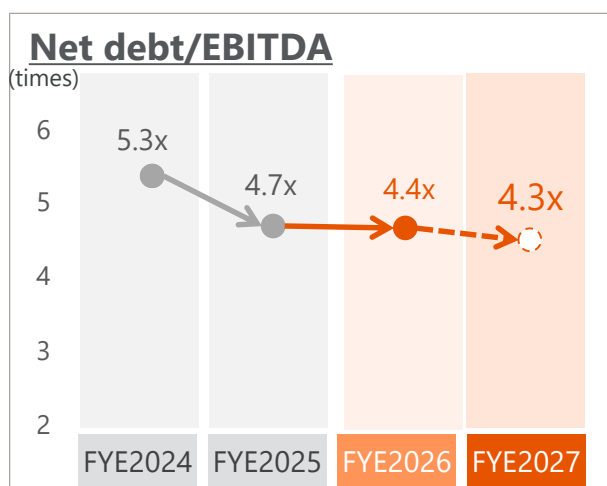
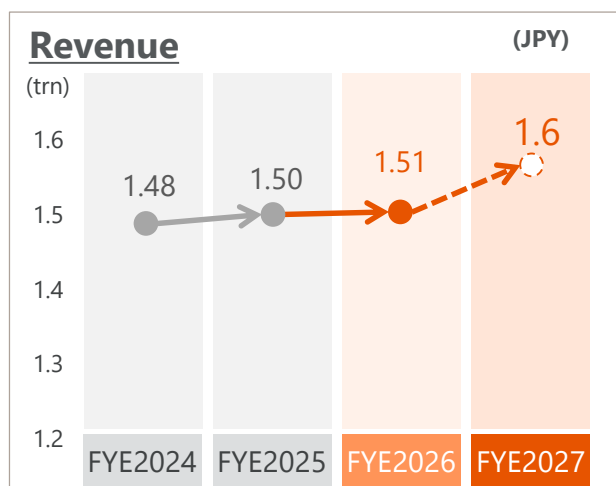
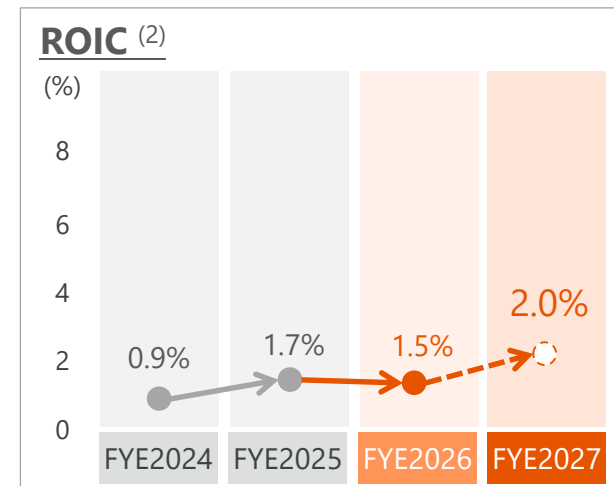
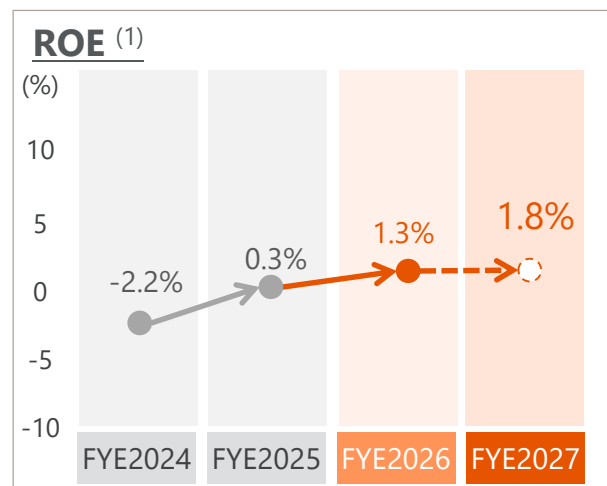
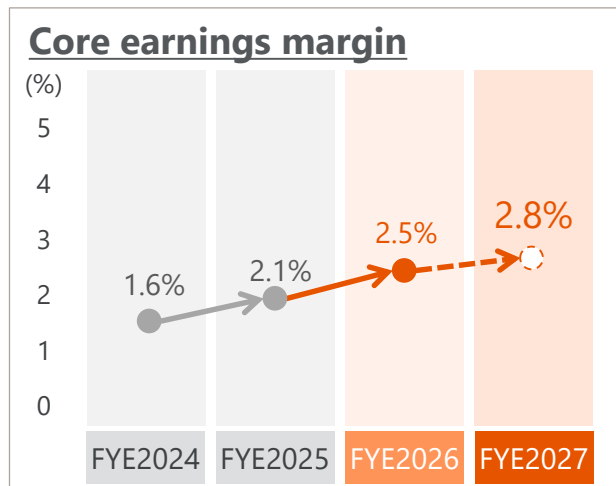
- Reduction in other expenses as structural reforms run their course
- Optimizing the tax rate by improving the profitability of loss-making subsidiaries

(1) Profit for the year attributable to owners of the parent

(2) Ratio of equity attributable to owners of the parent to total assets

(3) Net profit/Core earnings

Progress in strengthening balance sheet and improving profitability



(1) Figures before the effect of issuance of new shares announced on April 30, 2026

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

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

› FYE2027 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

		FYE2025 Results	FYE2026 Estimate ⁽¹⁾	FYE2027 Forecasts ⁽²⁾
Housing starts (Units/YoY)	Total	788,000 ⁽³⁾	728,000 ⁽³⁾	719,000/-1%
	Owner-occupied	215,000	201,000	196,000/-3%
	Detached houses for sale	119,000	116,000	113,000/-3%
Renovation (Market size)	JPY trillion/ YoY	7.3	7.4	7.5/+1%

Advanced window renovation project subsidy utilization

		FY2024 Results ⁽⁴⁾	FY2025 Results ⁽⁴⁾	FY2026 Plan
Budget	JPY billion	135.0	135.0	112.5
Number of applications	Thousand units	323	365	-
Utilization rate	%	73	78	→
Amount utilized	JPY billion	98.6	105.3	→

FX rate

		FYE2025 Results	FYE2026 Results	FYE2027 Forecasts ⁽²⁾
FX rate (Average rate)	JPY/USD	152.48	150.97	155.0
	JPY/EUR	163.62	174.54	186.0

Raw material prices

		FYE2025 Results	FYE2026 Results	FYE2027 Forecasts ⁽²⁾
Raw material prices (JPY/tonne)	Aluminum	398,000	413,000	470,000
	Copper alloy	1,170,000	1,243,000	1,336,000

Interest rates

		FYE2025 Results	FYE2026 Results ⁽⁵⁾	FYE2027 Forecasts ⁽²⁾
Average interest rates (%)	Short-term borrowings	3.2%	3.0%	→
	Long-term borrowings to be repaid within one year	1.0%	1.8%	→
	Long-term borrowings	1.5%	1.6%	→

(1) Company estimate as of February 2026

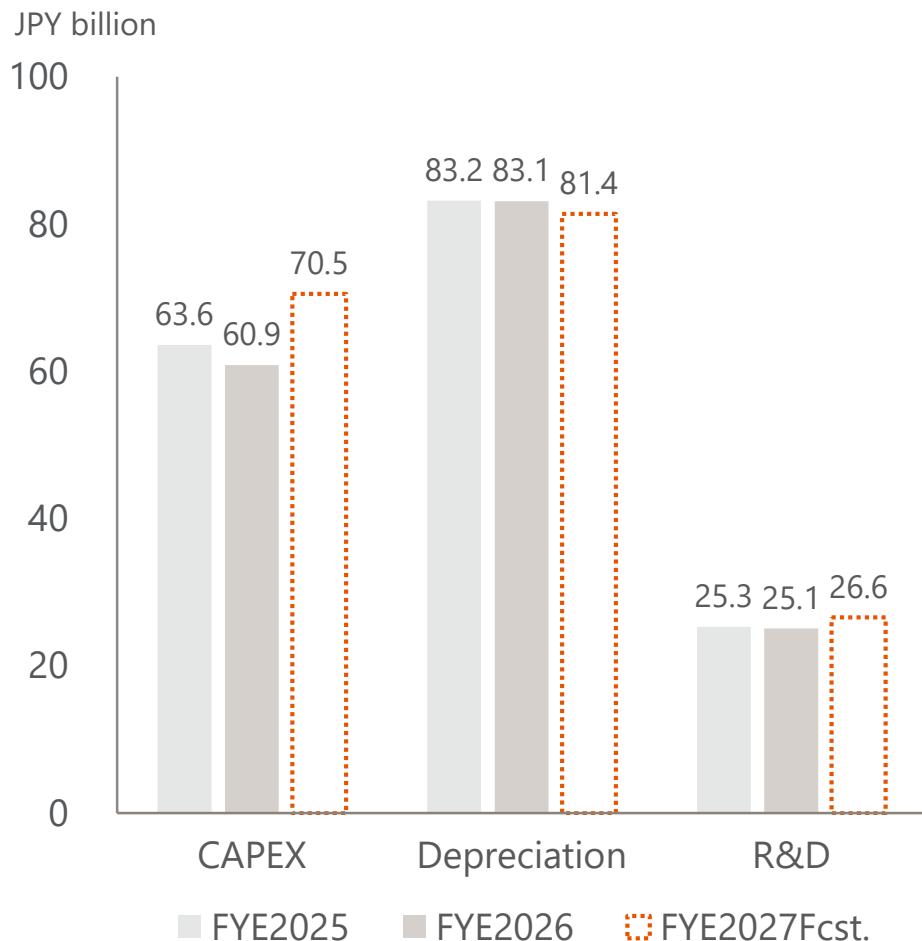
(2) Company forecast

(3) Figures adjusted for the impact of the "Article 4 Special Provisions"

(4) Information from the advanced window renovation 2025 website material <https://x.gd/pmuk4> (Japanese only)

(5) Pre-audit figures

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



Breakdown of CAPEX

JPY billion	FYE2025 Actual	FYE2026 Actual	FYE2027 Plan
IT investment	10.8	10.7	10.9
Excluding above	52.8	50.2	59.6
Total CAPEX	63.6	60.9	70.5

Breakdown of Depreciation

JPY billion	FYE2025 Actual	FYE2026 Actual	FYE2027 Plan
IT depreciation	14.0	14.2	12.6
Excluding above	69.2	68.9	68.8
Total Depreciation	83.2	83.1	81.4

(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)
- 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 profits increased; in the int'l business, while revenue remained flat due to decreased sales in the U.S. and China, profit increased driven by higher revenues in Europe and IMEA

		JPY billion	FYE2025 Results	FYE2026 Results	YoY vs Results		FYE2027 Forecasts
					Increase /decrease	%	
Japan	Revenue		312.0	318.6	+6.6	+2.1%	325.0
	CE		20.2	23.6	+3.4	+16.8%	21.0
	CE margin		6.5%	7.4%	+0.9 pp	-	6.5%
International <small>(1)</small>	Revenue		492.9	492.5	-0.4	-0.1%	550.0
	CE		16.6	21.8	+5.2	+31.2%	31.0
	CE margin		3.4%	4.4%	+1.1 pp	-	5.6%
Water Technology Total	Revenue		804.9	811.1	+6.2	+0.8%	875.0
	CE		36.9	45.4	+8.6	+23.3%	52.0
	CE margin		4.6%	5.6%	+1.0pp	-	5.9%

Revenue

- **Japan:** Revenue increased YoY driven by strong renovation sales
- **Int'l⁽²⁾:** Overall revenue was flat YoY in local currency terms and JPY terms mainly due to continued soft demand in the US and China, and the impact of the previous year's U.S. bathing business divestment offsetting revenue increases in Europe and IMEA
- **Int'l revenue distribution ratio:** 60.7%, down by 0.5pp YoY

Core earnings

- **Japan:** CE increased YoY, driven by higher renovation sales, the impact of price optimizations
- **Int'l⁽²⁾:** CE increased YoY due to profitable growth in Europe and IMEA, as well as a favorable product mix from strong sales of color products
- **Int'l CE distribution ratio:** 48.0%, up by 2.9pp 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 -JPY15.1 billion, -3%, Core earnings +JPY3.7 billion, +22%

by region (Management basis)(1) (JPY billion)	FYE2026 Results					FYE2027 Forecast	
	Revenue (YoY)		CE (YoY)		CE Margin	Revenue	
Americas	150.4	(-4%)	-7.5	(-)	-	170.0	+13%
Europe	176.6	(+4%)	21.5	(+15%)	12%	190.0	+8%
IMEA (India, Middle East, Africa)	72.1	(+15%)	5.0	(+339%)	7%	81.0	+12%
Asia Pacific	44.4	(0%)	2.0	(+11%)	5%	50.0	+13%
China	37.5	(-10%)	-0.3	(-)	-	39.0	+4%
Adjustments	11.4	-	1.1	-	-	20.0	-
Water Technology International Business Total (Statutory basis)(1)	492.5	(0%)	21.8	(+31%)	4.4%	550.0	+12%

Americas	Europe	IMEA	Asia Pacific	China
<ul style="list-style-type: none"> While retail sales recovered, overall revenue declined due to continued market softness Additional structural reforms was implemented in 4Q and have led to profitability improvements and are targeted to shift the product and sales channel mix 	<ul style="list-style-type: none"> Revenue grew, driven by higher sales volumes in key markets such as Germany, in addition to Eastern Europe Sales of faucets and flushing systems remained strong; improved product mix drove profitability 	<ul style="list-style-type: none"> Revenue across all Middle East markets increased, driven by continued strong demand, in Saudi Arabia and other GCC countries alongside YoY gains in India and Turkey Profitability primarily driven by a favorable product mix 	<ul style="list-style-type: none"> APAC revenue held steady vs. PY; growth in Vietnam and Indonesia was offset by declines in Thailand and the Philippines Profitability improved due to a favorable product and brand mix 	<ul style="list-style-type: none"> Ongoing challenges in the real estate sector continue, suppressing a recovery in consumer demand GROHE brand achieved double-digit sales growth Continued disciplined cost management in order to align the organization with current market situation to protect profitability

(1) Statutory basis currency: FYE2026 results 1USD=JPY150.97, 1EUR=JPY174.54 Management basis currency: FYE2026 1USD=JPY155.0, 1EUR=JPY161.2

(2) With the dissolution of US bathing business, we have excluded its sales from FYE2025 results. Including its sales from FYE2025, sales YoY would be -13%

In Japan, while revenue decreased due to the impact of lower sales for new housing, core earnings increased as renovation sales grew. International business: revenue and core earnings are flat, offset the sluggish demand in Thailand by expanding sales in India

		JPY billion	FYE2025 Results	FYE2026 Results	YoY vs Results		FYE2027 Forecasts
					Increase /decrease	%	
Japan	Revenue		500.6	497.2	-3.4	-0.7%	505.0
	CE		24.9	25.4	+0.6	+2.3%	27.5
	CE margin		5.0%	5.1%	+0.1pp	-	5.4%
International	Revenue		26.5	28.4	+1.9	+7.2%	32.0
	CE		1.2	1.3	+0.1	+8.8%	1.5
	CE margin		4.4%	4.5%	+0.1pp	-	4.7%
Housing Technology Total(1)	Revenue		527.1	525.7	-1.5	-0.3%	537.0
	CE		26.0	26.7	+0.7	+2.6%	29.0
	CE margin		4.9%	5.1%	+0.1pp	-	5.4%

Revenue

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

Core earnings

- CE increased YoY, driven by strong remodeling sales, 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) FYE2026 Full-year results (Reference) LHT excl. building business Revenue JPY427.8 billion, CE JPY17.0 billion, CE margin 4.0%
Building business Revenue JPY97.8 billion, CE JPY9.7 billion, CE margin 9.9%

Strong renovation sales led to increased revenue and core earnings

	JPY billion	FYE2025	FYE2026	YoY vs Results		FYE2027
		Results	Results	Increase /decrease	%	
Living Total	Revenue	205.5	207.6	+2.1	+1.0%	215.0
	CE	7.2	7.8	+0.6	+8.5%	10.0
	CE margin	3.5%	3.8%	+0.3 pp	-	4.7%

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 *Lumis*



Wooden interior materials *Lasissa*



APPENDIX: FINANCIAL DATA

› REVENUE BY PRODUCT AND SERVICE

LWT: all products increased YoY in Q4. LHT: housing sashes decreased YoY due to the transition period between window renovation subsidy programs, while exterior performed well in Q4. Living: vanities performed well

Segments	Major products	JPY billion			in %							
		Full-year FYE2025 Results	Full-year FYE2026 Results	YoY	Quarterly YoY							
					FYE2025				FYE2026			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
LWT	Sanitaryware** (1)	115.2	118.2	+2.7%	+5.7	+8.7	+10.9	+6.9	+8.6	+2.5	-0.4	+1.1
	Bathroom Units	92.4	95.1	+2.9%	+4.2	+0.6	+4.5	+1.6	+6.3	-0.1	+0.3	+5.2
	Tiles	30.2	29.7	-1.7%	-0.9	-6.2	-3.1	-3.0	-2.6	-0.5	-3.8	+0.2
LHT	Housing sashes and others	187.9	189.3	+0.7%	+1.3	-5.4	+5.6	+4.5	+0.6	-0.5	+4.7	-2.9
	Exterior	94.5	96.8	+2.5%	-0.5	-3.4	-2.1	+5.5	+3.7	+1.3	-0.8	+6.1
	LHT others	38.7	37.0	-4.6%	-12.1	-13.3	-8.5	+1.2	+1.4	-0.6	-7.8	-11.3
	Building sashes	101.0	97.8	-3.1%	+2.0	+8.0	-6.1	+1.9	-9.3	-2.2	+3.7	-5.6
	Housing and Services business	19.0	17.2	-9.4%	-26.7	-25.0	-1.7	-8.0	-6.8	-11.1	-12.9	-6.5
Living	Kitchens	100.4	102.3	+1.9%	+2.3	+1.0	+2.5	+4.7	+6.8	+1.4	-0.1	0.0
	Vanities (1)	36.6	37.6	+2.6%	-5.8	-6.4	-4.7	-7.0	+3.4	+1.4	+0.8	+4.9
	Wooden interior materials	57.2	56.8	-0.8%	-3.7	-4.9	-2.2	+0.7	+3.0	-2.4	-3.8	+0.6
	International (2)	519.4	520.9	+0.3%	+9.9	+1.2	+5.7	-2.5	-8.5	+1.0	+2.4	+6.6
	Others/consolidation & Adj.	112.2	112.1	-								
Total		1,504.7	1,510.7	+0.4%	+3.0	-0.8	+2.6	+1.1	-1.4	+0.3	+0.5	+2.2
LWT	Faucets	28.0	29.9	+6.9%	-0.3	+15.3	+10.7	+8.5	+16.0	+4.3	+2.4	+6.6

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

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

Renovation sales ratio increased by 1.9pp. Window subsidy gap weighed on LHT, but water-related demand remains firm

JPY billion	Q4 (12 months)				Q4 (3 months)	
	FYE2025 Results ⁽¹⁾	FYE2026 Results	Increase /decrease	YoY	FYE2026 Results	YoY
Sales of renovation-related products	377.6	397.6	+20.0	+5.3%	88.3	+2.6%
LWT-J				+6%		+6%
LHT				+5%		-3%
Excl. building				+5%		-1%
Building business				0%		-9%
Living				+6%		+6%
Renovation sales ratio	45%	47%	+1.9pp		43%	+0.7pp

Renovation sales ratio by business segment (YoY)

	FYE2025	FYE2026	Increase /decrease
LWT	55%	57%	+1.8pp
LHT	39%	41%	+1.7pp
Living	47%	49%	+2.1pp
Japan Total	45%	47%	+1.9pp

Inner window *In-plus*



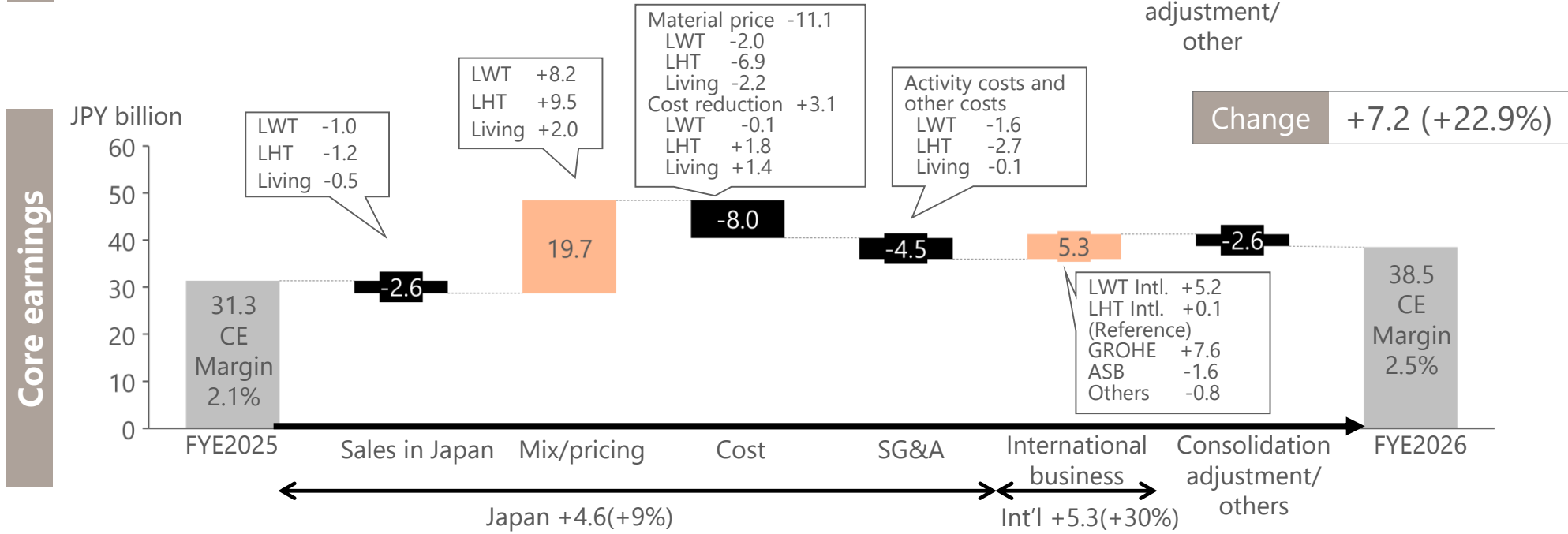
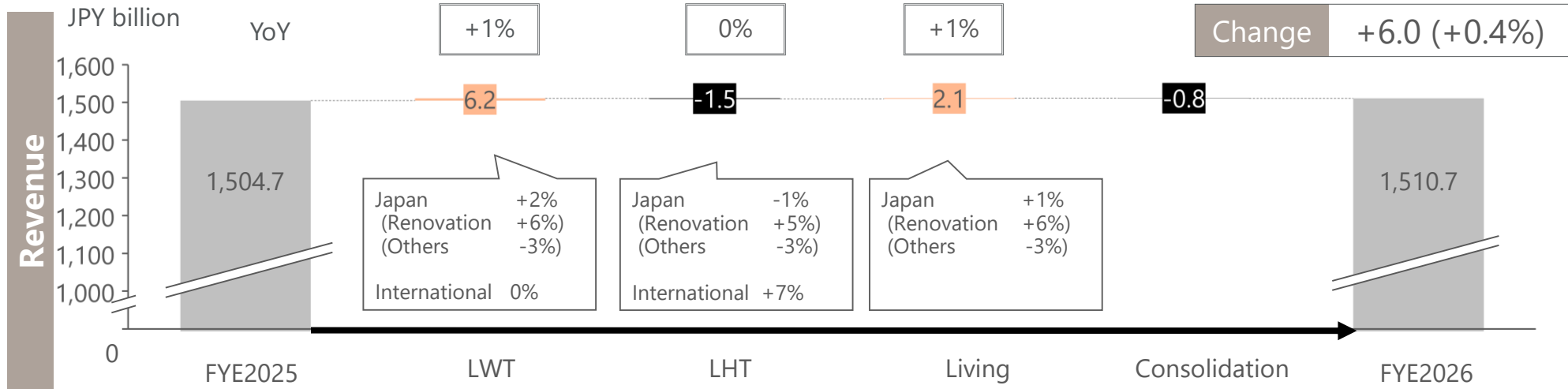
(1) Sales of renovation product was restated for comparison on the same basis

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

	FYE2026 (12 months)						Q4 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%	59%	35%	49%	42%	13%	62%	55%	35%	44%
Toilets	44%	67%	24%	36%	61%	37%	44%	68%	23%	40%	62%	34%
Kitchen faucets and water systems	9%	5%	16%	4%	3%	5%	8%	5%	15%	3%	3%	5%
Bathing and showering systems	4%	12%	0%	0%	1%	1%	4%	11%	0%	0%	1%	1%
All others	2%	3%	0%	1%	0%	8%	2%	3%	0%	2%	0%	16%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Sales growth												
Bath faucets and showers	+3%	-9%	+2%	+12%	+6%	-4%	+4%	-5%	+4%	+4%	+14%	+5%
Toilets	+2%	+1%	+8%	+23%	-3%	-22%	+1%	+0%	+1%	+39%	-6%	-24%
Kitchen faucets and water systems	+4%	-3%	+6%	+9%	+30%	-10%	+1%	-7%	+3%	+3%	+39%	-16%
Bathing and showering systems	-22%	-22%	-5%	-24%	+1%	+14%	-18%	-19%	+17%	-29%	+9%	+15%

(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

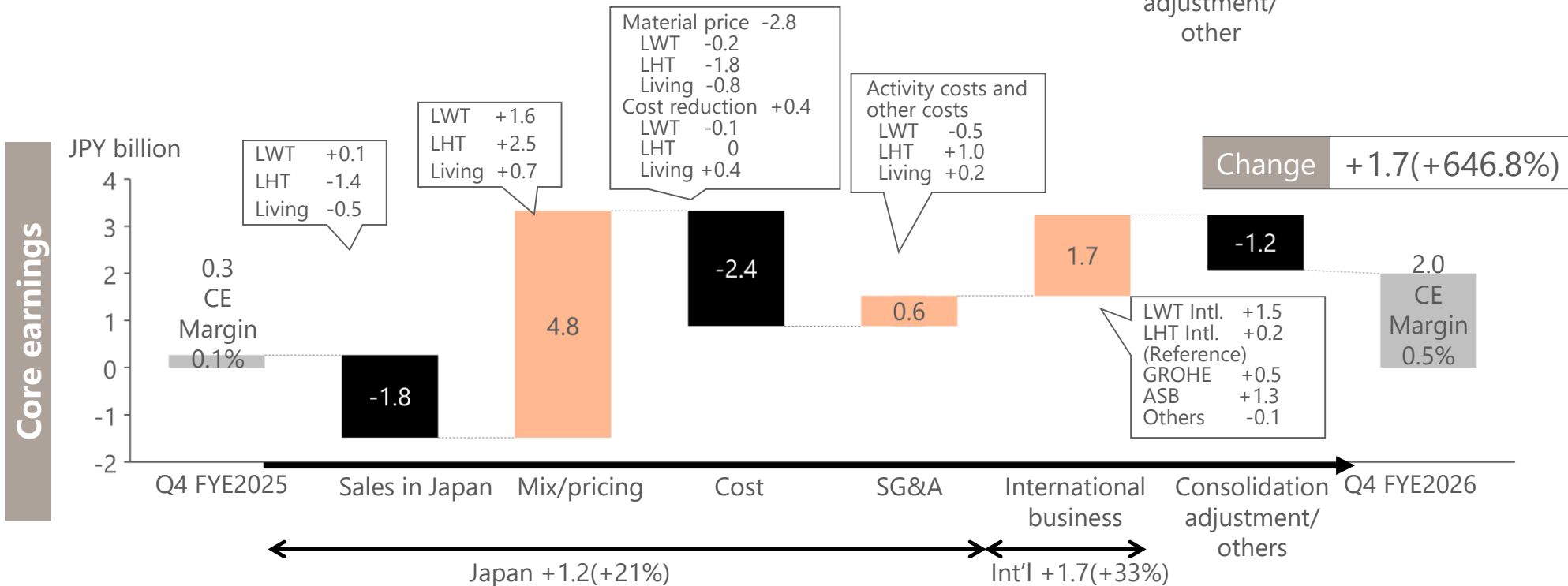
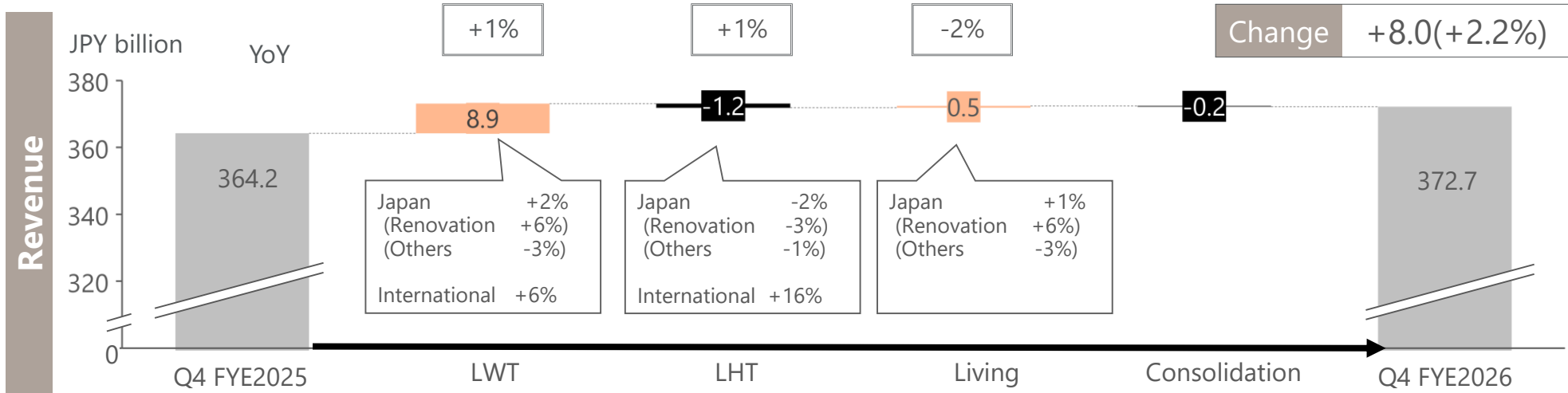
Q4 (12MONTHS) FYE2026 CHANGE IN REVENUE AND CORE EARNINGS



Initial forecast (utilization rate)	Sales in Japan	Mix/pricing	Cost	SG&A	International business	Consolidation adjustment/others
+3.5 (-)	+20.4 (97%)	-9.4 (85%)	-7.7 (58%)	+3.7 (142%)	-6.8 (38%)	

Q4 (3MONTHS) FYE2026

CHANGE IN REVENUE AND CORE EARNINGS



> FYE2026 OTHER INCOME AND EXPENSES, FINANCE INCOME AND COSTS

JPY billion	FYE2025 Results	FYE2026 Results	Increase/ decrease
Gains on disposal of property, plant and equipment	0.5	2.4	+1.9
Gain from remeasurement relating to application of the equity method	-	1.7	+1.7
Others	10.5	5.2	-5.3
Other income	11.0	9.4	-1.7
Losses on disposal of property, plant and equipment	1.3	1.2	-0.1
Impairment losses	3.5	6.5	+3.1
Others	7.9	11.7	+3.8
Other expenses	12.7	19.5	+6.8
Interest income	1.8	1.9	+0.1
Dividend income	1.2	1.4	+0.2
Gains on valuation of derivatives	0.7	0.9	+0.2
Others	0.3	0.2	-0.1
Finance income	4.0	4.4	+0.4
Interest expense	11.9	11.5	-0.4
Losses on exchange differences	1.7	5.3	+3.6
Others	0.3	0.1	-0.2
Finance costs	13.9	16.9	+3.0

- Other income includes:
 - (1) Gains on disposal of property, plant and equipment and one-time profit recognition due to an equity-method affiliate conversion of an investment
- Other expenses include:
 - (2) Impairment losses on the IT system and Impairment loss at overseas plants
 - (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

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		FYE2025 Results			FYE2026 Results				FYE2027 Full-year Forecasts			
JPY billion		Japan	Intl.	Total	Japan	Intl.	Total	Total YoY%	Japan	Intl.	Total	Total YoY%
LWT	Revenue	312.0	492.9	804.9	318.6	492.5	811.1	+0.8%	325.0	550.0	875.0	+7.9%
	CE	20.2	16.6	36.9	23.6	21.8	45.4	+23.3%	21.0	31.0	52.0	+14.4%
	CE margin	6.5%	3.4%	4.6%	7.4%	4.4%	5.6%	+1.0pp	6.5%	5.6%	5.9%	+0.3pp
LHT	Revenue	500.6	26.5	527.1	497.2	28.4	525.7	-0.3%	505.0	32.0	537.0	+2.2%
	CE	24.9	1.2	26.0	25.4	1.3	26.7	+2.6%	27.5	1.5	29.0	+8.6%
	CE margin	5.0%	4.4%	4.9%	5.1%	4.5%	5.1%	+0.1pp	5.4%	4.7%	5.4%	+0.3pp
Living	Revenue	205.5		205.5	207.6		207.6	+1.0%	215.0		215.0	+3.6%
	CE	7.2		7.2	7.8		7.8	+8.5%	10.0		10.0	+27.5%
	CE margin	3.5%		3.5%	3.8%		3.8%	+0.3pp	4.7%		4.7%	+0.9pp
Cons. Adj. & Others ⁽¹⁾	Revenue			-32.8			-33.6	-			-27.0	-
	CE			-38.8			-41.5	-			-46.0	-
LIXIL ⁽¹⁾	Revenue	1,018.1	519.4	1,504.7	1,023.4	520.9	1,510.7	+0.4%	1,045.0	582.0	1,600.0	+5.9%
	CE	52.3	17.8	31.3	56.9	23.1	38.5	+22.9%	58.5	32.5	45.0	+16.9%
	CE margin	5.1%	3.4%	2.1%	5.6%	4.4%	2.5%	+0.5pp	5.6%	5.6%	2.8%	+0.3pp

(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					Full-year YoY
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	Q4	Full-year	
Revenue	298	286	262	276	1,122	247	250	239	243	979	-13%
Core earnings	-12	-6	-13	-12	-44	-19	-16	-18	-2	-55	-
Core earnings margin	-	-	-	-	-	-	-	-	-	-	-

Grohe Group (GROHE) (EUR million)	FYE2025					FYE2026					Full-year YoY
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	Q4	Full-year	
Revenue	390	393	412	406	1,601	417	425	414	404	1,660	+4%
Core earnings	20	39	44	47	150	51	44	45	44	185	+23%
Core earnings margin	5%	10%	11%	12%	9%	12%	10%	11%	11%	11%	+1.7pp

ASB (ASD Holdings) (USD million)	FYE2025 Balance	FYE2026 Balance
Goodwill ⁽¹⁾	225	225
Intangible assets ⁽¹⁾	221	215

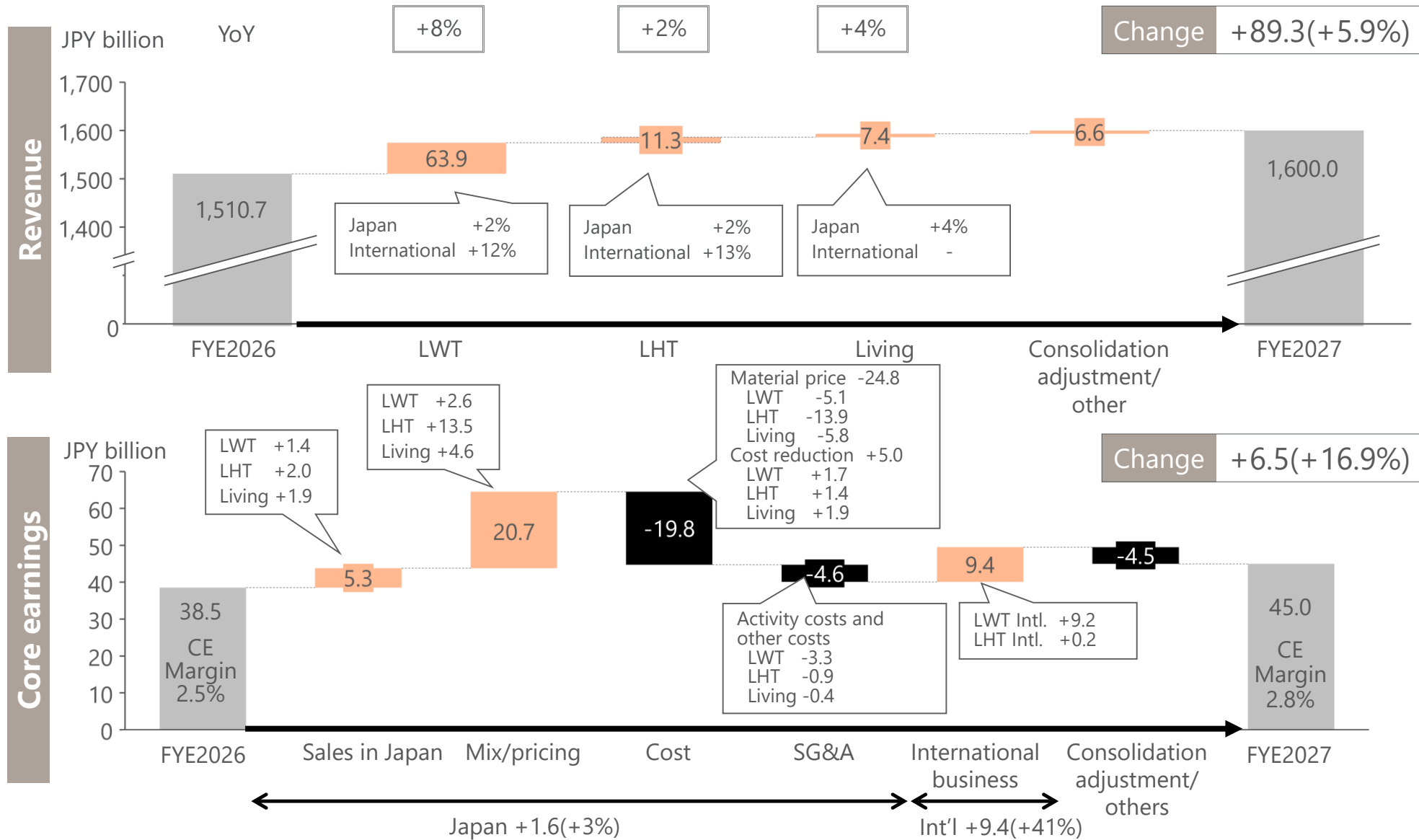
Grohe Group (GROHE) (EUR million)	FYE2025 Balance	FYE2026 Balance
Goodwill ⁽¹⁾	1,199	1,185
Intangible assets ⁽¹⁾	1,382	1,372

FYE2026 Full-year

FX rates	Average	Current
USD	JPY150.97	JPY159.88
EUR	JPY174.54	JPY183.41

(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

FYE2027 FORECAST CHANGE IN REVENUE AND CORE EARNINGS



> APPENDIX: BUSINESS AND ESG-RELATED TOPICS

Effective after the annual shareholders' meeting to be held in June 2026

List of Directors

(Announced on March 23, 2026; partially revised)

(◎: newly appointed June 2026, □: independent director, Underline: female member) ✱: Chairperson, ●: Member

		Name	Chairperson of the Board	Nomination Committee	Audit Committee	Compensation Committee
Internal Directors ⁽¹⁾		Kinya Seto				
	◎	Yugo Kanazawa				
	◎	<u>Mariko Fujita</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

* Regarding Director candidate Ms. Yayoi Tanaka, the Company has decided to withdraw her nomination as a candidate for new Director, by mutual consultations with her, from the perspective of balancing the role with her other professional commitments. For details, please refer to the timely disclosure released today

(1) Concurrently serves as an Executive officer

* Only statutory committees are listed

(as of April 1, 2026)

List of Executive Officers

(Announced on March 23, 2026)

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

Name		Positions
Kinya Seto	※	Representative Executive Officer, President, and Chief Executive Officer
Yugo Kanazawa	※	Representative Executive Officer, Executive Vice President, COO and Human Resources, Digital and CX
Bijoy Mohan		Executive Officer, Executive Vice President, LIXIL International
Satoshi Yoshida		Executive Officer, Executive Vice President, LIXIL Housing Technology (LHT) and Living
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
<u>Erin McCusker</u>	◎	Executive Officer, Executive Vice President, Chief Impact Officer, Communications, External Affairs, and Impact Strategy

■ Improving Global Sanitation & Hygiene

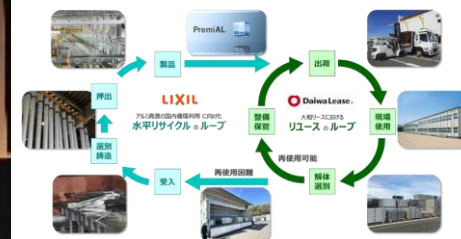
2025 Target Achieved: Improved sanitation and hygiene for 103 million people globally ⁽¹⁾



- Reached a cumulative 103 million people's lives with improved sanitation and hygiene - a 2025 Impact Strategy target within our "Global Sanitation and Hygiene" pillar
- Through the SATO social business, shipped over 10 million toilet and tap units to 59 countries and territories. These innovative, affordable solutions are critical elements for continuously developing the global sanitation market
- Marking the 100-million-lives milestone as a turning point, LIXIL has set a new goal to improve sanitation and hygiene for an additional 100 million people (directly and indirectly) by the fiscal year ending March 2031⁽²⁾

■ Contribute to a Low-Carbon Society and Circular Economy

Awarded the Circular Economy Award at the 7th ESG Finance Awards Japan created by the Ministry of the Environment ⁽³⁾



- LIXIL received its first Circular Economy Award in the Environmentally Sustainable Company category for multifaceted aluminum recycling initiatives that balance resource circularity with economic value
- Deploying *PremiAL* series of circular low-carbon aluminum, which reduces CO₂ emissions by 50% compared to primary aluminum ingots. Expansion to all products using LIXIL-manufactured aluminum extrusions began in October 2025
- Launched a domestic circular system in collaboration with Daiwa Lease in 2025 to collect, recycle, and resupply sashes for the office leasing business ⁽⁴⁾

(1) News release https://newsroom.lixil.com/20260216_103million_milestone

(2) Website https://www.lixil.com/en/impact/sanitation/sanitation_detail.html

(3) News release <https://newsroom.lixil.com/ja/2026021899> (JP only)

(4) News release <https://newsroom.lixil.com/ja/2026021898> (JP only)

■ Contribute to a Low-Carbon Society and Circular Economy

Won the Gold Award in the Manufacturing category for circular material *revia* at the Plasma Award 2026 hosted by the Ministry of the Environment⁽¹⁾



- Circular material *revia*, which utilizes hard-to-recycle waste plastic and wood waste, received the top Gold Award
- Established a resource recycling system through a partnership agreement with Tsu City, Mie Prefecture in Japan in 2025, to manufacture products at the LIXIL Hisai Plant using household plastic waste
- As a further step forward, *revia* panel was launched in April 2026, leveraging construction expertise gained at the Expo 2025 Osaka. The product which balances high design aesthetics with easy installation ⁽²⁾

■ Enhancing the Value of the Living Experience Through Design

Accelerating proposals as living space that balance design and functionality



- Refreshed *Noct* and *Shiera* system kitchens, accelerating new spatial design proposals by balancing furniture-like aesthetics and functionality while introducing the new material *Retext Top* to the *Noct* series⁽³⁾
- Added COMFORT GRAIN -a new coordination born from recent trends such as harmony with nature and wellness- to LIXIL Design Style. To create spatial concepts for comfortable daily life, launched new products in the premium *GS series* interior line and in “*ECOCARAT PLUS*” functional tiles ⁽⁴⁾

(1) News release <https://newsroom.lixil.com/ja/2026020599> (JP only)

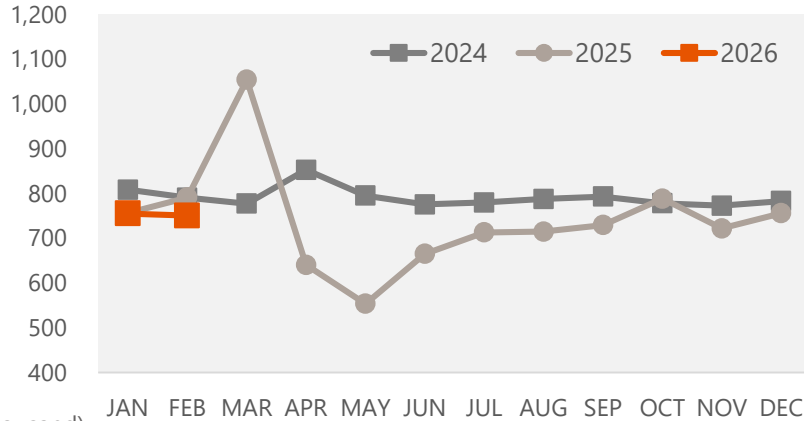
(2) News release <https://newsroom.lixil.com/ja/2026030201> (JP only)

(3) News release <https://newsroom.lixil.com/ja/2026020401> (JP only)

(4) News release <https://newsroom.lixil.com/ja/2026020901> (JP only)

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 2024-Feb 2026)

New housing construction trends in Japan

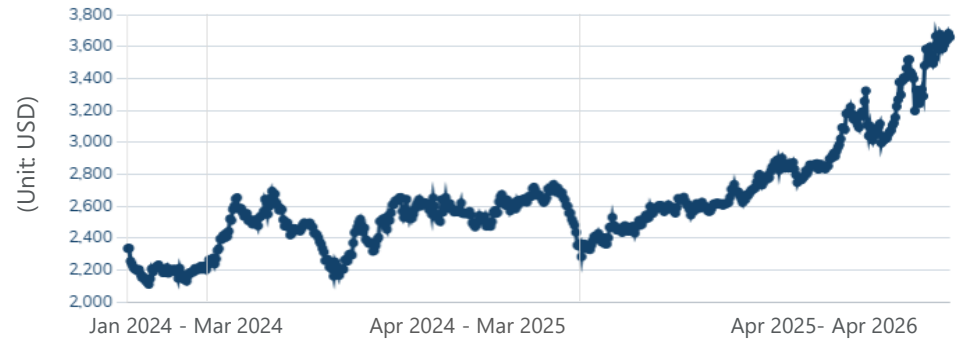
(year-on-year)

- Jan-Feb 2026: -2.7%
- Jan-Dec 2025: -6.5%

	Jan-Dec 2025 (12 months)		Apr 2025-Feb 2026 (11 months)	
	Units	YoY	Units	YoY
Total new housing starts	740,667	-6.5%	647,676	-10.9%
Owner-occupied(1)	201,285	-7.7%	178,452	-10.9%
Rental homes	324,991	-5.0%	281,228	-10.5%
Condos for sale	89,888	-12.2%	75,418	-20.1%
Detached houses for sale(2)	115,935	-4.3%	104,394	-5.0%
Detached houses total (1)+(2)	317,220	-6.5%	282,846	-8.8%

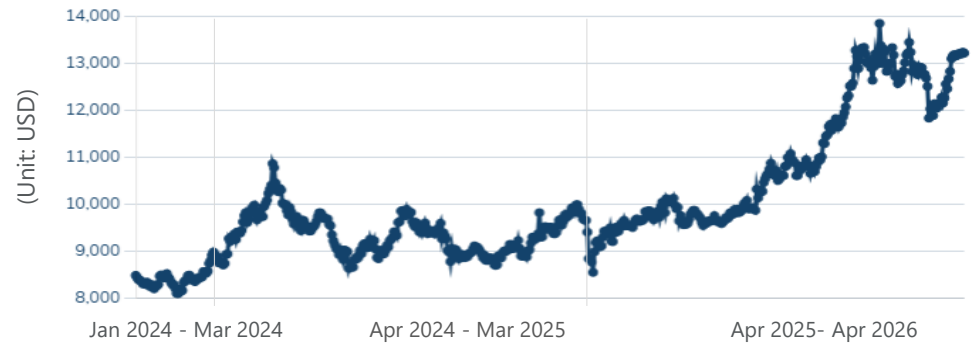
Aluminum price trend

Source : LME 3 months
(From Jan 1, 2024, to Apr 27, 2026)



Copper price trend

Source : LME 3 months
(From Jan 1, 2024, to Apr 27, 2026)



Foreign exchange rates (Average rate)	FYE2025 Actuals	FYE2026 Actuals	FYE2027 Assumptions
US dollar	JPY152.48	JPY150.97	JPY155.0
Euro	JPY163.62	JPY174.54	JPY186.0

Results and assumptions (price)	FYE2025 Actuals	FYE2026 Actuals	FYE2027 Assumptions
Aluminum (Purchasing price)	398,000	413,000	470,000
Copper alloy	1,170,000	1,243,000	1,336,000

(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