



TSE Code: 5938



First Half Results for the Fiscal Year Ending March 31, 2014 (From April 1, 2013 to September 30, 2013)

November 5, 2013

LIXIL Group Corporation

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 Group Corporation cautions that a number of factors could cause actual results to differ materially from those discussed in the forward-looking statements.

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I. Overview of the First Half Results



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- Total domestic new housing starts from January to September 2013 increased by 10.3%, and for the three month period from July to September 2013 increased by 13.5 %.
- Delays in actual construction starts are still ongoing.
- Stable growth from October to December 2013 is expected.

<Number of New Housing Starts>

	January to September 2013 (9 months)		(For reference)			
			January to June 2013 (6 months)		July to September 2013 (3 months)	
	Amount	Y/y	Amount	Y/y	Amount	Y/y
Total new housing starts	708,746	+10.3%	451,063	+8.6%	257,683	+13.5%
Owner occupied (a)	254,367	+11.7%	159,385	+11.4%	94,982	+12.2%
Rental homes	250,304	+10.3%	157,852	+7.3%	92,452	+15.8%
Condominiums for sale	100,317	+9.3%	66,571	+6.8%	33,746	+14.6%
Detached houses for sale (b)	98,985	+9.7%	64,301	+9.1%	34,684	+10.7%
Detached houses total (a+b)	353,352	+11.1%	223,686	+10.7%	129,666	+11.8%

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I-2. 1H Financial Highlights

Record high of net sales, operating profit and net income for the interim result

- Record high net sales by 9% Y/Y
- Operating profit increased by 89% Y/Y,
recurring profit increased by 132% Y/Y
- Net profit improved by Y28.2bn
- Consolidation of ASD Americas Holding Corp. (ASB) begins
- Dividend payment of 1H and full year increased by 25%

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I-3. Financial Results for the 1H of the FY Ending March 2014 **LIXIL**

Units: Y bn, %

	Mar-13 1H results	Mar-14 1H forecasts*	Mar-14 1H results	Forecasts		Y/y	
				Over/ under	%	Increase/ decrease	%
Net sales	682.9	730.0	741.5	11.5	1.6	58.6	8.6
Gross profit	191.4	205.0	206.4	1.4	0.7	15.0	7.8
	%	28.0%	28.1%	-	-0.3P	-	-0.2P
SG&A	177.7	182.0	180.4	-1.6	-0.9	2.8	1.6
	%	26.0%	24.9%	-	-0.6P	-	-1.7P
Operating profit	13.8	23.0	26.0	3.0	12.9	12.2	88.7
	%	2.0%	3.2%	-	+0.3P	-	+1.5P
Recurring profit	12.5	23.0	29.0	6.0	25.9	16.5	132.0
Income (loss) before income taxes	-15.2	-	26.7	-	-	41.9	Turned profitable
Net income	-10.4	13.0	17.8	4.8	36.7	28.2	Turned profitable
EPS (yen)	-36	45	61	16	36.7	97	Turned profitable
Net income before amortization of goodwill	-8.0	15.7	20.5	4.8	30.8	28.5	Turned profitable
EPS before amortization of goodwill (yen)	-27	54	71	17	30.8	98	Turned profitable

■ Increase both in domestic and overseas businesses
■ Double-digit growth in domestic renovation business

C-30 Project effects offset the increase of raw material cost caused by the impact of exchange rate.

Improved due to C-30 Project effects

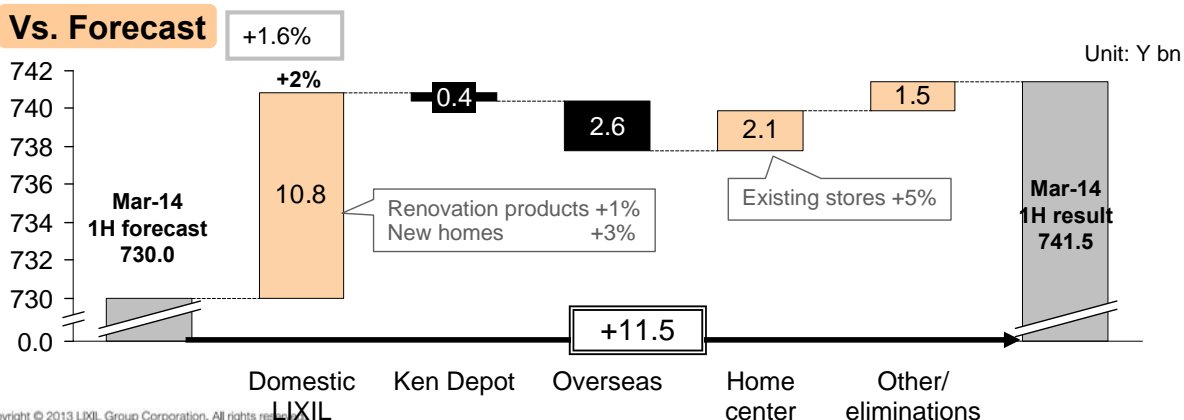
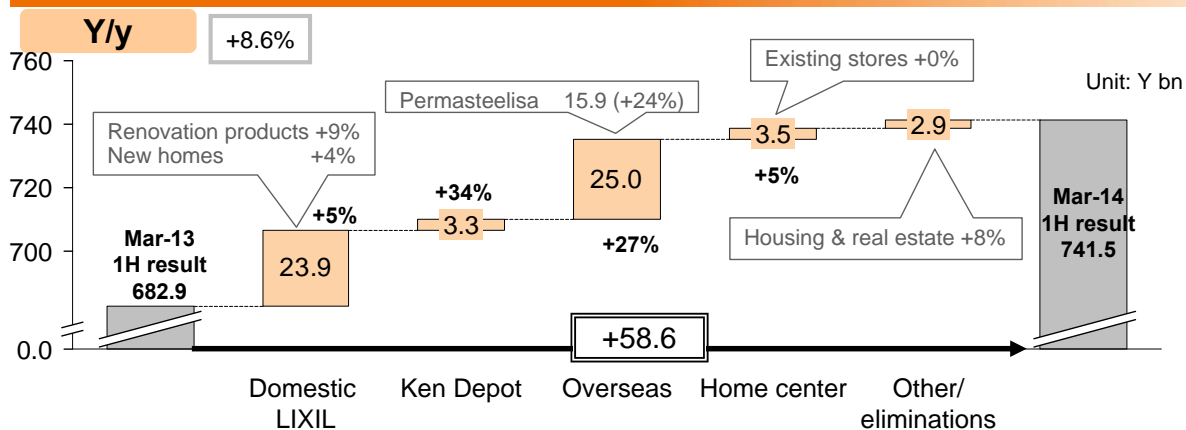
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*Announced on May 7, 2013

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I-4. Increase/ Decrease of Sales

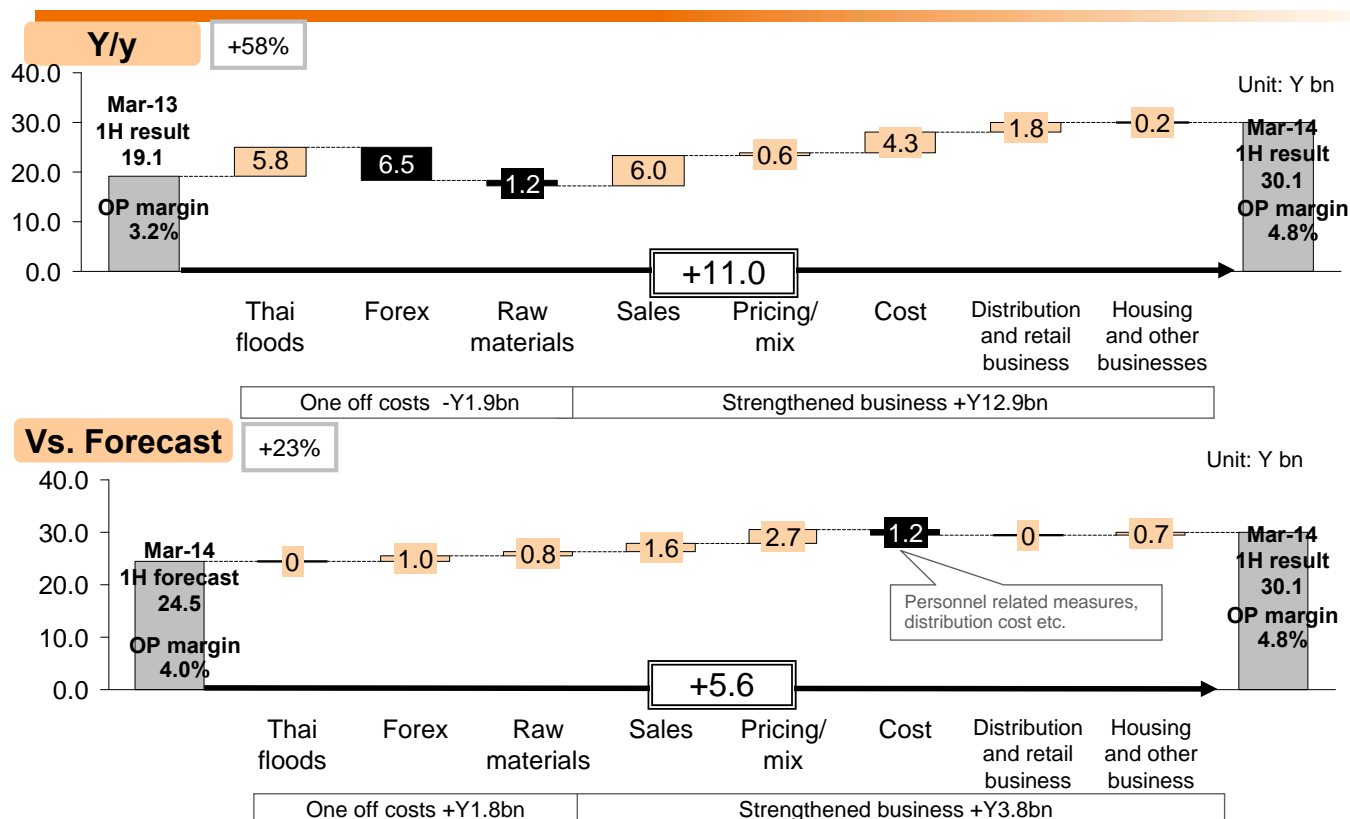
LIXIL



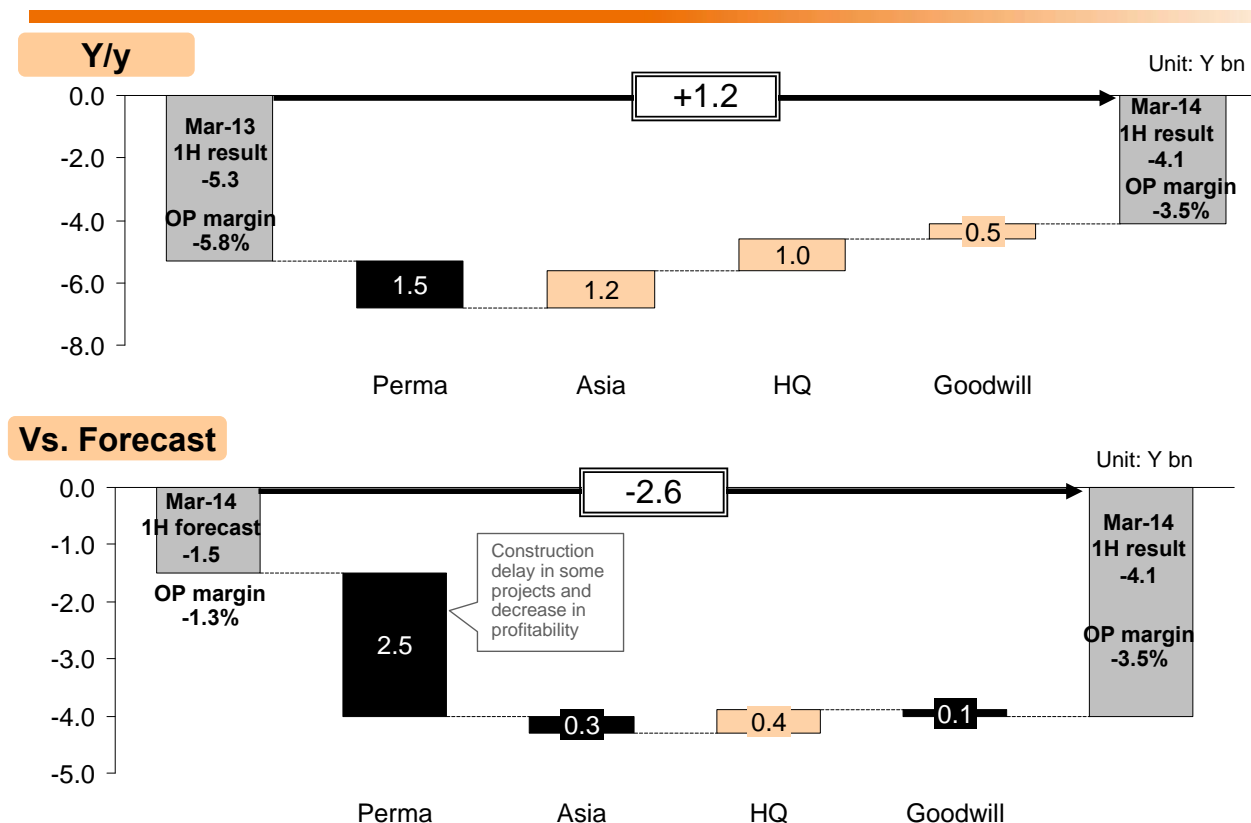
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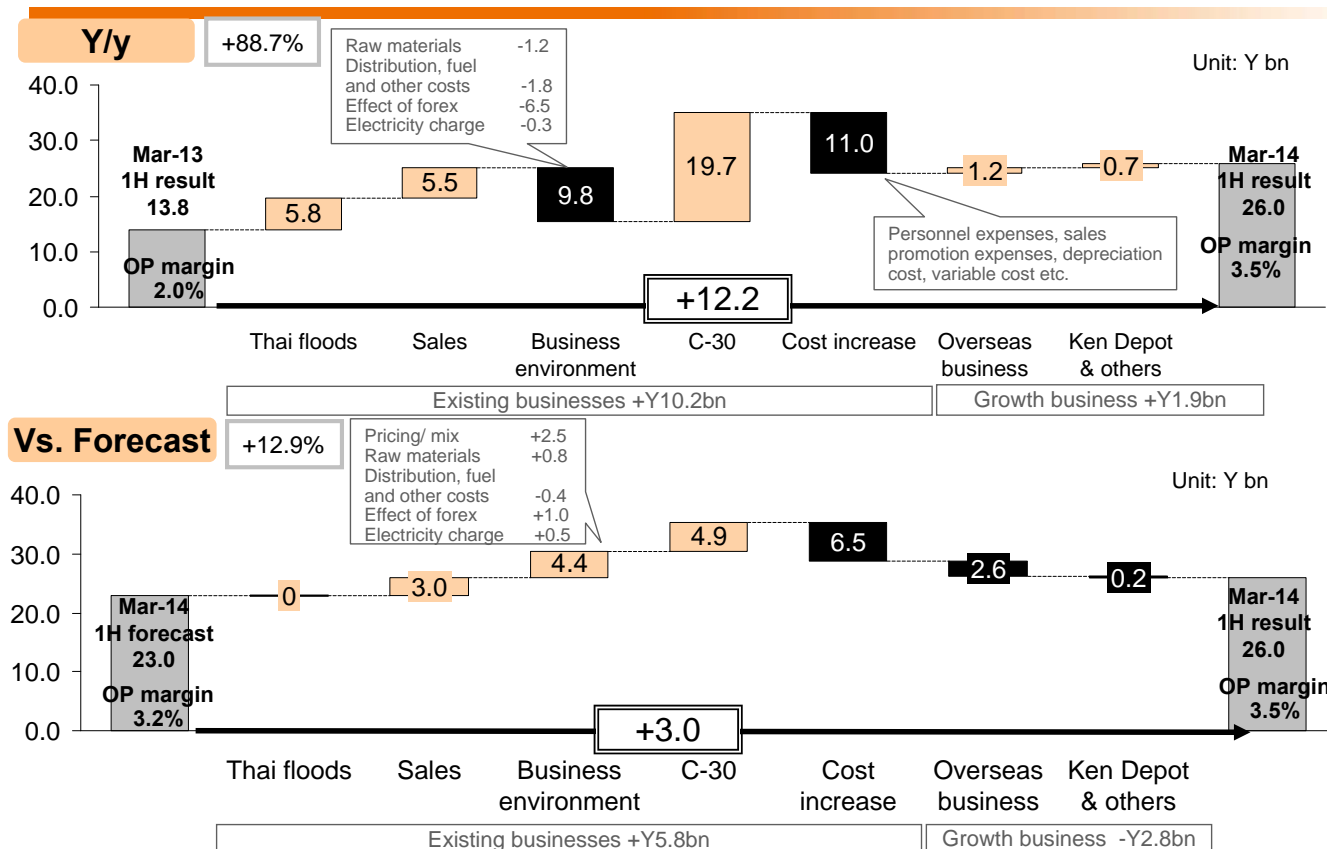
I-5. Increase/ Decrease of OP in Japan



I-6. Increase/ Decrease of OP Overseas



I-7. Increase/ Decrease of OP in Total



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I-8. Others (1)

■ Extraordinary Items

Units: Y bn

Items	Mar-13 1H results	Mar-14 1H results	Increase/ decrease	Details
Gain on sales of subsidiaries and affiliates' stocks	2.3	-	-2.3	(Mar-13 1H) Due to sales of Nittan to Secom Co., Ltd.
Insurance income	9.6	-	-9.6	(Mar-13 1H) Partial gains in insurance income from the Thai floods
Gain on sales of noncurrent assets and other	0.3	0.1	-0.3	
Extraordinary income	12.3	0.1	-12.2	
Impairment loss	2.6	1.0	-1.6	(Mar-14 1H) Idle land etc.
Loss on showroom integration	0.9	-	-0.9	
Loss on factory restructuring	0.2	0.4	+0.2	
Loss on disaster	1.2	-	-1.2	(Mar-13 1H) Additional Thai flood impact
Early retirement related loss	32.7	-	-32.7	(Mar-13 1H) Voluntary retirement of 1,884 employees on Oct. 25, 2012
Loss on sale or disposal of fixed assets and other	2.2	0.9	-1.4	
Extraordinary loss	39.9	2.3	-37.6	

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I-8. Others (2)

■ Impact of Exchange Rate

Units: Y bn

	Rate	OP	Non-Operating Income and Loss	Recurring Profit
1H Mar-14 result	1(USD)=Y99.8 (JPY) *	-6.5	2.3	-4.1
1H Mar-14 forecast	1(USD)=Y95 (JPY)	-7.5	0	-7.5
FY Mar-14 forecast	1(USD)=Y95 (JPY)	-16.0	0	-16.0

•At the timing of import

■ Tax Expenses

Tax burden ratio decreased due to the tax effects from disposal of idle land and reorganization of subsidiaries

■ Voluntary adoption of IFRS (an International Financial Reporting Standards)

LIXIL Group decided to voluntarily adopt the IFRS, an international accounting standard, for consolidated financial statements for March 2016. (Announced on September 17, 2013)

I-8. Others (3)

■ Change in Accounting Policy

Retirement benefit accounting standard

The amount of pension assets deducted from retirement benefit obligations has been changed to post as net defined benefit liability.

Also, the calculation method for retirement benefit obligations and service cost has been revised. The method for periodic allocation of retirement benefit obligations was changed from the straight-line period method to the benefit calculation formula method.

Along with the statements above, in the beginning of the first quarter of this accounting period, the effect of the revision of calculation method for retirement benefit obligations and service cost was adjusted to retained earnings of the first quarter of this accounting period. As a result, there was no impact to the income statement.

Amount of effect -Y4.8bn (This was recognized as retained earnings at Q1 closing)

Discount rate 0.5-2.0% → 0.5-1.5%

I-9. Consolidated Financial Position



Units: Y bn				
	Mar-13	Sept-13	Impacts of ASB and Forex	Actual Increase/decrease
Cash and Deposits	116.9	120.4	5.0	-1.6
Notes and accounts receivable	387.5	411.4	24.9	-1.0
Inventories	189.6	215.3	14.9	10.8
Tangible and intangible assets	544.8	608.8	64.5	-0.4
Others	227.0	222.2	6.2	-11.0
Total assets	1,465.7	1,578.1	115.5	-3.1
Notes and accounts payable	201.1	208.3	13.4	-6.2
Interest-bearing debt	424.0	490.0	58.8	7.2
Others	274.3	286.3	26.0	-14.0
Total liabilities	899.4	984.6	98.2	-13.0
Treasury stocks	-41.8	-41.8	-	0.0
Others	608.1	635.3	17.2	10.0
Net assets	566.3	593.5	17.2	9.9

Total assets would decrease by Y3.1bn if the impacts of BS consolidation of ASB and exchange rate (Y111.5bn in total) are excluded.

■ Main reason for the actual increase/ decrease is due to seasonal factors.

■ Increase of interest-bearing debt is due to the strategic investments such as ASB acquisition.

■ As a result, net interest-bearing debt is recognized Y 369.6 bn (+Y 62.5bn).

■ Capital adequacy ratio is 37.2%, decreased by 1.1P due to the impacts of acquisition.

Units: %, yen, thousand shares				
Capital adequacy ratio (%)	38.3	37.2		-1.1P
Net asset per share (yen)	1,930.02	2,019.30		89.28
Number of shares at end of period (thousand shares)	290,754	290,746		-8

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I-10. Cash Flow and Capital Expenditures



■ Cash Flows

Unit: Y bn

	Mar-13 1H results	Mar-14 1H results	Increase/ decrease
Pre-tax income	-15.2	26.7	41.9
Depreciation	20.7	23.2	2.5
Impairment loss	2.6	1.0	-1.6
Income tax payments	-5.9	-6.1	-0.2
Working capital	-13.8	-9.6	4.1
Others	19.7	-6.1	-25.8
Cash flows from operating activities	8.1	29.1	20.9
Cash flows from investing activities	28.9	-62.5	-91.5
Free cash flows	37.1	-33.5	-70.5
Cash flows from financing activities	-45.9	34.1	80.0

Free cash flows decreased by Y 70.5 bn Y/Y

■ Operating cash flows increased by Y20.9bn. This was due to significant improvement of income before income taxes. (One of the other factors was due to the Y32.7bn of accrued expenses caused by voluntary retirement in previous FY).

■ On the other hand, investment cash flows decreased by Y91.5bn due to Y35.5bn of strategic investment such as M&A activities in addition to Y4.3bn of capital expenditures such as Vietnam factory.

■ Financing cash flows increased by Y34.1bn. This is because investments above were covered by borrowing.

■ Cash equivalents at the end of 1H is Y118.2bn, which is the same level y/y.

■ Capital Expenditures

Units: Y bn

	Mar-12 results	Mar-13 results	Mar-14 forecasts		
			1H result	2H	annual
Capex	52.1	73.8	29.3	34.0	63.3

Units: Y bn

	Mar-12 results	Mar-13 results	Mar-14 forecasts		
			1H result	2H	annual
Depreciation	39.4	44.7	22.4	23.4	45.8

Major Capital Expenditures of Mar-14 1H (results)

<By region> Domestic Y21.0bn
Overseas Y8.3bn
(Thailand Y2.0bn / Vietnam Y3.4bn)

<By contents>

Home center Y2.6bn
New product investments Y2.7bn
Investments for productivity improvement Y10.4bn

Major Capital Expenditures Mar-14 2H (forecasts)

<By region> Domestic Y17.8bn
Overseas Y16.4bn
(Vietnam Y11.4bn)

<By contents>

Home center Y4.4bn
New product investments Y6.9bn
Investments for productivity improvement Y9.6bn

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II. Full-year Forecasts for the FY Ending March 2014

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II-1. Financial Forecasts for the FY Ending March-14

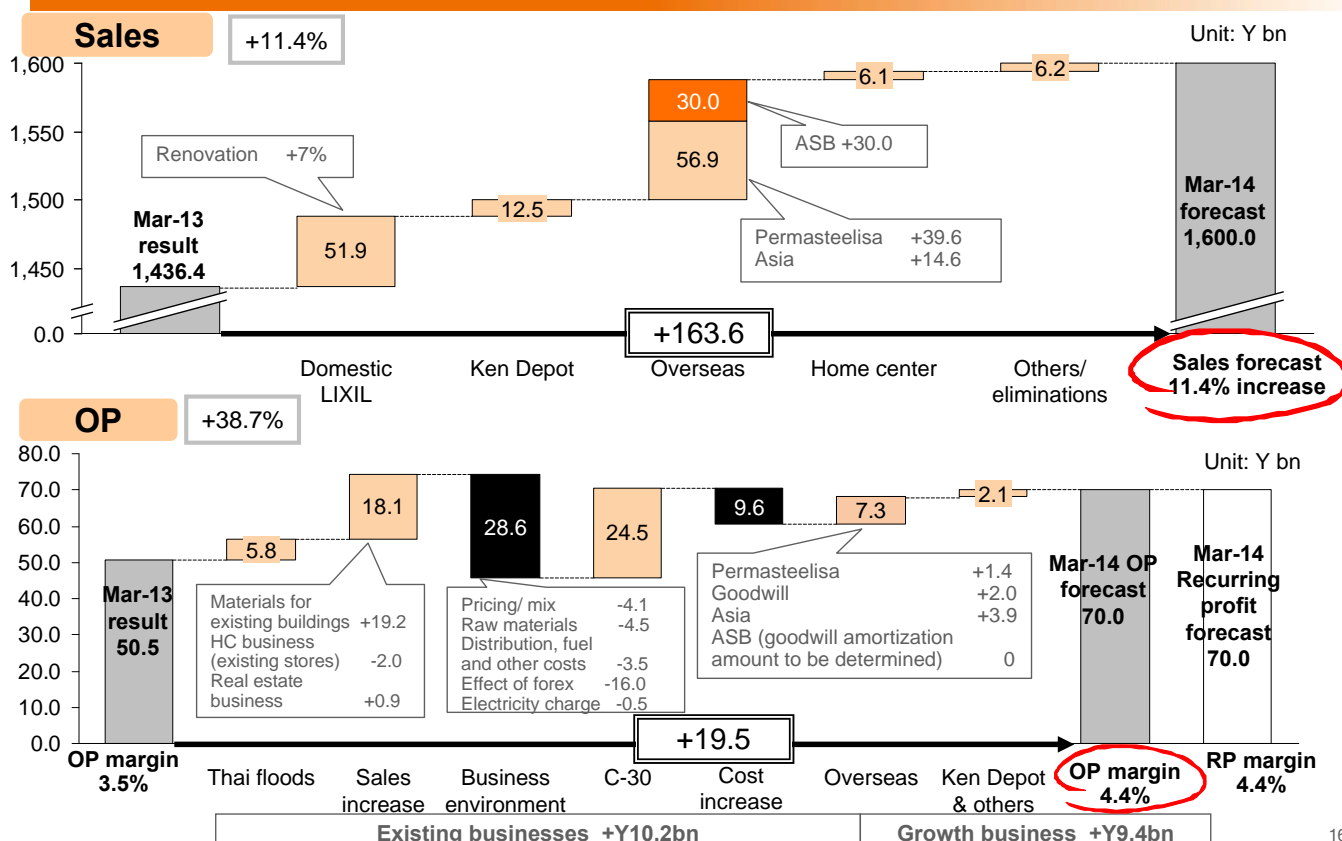


Units: Y bn, %

	Mar-13 results	Mar-14								
		1H results	Y/y (amount)	Y/y (%)	2H forecasts	Y/y (amount)	Y/y (%)	Full-year forecasts		
Net sales	1,436.4	741.5	58.6	8.6%	858.5	105.0	13.9%	1,600.0	163.6	11.4%
Operating profit	50.5	26.0	12.2	88.7%	44.0	7.3	19.9%	70.0	19.5	38.7%
%	3.5%	3.5%	+1.5P	-	5.1%	+0.3P	-	4.4%	+0.9P	-
Recurring profit	53.1	29.0	16.5	132.0%	41.0	0.5	1.1%	70.0	16.9	31.9%
Net income	21.3	17.8	28.2	Turned profitable	23.2	-8.5	-26.8%	41.0	19.7	92.1%
EPS (yen)	73	61	97	Turned profitable	80			141	68	92.1%
Net income before amortization of goodwill	26.6	20.5	28.5	Turned profitable	26.5			47.0	20.4	76.7%
EPS before amortization of goodwill (yen)	91	71	98	Turned profitable	91			162	70	76.7%

Revised up the forecasts of business performance of sales (M&A effect of +Y30.0bn) and net income (Tax effect of +Y2.0bn).
(Announced on October 21, 2013)

II-2. Increase / Decrease of Business Forecasts for the FY Ending March 2014



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II-3. Dividend Policy

■ Dividend payment

<Before Change>

Dividend payout ratio of over 30% will be maintained on the consolidated base.

<After Change> Announced on September 17, 2013

Dividend payout ratio of over 30% will be maintained on the consolidated base excluding the effect of amortization of goodwill.

	Mar-12	Mar-13	Mar-14 (Previous Forecasts)	Mar-14 (Revised)
1H	20 yen	20 yen	20 yen	25 yen
2H	20 yen	20 yen	20 yen (forecast)	25 yen (resolved)
Full year	40 yen	40 yen	40 yen (forecast)	50 yen (forecast)
Dividend payout ratio	616.3%	54.5%	-	-

Dividend payment of 1H and full year for the FY ending March-14 are 25 yen and 50 yen respectively. (Announced on October 21, 2013)

■ Share Buyback

Share buyback may take place once decisions are made based on factors, such as financial positions and share price.

■ Basic policy regarding the company's decision control

We do not have special defense program for possible M&A targeted against us since we intend to increase our corporate value by taking various measures that would gain supports from our shareholders. We operate under a policy that we would like to have our shares to be held over medium to long-term by a large number of shareholders.

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III. Progress in the Medium-Term Business Plan LIXIL G-15

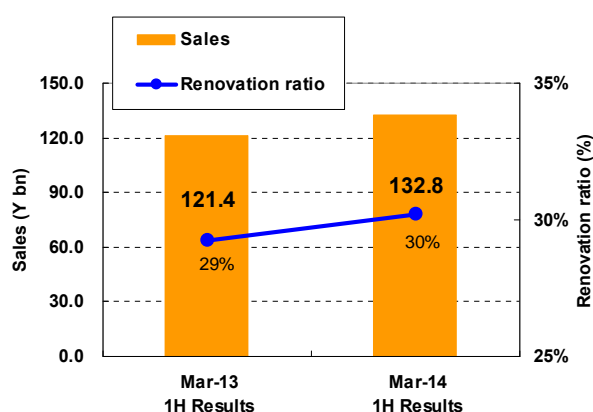
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III-1. Progress of Renovation Strategy in Japan (1)

	Mar-13 1H Results	Mar-14 1H Results	Y/y
Sales from renovation business	160.1	176.9	10.5%
Ratio of renovation business*	27.1%	28.3%	+1.2P

*Ratio of sales of products used for renovation against total domestic sales (including subsidiaries)

LIXIL Renovation Business



LIXIL Renovation Business

Unit: Y bn, %

	Mar-12 Results	Mar-13 Results	Y/y	Mar-14 1H Results	Y/y	Vs. forecasts	Mar-14 forecasts	Vs. forecasts
Sales of renovation products	245.6	247.9	0.9%	132.8	9.4%	1.2%	265.0	6.9%
Renovation ratio	28.6%	28.9%	+0.3P	30.2%	+1.0P	0.0P	29.8%	+0.9P

III-1. Progress of Renovation Strategy in Japan (2)

EDION

1) Reason for Business & Capital Alliance

By starting early, EDION has become the No.1 renovation player in the home electrical appliance retail industry.

2) Usage of Invested Capital

• New store opening and renovation related stores: approx. ¥4.3bn

• Renovation related system development: approx. ¥0.5bn

Renovation Sales Ranking in Japan(FY2013)

Rank	Corporate name	Sales (¥ bn)
1	Sumitomo Realty & Development	112.9
2	Sekisui House	111.5
3	SEKISUI CHEMICAL	95.8
4	DAMWA HOUSE INDUSTRY	76.5
5	MISAWA HOMES	64.8
6	Sumitomo Forestry	54.2
7	PanaHome	47.3
8	Asahi Kasei Reform	46.3
	EDION (FY13 Plan)	45.0
9	Mitsui Fudosan	35.9
10	EDION	34.4

*From the Sep. 24, 2013 Reform Sangyo Newspaper and Mar-13 financial results material of EDION

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JX Nippon Oil & Energy Corporation

(100% investment of JX Holdings, Inc)

1) Major Business

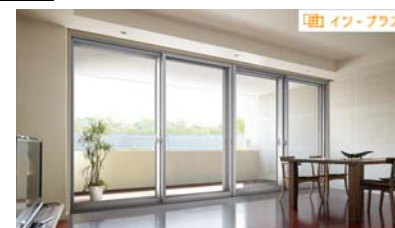
- Refining and marketing of petroleum and petrochemical products
- Importing and selling of gas and coal
- Supply of electricity
- Developing, manufacturing and marketing of fuel cell, solar power generation and storage batteries.

2) Reason for the alliance

Sales utilizing channels in housing energy business and housing equipment and material business owned by both companies, new value creation for the future, sales expansion of renovation related products, and development of new products.

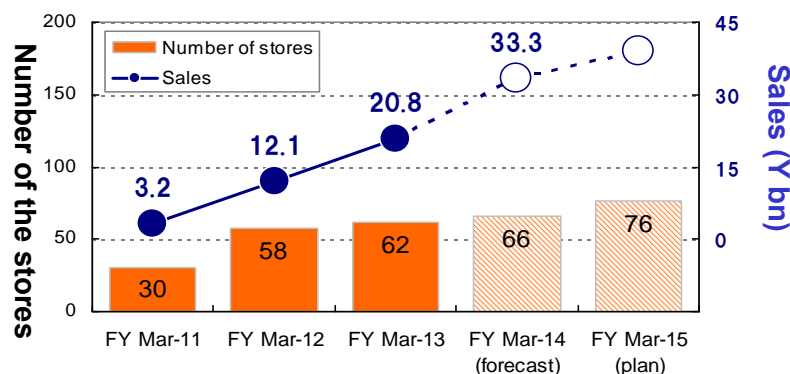
3) Date of the alliance agreed

October 31, 2013

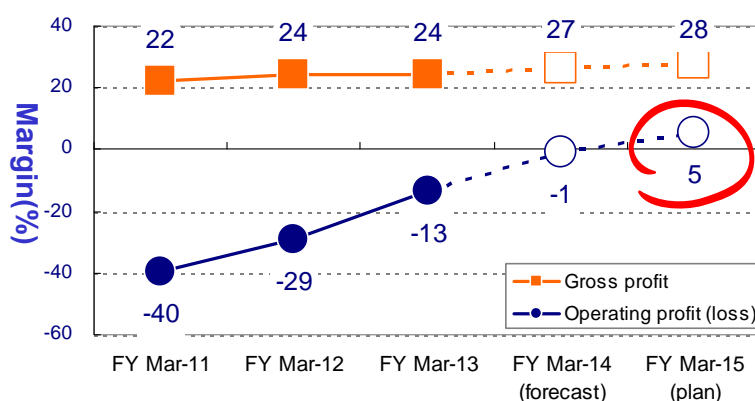


III-2. Progress of Ken Depot Business (1)

■ Sales and number of directly owned stores

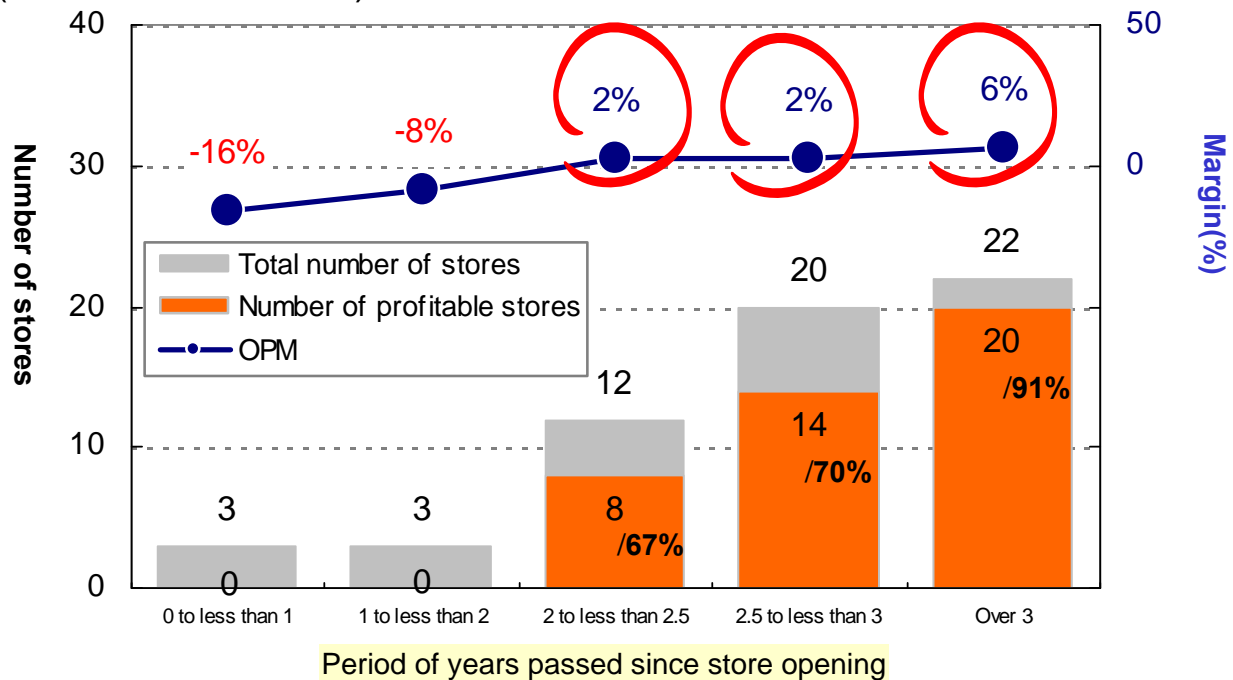


■ Gross profit and operating profit (loss) margin of Ken Depot stores



III-2. Progress of Ken Depot Business (2)

■ Operating profit margin of 60 stores by period of year passed (2H Mar-14 forecast)

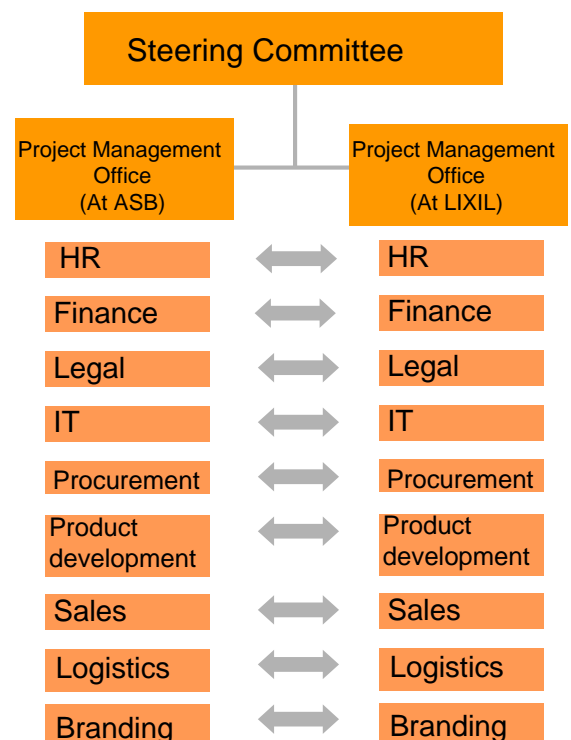


III-3. Progress of Global Strategy (1-1) ASB

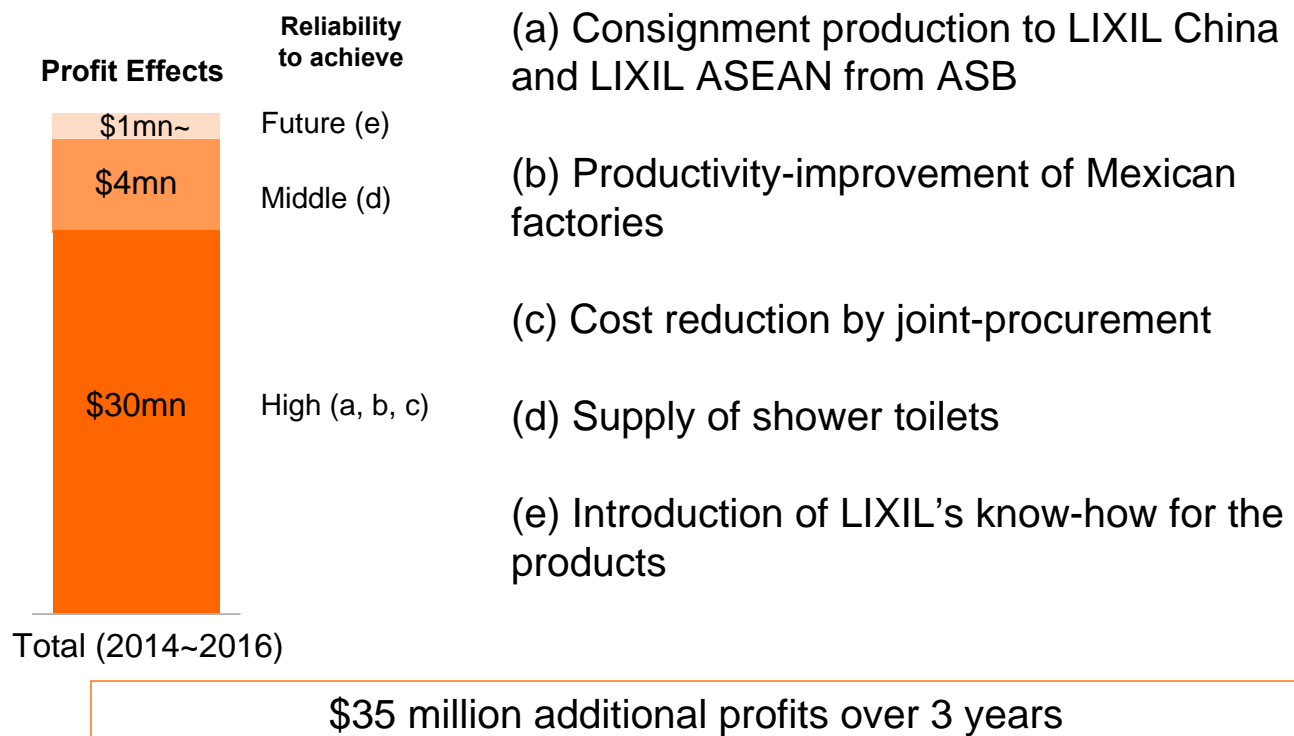
Integration Development

- ✓ Organize a committee for integration
 - Established management office and 9 functional teams
 - Established Steering Committee
- ✓ Set schedule and tasks for integration
 - Set tasks for each period: ①until closing (Day1), ②30 days, ③100 days and ④200 days after the closing
 - Sent three general manager level executives from Tokyo to ASB
- ✓ Aim to maximize the effects of synergy by utilizing management resources of each side while establishing corporate governance as a LIXIL Group member as soon as possible

Integration Committee



Expected synergy effects



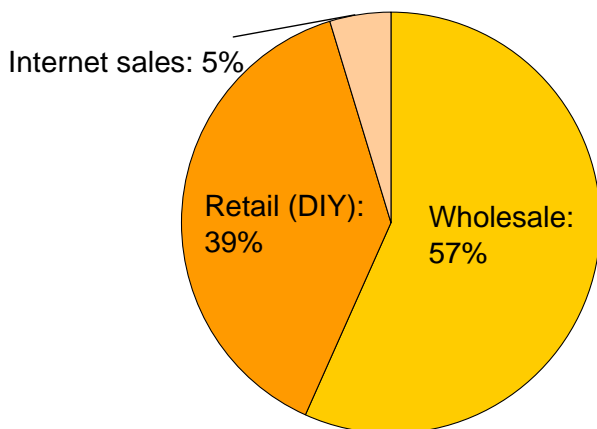
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III-3. Progress of Global Strategy (1-3) ASB

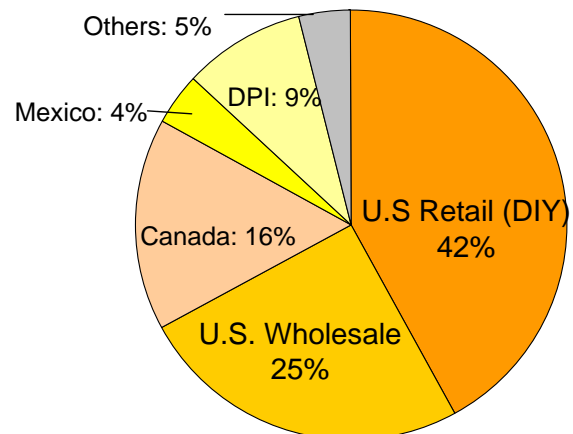
Wholesale and distribution markets in North America

Sales channels of bath and kitchen markets in North America



- \$8.8bn sanitary ware and kitchen market in North America.
- DIY channels, such as Home Depot and Lowes, account for 40% of the U.S. market

Proportion of ASB sales channels



- DIY channels, such as Home Depot and Lowes, account for 60%, which are a large proportion in the U.S. The composition ratio is opposite of the overall U.S. market.
- Penetration of major wholesalers is a challenge for further growth

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Sales tie-up with Ferguson

About Ferguson

- Largest distributor of plumbing supplies in North America. Sales are \$10.6bn. Ferguson is a member of the Wolseley group, a large British wholesale company that sells building materials globally.
- Ferguson has approximately 1,300 locations in the U.S, including about 300 showrooms that differentiate its services from DIY stores.
- Ferguson accounts for 30% of the wholesale channels of bath and kitchen in the U.S. As for the sanitary wares, Ferguson exclusively sells Kohler and PB (private brand).

New sales tie-up from 2014

- ✓ ASB and Ferguson agreed on a tie-up in October 2013, with which Ferguson will start selling ASB products from January 2014. By the end of 2013, ASB will begin shipping products to be displayed in Ferguson's showrooms.
- ✓ It will be a pillar of LIXIL's North American business and is expected to expand the sales to \$200 mn.
- ✓ Ferguson would be an excellent channel for our high-value-added products, such as shower toilets, and a business partner, with whom LIXIL and ASB can create synergy.

Huge Game Changing Opportunity in North America

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LIXIL Corporation ("LIXIL") and Development Bank of Japan Inc. ("DBJ") have entered into a stock sale and purchase agreement to acquire 87.5% of GROHE Group's shares through SPC, and GROHE Group is to become an affiliated company by the equity method

- Based in Germany, Europe's leading single-brand manufacturer of premium sanitary ware
- Received high acclaim globally for its product design. Owns sales channels in 130 countries with dominance in Europe
- Holds 72.3% of Joyou shares. Joyou produces and sells sanitary wares in China. Aggressively seeking opportunities in China

Units: EUR in millions

FY	Dec-10	Dec-11	Dec-12	Margin
Sales	1,211	1,296	1,405	-
EBITDA(*)	244	255	272	19.4%
EBIT(*)	210	214	218	15.5%

※ Source: GROHE Group company information
EBITDA, EBIT figures are normalized figures

III-3. Progress of Global Strategy (2-2) GROHE

Transaction	<ul style="list-style-type: none"> Enterprise Value: EUR3.059bn (JPY398bn) Purchase Price: EUR2.935bn (JPY382bn) *¹ SPC jointly invested by LIXIL and DBJ to acquire 87.5% of GROHE Group's shares (voting rights: held 50/50) 12.5% of GROHE Group shares to be kept by the Cai family, that founded Joyou
LIXIL's Investment	<ul style="list-style-type: none"> EV/EBITDA: 10.3x *² Common shares: EUR385mn Non-voting preferred shares: EUR378mn Total: EUR763mn (approx. JPY99bn) Fully financed by bank loans Equity ratio of LIXIL Group reduced from 38% in March 2013 to 36%
Closing Schedule	<ul style="list-style-type: none"> Expected to close in early 2014 GROHE Group to become an affiliated company by the equity method

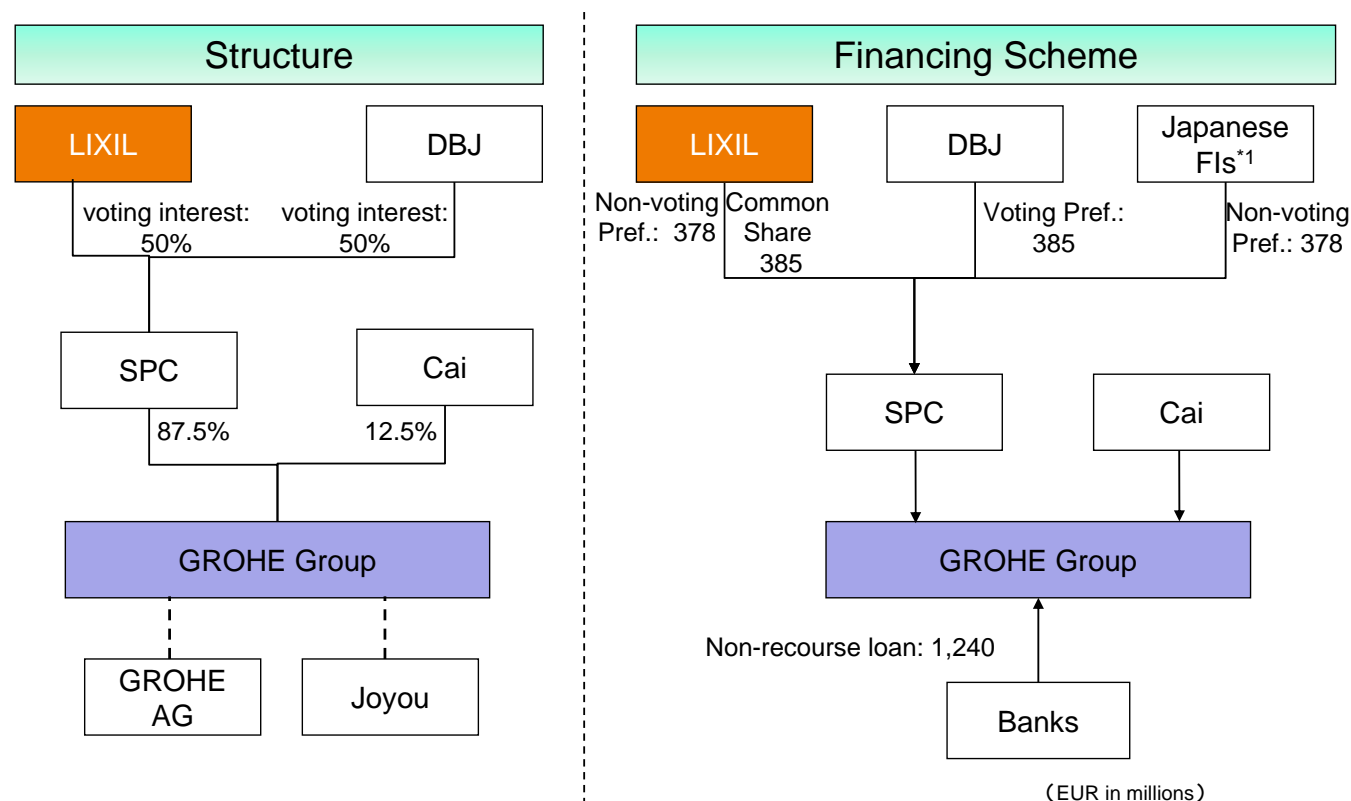
EUR 1 = JPY 130

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*¹:Deducted Cai's ownership and added other transaction cost *²:estimated EBITDA for 2013

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III-3. Progress of Global Strategy (2-3) GROHE



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*¹: "FI"s denotes "Financial Institutions"

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III-3. Progress of Global Strategy (3) Star Alubuild Private Limited **LIXIL**

Name of the company	Star Alubuild Private Limited
Major business	One of India's leading aluminum façade design, fabrication and installation service companies, focusing primarily on doors and windows, simple curtain walls and solid surface façades for interiors and exteriors.
Acquisition scheme	LIXIL's wholly-owned subsidiary based in Singapore has acquired a controlling 70% stake in Star Alubuild Private Limited
Schedule	Star Alubuild has become LGC's indirectly-owned subsidiary after share acquisition on Oct 8, 2013, and is expected to be consolidated from Q4.
Acquisition Price	<u>Enterprise Value</u> : INR 798 million (approx. 1.3 billion yen) <u>Equity Value</u> : INR 454 million (approx. 0.7 billion yen)

Business performance

Units: Y bn, %

FY (April - March)	Results	Forecasts		
	Mar-13	Mar-14	Mar-16	
Sales	1.5	3.0	3.6	
EBITDA	0.1	0.2	0.3	
	Vs. Sales (%)	8.7%	7.0%	7.7%
Operating Profit	0.1	0.2	0.2	
Net Profit	0.0	0.1	0.1	

Calculation: 1 rupee=1.57 yen

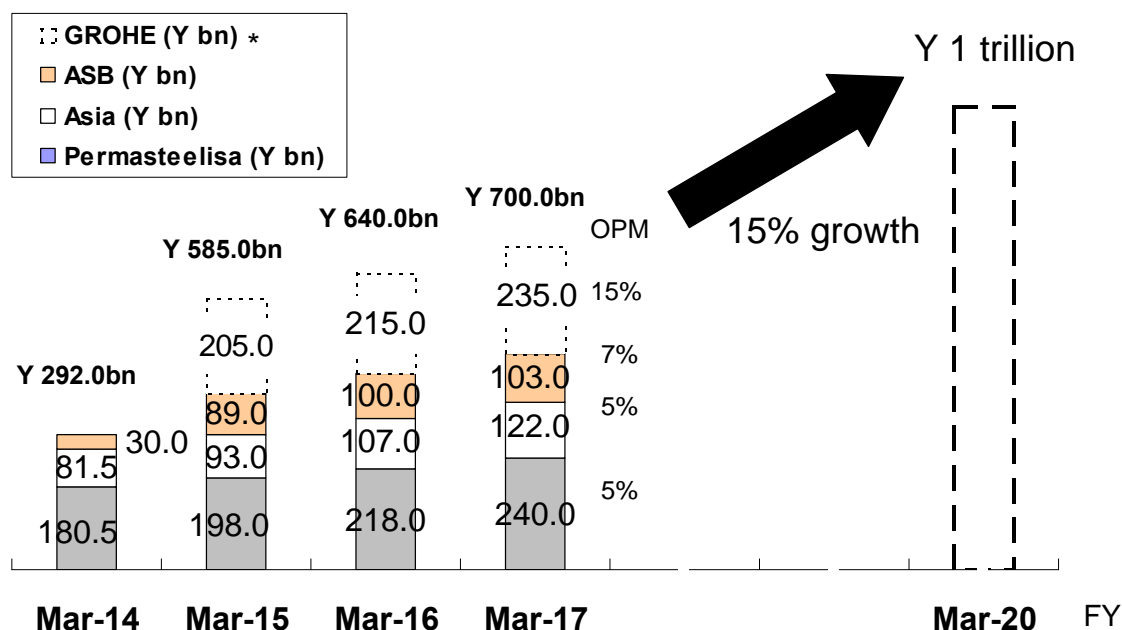
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III-3. Progress of Global Strategy (4)



■ Projection for overseas sales of 1 trillion yen



*The sales of GROHE are based on our expectations since deal has not closed at this time.

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III-3. Progress of Global Strategy (5)

■ Impacts to EPS from overseas M&A

Unit : Y

FY	Mar-14	Mar-15	Mar-16	Mar-17
Asia	13	17	20	26
Permasteelisa	18	23	29	36
ASB	-	9	11	14
GROHE *1	-	18	27	64
Total *2	31	67	87	140

*1 Expected to consolidate after adopting IFRS from the end of FY16

*2 HQ cost (about 10 yen) is excluded

III-4. Investment strategy of LIXIL Group

Basic Principles for Investment		GROHE	American Standard Brands (ASB)	EDION	Sharp
①	Strategy	○	○	○	○
②	Synergy	○	○		
③	New Market	○	○	—	○
④	Brand	○	○		
⑤	Products	○	—	—	○
⑥	10% ROI	○	○	○	○

Company	GROHE	American Standard Brands (ASB)	EDION	Sharp
Timing	Expected in early 2014	Aug. 2013	Sep. 2013	Oct. 2013
Amount (Ownership ratio)	Y99.2bn (43.75%)	Y30.5bn (100%)	Y5.0bn (8.0%)	Y5.0bn (1.05%)
Target	Establish European platform for plumbing products	Establish North American platform for plumbing products	Increase sales derived from remodeling	New product development & creation of new market with built-in electronics

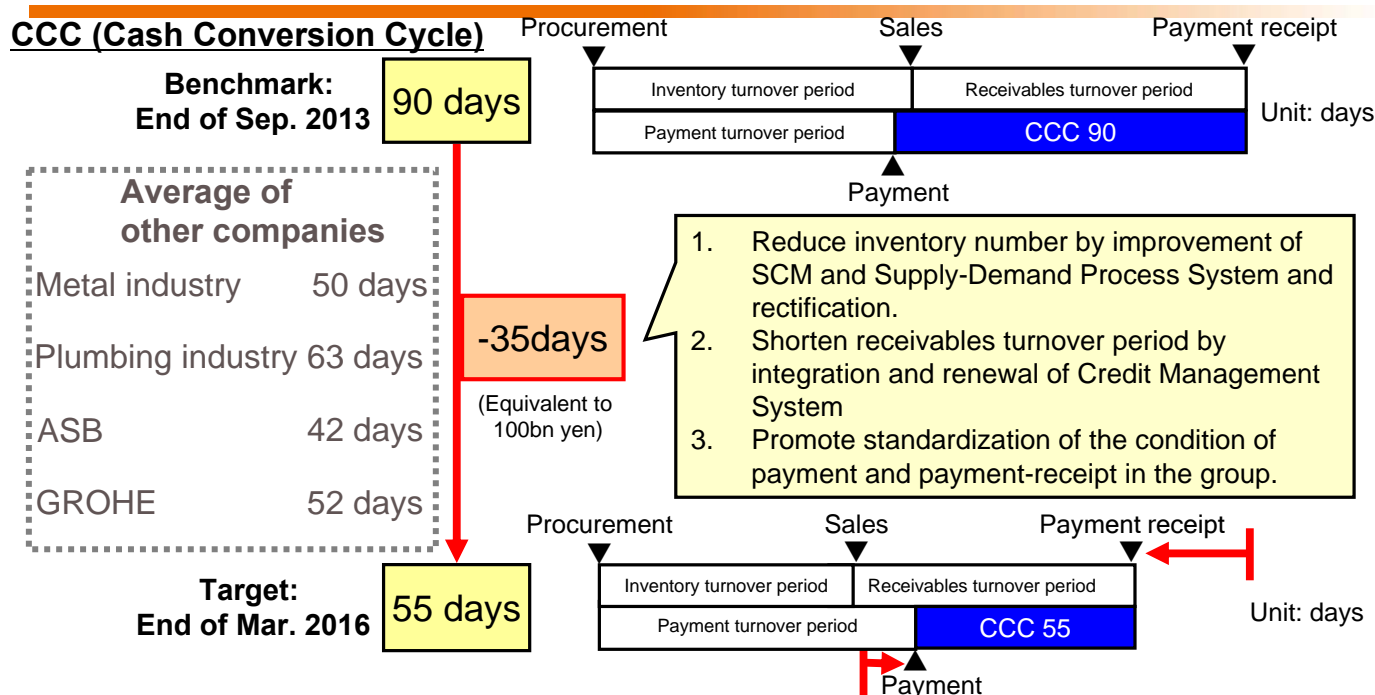
III-5. Progress of the “C-30 Project”

Division	Major measures	Target	Mar-14 1H progress	Mar-14 1H PL base (results)	Mar-14 PL base (estimate)	3 years progress (estimate)
Sales & marketing	<ul style="list-style-type: none"> Integrate sales offices and showrooms Integrate sales and marketing divisions as well as front and back office operations 	Y40bn	77%	Y3.0bn	Y8.6bn	Y29.7bn
Development & production	<ul style="list-style-type: none"> Integrate products and decrease the number of products Reorganize and consolidate production sites Automate factories and increase internally manufactured products and decrease outsourcing Expand production overseas Improve product quality 	Y30bn	103%	Y5.6bn	Y5.9bn	Y31.3bn
Purchasing & distribution	<ul style="list-style-type: none"> Improve economy of scale by the integration of purchasing Increase purchasing from overseas Consolidate logistics centers and integrate IT systems 	Y20bn	159%	Y6.1bn	Y6.1bn	Y30.6bn
Other	<ul style="list-style-type: none"> Integrate headquarters Integrate administrative IT systems 	Y20bn	91%	Y4.9bn	Y3.9bn	Y13.0bn
Total		Y110bn	102%	Y19.7bn	Y24.5bn	Y104.6bn

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III-6. First Example of Post C-30 Project ~Improvement of CCC~



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IV. New Products and Services of the LIXIL Group

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IV-1. Summary of New Products and Service for the FY Ending Mar-14 (1)

Quarterly number of new products and services by segments

	2012			2013
	1H	2H	FY Total	1H
Total	24	69	93	39
Metal building material	2	29	31	10
Housing sashes & Doors	0	8	8	8
Exterior & Tiles	2	21	23	2
Plumbing fixtures	1	19	20	6
Sanitary ware & Washstand cabinet units	0	6	6	3
Bathroom units	1	2	3	3
Kitchens	0	4	4	0
Devices	0	7	7	0
Other	5	10	15	5
Exterior wall material for houses & Structural materials	3	3	6	1
Wooden interior furnishing material	2	1	3	3
Energy generation devices	0	6	6	1
Service	16	11	27	18

IV-1. Summary of New Products and Service for the FY Ending Mar-14 (2) **LIXIL**

<Major Products>

	2013				2014		
	1Q	2Q	3Q	4Q	1Q	2Q	
Number of new products launched	5	4	7	50	10	11	
New detached homes	Family line Solar roof Melvo/La duna LED lighting for exterior	Brancher DX Danran monogatari cocoma/ZIMA	FG - H/S SAMOS II Woody line Cardinal New material	FG-EGESTA GEONA/ W Entrance/ Solar rack/ Kireiyu/Richelle/ Strengthen garden products & w all products/amiy/S hiera/LC	FG-C SAMOS with added function Artificial wood deck Balcony MC Large opening slideing door Miruru	Strengthening family line VS PASSO W type MC Triple Meister Eco-air 90	
Renovation	Coco-Eco		Super insulating Rechent door	Amiage shower toilet Segel window SolestaM Soleo	Inplus wood Style shade	Renova	Soleo Renovio V
Multiple family units	Strengthen Pro-se for renovation	Easy screw method		Small size toilet, Multi- functional w all hanging toilet basin, Handrails for various spaces, Solar base	Bathroom for AP	Raku net grille	Segel sw ing E-shape +w ood Toilet for infant Toilet combined with low tank cleanout
Public & Non residential	Door & sliding door strengthening store building	Strengthening store building materials	Strengthening curtain wall busines		Strengthening ProSE		

<Major Services>

	2012				2013		
	1Q	2Q	3Q	4Q	1Q	2Q	
Services started	8	8	5	6	7	11	
Service	Ground information report Total housing service, Seikatsu Tasuke	Cesibo smart house Sony bank cooperating loans Warranty for housing defect: Second hand apartments Large scale repairment	Arietta smart house Technical examination of low carbon building	Safety guard service for rental homes for elderly (Cooperated with Secom)	Certificate of the housing tax for FY13	20 years' warranty of the ground by SDS method	

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IV-2. 14 products were selected for Good Design Award **LIXIL**



E-SHAPE Window
+Wood



Sliding louver



Hiromaru-stove



SATIS Type G



Kireiyu



GIESTA (2 items)



GOOD
DESIGN
AWARD
2013

■ Won "Good Design Award 2013"

■ 14 products were selected

In addition to the pictures on the left...

- *Inplus Wood*, an inner window for soundproof and insulation
- *Style shade* externally attached screen
- *Support Service for Designing Ventilation and Wind-generation*
- *Super-strong Structure Value* with earthquake resistant warranty
- *Ecoful shower* series (for bathroom)
- *Eco-handle*, a single lever used for kitchen, washstand and bathroom
- Easy-care drain such as *Kururin Haisuikou*

LIXIL contributes to improving people's comfort and lifestyles by pursuing continuous award-winning.

IV-3. New Products & Services for Q2 (1)



Unit bathroom new "Renobio V" series

- For condominium renovation
- Bathroom heating dryer with hot water type mist ventilating function (optional)

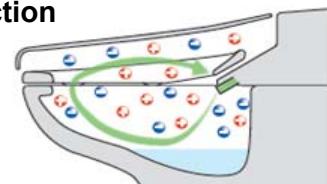
Kirei Bathtub, Kirei Thermo-floor, Kururin-poi Drain, Thermo-bath S, Kirei Door and Ecoful shower are equipped as a standard

- All-in-one comfortable bathroom "Clean, energy-saving and easy to renovate"

- Sep. 2013 Launch



Shower toilet seat with excellence in cleaning and superior eco function "New PASSO"



- Industry first: "bacteria elimination in the toilet bowl"

- newly equipped "energy-saving toilet seat"

- The following four functions are equipped as a standard in all grades

- "Lift-up for cleaning" (easy to clean)
- "Kirei toilet seat" (seamless)
- "Removal and installation of a tip of nozzle" function :LIXIL's original (easy to change the top of the washing nozzle)
- "Women's Nozzle" (for women's exclusive use)



- Sep. 2013 Launch

Lift-up for cleaning

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IV-3. New Products & Services for Q2 (2)



Interior renovation product "Renova"

- Industry first: "Cover Method", which protects the existing building from being broken.



- Developed under three themes after several months' research at the sites: "Don't easily break", "Fit in the site", and "Elimination of waste"

- Patent Pend

- Sep. 2013 Launch

●リノバカバー材

特許出願中

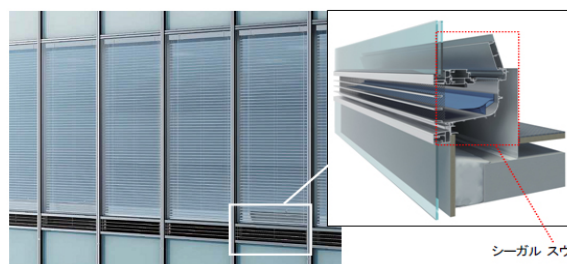


Natural ventilating device of determined volume of airflow "Segal Swing"

- Encourage effective natural ventilation and save air conditioning energy

- Contribute to CO2-reduction and energy-save

- Aug. 2013 Launch



シーガル スウィング

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<JHS> 20 years' warranty for new homes New "Ground Support System" service

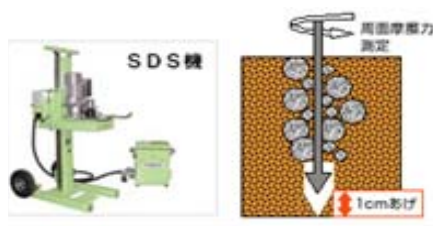
- 20 years' warranty of the ground for new homes
- Cover the accident occurred during construction
Warranty period: "Construction period" + "20 years after handover"

- Latest SDS method is adopted

SWS method, used in general ground inspection:
analyze ground strength only

SDS method: analyze the soil quality in addition to the ground strength

- Aug. 2013
Launch



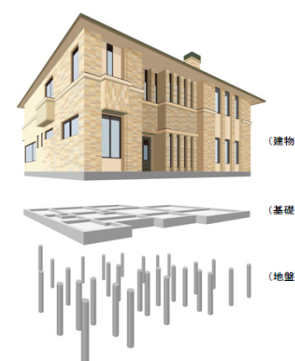
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<JHS> Industry first, proposal of suitable design for foundation of wooden detached-houses and the ground "Foundation Design Service"

- Industry first
- Patent Pending
- Check wooden detached-houses, foundation and ground comprehensively and propose suitable design
- Avoid excessive-design and achieve cost-cut by checking structure, foundation and ground comprehensively.

- Propose the design of section of foundation and suitable position of the piles depend on the burden of the load

- Sep. 2013 Launch



1H Results for the FY Ending March 2014 <Fact Sheets>

1. Financial Results for the FY Ended March 2013 (5 year trends)	P1
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November 5, 2013



LIXIL Group Corporation

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 Group Corporation cautions that a number of factors could cause actual results to differ materially from those discussed in the forward-looking statements.

1. Financial Results for the FY Ended March 2013 (5 year trends)

*No change from the Mar-13 financial results material (May 7, 2013 Fact Sheets)

Units : Y bn, %

	Mar-09 results	Mar-10 results	Mar-11 results	Mar-12 results	Mar-13 results	Y/Y	
						increase/ decrease	(%)
Metal building material	397.9	368.8	488.5	515.0	651.8	136.8	26.6%
Plumbing fixtures	291.7	282.8	380.0	370.5	374.3	3.9	1.0%
Other building materials	177.1	155.2	159.7	191.0	188.0	-3.0	-1.5%
Distribution and retail	133.3	134.2	142.8	166.6	175.4	8.8	5.3%
Housing, real estate and other	55.9	51.9	57.5	61.3	59.3	-2.1	-3.4%
Subtotal	1,055.8	992.9	1,228.5	1,304.4	1,448.8	144.5	11.1%
Elimination	-9.0	-10.3	-13.5	-13.0	-12.4	0.5	-
Net sales	1,046.9	982.6	1,214.9	1,291.4	1,436.4	145.0	11.2%
Gross profit	305.8	299.0	380.7	376.1	403.1	27.0	7.2%
Gross margin	29.2%	30.4%	31.3%	29.1%	28.1%	-	-1.0P
SG&A	280.2	273.1	340.3	358.1	352.6	-5.6	-1.6%
SG&A ratio	26.8%	27.8%	28.0%	27.7%	24.5%	-	-3.2P
Metal building material	19.2	17.9	22.1	4.0	23.9	19.9	499.7%
Plumbing fixtures	3.8	8.4	13.0	11.5	17.0	5.5	48.2%
Other building materials	1.6	-1.4	3.6	1.9	7.6	5.7	302.7%
Distribution and retail	2.9	3.9	2.0	-0.9	0.3	1.1	-
Housing, real estate and other	-0.3	-1.1	2.4	4.3	4.9	0.7	16.1%
Elimination	-1.6	-1.7	-2.7	-2.8	-3.2	-0.4	-
Operating profit	25.6	26.0	40.4	17.9	50.5	32.6	181.8%
Metal building material	4.8%	4.8%	4.5%	0.8%	3.7%	-	+2.9P
Plumbing fixtures	1.3%	3.0%	3.4%	3.1%	4.5%	-	+1.4P
Other building materials	0.9%	-0.9%	2.2%	1.0%	4.0%	-	+3.0P
Distribution and retail	2.2%	2.9%	1.4%	-0.5%	0.2%	-	-
Housing, real estate and other	-0.6%	-2.1%	4.1%	7.0%	8.4%	-	+1.4P
OP margin	2.4%	2.6%	3.3%	1.4%	3.5%	-	+2.1P
Recurring profit	22.2	27.9	39.2	16.1	53.1	36.9	229.1%
Net income/ loss before minority interests	6.6	3.9	30.4	-26.4	32.5	59.0	-
Net income/ loss	0.5	-5.3	15.8	1.9	21.3	19.5	-

2. 1H Results and 2H Forecasts for the FY Ending March 2014

Units: Y bn, %

	FY Ended March 2013			FY Ending March 2014											
	1H	2H	Full-year	1H						2H forecasts			Full-year forecasts		
	results	results	results	* forecasts	results	Y/Y (amount)	Y/Y (%)	Vs. forecasts (amount)	Vs. forecasts (%)		Y/Y (amount)	Y/Y (%)		Y/Y (amount)	Y/Y (%)
Metal building material	306.1	345.6	651.8	329.0	333.5	27.4	8.9%	4.5	1.4%	381.5	35.9	10.4%	715.0	63.2	9.7%
Plumbing fixtures	178.0	196.3	374.3	190.0	190.3	12.3	6.9%	0.3	0.1%	248.7	52.4	26.7%	439.0	64.7	17.3%
Other building materials	89.1	98.9	188.0	95.0	98.4	9.3	10.5%	3.4	3.6%	100.6	1.7	1.7%	199.0	11.0	5.8%
Distribution and retail	87.0	88.4	175.4	92.0	93.8	6.8	7.8%	1.8	1.9%	100.2	11.8	13.4%	194.0	18.6	10.6%
Housing, real estate and others	28.6	30.7	59.3	29.0	30.9	2.3	8.1%	1.9	6.4%	32.1	1.4	4.7%	63.0	3.7	6.3%
Elimination	-5.9	-6.5	-12.4	-5.0	-5.3	0.6	-	-0.3	-	-4.7	1.8	-	-10.0	2.4	-
Net sales	682.9	753.5	1,436.4	730.0	741.5	58.6	8.6%	11.5	1.6%	858.5	105.0	13.9%	1,600.0	163.6	11.4%
Gross profit	191.4	211.6	403.1	205.0	206.4	15.0	7.8%	1.4	0.7%						
SG&A	177.7	174.9	352.6	182.0	180.4	2.8	1.6%	-1.6	-0.9%						
Metal building material	5.5	18.4	23.9	13.5	13.5	8.0	146.7%	0.0	0.0%	21.0	2.6	13.9%	34.5	10.6	44.3%
Plumbing fixtures	5.1	11.9	17.0	6.5	7.5	2.3	45.1%	1.0	14.7%	13.0	1.2	9.9%	20.5	3.5	20.5%
Other building materials	2.2	5.4	7.6	2.0	2.8	0.6	28.9%	0.8	41.0%	5.2	-0.2	-3.8%	8.0	0.4	5.7%
Distribution and retail	0.5	-0.2	0.3	1.0	1.5	1.0	204.0%	0.5	49.8%	3.5	3.7	Turn profitable	5.0	4.7	-
Housing, real estate and others	2.1	2.8	4.9	2.0	2.8	0.7	31.1%	0.8	38.9%	2.7	-0.1	-3.8%	5.5	0.6	11.2%
Elimination	-1.6	-1.6	-3.2	-2.0	-2.1	-0.4	-	-0.1	-	-1.4	0.2	-	-3.5	-0.3	-
Operating profit	13.8	36.7	50.5	23.0	26.0	12.2	88.7%	3.0	12.9%	44.0	7.3	19.9%	70.0	19.5	38.7%
OP margin	2.0%	4.9%	3.5%	3.2%	3.5%	-	+1.5P	-	+0.4P	5.1%	-	+0.3P	4.4%	-	+0.9P
Recurring profit	12.5	40.6	53.1	23.0	29.0	16.5	132.0%	6.0	25.9%	41.0	0.5	1.1%	70.0	16.9	31.9%
Net income/ loss	-10.4	31.7	21.3	13.0	17.8	28.2	Turned profitable	4.8	37.0%	23.2	-8.5	-26.9%	41.0	19.7	92.1%

*Announced on May 7, 2013

[Additional information] Results and assumptions for the foreign exchange rates and raw material prices

	Mar-13 results	Mar-14 1H results	Mar-14 assumptions
US dollars	83.23 yen	97.99 yen	95.00 yen
Euros	103.25 yen	124.21 yen	124.00 yen
Thai bahts	2.67 yen	3.19 yen	3.20 yen
Chinese yuans	12.70 yen	15.30 yen	15.30 yen
Aluminum price (Purchasing price)	190,000 yen/ ton	217,000 yen/ ton	210,000 yen/ ton
Copper price	510,000 yen/ ton	542,000 yen/ ton	600,000 yen/ ton

3.Domestic & Overseas Results and Forecasts by Segment

Units: Y bn, %

				Mar-13 1H Results			Mar-14 1H Results			Growth Rates (Y/Y)			
				Sales	OP	OPM	Sales	OP	OPM	Sales	OP	OPM	
Consolidated Results		Domestic	Metal building material	233.0	8.6	3.7%	240.2	15.5	6.5%	3.1%	81.5%	2.8P	
			Plumbing fixtures	161.9	7.0	4.3%	169.5	9.3	5.5%	4.7%	33.2%	1.2P	
			Other building materials	86.8	2.5	2.9%	96.0	3.0	3.2%	10.6%	18.9%	0.2P	
			Domestic Total (1)	481.8	18.1	3.8%	505.7	27.9	5.5%	5.0%	54.0%	1.8P	
		Overseas	Permasteelisa	63.7	2.9	4.6%	80.2	1.4	1.8%	25.9%	-51.8%	-2.8P	
			Asia & others	57.6	-0.8	-1.5%	76.8	0.3	0.4%	33.4%	Turned profitable	1.9P	
			HQ overhead, GW & others	-29.8	-7.4	-	-40.6	-5.8	-	-	-	-	
			Overseas Total (2)	91.5	-5.3	-5.8%	116.5	-4.1	-3.5%	27.3%	Loss decreased	2.3P	
		Consolidated building materials Total (1)+(2)			573.3	12.8	2.2%	622.2	23.8	3.8%	8.5%	85.8%	1.6P
		Distribution and retail			87.0	0.5	0.6%	93.8	1.5	1.6%	7.8%	204.0%	1.0P
		Housing, real estate and other			28.6	2.1	7.4%	30.9	2.8	9.0%	8.1%	31.1%	1.6P
		Elimination			-5.9	-1.6	-	-5.3	-2.1	-	-	-	-
Total				682.9	13.8	2.0%	741.5	26.0	3.5%	8.6%	88.7%	1.5P	

4. Quarterly Financial Results

Units: Y bn, %

		Mar-13								Mar-14			
		Q1 results		Q2 results		Q3 results		Q4 results		Q1 results		Q2 results	
			Y/Y		Y/Y		Y/Y		Y/Y		Y/Y		Y/Y
	Metal building material	143.9	31.4%	162.2	19.8%	165.8	26.5%	179.8	29.4%	152.3	5.9%	181.2	11.7%
	Plumbing fixtures	85.1	7.0%	92.9	-3.0%	98.9	-0.4%	97.5	1.6%	89.0	4.6%	101.2	9.0%
	Other building materials	42.2	37.0%	46.9	-1.7%	49.2	-10.5%	49.7	-13.6%	46.6	10.4%	51.8	10.5%
	Distribution and retail	44.6	6.6%	42.4	5.0%	47.8	5.1%	40.6	4.5%	48.2	8.1%	45.6	7.4%
	Housing, real estate and other	13.1	2.9%	15.4	-8.9%	15.6	0.6%	15.1	-6.3%	15.0	14.2%	15.9	2.8%
	Subtotal	328.9	19.9%	359.9	7.0%	377.2	9.0%	382.7	10.2%	351.2	6.8%	395.7	9.9%
	Elimination	-2.8	-	-3.2	-	-3.5	-	-3.0	-	-2.8	-	-2.6	-
	Net sales	326.2	20.0%	356.7	7.1%	373.8	9.1%	379.7	10.4%	348.4	6.8%	393.1	10.2%
	Gross profit	90.6	8.0%	100.8	4.9%	111.0	5.7%	100.7	10.5%	98.0	8.1%	108.4	7.6%
	Gross margin	27.8%	-3.1P	28.3%	-0.6P	29.7%	-1.0P	26.5%	+0.0P	28.1%	+0.3P	27.6%	-0.7P
	SG&A	87.3	6.3%	90.3	-6.6%	86.8	-1.8%	88.2	-3.2%	88.8	1.6%	91.7	1.5%
	SG&A ratio	26.8%	-3.4P	25.3%	-3.7P	23.2%	-2.6P	23.2%	-3.3P	25.5%	-1.3P	23.3%	-2.0P
	Metal building material	-0.3	Fell into the red	5.8	Turned profitable	11.5	50.8%	7.0	Turned profitable	5.1	Turned profitable	8.4	46.1%
	Plumbing fixtures	2.7	76.8%	2.4	78.2%	8.3	39.7%	3.6	35.5%	2.2	-17.6%	5.2	116.0%
	Other building materials	0.4	Turned profitable	1.8	Turned profitable	2.8	19.6%	2.6	90.4%	0.4	8.7%	2.4	32.8%
	Distribution and retail	0.5	-44.0%	0.0	Loss decreased	1.0	67.9%	-1.2	Loss decreased	1.1	113.5%	0.3	Turned profitable
	Housing, real estate and other	0.8	71.9%	1.3	21.3%	1.6	31.8%	1.3	-16.9%	1.3	56.8%	1.5	15.3%
	Elimination	-0.9	-	-0.8	-	-0.8	-	-0.7	-	-0.9	-	-1.1	-
	Operating profit	3.3	88.5%	10.5	Turned profitable	24.2	45.0%	12.5	-	9.2	180.3%	16.8	60.0%
	OP margin	1.0%	+0.4P	2.9%	+3.1P	6.5%	+1.6P	3.3%	+3.3P	2.6%	+1.6P	4.3%	+1.3P
	Recurring profit	3.7	28.3%	8.8	Turned profitable	25.9	53.6%	14.7	-	13.6	269.1%	15.3	74.5%
	Net income/ loss	1.1	-95.3%	-11.5	Loss increased	18.1	Turned profitable	13.6	Turned profitable	8.9	733.3%	8.8	Turned profitable

5. Segment Information (1) Manufacturing Businesses (Metal Building Materials/ Plumbing Fixtures/ Other Building Materials and Equipment)

Sales of manufacturing businesses (Metal/ Plumbing/ Other)

Unit: Ybn, %

	1H					2H			Full-year		
	Mar-13	Mar-14*	Mar-14	Y/Y	Vs.	Mar-13	Mar-14	Y/Y	Mar-13	Mar-14	Y/Y
	results	forecasts	results		forecasts	results	forecasts		results	forecasts	
Metal building materials	306.1	329.0	333.5	8.9%	1.4%	345.6	381.5	10.4%	651.8	715.0	9.7%
Plumbing fixtures	178.0	190.0	190.3	6.9%	0.1%	196.3	248.7	26.7%	374.3	439.0	17.3%
Other building materials	89.1	95.0	98.4	10.5%	3.6%	98.9	100.6	1.7%	188.0	199.0	5.8%

Operating profit of manufacturing businesses (Metal/ Plumbing/ Other)

Unit: Ybn, %

	1H					2H			Full-year		
	Mar-13	Mar-14*	Mar-14	Y/Y	Vs.	Mar-13	Mar-14	Y/Y	Mar-13	Mar-14	Y/Y
	results	forecasts	results		forecasts	results	forecasts		results	forecasts	
Metal building materials	5.5	13.5	13.5	146.7%	0.0%	18.4	21.0	13.9%	23.9	34.5	44.3%
Plumbing fixtures	5.1	6.5	7.5	45.1%	14.7%	11.9	13.0	9.9%	17.0	20.5	20.5%
Other building materials	2.2	2.0	2.8	28.9%	41.0%	5.4	5.2	-3.8%	7.6	8.0	5.7%

*Announced on May 7, 2013

Increase/decrease breakdown of operating profits for manufacturing businesses (Metal/ Plumbing/ Other)

<1H results: Y/Y>

Unit : Y bn

	Mar-13 1H results	Due to sales fluctuation	Change in selling price and mix	Raw material costs	Cost fluctuation	Impacts of exchange rate	Thai floods	Due to SG&A fluctuation	Business overseas	Total	Mar-14 1H results
Metal	5.5	1.8	0.9	-0.5	1.2	-3.5	5.8	1.2	1.1	+8.0	13.5
Plumbing	5.1	2.3	-0.9	-0.2	1.9	-1.6	0.0	1.0	-0.1	+2.3	7.5
Other	2.2	1.9	0.6	-0.5	0.3	-0.6	0.0	-1.3	0.2	+0.6	2.8
Manufacturing total	12.8	6.0	0.6	-1.2	3.4	-5.7	5.8	0.8	1.2	+11.0	23.8

<Mar-14 forecasts: Y/Y>

*Unchanged from the Mar-13 financial results material

Unit : Y bn

	Mar-13 results	Due to sales fluctuation	Change in selling price and mix	Raw material costs	Cost fluctuation		Thai floods	Due to SG&A fluctuation	Business overseas	Total	Mar-14 forecasts
Metal	23.9	7.0	-3.2	-2.1	2.0		5.8	-4.2	5.3	+10.6	34.5
Plumbing	17.0	8.7	-1.6	-1.5	0.5		0.0	-4.0	1.4	+3.5	20.5
Other	7.6	3.5	-0.8	-0.9	1.1		0.0	-3.1	0.6	+0.4	8.0
Manufacturing total	48.5	19.2	-5.6	-4.5	3.6		5.8	-11.3	7.3	+14.5	63.0

Impact of recently consolidated companies

Based on main business

Unit : Y bn, %

	Mar-13 results		Mar-13 1H results		Mar-14 1H results			
	Sales	OP	Sales	OP	Sales	Y/Y	OP	Y/Y
Permasteelisa	140.9	7.0	65.7	2.9	81.6	24.2%	1.4	-51.7%
Kawashima Selkon Textiles	32.0	1.2	15.1	0.3	14.9	-1.1%	0.3	4.9%
Hivic	20.6	0.9	10.2	0.5	11.7	15.1%	0.5	0.0%
Shanghai Meite	20.9	0.1	7.2	-1.0	9.8	36.5%	0.0	Turned profitable

Business performance of LIXIL Corporation (non-consolidated base)

Units: Y bn, %

	Mar-13 1Q results	Mar-14 1Q results	Y/Y(amount)	Y/Y(%)
Sales	420.3	446.7	26.4	6.3%
OP	10.3	14.1	3.8	37.1%
%	2.5%	3.2%	0.7P	-

6. Segment Information (2) Distribution and Retail

Sales and OP for the segment

Units: Y bn, %

		1H					2H			Full-year		
		Mar-13	Mar-14*	Mar-14			Mar-13	Mar-14		Mar-13	Mar-14	
		results	forecasts	results	Y/Y	Vs. forecasts	results	forecasts	Y/Y	results	forecasts	Y/Y
Sales		87.0	92.0	93.8	7.8%	1.9%	88.4	100.2	13.4%	175.4	194.0	10.6%
OP		0.5	1.0	1.5	204.0%	49.8%	-0.2	3.5	Turned profitable	0.3	5.0	-
Figures of Ken Depot included above	Sales	9.6	13.2	12.8	33.8%	-2.7%	11.2	20.5	82.6%	20.8	33.3	60.1%
	OP	-2.6	-1.7	-1.8	Loss shrunk	Loss expanded	-2.2	1.5	Turned profitable	-4.8	-0.3	Loss shrunk

*Announced on May 7, 2013

Operation profits: increase/ decrease analysis

<1H results: Y/Y>

Unit: Y bn

Mar-13 1H results	Due to sales fluctuation of new stores	Due to sales fluctuation of existing stores	Due to sales fluctuation of closed stores	Sales price of existing stores	Cost of existing stores	SG&A of existing stores	SG&A of new stores	Ken Depot	Total	Mar-14 1H results
0.5	1.9	0.0	-1.1	-0.6	0.9	1.0	-1.8	0.7	+1.0	1.5

<Mar-14 forecasts: Y/Y>

Unit: Y bn

Mar-13 results	Due to sales fluctuation of new stores	Due to sales fluctuation of existing stores	Due to sales fluctuation of closed stores	Sales price of existing stores	Cost of existing stores	SG&A of existing stores	SG&A of new stores	Ken Depot	Total	Mar-14 forecasts
0.3	3.7	-2.0	0.0	1.5	0.0	0.4	-3.3	4.5	+4.7	5.0

Number of stores

Unit: stores

	Mar-13 results	Mar-14 1H results	Change from Mar-13	FY Mar-14 forecasts	Y/Y
Newly opened SVH stores	4	1	-	4	-
Newly opened NVH stores	0	0	-	0	-
Newly opened Ken Depot stores	4	3	-	5	-
Number of stores closed	9	1	-	1	-
Number of stores at end of term	142	145	+3	150	+8
(SVH stores)	29	30	+1	33	+4
(NVH stores)	9	9	0	9	0
(Ken Depot stores)	62	64	+2	66	+4

Results of home center business

Units: Y bn, %

	Mar-13 1H results	Mar-14 1H results	Y/Y
Sales	77.5	80.9	4.5%
OP	4.2	4.1	-2.1%
%	5.4%	5.1%	-0.3P

Rate of sales growth

<Mar-14 1H results> Unit: %

All stores	+4.5
Existing stores only	+0.1

*Existing stores: Stores opened by the end of March 2011

Growth rate of customer footfall and average sales per customer

<Mar-14 1H results> Unit: %

All stores	
Customer footfall	0.3
Average sales	5.3
Existing stores only	
Customer footfall	-3.1
Average sales	3.1

7. Segment Information (3) Housing, Real Estate and Other Businesses

Sales and OP of the segment

Units: Y bn, %

	1H					2H			Full-year		
	Mar-13	Mar-14*	Mar-14			Mar-13	Mar-14		Mar-13	Mar-14	
	results	forecasts	results	Y/Y	Vs. forecasts	results	forecasts	Y/Y	results	forecasts	Y/Y
Sales	28.6	29.0	30.9	8.1%	6.4%	30.7	32.1	4.7%	59.3	63.0	6.3%
OP	2.1	2.0	2.8	31.1%	38.9%	2.8	2.7	-3.8%	4.9	5.5	11.2%

*Announced on May 7, 2013

Sales and OP by segment companies

<Mar-14 1H results>

Units: Y bn, %

	Sales			OP		
	Mar-13	Mar-14	Y/Y (%)	Mar-13	Mar-14	Y/Y (%)
	1H results	1H results		1H results	1H results	
LIXIL Housing Research Institute	12.2	13.2	8.3%	0.8	1.0	21.4%
JIO	5.0	5.5	9.4%	0.1	0.3	197.6%
Japan Home Shield	5.4	5.0	-6.3%	0.5	0.7	28.2%
Other & adjustments	5.9	7.1	19.2%	0.7	0.8	19.4%
Segment total	28.6	30.9	8.1%	2.1	2.8	31.1%

<Mar-14 forecasts>

Units: Y bn, %

	Sales			OP		
	Mar-13	Mar-14	Y/Y (%)	Mar-13	Mar-14	Y/Y (%)
	results	forecasts		results	forecasts	
LIXIL Housing Research Institute	25.6	28.1	9.6%	1.7	1.8	4.5%
JIO	10.7	11.4	6.9%	0.3	0.4	27.5%
Japan Home Shield	10.4	11.1	6.5%	1.1	1.4	23.7%
Other & adjustments	12.5	12.4	-1.1%	1.8	1.9	6.7%
Segment total	59.3	63.0	6.3%	4.9	5.5	11.2%

Number of contracts received and houses built with housing franchise businesses

Number of contracts received

Units: houses, %

	Mar-13	Mar-14	Y/Y
	1H results	1H results	
Total for the Group	2,390	2,967	24.1%

Number of houses built

Units: houses, %

	Mar-13	Mar-14	Y/Y
	1H results	1H results	
Total for the Group	1,938	2,042	5.4%

8. Sales by Products and Services

Units: Y bn, %

Major products	Mar-13 results	Mar-13 1H results	Mar-14 1H results	Y/Y (%)	Quarterly Y/Y (%)					
					Mar-13				Mar-14	
					Q1	Q2	Q3	Q4	Q1	Q2
Housing sashes and related products	199.5	99.1	104.7	5.6%	-2.4	-5.5	0.9	2.7	8.0	3.5
Exterior	114.1	57.8	57.6	-0.3%	7.2	-1.4	-5.8	-3.4	-2.2	1.8
Building sashes and shutters	115.8	47.6	48.0	0.9%	2.1	-7.0	-8.6	-5.9	-1.9	2.5
Sanitary ware	95.2	45.6	47.0	3.2%	4.5	-0.5	0.2	-3.2	1.1	5.1
Bathroom units	83.8	40.6	42.9	5.7%	17.5	-10.1	-0.4	-0.2	5.5	5.8
Kitchens	100.5	47.7	52.3	9.6%	-4.6	-6.6	-3.2	0.1	6.8	12.2
Washstand cabinet units	30.6	14.3	15.3	7.3%	10.6	-2.1	-0.4	-1.6	5.9	8.5
Wooden interior furnishing materials	48.9	23.0	27.3	18.9%	16.4	4.6	6.5	11.6	18.7	19.1
Exterior wall materials for houses	36.3	17.8	18.6	4.5%	39.0	2.2	0.4	3.9	3.8	5.3
Tiles	31.0	14.7	14.3	-2.9%	11.0	-0.9	-3.4	-10.2	-4.5	-1.5
Interior Fabric	31.6	15.0	14.9	-0.9%	-	-3.1	-2.6	-6.6	-2.2	-0.4
Housing structures and pre-cut woods	33.5	16.4	18.9	15.2%	205.8	117.8	-2.3	0.2	13.9	16.4
Home center sales	172.9	85.7	92.2	7.6%	6.7	5.0	4.9	5.1	7.8	7.4
Other	342.6	157.6	187.4	18.9%	96.3	71.4	90.7	95.9	12.9	24.4
Total	1,436.4	682.9	741.5	8.6%	20.0	7.1	9.1	10.4	6.8	10.2

Note: Above classifications are for domestic manufacturing businesses.

Sales of companies overseas are included in "Other".

Mar-13 1H results for "Interior Fabric" and "Other" were revised.

9. Renovation Network

(Number of member homebuilders)

Voluntary type	Mar-11 results	Mar-12 results	Mar-13 results	Mar-14 1H
Tostem Reform Magic	4,905	8,896	9,356	9,617
INAX Reform Network	4,043			
TOEX Shizenyoku de KURASU stores	1,062			
Sun Wave reform shop R&B	276			

* Changed to "LIXIL Reform Net" in April 2012

Franchise type	Mar-11 results	Mar-12 results	Mar-13 results	Mar-14 1H
Tostem Homewell (FC)	176	414	377	377
INAX LIFA (FC)	246			

* Changed to "LIXIL Reform Chain" in July 2012

10. Overseas Production Ratio and Sales

Overseas production ratio

	Products	Locations	Overseas production ratio		
			Mar-13 results	Mar-14 1H results	Mar-14 forecasts
LIXIL	Aluminum housing sashes	Thailand*	24%	27%	27%
	Interior wooden furnishing materials	Dalian, China	44%	48%	48%
	Sanitary ware	Hanoi, Vietnam	36%	40%	38%
		Suzhou, China			
	Water faucets	Suzhou, China	20%	23%	23%
	Floor tiles	Suzhou, China	58%	54%	54%

*Factory operation has been suspended since October 18, 2011 due to the massive floods in Thailand. Production in Thailand normalized from May 2012.

Sales Overseas

Units: Y bn, %

Areas	Mar-13 1H results					Mar-14 1H results						
	Gross revenue*	Elimination & Others	Total	Sales excluding Perma	Sales of Perma	Gross revenue*	Elimination & Others	Total	Y/Y	Sales excluding Perma	Y/Y	Sales of Perma
Greater China	38.7	-13.2	25.5	14.9	10.6	47.4	-13.5	33.9	32.9%	20.7	39.0%	13.2
Thailand	20.6	-16.8	3.8	3.6	0.1	32.4	-26.6	5.8	52.9%	5.4	47.3%	0.4
Vietnam	2.2	0.5	2.7	2.7	0.0	5.8	-1.9	3.9	42.6%	3.5	27.7%	0.4
Korea	2.7	0.0	2.7	2.7	0.0	2.2	-0.1	2.2	-19.5%	2.1	-21.3%	0.0
Other Asian countries	8.4	-1.2	7.3	2.8	4.5	7.8	0.8	8.6	17.8%	3.2	14.2%	5.4
Middle East	11.7	0.0	11.8	0.0	11.7	18.4	0.0	18.4	56.9%	0.0	-32.1%	18.4
North America	14.0	0.3	14.3	0.3	14.0	15.8	0.6	16.4	14.6%	0.6	86.5%	15.8
Europe	17.5	0.0	17.5	0.2	17.3	22.4	0.1	22.6	29.0%	0.2	36.2%	22.4
Others	5.5	0.5	6.0	0.6	5.4	4.8	-0.1	4.7	-21.0%	0.6	0.5%	4.1
Total	121.3	-29.8	91.5	27.8	63.7	137.8	-40.6	116.5	27.3%	36.2	30.4%	80.2

* Gross revenue for area before intra-company elimination

(For reference)

Overseas sales ratio

	Mar-10 results	Mar-11 results	Mar-12 results	Mar-13 results	Mar-14 forecasts
Overseas sales	26.3	40.0	53.9	205.1	262.0
Overseas sales ratio	2.7%	3.3%	4.2%	14.3%	16.7%

Units: Y bn, %

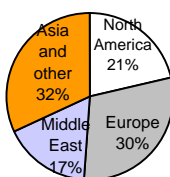
Mar-14 1H results
116.5
15.7%

11. Permasteelisa

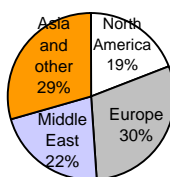
1H= January to June, Full-year= January to December

Regional sales contribution

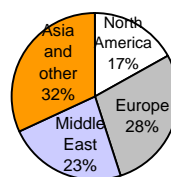
FY2012 results



FY2013 1H results



FY2013 forecasts



Business performance of Permasteelisa

Units: Y bn, %

	Dec-12 results	Dec-13 1H results		Dec-13 forecasts	
			Y/Y (%)		Y/Y (%)
Sales	140.9	81.6	24.2%	180.5	28.1%
Perma OP	7.0	1.4	-51.7%	8.4	19.9%
%	5.0%	1.7%	-2.7P	4.6%	-0.3P
Amortization of Goodwill and intangible assets	7.1	1.5	-	5.3	-
OP	-0.1	-0.1	-	3.0	-
Exchange rate Yen/Euro	103.3	124.2	-	119.0	-

Orders received

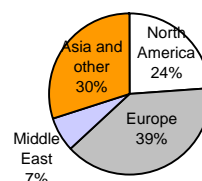
Unit: million euros

	Dec-12 results	Dec-13 1H results	Dec-13 Forecast
New	503	833	1,630
Backlog	1,609*	2,143	2,063

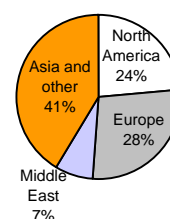
*Dec-12 1H results(backlog) revised

New orders by region

FY2012 1H results



FY2013 1H results



Goodwill

Unit: million euros

	Beginning Balance	End Balance	Amortization		End Balance	Amortization period
	FY Dec-12	FY Dec-12	Dec-13 1H results	Dec-13 forecasts	Dec-13 forecasts	
Goodwill	264	240	12	24	216	11 years
Other intangible assets	269	225	10	21	204	4 to 20 years
Total	533	464	11	45	419	

12. LIXIL Greater China / LIXIL ASEAN+

1H= January to June, Full-year= January to December

Business performance

Units: Y bn, %

	FY Dec-12 1H results		FY Dec-13 1H results			
	Greater China	ASEAN +	Greater China	Y/Y(%)	ASEAN+	Y/Y(%)
Sales	7.6	9.7	9.8	30.1%	12.3	26.0%
Operating profit	-0.3	1.1	-0.8	-	2.5	126.9%
%	-4.6%	11.1%	-8.1%	-	20.1%	-

* The chart has been changed due to change in classification within the group from ASAP/Subsidiaries of LIXIL to LIXIL Greater China/ LIXIL ASEAN+, etc.
Curtain wall business is not included.

13. Goodwill and Scope of Consolidation

Amortization of negative goodwill

Unit: Y bn

	Mar-13 results		Mar-14 forecasts		Mar-14 1H results	
	Amortization	Balance	Amortization	Balance	Amortization	Balance
American Standard AP	0.1	0.2	0.1	-	0.1	0.1
Total	0.1	0.2	0.1	0.0	0.1	0.1
Non-operating income	0.1		0.1		0.1	
Extraordinary income	-		-		-	

Amortization of goodwill (Amortization of other intangible assets is excluded)

Unit: Y bn

	Mar-13 results		Mar-14 forecasts		Mar-14 1H results	
	Amortization	Balance	Amortization	Balance	Amortization	Balance
American Standard AP	0.5	0.7	0.5	0.2	0.2	0.5
AMTRONIC *	0.4	0.3	0.1	0.2	0.1	0.3
Kawashima Selkon Textiles	0.6	1.8	0.6	1.3	0.3	1.6
LIXIL Haier Housing Products	0.5	2.4	0.5	1.8	0.3	2.4
Hivic	0.3	1.0	0.3	0.7	0.1	0.9
Permasteelisa	2.5	27.5	3.0	24.5	1.5	29.3
ASD Americas Holdings	-	-	TBD	TBD	-	40.1
Other	0.7	0.8	0.6	0.2	0.3	0.5
Total	5.4	34.6	5.5	29.0	2.8	75.4
SG&A	0.0		0.0		0.0	
(One time write-off	5.4		55.4		28.3	

*Current estimate

* This company is a holding company of Shanghai Meite.

<Number of consolidated subsidiaries and equity method affiliates>

	Jun-12	+	-	Sep-12	+	-	Dec-12	+	-	Mar-13	+	-	Jun-13	+	-	Sep-13
Consolidated subsidiaries	122	1	1	122	3	7	118	1	0	119	3	16	106	20	3	123
Equity method affiliates	2	0	0	2	0	0	2	1	0	3	0	0	3	0	0	3

* Impact to sales and profit due to new consolidation

Y0.9bn in sales, Y0.1bn in OP, Y0.1bn in RP, Y0.1bn in net income

14. Recent M&As / Business & Capital Alliances

M&As of overseas companies

Unit: Y bn

Timing	Company name	Target	Sales		Purchasing amount	Ownership ratio	Total amount of goodwill	Effect
			Time of acquisition	FY Dec-12 result				
Jul. 2009 (partly Nov. 2009)	American Standard Asia Pacific (Group)	Sanitary ware(Asia)	23.5 ^{*1}	23.4 ^{*2}	17.6	100%	Net goodwill 2.1/ Intellectual property 3.5	>Gain business platform in Asia >Rebuild Asian base
Jan. 2011	Shanghai Meite Curtain Wall Co., Ltd.	Building sashes (China)	12.0	20.9	3.2	75%	0.5	>Expand building sashes in China
Dec. 2011	Permasteelisa	Building sashes (Global)	116.0	140.9	60.8	100%	Goodwill 34.3 Other intangible assets 35	>Globally expand building sashes
Aug. 2013	ASD Americas Holding (ASB)	Plumbing products (North America)	82.0	-	31.3	100%	Current estimate 40.0	>Establish North American platform
Oct. 2013	Star Alubuild	Building sashes (India)	1.7	-	0.7	70%	few hundreds of millions yen	>Business development in India
Expected in 1H of CY2014	GROHE Group S.à r.l.	Plumbing fixtures, especially faucets (Europe, Global)	180.0	-	Expected 99.2	43.8%	To be determined	>Establish European platform

*1 US\$240mil *2 US\$295mil

M&As of Japanese companies

Unit: Y bn

Timing	Company name	Target	Sales		Purchasing amount	Ownership ratio	Total amount of goodwill	Effect
			Time of acquisition	FY Mar-13 result				
Apr. 2010	Shin Nikkei Company Ltd.	Housing/building sashes	110.0	Integrated into LIXIL in April 2011	0.0	100%	5.4	>Exceed 50% share in housing sashes >Cost reduction
Apr. 2010 (partly Jun. 2009)	Sun Wave Corporation	Kitchen	85.0		13.7	80%→FY13 100%	-6.1	>Become a leader in the kitchen segment >Cost reduction
Aug. 2011 (34% was acquired as of Dec. 2010)	Kawashima Selkon Textiles Co., Ltd.	Interior fabric such as curtains	34.3	33.2	Y2.2bn (Dec. 2010) Share exchange rate 1:0.035 (Aug. 2011)	100%	1.7	>Create synergy with sales of existing window business >Utilize Kawashima brand
Oct. 2011	HIVIC Co., Ltd.	Wood related products	24.4	20.6	Share exchange rate 1:0.094	100%	1.4	>Strengthen wood related products and services

*Excludes interior fabric business for vehicle which the company separated business

Business & Capital Alliances with Japanese companies

Unit: Y bn

Timing	Company name	Target	Purchasing amount	Ownership ratio	Evaluation difference*1	Effect
Dec. 2010	Leopalace 21	Major lease management, renovation, and other	1.8	9%→FY13 5%	7.5 ^{*2}	>Expand sales for Leopalace
Sept. 2013	EDION	Renovation business in the home electrical appliance industry	5.0	8%	-0.4	>Expand sales for EDION
Oct. 2013	Sharp	New product development by integrating building & electrical materials	5.0	1%	-	>Expand sales of new products

*1:As of September 2013

*2:Includes gain on sales of March 2013