H1 Financial Results for the Fiscal Year Ending March 31, 2027 [IFRS]

(From April 1, 2026 to September 30, 2026)

LIXIL

LIXIL Corporation
October 30, 2026

TSE Code: 5938

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Summary of results for H1 FYE2027

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

Japan

- Rising ingot and material costs intensified, and as benefits of price optimization was limited, profitability temporarily deteriorated
- In particular, LHT experienced a year-on-year decline in core earnings due to the cost impact of rising aluminum prices and a lower renovation sales ratio
- LWT Japan business achieved a year-on-year increase in core earnings, supported by a recovery in renovation sales

International

- While housing demand in the U.S. and China remained sluggish, core earnings increased YoY driven by solid performance in Europe and the IMEA region

Others

- Full-year earnings and dividend forecast remains unchanged
- Resolved interim dividend of JPY45 / share

KEY HIGHLIGHTS (JAPAN BUSINESS)

Continuing renovation sales recovery for water-related products and aiming for H2 recovery through and expansion of renovation sales, including subsidy-eligible products for LHT

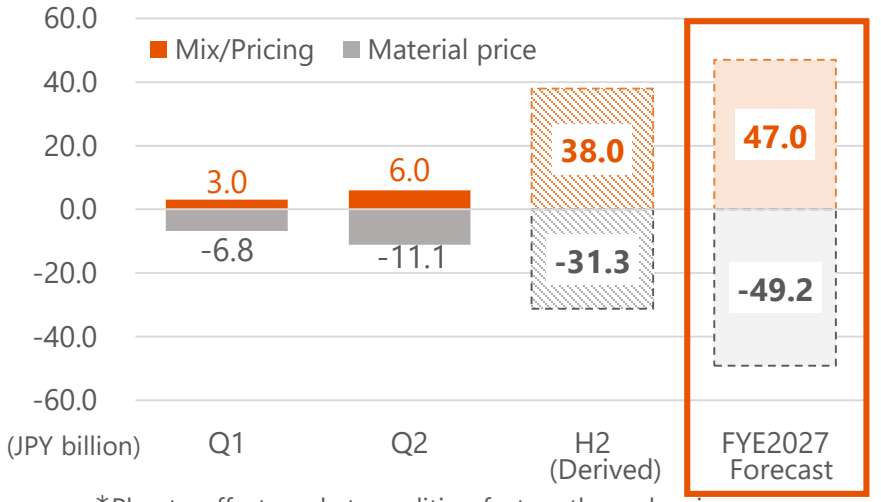
H1 Results

- Ingot and material cost increases intensified from Q2
- Further price optimization set for Aug/Oct, with limited H1 impact
- Water-related renovation sales recovered in Q2, after Q1 supply concerns led to prioritizing new housing

H2 Forecasts

- Benefits of price optimization expected to materialize, but the impact on sales volumes requires monitoring
- Renovation sales for water-related products expected to sustain the recovery
- LHT renovation sales expected to recover in Q3 due to seasonality and subsidy-eligible products
- Volume and product mix impacts on profit requires close monitoring

Price optimization and Material price trend



*Plan to offset market condition factors through price optimization and cost reductions

Aluminum price trend

Source：LME 3 months (From Jul 1, 2025, to Oct 23, 2026)

KEY HIGHLIGHTS (LWT INTERNATIONAL BUSINESS)

LWT International revenue and core earnings increased YoY. Maintained profit growth by the price optimization and structural cost reductions, offsetting material inflation and elevated freight expenses

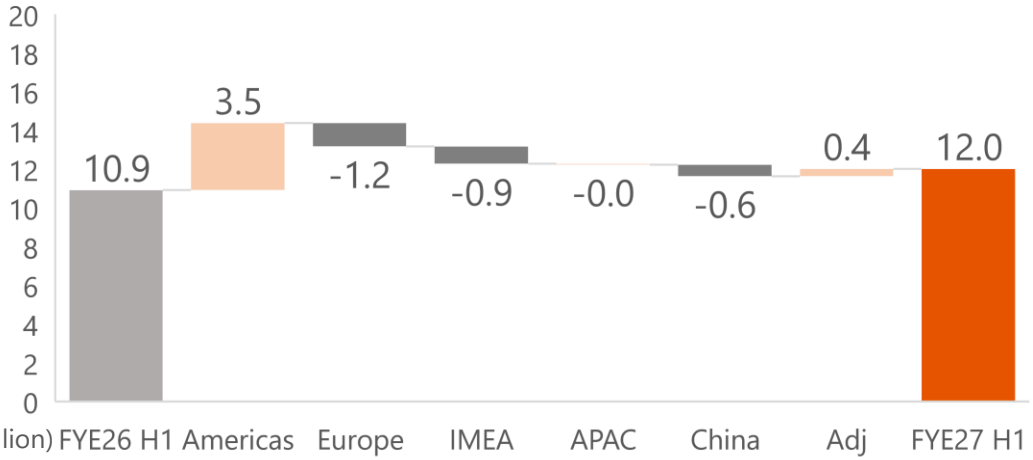
H1 Results

- Americas: Reduced loss driven by structural reform effects
- Europe: Profitability impacted by softening in demand due to interest rates and inflation
- IMEA: Core earnings declined due to cost increases despite solid revenue
- APAC: Maintained recovery trend
- China: Overall market contraction continues

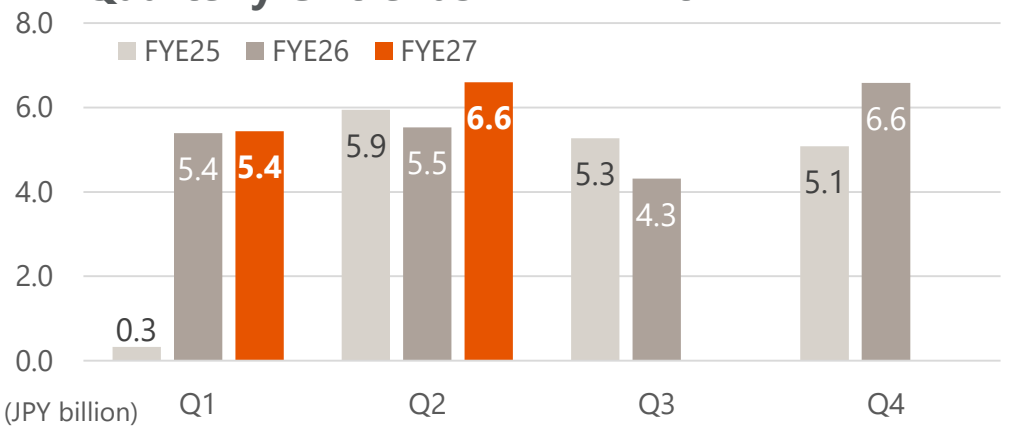
H2 Forecasts

- Americas: Further deterioration in the housing market is a concern
- Europe: Recovery stalled by political instability; warrants close monitoring
- IMEA: Closely monitoring Middle East conflict impacts; implementing price optimization and product mix enhancements to offset cost inflation
- Rising copper, logistics, and fuel costs remains a concern

CE breakdown by region in LWT Int'l in H1(1)



Quarterly CE trends in LWT Int'l



(1) Regional breakdown figures are on a management basis

KEY HIGHLIGHTS (LWT INTERNATIONAL BUSINESS)

Europe, IMEA, and APAC continued revenue growth, while the Americas reduced its loss on flat revenue growth

Americas

- **Market Trends**

Rising mortgage rates leads to further weakening of housing demand

- **Current Situation**

Reduced loss by structural reform effects continued in H1

Promoting sales expansion by segmenting GROHE and ASB and leveraging their respective strengths

- **Outlook for H2**

Housing market remains sluggish

Targeting revenue improvement by the sales recovery and price optimization, while protecting margin through cost reduction

Europe

- **Market Trends**

Political instability stalling recovery across countries; watching demand trends closely

- **Current Situation**

Maintained YoY revenue growth; price optimization helped offset material inflation, but rising copper, logistics, and fuel costs remains a concern

- **Outlook for H2**

Monitoring market deterioration (e.g., France); sustaining profitability by the high-value-added new products and maintaining cost control

IMEA

- **Market Trends**

Signs of slowing growth in the Middle East due to escalating tensions

- **Current Situation**

Revenue expected to grow through market share gains, but profit trending down due to front-loaded cost increases (surging ocean freight & procurement costs) tied to Middle East tensions

- **Outlook for H2**

Aiming to expand market share amid ongoing demand volatility and to maintain profitability through price optimization and product mix improvement

APAC / China

- **Market Trends**

Growth in Vietnam and Indonesia offset the weakness in Thailand

Continued real estate market slump in China

- **Current Situation**

Maintained profitability in APAC through revenue growth and cost control

Earnings remained positive while revenue fell in China

- **Outlook for H2**

APAC continues to optimize its supply system

Maintaining cautious operations while securing profitability in China

H1 FYE2027 PERFORMANCE HIGHLIGHTS

Revenue increased while core earnings decreased year-on-year

- **Revenue: JPY762.5 billion, up JPY26.5 billion year-on-year**
  - Q2 (3 months) YoY: +1% in Japan and +8% in international markets (+1% excluding foreign exchange impact)
  - H1 (6 months) YoY: -1% in Japan and +12% in international markets (+3% excluding foreign exchange impact)
- **Core earnings: JPY5.5 billion, down JPY11.4 billion year-on-year**
  - Q2 (3 months) YoY: JPY+2.2 billion in LWT, JPY-4.7 billion in LHT, JPY-0.4 billion in Living, and JPY-1.1 billion for consolidation adjustment/other factors
  - H1 (6 months) YoY: JPY+2.3 billion in LWT, JPY-11.2 billion in LHT, JPY-1.3 billion in Living, and JPY-1.2 billion for consolidation adjustment/other factors
- **EBITDA(1): JPY47.3 billion, down JPY10.5 billion year-on-year**
- **Profit(2): JPY-4.6 billion, down JPY7.9 billion year-on-year**
  - Q2 (3 months) YoY: Decreased by JPY5.3 billion due to a decrease in core earnings and an increase in income tax expenses, despite a decrease in other expenses and finance costs
  - H1 (6 months) YoY: Decreased by JPY7.9 billion due to a decrease in core earnings and an increase in income tax expenses, despite decrease in other expenses and finance costs

(1) EBITDA=Core earnings + Depreciation + Amortization
(2) Profit = Profit attributable to owners of the parent

H1 FYE2027 CONSOLIDATED BUSINESS RESULTS

JPY billion	H1 (6 months) FYE2026	H1 (6 months) FYE2027	H1 (6 months) Increase/ decrease (YoY)	H1 (6 months) %	Q2 (3 months) FYE2027	Q2 (3 months) Increase/ decrease (YoY)	Q2 (3 months) %
Revenue	735.9	**762.5**	+26.5	+3.6%	**383.2**	+12.0	+3.2%
Gross Profit	251.9	**250.0**	-1.9	-0.8%	**125.5**	-1.6	-1.3%
(%)	34.2%	**32.8%**	-1.4 pp	-	**32.8%**	-1.5 pp	-
SG&A	235.0	**244.4**	+9.4	+4.0%	**121.7**	+2.4	+2.0%
Core Earnings (CE) (1)	16.9	**5.5**	-11.4	-67.3%	**3.8**	-4.0	-51.3%
(%)	2.3%	**0.7%**	-1.6 pp	-	**1.0%**	-1.1 pp	-
Profit for the Quarter (2)	3.4	**-4.6**	-7.9	-	**-1.1**	-5.3	-
EPS (JPY)	11.67	**-15.96**	-27.63	-	**-3.76**	-18.60	-
EBITDA (3)	57.8	**47.3**	-10.5	-18.2%	**24.6**	-3.8	-13.4%
(%)	7.9%	**6.2%**	-1.7 pp	-	**6.4%**	-1.2 pp	-

- **Gross profit margin:** Decreased by 1.4pp YoY
- **SG&A expenses:** Increased by JPY9.4 billion YoY (Japan JPY0.6 billion increase, International JPY1.5 billion increase, forex effect JPY7.3 billion increase) mainly due to higher personnel costs in Japan, an increase in SG&A expenses for international business, and foreign exchange impacts. SG&A ratio increased by 0.1pp
- **CE margin:** Decreased by 1.6pp YoY

(1) Equivalent to "Operating profit" of JGAAP
(2) Profit attributable to owners of the parent
(3) EBITDA=Core earnings + Depreciation + Amortization

H1 FYE2027 BUSINESS RESULTS BY SEGMENT

LWT: Core earnings increased for both Japan and International businesses
LHT: CE declined mainly due to soaring raw material costs
Living: CE declined due to foreign exchange impact and higher material costs

JPY billion		H1 (6 months) FYE2026	H1 (6 months) FYE2027	H1 (6 months) Increase /decrease (YoY)	Q2 (3 months) FYE2027	Q2 (3 months) Increase /decrease (YoY)
LWT	Revenue	392.9	**422.7**	+29.9	**212.5**	+12.8
	CE	20.6	**22.8**	+2.3	**12.1**	+2.2
LHT	Revenue	259.2	**252.3**	-6.8	**127.6**	-3.3
	CE	12.3	**1.1**	-11.2	**1.5**	-4.7
Living	Revenue	100.3	**103.3**	+3.0	**51.2**	+2.1
	CE	3.4	**2.2**	-1.3	**0.9**	-0.4
Consolidation, Adj. & Other	Revenue	-16.4	**-16.0**	+0.5	**-8.0**	+0.4
	CE	-19.4	**-20.6**	-1.2	**-10.6**	-1.1
LIXIL	Revenue	735.9	**762.5**	+26.5	**383.2**	+12.0
	CE	16.9	**5.5**	-11.4	**3.8**	-4.0

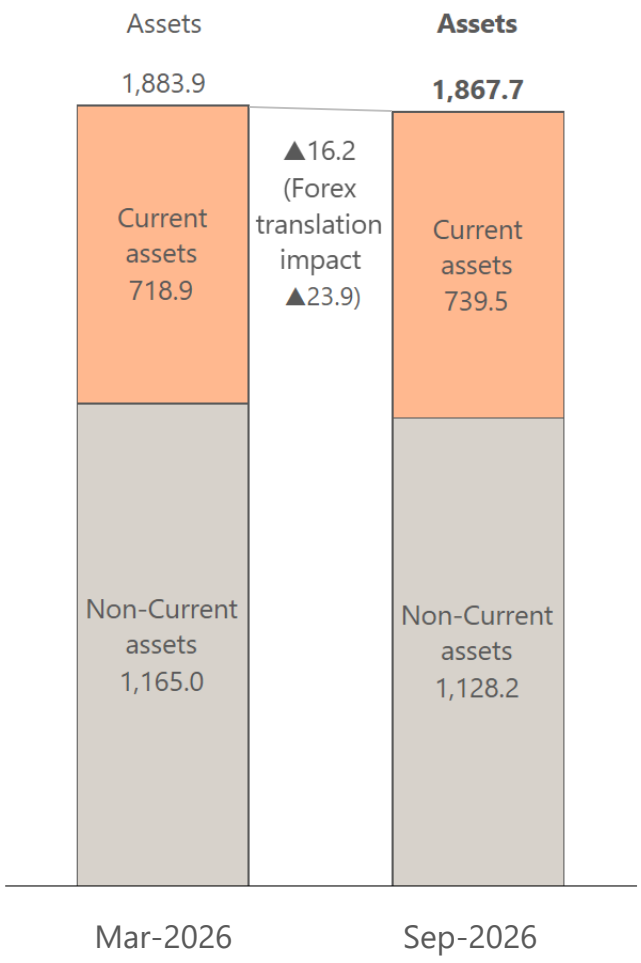
Forex impact[1]
Q2 3 months: Revenue JPY+9.2 billion, CE JPY+0.4 billion **H1 6months:** Revenue JPY+23.0 billion, CE JPY+1.1 billion

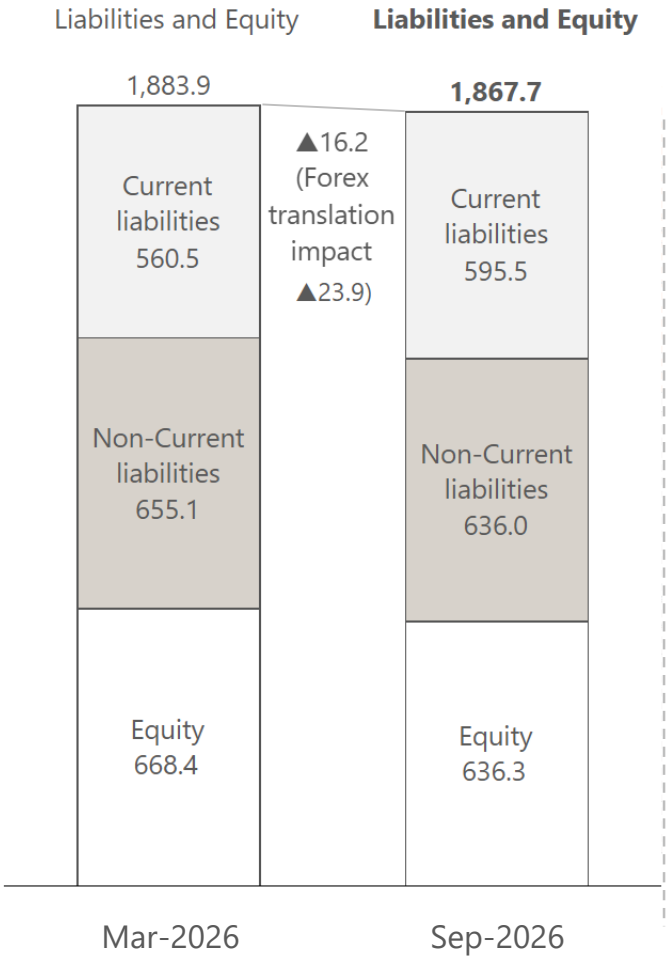
(1) Forex translation effect gain (loss) from international subsidiaries

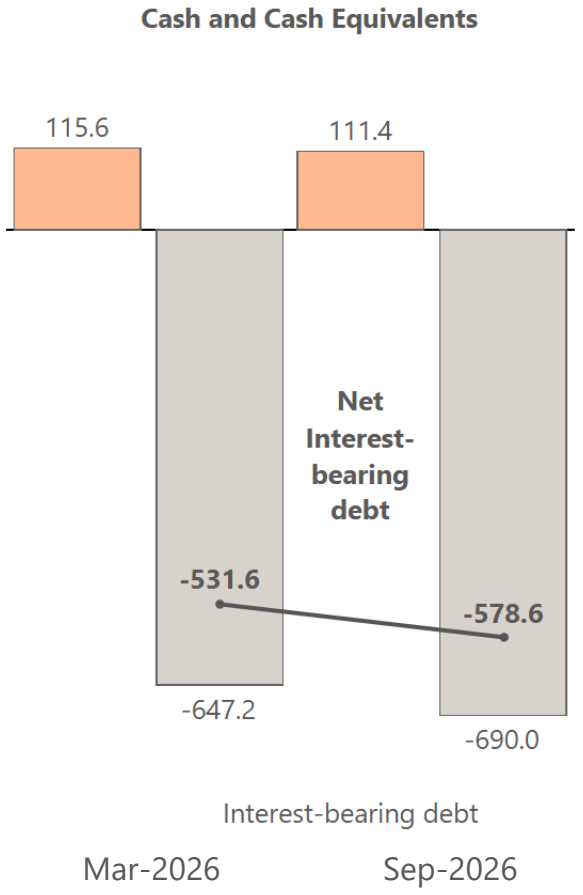
CONSOLIDATED FINANCIAL POSITION

Total assets decreased due to foreign exchange impacts. Interest-bearing debt increased due to the issuance of corporate bonds and additional borrowings in Q1. The equity ratio is 33.9%

JPY billion

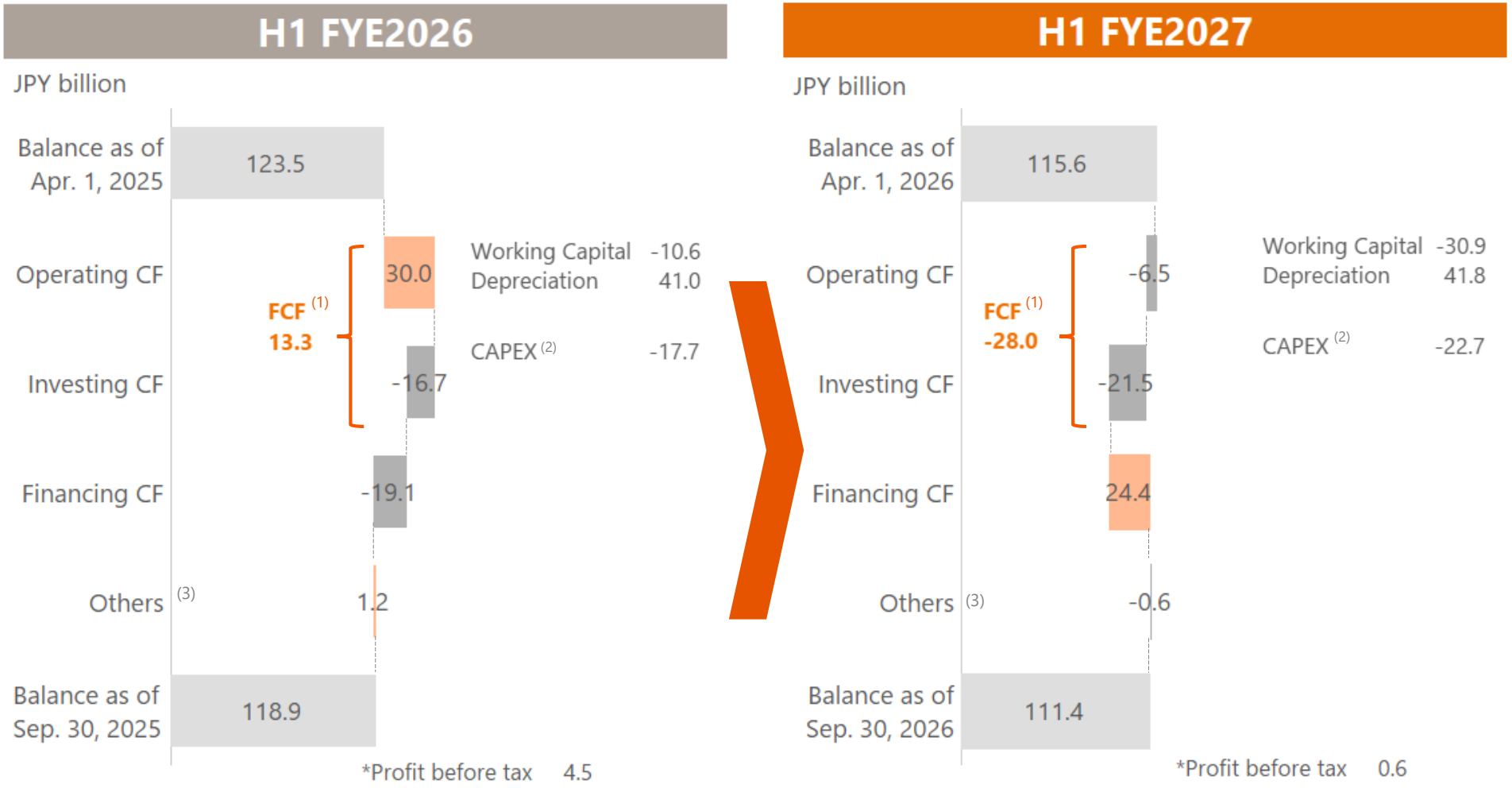






CASH FLOW STATUS AND CASH BALANCE

Free cash flow (FCF) is negative due to the impact of a decrease of operating cash flow from higher working capital and lower profit before tax. Temporary inventory buildup from Middle East tensions and pre-peak season demand



(1) "FCF" = Operating CF + Investing CF
(2) CAPEX = Purchase of property, plant and equipment + Purchase of intangible assets (Excluding Right of use assets in IFRS16)
(3) "Others" = Effects of exchange rate changes

RESULTS BY BUSINESS SEGMENT

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

WATER TECHNOLOGY

Core earnings increased in both Japan and international businesses. Japan renovation sales recovered. International revenue grew across all regions except China. Profit increased as price optimization and structural reforms benefits in the US offset cost inflation

	JPY billion	FYE2026 H1 Results	FYE2027 H1 Results	YoY vs Results Increase /decrease	YoY vs Results %	FYE2027 Forecasts
Japan	Revenue	**154.0**	**157.3**	+3.3	+2.2%	**325.0**
	CE	**9.6**	**10.8**	+1.2	+12.3%	**21.0**
	CE margin	**6.3%**	**6.9%**	+0.6pp	-	**6.5%**
International	Revenue	**238.9**	**265.4**	+26.5	+11.1%	**550.0**
	CE	**10.9**	**12.0**	+1.1	+10.1%	**31.0**
	CE margin	**4.6%**	**4.5%**	+0.0pp	-	**5.6%**
Water Technology Total	Revenue	**392.9**	**422.7**	+29.9	+7.6%	**875.0**
	CE	**20.6**	**22.8**	+2.3	+11.1%	**52.0**
	CE margin	**5.2%**	**5.4%**	+0.2pp	-	**5.9%**

Revenue

- **Japan:** Although new housing construction was prioritized in Q1 due to supply concerns, renovation sales recovered in Q2, and both renovation and new housing sales grew YoY
- **Int'l**(1)**:** Revenue increased on both a local currency and JPY basis, driven by strong price realization and volume growth. Regionally, sales growth was led by Europe and IMEA region
- **Int'l revenue distribution ratio:** 62.8%, up by 2.0pp YoY

Core earnings

- **Japan:** Price optimization benefits offset soaring material costs, resulting in YoY profit growth
- **Int'l**(1)**:** Material cost inflation and freight increases were fully offset by price optimization and the benefits of structural reforms in the US, resulting in profit growth
- **Int'l CE distribution ratio:** 52.6%, down by 0.5pp YoY

(1) YoY vs Results excluding forex impact: Revenue JPY+3.8 billion, +2%, Core earnings JPY-0.9 billion, -8%

INTERNATIONAL WATER TECHNOLOGY REVENUE BY REGION

by region (Management basis) (1) (JPY billion)	H1 FYE2026 Results		H1 FYE2027 Results				FYE2027 Forecast	
	Revenue	CE	Revenue (YoY)		CE	CE Margin	Revenue	
Americas	76.3	-4.3	76.6	(0%)	-0.8	-	170.0	+13%
Europe	100.2	10.5	102.1	(+2%)	9.3	9%	190.0	+8%
IMEA (India, Middle East, Africa)	36.9	5.0	42.0	(+14%)	4.1	10%	81.0	+12%
Asia Pacific	20.2	0.3	21.2	(+5%)	0.3	1%	50.0	+13%
China	21.7	1.1	18.1	(-16%)	0.5	3%	39.0	+4%
Adjustments	-16.3	-1.7	5.4	-	-1.3	-	20.0	-
Water Technology International Business Total (Statutory basis) (1)	**238.9**	**10.9**	**265.4**	**(+11%)**	**12.0**	**4.5%**	**550.0**	**+12%**

Americas

- ✓ Revenue held flat (+0% YoY), as strong price optimization and slight retail growth offset volume softness across trade channels
- ✓ Profitability improved significantly driven by structural SG&A cost savings and U.S. tariff refunds

Europe

- ✓ Revenue increased, driven by strong sales in Germany and Eastern Europe offsetting weakness demand in France
- ✓ Despite sales volume growth, CE decreased YoY, due to cost increases such as higher ocean freight rates and increased SG&A expenses

IMEA

- ✓ Revenue increased due to higher sales volumes and solid demand in key markets such as India, GCC countries (excluding Saudi Arabia) and North West Africa
- ✓ CE declined as sales volume growth was offset by cost increases from Middle East tensions, higher SG&A expenses to strengthen sales operations, and foreign exchange impacts

Asia Pacific

- ✓ Revenue increase as strong sales growth in Vietnam and Indonesia offset the weakness in Thailand
- ✓ CE held flat YoY due to higher SG&A despite improvement of product mix and higher gross profit

China

- ✓ Revenue declined despite E-commerce growth due to on-going project channel weakness, driven by the ongoing real estate market slump
- ✓ CE declined driven by lower sales volume, but remained in the black due to tightly managed SG&A

(1) Statutory basis currency: H1 FYE2027 results 1USD=JPY160.02, 1EUR=JPY184.39
Management basis currency: FYE2027 1USD=JPY155.0, 1EUR=JPY186.0

HOUSING TECHNOLOGY

Japan revenue decreased by sluggish renovation sales; CE dropped sharply due to soaring aluminum and material costs. International revenue grew and CE rose slightly YoY by selling price impacts from higher aluminum price

	JPY billion	FYE2026 H1 Results	FYE2027 H1 Results	YoY vs Results Increase /decrease	YoY vs Results %	FYE2027 Forecasts
Japan	Revenue	**246.3**	**235.0**	-11.3	-4.6%	**505.0**
	CE	**11.9**	**0.5**	-11.4	-95.9%	**27.5**
	CE margin	**4.8%**	**0.2%**	-4.6 pp	-	**5.4%**
International	Revenue	**12.9**	**17.3**	+4.4	+34.4%	**32.0**
	CE	**0.4**	**0.6**	+0.2	+53.8%	**1.5**
	CE margin	**3.0%**	**3.5%**	+0.4 pp	-	**4.7%**
Housing Technology Total (1)	Revenue	**259.2**	**252.3**	-6.8	-2.6%	**537.0**
	CE	**12.3**	**1.1**	-11.2	-91.1%	**29.0**
	CE margin	**4.7%**	**0.4%**	-4.3 pp	-	**5.4%**

Revenue

- **Japan:** Revenue decreased YoY due to a slowdown in renovation sales
- **Int':** Increased YoY, driven by selling price impacts linked to rising aluminum prices

Core earnings

- CE dropped significantly YoY; while price optimization partially offset soaring raw material and component cost, performance was dragged down by a slowdown in renovation sales and the loss of inventory valuation gains
- Building Business: CE remained sluggish due to fewer high-margin property handovers, higher raw material and component costs, and the absence of inventory valuation gains from Q1

(1) H1 FYE2027 results (Reference) LHT excl. building business Revenue JPY211.8 billion, CE JPY2.6 billion, CE margin 1.2%
Building business Revenue JPY40.6 billion, CE JPY-1.5 billion, CE margin -

Revenue increased, but core earnings declined due to foreign exchange impact and higher material costs

	JPY billion	FYE2026 H1 Results	FYE2027 H1 Results	YoY vs Results Increase /decrease	YoY vs Results %	FYE2027 Forecasts
Living Total	Revenue	**100.3**	**103.3**	+3.0	+3.0%	**215.0**
	CE	**3.4**	**2.2**	-1.3	-37.0%	**10.0**
	CE margin	**3.4%**	**2.1%**	-1.3 pp	-	**4.7%**

Revenue

- Revenue increased YoY; renovation sales remained strong

Core earnings

- Price optimization partially offset cost increases from unfavorable foreign exchange rates and higher material costs, but CE declined YoY

Kitchen *Noct*

Vanities *Custom Vanity*

Wooden interior materials *Lasissa*

APPENDIX: FINANCIAL DATA

REVENUE BY PRODUCT AND SERVICE

LWT and Living performed well as the impact of delivery schedule adjustments caused by Middle East tensions normalized. For LHT, while exterior products performed well, housing sashes declined YoY due to factors such as sluggish sales of subsidy-eligible products

JPY billion

Segments	Major products	Full-year FYE2026 Results	H1 FYE2026 Results	H1 FYE2027 Results	YoY
LWT	Sanitaryware**	118.2	56.3	**59.5**	+5.6%
	Bathroom Units	95.1	46.1	**47.2**	+2.4%
	Tiles	29.7	14.3	**14.2**	-0.9%
LHT	Housing sashes and others	189.3	94.4	**90.5**	-4.2%
	Exterior	96.8	48.1	**50.7**	+5.5%
	LHT others	37.0	19.2	**18.7**	-2.5%
	Building sashes	97.8	46.1	**40.6**	-12.1%
	Housing and Services business	17.2	8.6	**7.5**	-12.4%
Living	Kitchens	102.3	49.5	**50.9**	+2.7%
	Vanities	37.6	17.7	**19.1**	+7.9%
	Wooden interior materials	56.8	27.5	**27.4**	-0.5%
	International (1)	520.9	251.8	**282.8**	+12.3%
	Others/consolidation & Adj.	112.1	56.2	**53.5**	-
Total		1,510.7	735.9	**762.5**	+3.6%

in %

Segments	Major products	Quarterly YoY FYE2026 Q1	Q2	Q3	Q4	FYE2027 Q1	Q2
LWT	Sanitaryware**	+8.6	+2.5	-0.4	+1.1	+3.6	**+7.4**
	Bathroom Units	+6.3	-0.1	+0.3	+5.2	-4.1	**+9.7**
	Tiles	-2.6	-0.5	-3.8	+0.2	+0.6	**-2.4**
LHT	Housing sashes and others	+0.6	-0.5	+4.7	-2.9	-3.6	**-4.8**
	Exterior	+3.7	+1.3	-0.8	+6.1	+4.6	**+6.5**
	LHT others	+1.4	-0.6	-7.8	-11.3	-4.5	**-0.5**
	Building sashes	-9.3	-2.2	+3.7	-5.6	-14.8	**-9.9**
	Housing and Services business	-6.8	-11.1	-12.9	-6.5	-13.9	**-11.0**
Living	Kitchens	+6.8	+1.4	-0.1	0.0	+0.6	**+5.0**
	Vanities	+3.4	+1.4	+0.8	+4.9	+8.4	**+7.4**
	Wooden interior materials	+3.0	-2.4	-3.8	+0.6	-1.7	**+0.8**
	International (1)	-8.5	+1.0	+2.4	+6.6	+17.1	**+7.8**
	Others/consolidation & Adj.						
Total		-1.4	+0.3	+0.5	+2.2	+4.0	**+3.2**

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

LWT	Faucets	29.9	14.0	**15.0**	+6.9%	+16.0	+4.3	+2.4	+6.6	+4.3	**+9.6**

(1) Please refer to p.18 for the revenue of water-related products in international business

STRATEGY TO STRENGTHEN JAPAN'S RENOVATION SALES

Renovation sales ratio increased by 0.1pp YoY; In LWT, Q1 new housing priority ended, Living renovation grew on mid-to-high-end sales, while LHT stayed sluggish

JPY billion	H1 (6 months) FYE2026 Results[1]	H1 (6 months) FYE2027 Results	Increase /decrease	YoY	Q2 (3 months) FYE2027 Results	Q2 (3 months) YoY
Sales of renovation-related products	194.1	**194.0**	-0.1	-0.1%	**99.5**	+2.4%
LWT-J				+4%		+9%
LHT				-5%		-4%
Excl. building				-6%		-8%
Building business				+3%		+16%
Living				+4%		+6%
Renovation sales ratio	47%	**48%**	+0.1pp		**48%**	+0.7pp

Renovation sales ratio by business segment (YoY)

	H1 FYE2026	H1 FYE2027	Increase /decrease
LWT	57%	57%	+0.1pp
LHT	42%	42%	-0.5pp
Living	49%	50%	+0.7pp
Japan Total	**47%**	**48%**	**+0.1pp**

Inner window *In-plus*

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

GROWTH IN INTERNATIONAL WATER TECHNOLOGY BUSINESS

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

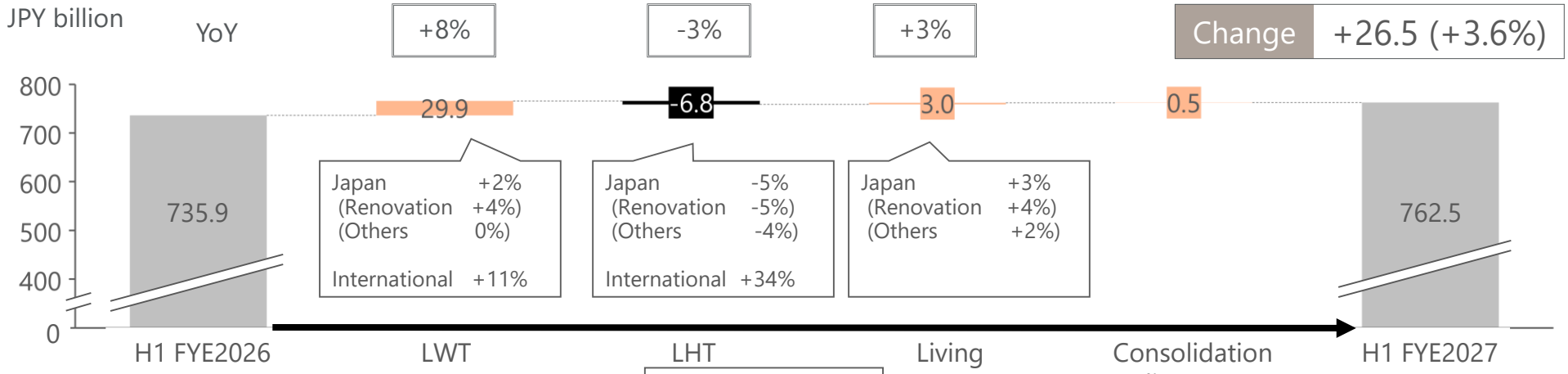
	H1 FYE2027 (6 months)						Q2 FYE2027 (3 months)					
	Intl. Total	Americas	Europe	IMEA	APAC	China	Intl. Total	Americas	Europe	IMEA	APAC	China
Sales distribution ratio												
Bath faucets and showers	44%	13%	61%	61%	35%	50%	44%	13%	62%	61%	36%	48%
Toilets	42%	67%	23%	36%	62%	37%	43%	68%	22%	36%	61%	39%
Kitchen faucets and water systems	9%	5%	16%	4%	2%	5%	9%	5%	16%	4%	2%	4%
Bathing and showering systems	3%	11%	0%	0%	1%	1%	3%	11%	0%	0%	1%	1%
All others	2%	3%	0%	0%	1%	7%	2%	4%	0%	-1% (2)	1%	8%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Sales growth												
Bath faucets and showers	+5%	+1%	+5%	+15%	+8%	-14%	+2%	-0%	+1%	+16%	+10%	-23%
Toilets	+1%	+2%	-4%	+15%	+6%	-20%	-2%	+2%	-13%	+10%	+1%	-21%
Kitchen faucets and water systems	-0%	-8%	+4%	+7%	-29%	-24%	-2%	-10%	+3%	+11%	-24%	-42%
Bathing and showering systems	-13%	-13%	+8%	+9%	-15%	-39%	-11%	-10%	-17%	-13%	-26%	-41%

(1) See also, p.25-27,33,of our INTEGRATED REPORT 2026, for progress of "Grow Global Water Business" in the LIXIL Playbook https://ssl4.eir-parts.net/doc/5938/ir_material_for_fiscal_ym41/206314/00.pdf#page=26

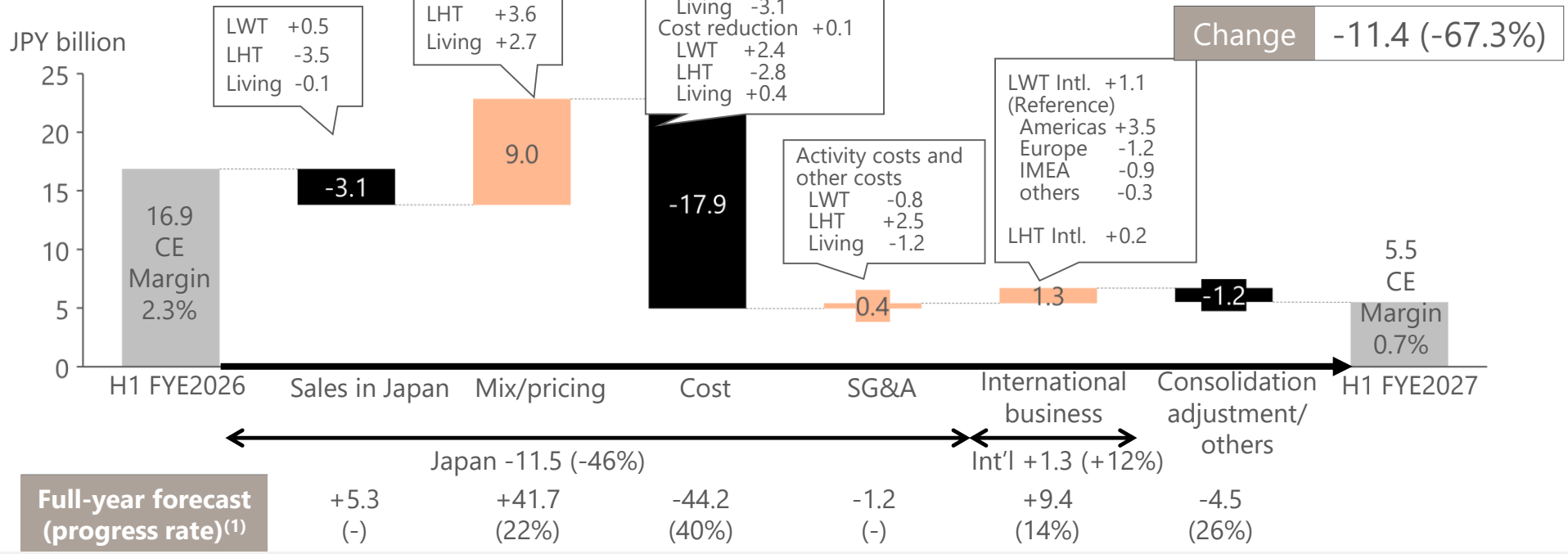
(2) The variance between category sales and total revenue is a temporary timing issue and is expected to clear up next month onward

H1 FYE2027 CHANGE IN REVENUE AND CORE EARNINGS

Revenue



Core earnings



Full-year forecast (progress rate)(1)	+5.3 (-)	+41.7 (22%)	-44.2 (40%)	-1.2 (-)	+9.4 (14%)	-4.5 (26%)

(1) The full-year forecast figures after reflecting "Impact of the Situation in the Middle East and Countermeasures" on P2 of the Q1 Financial Results Presentation for FYE2027

Q2 FYE2027 CHANGE IN REVENUE AND CORE EARNINGS

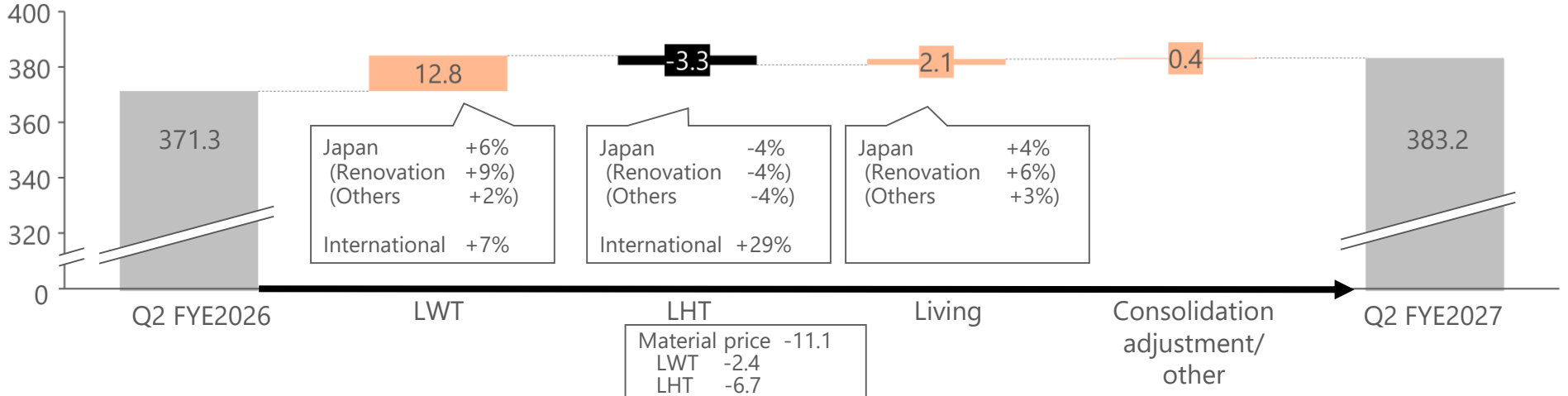
LIXIL

Revenue

JPY billion

YoY +6% -3% +4%

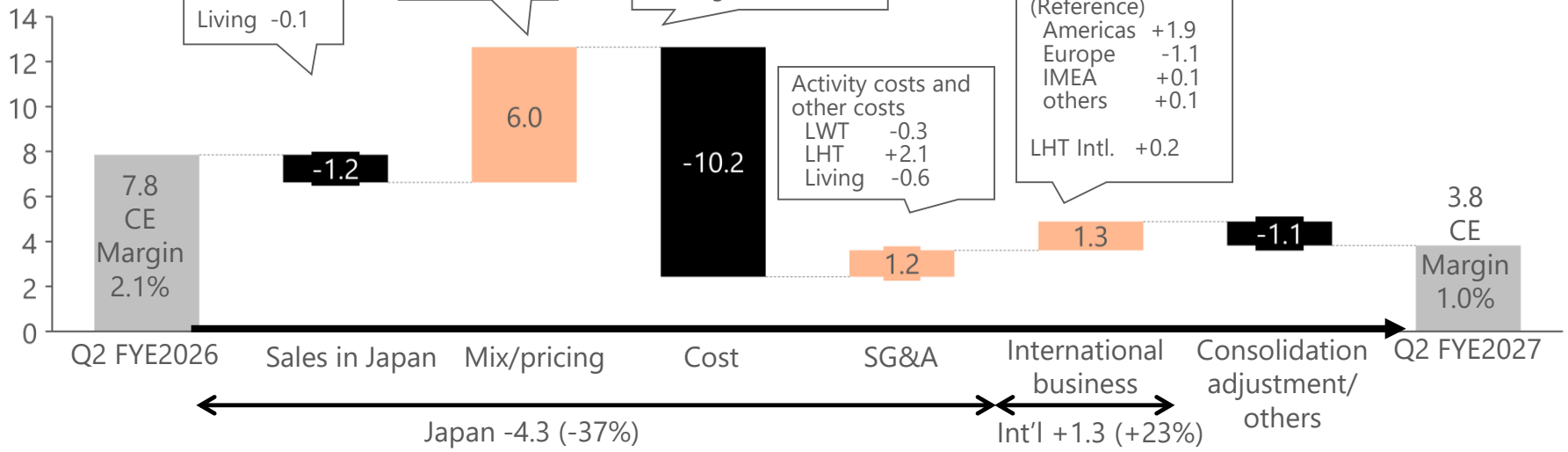
Change +12.0 (+3.2%)



Core earnings

JPY billion

Change -4.0 (-51.3%)



H1 FYE2027 OTHER INCOME AND EXPENSES, FINANCE INCOME AND COSTS

JPY billion	H1 FYE2026 Results	H1 FYE2027 Results	Increase/ decrease
Gain from remeasurement relating to application of the equity method	1.6	-	-1.6
Gain on disposal of assets held for sale	-	1.6	+1.6
Others	2.5	2.9	+0.4
Other income	**4.1**	**4.5**	**+0.3**
Losses on disposal of property, plant and equipment	0.4	0.5	+0.1
Impairment losses	2.7	0.3	-2.4
Others	6.5	2.9	-3.7
Other expenses	**9.6**	**3.6**	**-6.0**
Interest income	1.1	1.1	0.0
Dividend income	0.7	0.5	-0.2
Gains on valuation of derivatives	0.1	-	-0.1
Others	0.1	0.2	+0.1
Finance income	**2.0**	**1.8**	**-0.2**
Interest expense	5.6	6.7	+1.1
Losses on exchange differences	3.0	0.1	-3.0
Losses on valuation of derivatives	-	0.1	+0.1
Others	0.0	0.0	0.0
Finance costs	**8.7**	**6.9**	**-1.8**

- Other income includes: Gain on disposal of real estate in Vietnam and Thailand

RESULTS AND FORECASTS BY SEGMENT

	JPY billion	H1 FYE2026 Results Japan	H1 FYE2026 Results Intl.	H1 FYE2026 Results Total	H1 FYE2027 Results Japan	H1 FYE2027 Results Intl.	H1 FYE2027 Results Total	Total YoY%	FYE2027 Full-year Forecasts Japan	FYE2027 Full-year Forecasts Intl.	FYE2027 Full-year Forecasts Total	Total YoY%
LWT	Revenue	154.0	238.9	**392.9**	157.3	265.4	**422.7**	+7.6%	325.0	550.0	**875.0**	+7.9%
	CE	9.6	10.9	**20.6**	10.8	12.0	**22.8**	+11.1%	21.0	31.0	**52.0**	+14.4%
	CE margin	6.3%	4.6%	**5.2%**	6.9%	4.5%	**5.4%**	+0.2 pp	6.5%	5.6%	**5.9%**	+0.3 pp
LHT	Revenue	246.3	12.9	**259.2**	235.0	17.3	**252.3**	-2.6%	505.0	32.0	**537.0**	+2.2%
	CE	11.9	0.4	**12.3**	0.5	0.6	**1.1**	-91.1%	27.5	1.5	**29.0**	+8.6%
	CE margin	4.8%	3.0%	**4.7%**	0.2%	3.5%	**0.4%**	-4.3 pp	5.4%	4.7%	**5.4%**	+0.3 pp
Living	Revenue	100.3		**100.3**	103.3		**103.3**	+3.0%	215.0		**215.0**	+3.6%
	CE	3.4		**3.4**	2.2		**2.2**	-37.0%	10.0		**10.0**	+27.5%
	CE margin	3.4%		**3.4%**	2.1%		**2.1%**	-1.3 pp	4.7%		**4.7%**	+0.9 pp
Cons. Adj. & Others (1)	Revenue			**-16.4**			**-16.0**	+3.0%			**-27.0**	-
	CE			**-19.4**			**-20.6**	-6.1%			**-46.0**	-
LIXIL(1)	Revenue	500.6	251.8	**735.9**	495.7	282.8	**762.5**	+3.6%	1,045.0	582.0	**1,600.0**	+5.9%
	CE	25.0	11.3	**16.9**	13.5	12.6	**5.5**	-67.3%	58.5	32.5	**45.0**	+16.9%
	CE margin	5.0%	4.5%	**2.3%**	2.7%	4.5%	**0.7%**	-1.6 pp	5.6%	5.6%	**2.8%**	+0.3 pp

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

APPENDIX: BUSINESS AND ESG-RELATED TOPICS

Contribute to a Low-Carbon Society and Circular Economy

Reuters Global Sustainability Awards 2026
LIXIL Wins the "Circularity" Award(1)

- Won the category's top award at this prestigious global program, recognized for initiatives leveraging pioneering recycling technologies toward realizing a circular economy
- Deploying recycled low-carbon aluminum "*PremiAL*" and circular material "*revia*" (made from waste plastics and wood) to promote resource circulation and build a sustainable foundation
- Promoting the global expansion of both materials through "LHT Global," LHT's new overarching organization established in October, balancing reduced dependency on virgin resources with global business growth

Enhancing Value Creation Through Innovation

Japanese Electric Bidet Toilet Honored with "IEEE Milestone"(2)

- Development efforts by three companies, including LIXIL, were recognized with an "IEEE Milestone" by IEEE—the world's largest technical professional organization in electrical and electronics engineering—as a historic achievement that established the culture of washing with warm water in Japan
- Since Ina Seito (now LIXIL) introduced Japan's first electric bidet toilet "*Sanitarina 61*" in 1967, LIXIL has advanced hygiene technology for over half a century
- Innovations such as dedicated feminine-wash nozzles and "*AQUA CERAMIC*" support LIXIL's high-value-added product strategy, built on technology and reliability

(1) News release https://newsroom.lixil.com/20261023_reutersawards

(2) News release https://newsroom.lixil.com/20261005_ieee

BUSINESS AND ESG RELATED TOPICS

Advancing Climate Action

"The Liveable Home, Liveable Planet Project 2026" Linking High Home Insulation to Aid via UNICEF (1)

- Launched in October 2026, the project combines home decarbonization with support for children affected by climate change
- Now in its fourth year, the project has generated approximately JPY 80 million in donations since 2023. Through UNICEF, funds are utilized for emergency relief, disaster preparedness, and environmental education for children exposed to climate risks and natural disasters (2)
- Contributing both climate change mitigation and adaptation by promoting highly insulated products alongside charitable giving

Sustainable Growth by Addressing Social Issues

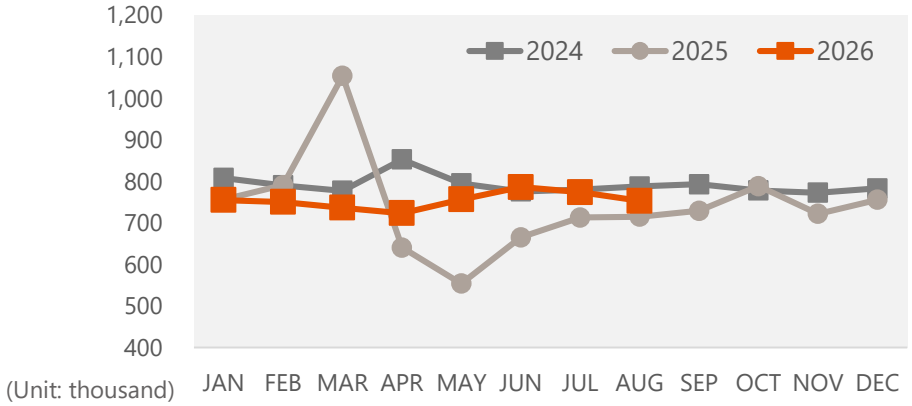
Sponsoring the 48th WorldSkills Competition Supporting Future Trade Professionals (3)

- LIXIL sponsored the competition, providing advanced GROHE products to support young trade professionals amid a global skills shortage
- The company is helping develop skilled tradespeople worldwide, strengthening essential infrastructure and professional networks to address water resource challenges
- In addition to sponsoring WorldSkills International, the company also continues to foster installer training initiatives across Japan, Europe, and the US to further support the next generation

(1) News release https://newsroom.lixil.com/ja/2026090101 (JP only)
(2) Website https://www.lixil.co.jp/minnadesmileecopj/thinkheat/sumamira (JP only)
(3) News release https://newsroom.lixil.com/20260928_worldskills_partnership

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-Aug 2026)

New housing construction trends in Japan

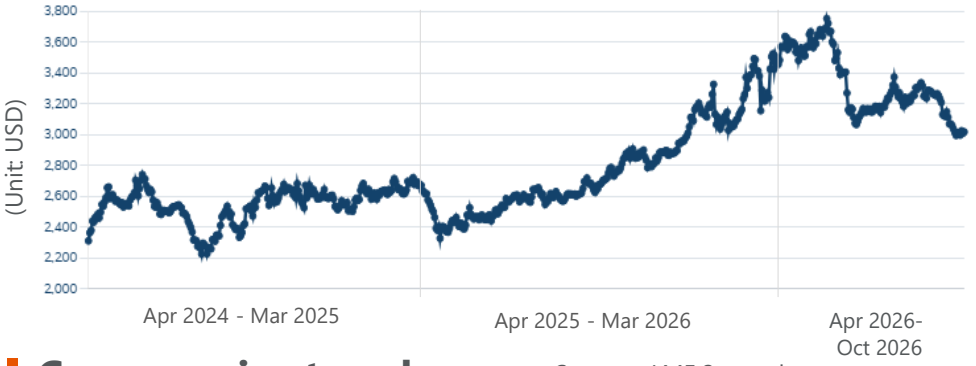
(year-on-year)

- Jan-Jun 2026: +0.5%
- Jan-Aug 2026: +5.3%

	Jan-Aug 2026 (8 months)		Apr-Aug 2026 (5 months)	
	Units	YoY	Units	YoY
Total new housing starts	**494,226**	+2.3%	**317,203**	+14.5%
Owner-occupied(1)	**132,578**	+2.4%	**86,000**	+12.0%
Rental homes	**219,918**	+2.4%	**143,166**	+17.2%
Condos for sale	**54,112**	-8.0%	**32,839**	+7.5%
Detached houses for sale(2)	**81,782**	+10.3%	**51,601**	+19.0%
Detached houses total (1)+(2)	**214,360**	+5.3%	**137,601**	+14.5%

Aluminum price trend

Source：LME 3 months
(From Apr 1, 2024, to Oct 23, 2026)



Copper price trend

Source：LME 3 months
(From Apr 1, 2024, to Oct 23, 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

(JPY per tonne)

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

(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