

[This is an English translation of the original text written in Japanese]



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LIXIL Group Corporation

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Announcement of Revision of Consolidated Financial Forecast for the Fiscal Year Ending March 2021

LIXIL Group Corporation (hereinafter "LGC") hereby announces that it has revised upward its core earnings guidance in its consolidated financial forecast for the fiscal year ending March 2021. In addition, LGC hereby discloses its consolidated financial forecast for operating profit and subsequent profits for the fiscal year ending March 2021, which were left undetermined in the "Consolidated Financial Results for the First Quarter Ended June 30, 2020 [IFRS]" released on August 6, 2020.

1. Consolidated full-year forecast

(1) Consolidated forecast for the full year for the fiscal year ending March 31, 2021

(April 1, 2020 through March 31, 2021)

| | From Continuing Operation | | | | | Including Discontinued Operation | | |
|---------------------------------------|---------------------------|-----------------------|------------------|----------------------------|---------------------|----------------------------------|--|--------------------------|
| | Revenue | Core earnings | Operating profit | Profit before income taxes | Profit for the year | Profit for the year | Profit for the year attributable to owners of the parent | Basic earnings per share |
| Previous full-year forecast (A) | Million yen 1,350,000 | Million yen 25,000 | Million yen | Million yen | Million yen | Million yen | Million yen | Yen |
| | | | Not determined | | | | | |
| Revised full-year forecast (B) | 1,350,000 | 40,000 | 7,000 | 3,000 | 2,000 | 23,000 | 19,000 | 65.49 |
| Change (B-A) | 0 | 15,000 | - | - | - | - | - | - |
| Change (%) | - | 60.0 | - | - | - | - | - | - |

| | | | | | | | | |
|--|-----------|--------|--------|--------|--------|--------|--------|-------|
| cf. FYE2020 results ^(Note) | 1,514,400 | 52,300 | 32,000 | 40,900 | 27,700 | 13,700 | 12,500 | 43.15 |
|--|-----------|--------|--------|--------|--------|--------|--------|-------|

Core earnings is the amount calculated by deducting cost of sales and selling, general and administrative expenses from the revenue.

(Note) Since the decision of share transfer of LIXIL VIVA, a consolidated subsidiary of LGC (announced on June 9, 2020), profit/loss related to LIXIL VIVA have been classified as "discontinued profit/loss", FYE2020 results has also been restated for comparison purposes.

(2) Reasons for revision of consolidated forecast

At the time of the announcement of the "Consolidated Financial Results for the First Quarter Ended June 30, 2021 [IFRS]" on August 6, 2020, LGC assumed a sharp decline in demand due to the impact of COVID-19 and further decline following Japan's consumption tax hike from the previous year would continue through the first half of this fiscal year. However, while demand in Japan continued to decline between the first and second quarters, there are signs of a recovery in the Japan market and some recovery in overseas markets such as Americas and Europe. In addition, efforts to promote products and services that cater to changing consumer needs in the new normal as well as continuing cost reduction efforts have been successful. Therefore, LGC has decided to revise upward its full-year core earnings forecast. Its forecast for revenue has not changed.

(3) Reasons for disclosure of consolidated forecast

LGC is in the process of transforming its operations, which has included reviewing its business portfolio in order to focus on its core business. At the time of the announcement of the "Consolidated Financial Results for the First Quarter Ended June 30, 2021 [IFRS]" on August 6, 2020, LGC was in the final stages of planning these initiatives, so its forecast for operating profit and subsequent profit types was not confirmed. Since finalization of the plan, LGC has decided to announce the forecasts for operating profit and profit for the year attributable to owners of the parent. For details on the plan, please refer to the "H1 Results for the Fiscal Year Ending March 31, 2021 (IFRS)" and "Notification Regarding the Implementation of Voluntary Retirement Program 'New Life'" announced today.

2. Dividend

There is no change from the previous forecast announced on August 6, 2020.

(1) Dividend forecast for the fiscal year ending March 31, 2021

| | Dividends per share for the year | | |
|--|----------------------------------|----------|-------|
| | Interim | Year-end | Total |
| | Yen | Yen | Yen |
| Previous FYE2021 forecast | 35.00 | 35.00 | 70.00 |
| FYE2021 actual | 35.00 | | |
| FYE2021 forecast | | 35.00 | 70.00 |
| Cf. Previous year (FYE2020) results | 35.00 | 35.00 | 70.00 |

Explanation for adequate utilization of the forecast and other special matters

The forecasts and forward-looking statements above are prepared based on information currently available and therefore involve potential risks and uncertainties. Please note that actual results may differ from forecasted figures due to various unknown factors. LGC will promptly announce revisions.

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