



## Q3 Results for the Fiscal Year Ending March 31, 2016

TSE Code: 5938

(From April 1, 2015 to December 31, 2015)

### LIXIL Group Corporation

February 1, 2016



#### 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.

\*FYE16 Q3 results in IFRS basis are preliminary figures and are subject to change.

Copyright © LIXIL Group Corporation. All rights reserved.

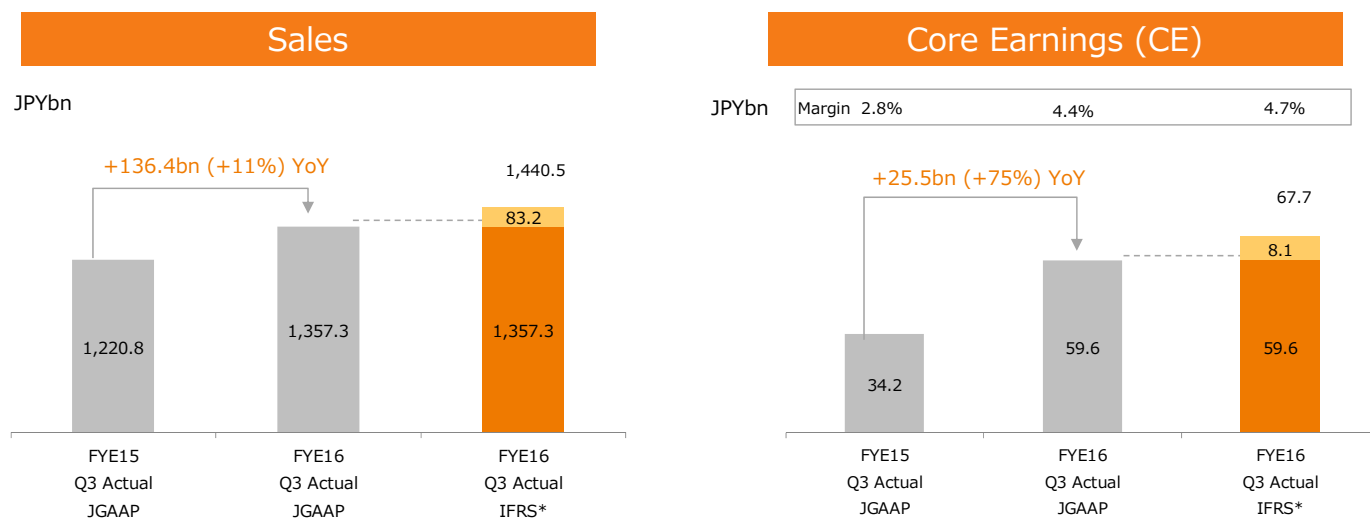
## FYE2016 Q3 (9months) Summary

### Q3 Sales and Core Earnings<sup>(1)</sup> Reached Record High

- ✓ Increase in sales<sup>(2)</sup> (+11%) and core earnings<sup>(2)</sup> (+75%)
- ✓ Progress of core earnings vs. full-year forecasts (revised): 96%
- ✓ Including actuarial gains from retirement benefits of GROHE (JPY 13.5bn), the full-year forecasts\* (JGAAP) remain unchanged
  - \*Sales: JPY1,855bn, core earnings: JPY62bn
- ✓ In addition to the impact from GROHE consolidation, housing-related business in the US and Asia (including China) that was previously acquired showed favorable trend
- ✓ Strategic direction to focus on renovation business continued to be a major growth driver in Japan since 1H. Sales from new homes started to increase from Q3

(1) Core Earnings = Revenues – Cost of Sales – SG&A  
(2) Based on JGAAP

# FYE2016 Q3 (9 months) Sales and CE Highlights



## Q3 (9 months) Highlights (JGAAP)

- Q3 sales increase mainly driven by LWT and LBT
  - Sales impact from GROHE consolidation JPY89.5bn
  - Sales impact from carve out of Ken Depot - JPY 8bn
  - Existing sales increase +JPY55.6bn(+5%)
- Steady profit growth despite provision for losses in LBT's overseas subsidiaries
  - CE impact from GROHE consolidation +JPY 15.1bn  
(GROHE +JPY25.5bn, goodwill -JPY4.1bn, PPA -JPY6.3bn)
  - Existing CE increase +JPY10.4bn (+30%)

\*Preliminary figures

**LIXIL**

3

## Financial / Operational Review by Tech-business

- Management accountabilities
- Consistent financial year end reporting based on IFRS
- Constant currency (1USD=125JPY, 1EUR=140JPY) for FYE2016 and FYE2015



LIXIL Water Technology (LWT)



LIXIL Housing Technology (LHT)



LIXIL Building Technology (LBT)



LIXIL Kitchen Technology (LKT)



Distribution and Retail Business (D&R)



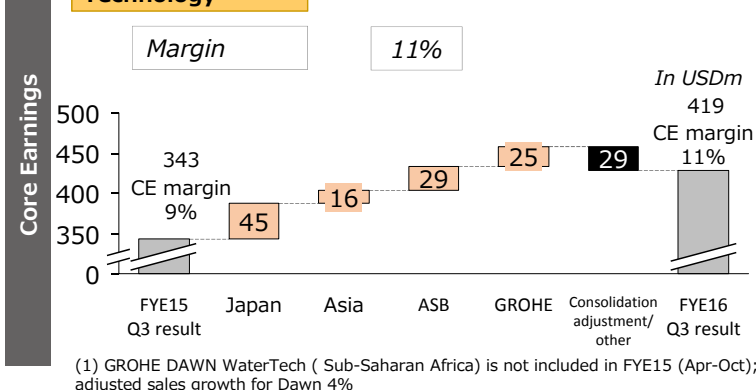
Housing Services Business (H&S)

## Strong Performance in LWT with 9% Increase in Sales and 26% Increase in CE

FYE2016 Q3 (Apr-Dec)  
In USDm

	FYE16 Q3	YoY Growth
<b>Sales by Region</b>		
Americas	837	+8%
EMEA <sup>(1)</sup>	890	+13%
Asia Pacific	564	+11%
Japan	1,582	+6%
<b>LIXIL Water Technology</b>	<b>3,873</b>	<b>+9%</b>

<b>LIXIL Water Technology</b>	<b>419</b>	<b>+26%</b>
-------------------------------	------------	-------------



### Americas

- Strong sales growth from retail and wholesale channels driven by new customer development
- Significant improvement in profit by price/volume mix effect, cost savings and concentration on core business

### EMEA

- Steady growth with strong performance in major European markets
- Continuous efforts in cost and SG&A reduction
- Despite political unstable situation delivered solid growth in the Middle East

### Asia Pacific

- Continued strong profitable growth above market in China and other Asian markets such as India, Korea, Thailand and Vietnam
- Premium China project business impacted by new China normal while growing market share in mid price segment

### Japan

- Increase in sales led by LWT renovation sales of +11%
- Margin improved due to improvement of mix/pricing and cost-savings



LIXIL

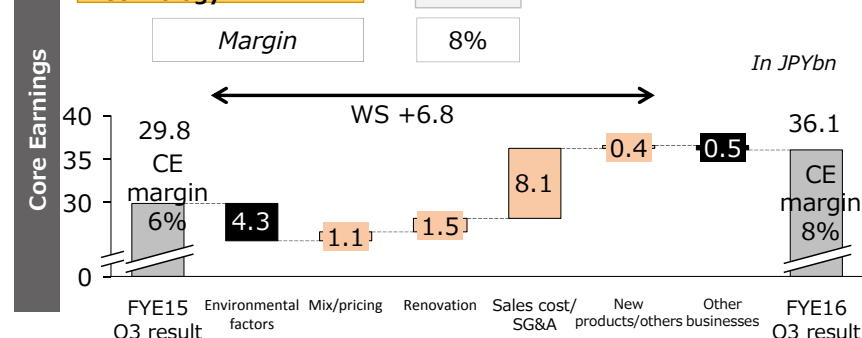
5

## LHT Demonstrates Resilient Growth in CE of 21% Despite Lower Sales of 3%

FYE2016 Q3 (Apr-Dec)  
In JPYbn

	FYE16 Q3	YoY Growth
<b>Sales by Business</b>		
Window System (WS)	161.8	+3%
Exterior System (ES)	118.3	-5%
Living System (LS)	107.5	-2%
LHT Int'l	15.3	+16%
Subsidiaries and eliminations	46.1	
<b>LIXIL Housing Technology</b>	<b>449</b>	<b>-3%</b>

<b>LIXIL Housing Technology</b>	<b>36.1</b>	<b>+21%</b>
---------------------------------	-------------	-------------



### WINDOW SYSTEM

- Still positive demands in renovation products despite ending eco-point program
- 2 points improvement of gross profit margin by cost reduction, which offsets the impact of yen-depreciation

### EXTERIOR SYSTEM

- Started to increase in sales and profit from Q3 due to the end of negative drop after special demand in the previous year

### LIVING SYSTEM

- Achieved profit increase despite sales decrease due to the impact of decreased demands for new homes in 1H



Newly launched high-quality resin window "ERSTER S"



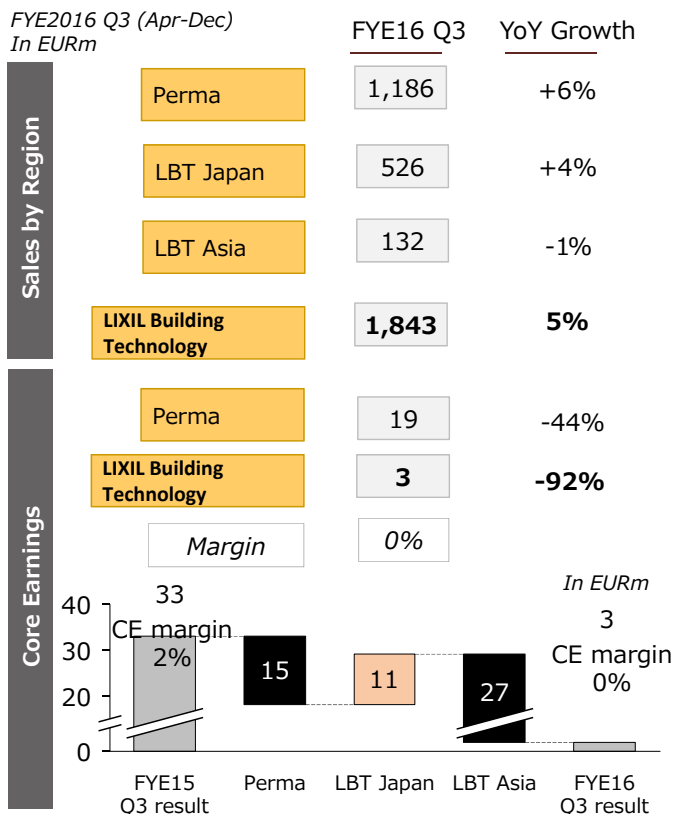
Newly launched cabinet for new homes and renovation "Vietas"

LIXIL

6

## CE of LBT Impacted by Deterioration of Building Market Condition in China/Asia and Middle East

FYE2016 Q3 (Apr-Dec)  
In EURm



### Permasteelisa

- Recorded provision for losses for the projects in Asia and Middle East
- Continued selective order-intake

### LBT Japan

- Demand recovery centered in city areas
- 2H FYE2016 is off demand season for project business completion

### LBT Asia

- Recorded additional provision for losses for Shanghai Meite



Ph.: ©Karin Jobst

Whitney Museum of American Art <New York>



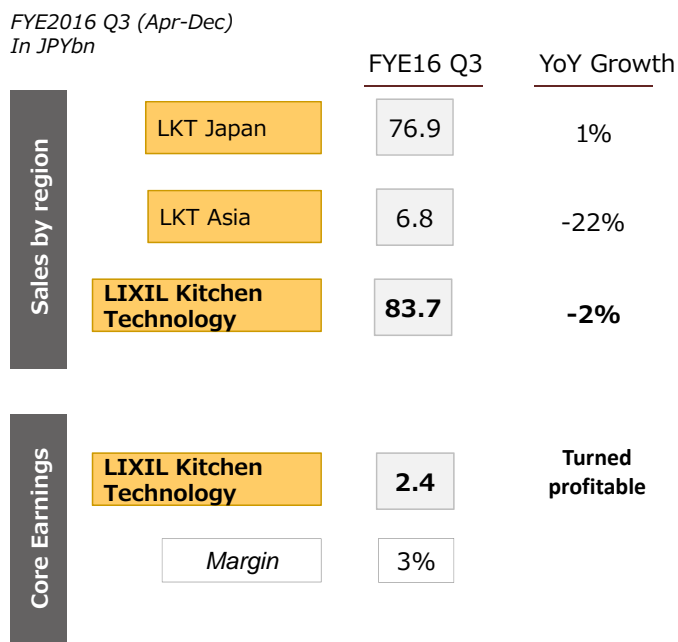
20 Fenchurch Street <London>

LIXIL

7

## LKT Japan Continues Recovery with CE Improvement of +JPY4bn although LKT Asia Faced Slowdown in China

FYE2016 Q3 (Apr-Dec)  
In JPYbn



### LKT Japan

- CE significantly increased due to strong market reception of new product <RICHELLE SI> and recovery from snow damage last year

### LKT Asia

- Following 1H, sales continuously decreased due to weak demand in regional cities in China
- Achieved profitable in Q3(Oct-Dec) despite of decreased CE



Kitchen system  
"SUNVARIE RICHELLE SI"

LIXIL

8

## Solid Performance of D&R and H&S with CE margin from 6% to 7%

FYE2016 Q3 (Apr-Dec)  
In JPYbn

FYE16 Q3 YoY Growth

D & R ※	Sales	132.3	+2%
	Core Earnings	9.3	+9%
	Margin	7%	

\* Excluding Ken Depot Business

H & S	Sales	46.7	+2%
	Core Earnings	2.6	-23%
	Margin	6%	

### D&R

- Increased sales for 11 consecutive years and achieved record high profit
- Continued growth with renovation products despite struggle in general products due to mild winter
- Profit improvement driven by SCM improvement and reduction of SG&A

### H&S

- Number of contracts received for housing franchise businesses +1% YoY
- Decrease in profit due to transition of service businesses from new homes to renovation and one-off cost



Super Viva Home at Nagoya-Minami opened in December 2015



Major product of Eyeeful Home "Cesibo"

LIXIL

9

## Progress Toward Management Accountabilities for FYE16 Q3 (9months)

Businesses	Managed Currency	Sales	YoY (%)	Core Earnings		vs. Full	
					%	YoY (%)	year plan (%)
LWT	\$M	\$3,873	9%	\$419	11%	26%	89%
LHT	Ybn	449	-3%	36	8%	21%	88%
LBT	€M	€1,843	5%	€3	0%	-92%	3%
LKT	Ybn	84	-2%	2	3%	Turned Profitable	95%
D&R *	Ybn	132	2%	9	7%	9%	93%
H&S	Ybn	47	2%	3	6%	-23%	61%
HQ and Cons. Adj. *	Ybn	2	-	-27	-	-	-
Management Basis <sup>(1)</sup>	Ybn	1,456	3%	76	5%	24%	79%
Impact from Currency Translation & PPA <sup>(2)</sup>	Ybn	-15	-	-9	-	-	-
Statutory Basis (IFRS) <sup>(3)</sup>	Ybn	1,440	-	68	5%	-	80%

(1) Transaction rate \$1=125yen, €1=140yen

(2) Purchase price allocation (Translation rate 1\$=121.5yen, 1€=134.6yen)

(3) Preliminary figures

\* Excluding Ken Depot Business

### Key Takeaways

- Management basis: Showed mostly solid progress toward commitment except for LBT
- Statutory basis (IFRS): 80% progress vs. revised full year forecasts announced in 1H

LIXIL

10

## Financial Results for Q3 (9months)

### Results for FYE16 Q3 (9months) JGAAP

JPYbn	FYE15 Q3 Results	FYE16 Q3 Results	YoY Increase/Decrease	
			Amount	%
Net Sales	1,220.8	1,357.3	136.4	11%
<b>Core Earnings<sup>(1)</sup></b>	34.2	59.6	25.5	75%
Core Earnings Margin (%)	2.8%	4.4%	-	+1.6
<b>Net Profit<sup>(2)</sup></b>	11.6	-8.7	-20.4	-
Net Profit before Goodwill Amortization	19.2	0.8	-18.4	-96%
EPS before Goodwill Amortization (Yen)	66	3	-63	-96%
<b>EBITDA<sup>(3)</sup></b>	75.4	111.7	36.3	48%
EBITDA Margin (%)	6.2%	8.2%	-	+2.1

(1) Conventional operating profit

(2) Net income attributable to owners of the parent

(3) EBITDA: Core earnings + Depreciation + amortization of goodwill

#### ■ Additional information for FYE2016 Q3

<Gross profit margin>

27.4% ⇒ 29%: 1.6pp improvement

<Non-operating>

No significant change from 1H

<Extraordinary income/losses>

Refer to page 23

Recorded loss related to factory restructuring in Q3

<Tax>

Tax benefit from loss on investment to associates (Extraordinary loss: JPY 27.9bn) is expected to be recorded in Q4

# Continued Strengthening Efficiency of Asset Allocation and Capital Discipline

## Net Debt Position

	(A) Mar-15 After cons. of GROHE	(B) Dec-15	(B)-(A)
<b>JPYbn</b>			
Cash and Equivalents	244.8	203.8	-41.1
Interest-bearing Debt	820.3	773.8	-46.5
Net Interest-bearing Debt	575.5	570.0	-5.5
<b>Total Assets</b>	2,253.7	2,215.7	-38.0
Equity Ratio(%)	26.3	25.6	-0.7

- Total assets decreased by JPY38.0bn
- Net D/E ratio 101% (beginning of the year 97%)  
(104% at the end of Sep-15)

## Working Capital & Capex

	(A) Dec-14 CF	(B) Dec-15 CF	(B)-(A)
<b>JPYbn</b>			
<b>Net Working Capital</b>	28.9	37.2	8.4
Depreciation	36.4	43.4	7.0
Capex	-42.8	-48.8	-6.0
Other	13.3	63.5	50.2
<b>Free Cash Flow</b>	35.8	95.4	59.6

- Further improvement of working capital despite sales growth
- FCF improved despite payment for additional acquisition of GROHE and guarantee obligation

Approximately JPY25bn improvement in FCF on the basis of excluding one-off proceeds and payments

LIXIL

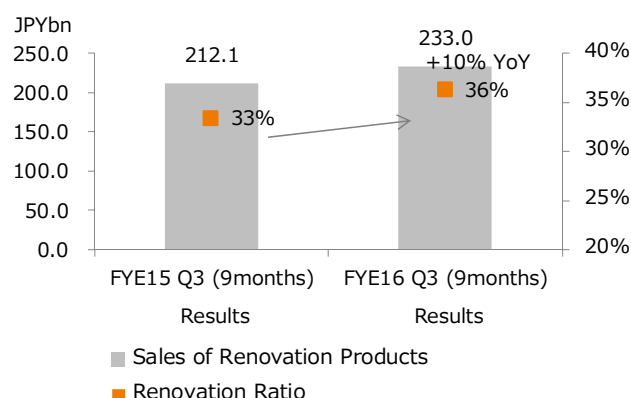
13

## Renovation Strategy in Japan: Continued Upward Progress

### Sales of Renovation Products (LJC)

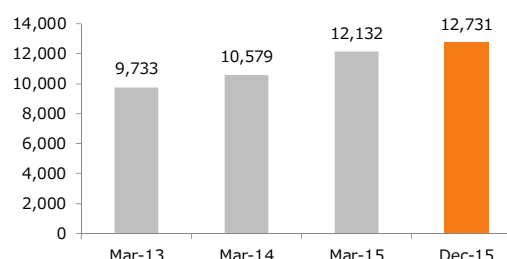
JPYbn	FYE14 Results	FYE15 Results	YoY	FYE16 Q3 (9months) Results	YoY
Sales of Renovation Products	282.6	279.6	-1%	233.0	10%
Renovation Ratio	31%	32%	+1	36%	+3

Renovation of plumbing fixtures incl. kitchen: +11% YoY



### Transition of LIXIL Reform Net<sup>(1)</sup> Member Stores

Stores



(1) Voluntary chain of home builders and renovation specialized builders

LIXIL

14



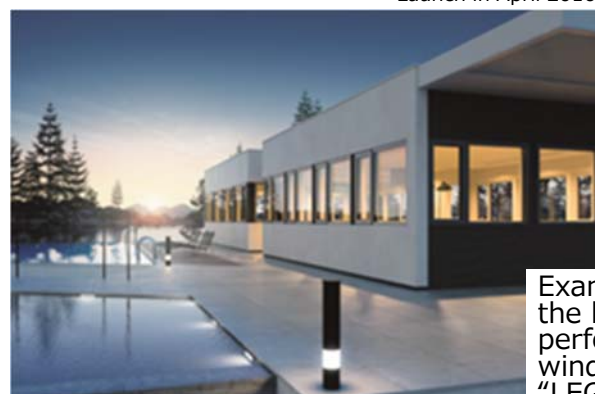
## Launches the World's Best High-performance Window "LEGARIS" ~Achieved insulation performance almost equal to a wall with enhanced openness and transparency~

Launch in April 2016

- Established not only high heat insulation and weight saving but also transparency and durability by adopting the world's first "high-performance 5 layered glasses"

- Upgraded the light intake quality and design by improving heat insulation capacity, making the frame thin and maximizing the glass area

- Improved high heat insulation and durability by expanding frame's depth and increasing hollow structure with heat insulating materials inside



Example of the high-performance window "LEGARIS"

Aim for more than 70% achievement ratio of high-performance windows before 2020 by expanding technical know how generated during development of LEGARIS to several products

[Comparison of products of LIXIL]

Product Name	LEGARIS	ERSTER X	SAMOS X	ERSTER S	SAMOS II -H
Structure	Plastic	Plastic	Conventional aluminum-plastic combined	Plastic	Conventional aluminum-plastic combined
Glass	5 layers	3 layers	3 layers	2 layers	2 layers
performance indication (W/(m <sup>2</sup> ·K))	0.55	0.79	1.05	1.3	2.33

←Highly efficient

LIXIL

15

Activity by LIXIL Corporation

## LIXIL Corporation to Become Gold Partner for Tokyo 2020 Olympic and Paralympic Games

LIXIL Corporation has concluded an agreement with the Tokyo Organising Committee of the Olympic and Paralympic Games to become a Tokyo 2020 Gold Partner in November 2015



Press Conference on November 26th

(From left) Japanese Paralympic Committee President Mitsunori Torihara, Japanese Olympic Committee President Tsunekazu Takeda, Tokyo 2020 President Yoshiro Mori, LIXIL President and CEO (New position: Chairman and CEO) Yoshiaki Fujimori, and professional tennis player Kei Nishikori, who has a global partnership agreement with LIXIL

- Tokyo 2020 Gold Partners are positioned as the highest tier of the domestic sponsorship program for the Tokyo 2020 Olympic and Paralympic Games
- LIXIL is proud to be able to contribute to the success of the Tokyo 2020 Games as the first ever Gold Partner in the Building Components and Bathroom and Kitchen Fixtures category
- LIXIL aims to inspire world-class athletes and its customers to "Feel the Moment." Sports provides people with "moments" of adrenaline and thrills, and this is similar to the swell of emotional "moments" when a customer experiences a newly renovated room, soaks in a state-of-the-art bath system, or cooks for the family in a brand new kitchen

LIXIL

16



---

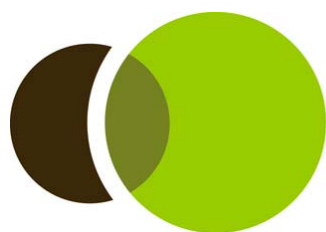
## Awarded "Silver Class" in the CSR Rating by the Global SRI Assessment Company RobecoSAM

LIXIL Group has been awarded a Silver Class rank for the Sustainability Award given out by RobecoSAM, a global SRI (socially responsible investment) assessment company based in Switzerland

The "Silver Class" represents an improvement from the "Bronze Class", which we were awarded the first time previous year

RobecoSAM annually lists companies with excellent sustainability performance around the world. In the Sustainability Yearbook 2016 recently released by RobecoSAM, 464 companies are listed out of more than 3,000 assessed companies around the world

A total of 77 companies including seven Japanese companies were ranked as Gold Class, 74 companies including LIXIL Group and another 8 Japanese companies were ranked as Silver Class, and 97 companies including seven Japanese companies were ranked as Bronze Class



**ROBECOSAM**  
Sustainability Award  
Silver Class 2016

---

## LIXIL Recognized as the Company that Supports Child-rearing by Ministry Of Health, Labor And Welfare



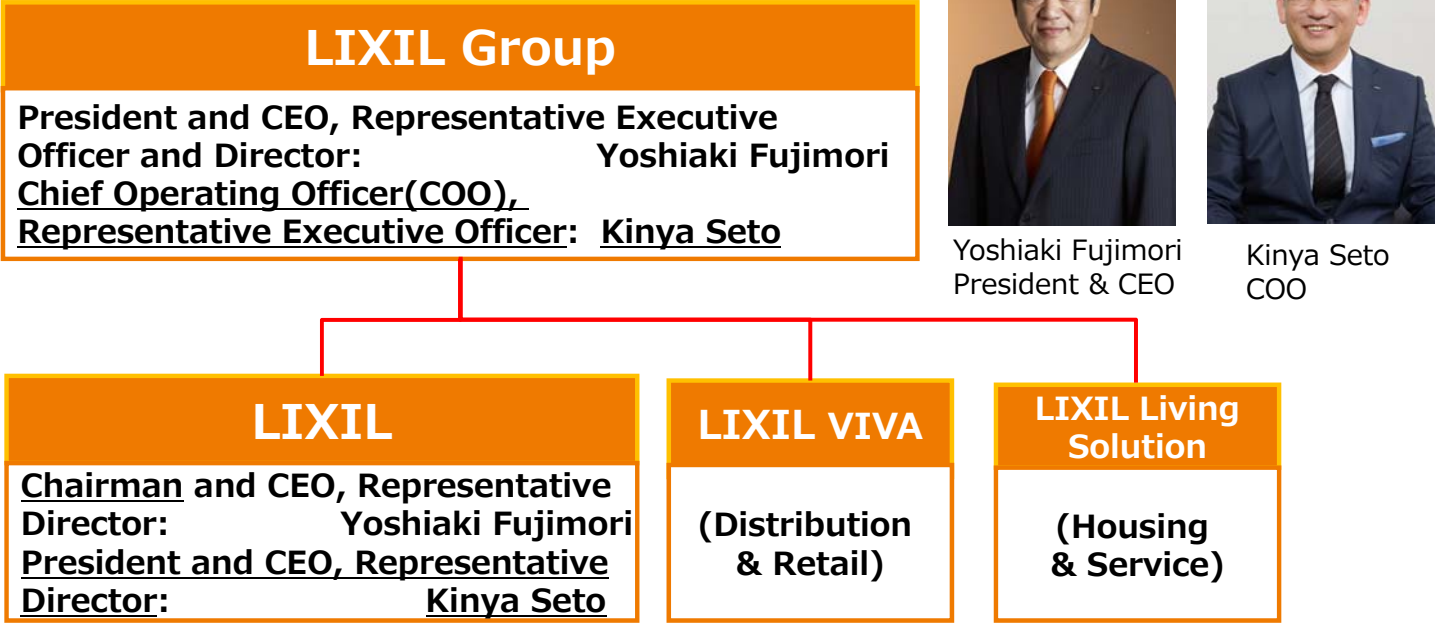
The next-generation  
registered mark "Kurumin"

Continuously encourages various systems that support balancing work and family life

- Providing child care leave until a child reaches the age of 3
- Introducing a system that allows re-employment of employees who left their job for the purpose of having and raising children

We will keep on striving to create a work environment where every employee can continue working enthusiastically

# Management structure as of January 2016

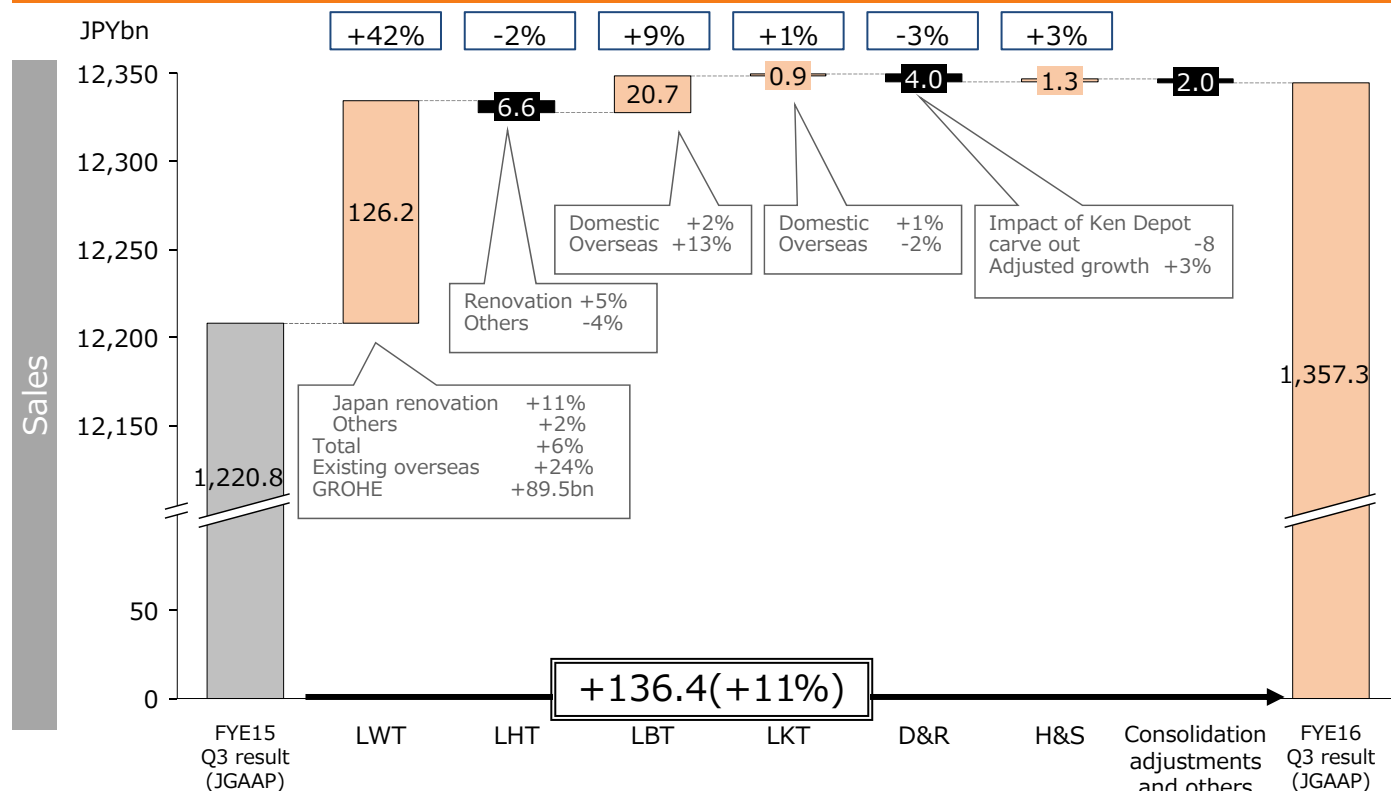


(The underlined parts are the change as of January 1, 2016)

## > Appendix

## Increase / Decrease in Sales for Q3 (9months) +11% (1H+10%, Q3+13%)

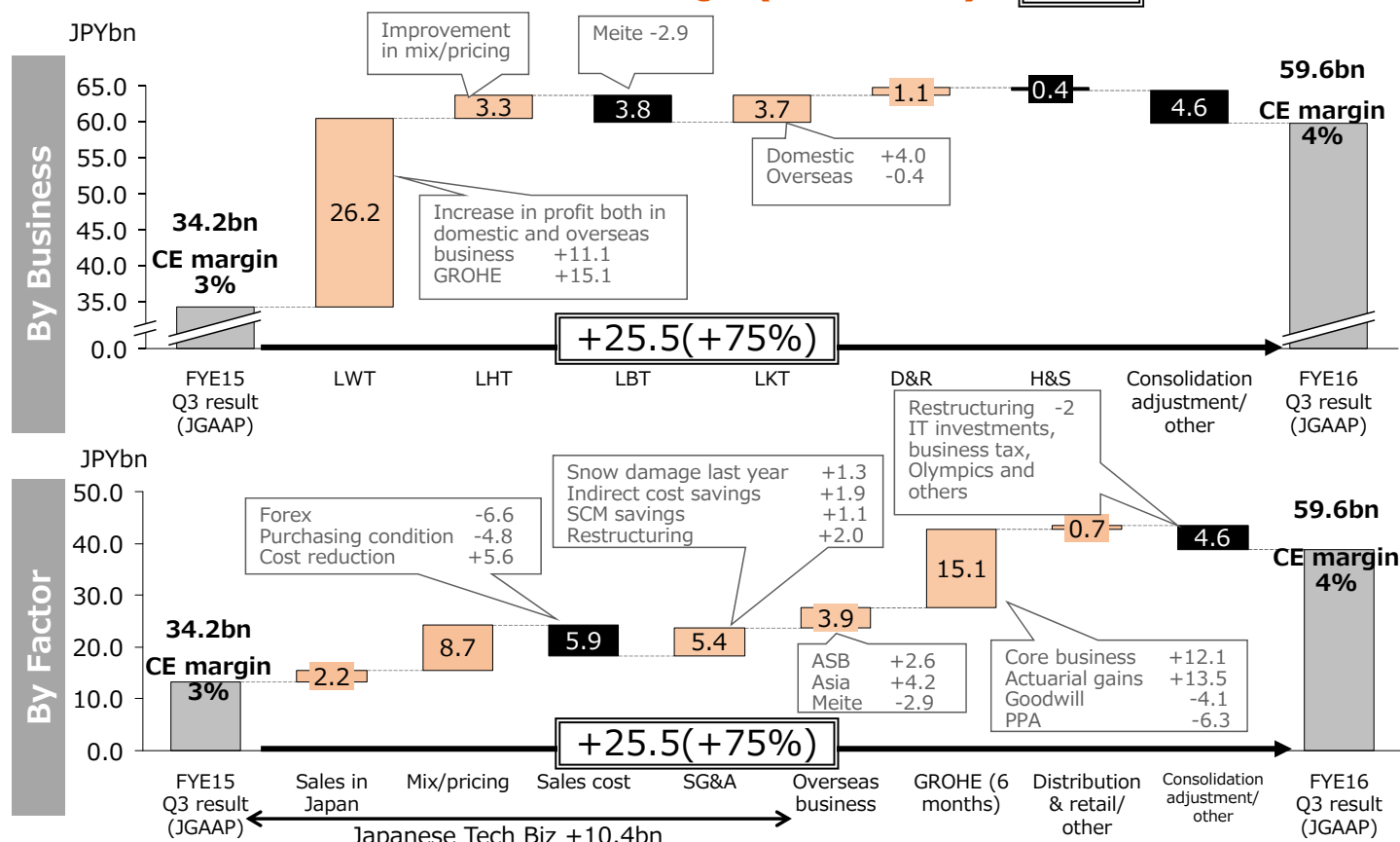
### Stable Growth in Overseas Business, Recovery in Domestic Business



LIXIL

21

## Increase / Decrease in CE for Q3 (9months) +75% (1H+141%, Q3+32%)



LIXIL

22

## Extraordinary Items

JPYbn

Items	FYE15 Q3 (9months)	FYE16 Q3 (9months)	Increase / decrease	Details	IFRS item
Gain on sales of investment securities	10.6	0.3	-10.4		Finance income and other finance costs
Gain on change in equity	1.1	-	-1.1		Share of profit of associates
Gain on sales of noncurrent assets and other	0.3	1.0	0.7	Sales of idle land for FYE16	Other income
<b>Extraordinary income</b>	<b>12.1</b>	<b>1.3</b>	<b>-10.8</b>		-
Impairment loss	1.3	1.1	-0.2	Goodwill amortization of LKT for FYE16	Other cost
Loss on factory restructuring	1.4	3.1	1.7	FYE15: China factory; FYE16: Production lines of ASB, Perma and Japan	Other cost
Adjustment of goodwill amortization and other	0.5	-	-0.5		-
Loss on investment to associates and other	7.9	27.9	20.1	FYE16: Allowance for loss on guarantees with respect to the liabilities	Loss on investment to associates and other
Loss on valuation of investment securities	-	2.6	2.6		Finance costs
Loss on step acquisitions	-	6.3	6.3	Consolidation of GROHE (Exchange rate: 141yen → 129yen)	Finance costs
Loss on sales and retirement of non-current assets and other	1.3	1.3	0.0		Other cost
<b>Extraordinary loss</b>	<b>12.4</b>	<b>42.4</b>	<b>29.9</b>		-

LIXIL

23

## Consolidated Financial Position (JGAAP)

JPYbn	Mar-15	GROHE Cons. Impact	Mar-15 Post Cons. of GROHE	Dec-15	Increase /Decrease
Cash and Deposits	257.3	-12.4	244.8	203.8	-41.1
Notes and Accounts Receivable	443.9	28.7	472.6	457.2	-15.4
Inventories	227.6	30.7	258.3	253.0	-5.4
Tangible and Intangible Assets	649.5	398.2	1,047.7	1,049.2	1.5
Others	297.0	-66.8	230.2	252.5	22.3
<b>Total Assets</b>	<b>1,875.2</b>	<b>378.4</b>	<b>2,253.7</b>	<b>2,215.7</b>	<b>-38.0</b>
Notes and Accounts Payable	233.0	23.1	256.0	272.8	16.7
Interest-Bearing Debt	676.0	144.3	820.3	773.8	-46.5
Others	352.6	142.2	494.8	509.2	14.3
<b>Total Liabilities</b>	<b>1,261.6</b>	<b>309.6</b>	<b>1,571.2</b>	<b>1,555.7</b>	<b>-15.5</b>
Treasury Stocks	-56.2	-	-56.2	-55.1	1.1
Others	669.9	68.8	738.7	715.1	-23.5
<b>Net Assets</b>	<b>613.7</b>	<b>68.8</b>	<b>682.5</b>	<b>660.0</b>	<b>-22.5</b>
Equity Ratio (%)	32.1		26.3	25.6	-0.7
Net Assets per Share (Yen)	2,104.27		2,069.95	1,975.80	-94.15
Number of Shares (in thousands)	286,352		286,352	286,869	+517

LIXIL

24

## Cash Flow (JGAAP)

JPYbn	Dec-14 results	Dec-15 results	increase / decrease	Mar-16 forecasts
Pre-tax income	33.4	<b>13.1</b>	-20.3	
Depreciation	36.4	<b>43.4</b>	7.0	<b>65.0</b>
Income tax payments	-19.7	<b>-20.2</b>	-0.5	
Working capital	28.9	<b>37.2</b>	8.4	
Others	-1.7	<b>7.0</b>	8.7	
Cash flows from operating activities	77.3	<b>80.5</b>	3.3	
Cash flows from investing activities	-41.5	<b>14.8</b>	56.3	
(of which purchase of property, plant and equipment and intangible	-42.8	<b>-48.8</b>	-6.0	<b>-80.0</b>
Free cash flows	35.8	<b>95.4</b>	59.6	
Cash flows from financing activities	-31.6	<b>-68.4</b>	-36.8	
	⋮	⋮	⋮	
Cash and cash equivalents	⋮	⋮	⋮	
(Balance at the end of Q3)	141.9	<b>185.2</b>	43.3	

LIXIL

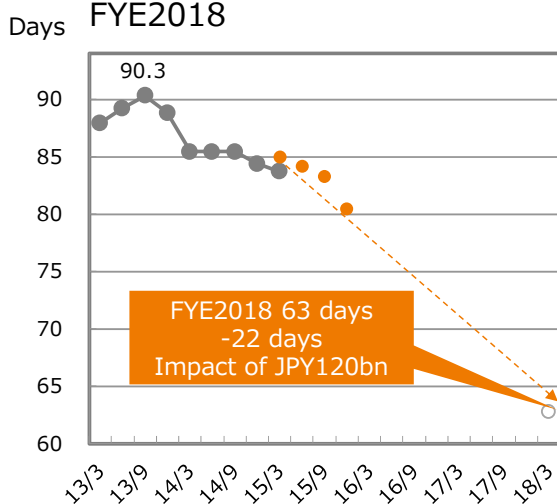
25

## CCC (Operational Efficiency)

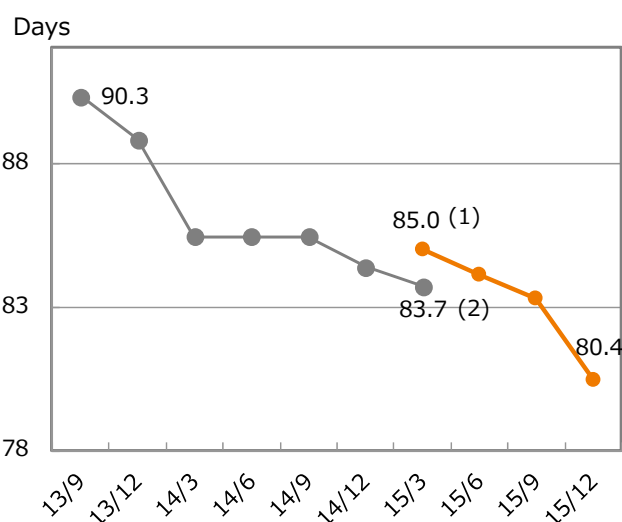
- Expand Cash Conversion Cycle "CCC" improvement activities from Japan focus to global operations for realizing further improvement

**FYE2018 Target JPY120bn<sup>(1)</sup>**

- New benchmark and outlook through FYE2018



- Dec-15 Result



(1) Announced on September 2015 Mid term plan "Redefine the Future" (Including global initiatives)  
(2) Result of improvement activities only in Japan

LIXIL

26





## Q3 Results for the FY Ending March 2016 <Fact Sheets>

\* "Core earnings" or "CE" in this material is equivalent to "Operating profit" of JGAAP

\*\* "Net income (loss)" in this material is equivalent to "Profit (loss) attributable to owners of parent"

1.	Results for 1H & Q3 (9 months) and Forecasts of Full Year for FY Ending March 2016	P.1
2.	Quarterly Financial Results (JGAAP)	P.2
3.	Quarterly Financial Results (IFRS)	P.4
4.	Segment Information (1) Technology Businesses (JGAAP) (LWT, LHT, LBT, LKT)	P.6
5.	Segment Information (2) Distribution and Retail Business (JGAAP)	P.7
6.	Segment Information (3) Housing Services Business (JGAAP)	P.8
7.	Sales by Products and Services	P.9
8.	Renovation	P.10
9.	Overseas Production Ratio and Sales	P.11
10.	Permasteelisa, ASB & GROHE	P.12
11.	Goodwill	P.13
12.	Recent M&As/Business & Capital Alliances	P.13
13.	Major Differences of Accounting Process Between IFRS and JGAAP	P.14
14.	IFRS/JGAAP Profit Level	P.14

February 1, 2016



## 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. Results for 1H & Q3 (9 months) and Forecasts of Full Year for FY Ending March 2016

(1)JGAAP

Unit: Ybn

	Mar-15						Mar-16							
	1H		Q3(9 months)		Full-year		1H				Q3 (9 months)		Full-year	
	results	YoY	results	YoY	results	YoY	forecasts	results	YoY	increase/ decrease vs forecasts	results	YoY	forecasts *2	increase/ decrease
Net sales	796.2	7.4%	1,220.8	5.1%	1,673.4	2.7%	880.0	877.4	10.2%	-2.6	1,357.3	11.2%	1,855.0	181.6
Gross profit	216.2	4.8%	334.4	3.0%	447.3	-0.1%		250.5	15.8%		394.1	17.8%		
SG&A	202.9	12.5%	300.2	9.7%	395.6	4.5%		218.4	7.6%		334.4	11.4%		
Core earnings *1	13.3	-48.8%	34.2	-32.9%	51.7	-25.2%	20.0	32.0	141.2%	12.0	59.6	74.6%	62.0	10.3
CE margin	1.7%	-1.8	2.8%	-1.6	3.1%	-1.2	2.3%	3.7%	+2.0	+1.4	4.4%	+1.6	3.3%	+0.3
Income(loss) before income	13.6	-49.2%	33.4	-40.0%	53.0	8.0%		-13.0	-195.4%		13.1	-60.8%		
Net income(loss)	3.4	-80.8%	11.6	-68.4%	22.0	5.1%	-18.0	-22.9	-769.9%	-4.9	-8.7	-175%	5.0	-17.0

(2) IFRS (provisional)

Unit: Ybn

	Mar-15						Mar-16							
	1H		Q3(9 months)		Full-year		1H				Q3 (9 months)		Full-year	
	results	YoY	results	YoY	results	YoY	forecasts	results (provisional)	YoY	increase/ decrease vs forecasts	results (provisional )	YoY	forecasts *2	increase/ decrease
Net sales					1,705.4		940.0	942.4		2.4	1,440.5		1,910.0	204.6
Gross profit					455.2			272.2			418.0		555.0	99.8
SG&A					403.5			232.0			350.3		470.0	66.5
Core earnings *1					51.7		34.0	40.1		6.1	67.7		85.0	33.3
CE margin					3.0%		3.6%	4.3%		+0.6	4.7%		4.5%	+1.4
Income(loss) before income					59.6									
Net income(loss)					30.7									

\*1 JGAAP: Conventional operating profit, IFRS: Core earnings = Revenues - Cost of Sales - SG&A

\*2 Revised the full-year forecast on November 2, 2015

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

	Mar-15 results	Mar-16 Q3 results	Mar-16 assumptions
US dollars	110.03	121.49	120
Euros	140.71	135.63	130
Thai bahts	3.35	3.5	3.72
Chinese yuans	17.26	19.32	20.19

Aluminum price (Purchasing price)	240,000 yen/ton	250,000 yen/ton	270,000 yen/ton
Copper price	590,000 yen/ton	580,000 yen/ton	700,000 yen/ton

## 2. Quarterly Financial Results (JGAAP)

Mar-15			Mar-15 1H (6 months)												Unit: Ybn	
			Mar-15 Q1			Mar-15 Q2										
			Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas	Total		
			%	%	%	%	%	%	%	%	%	%	%	%		
Mar-15	LWT	Sales	60.0	33.2	93.3	65.6	36.4	102.0	125.7	69.7	195.3					
		Core earnings	3.4	1.2	4.7	4.4	1.2	5.6	7.8	2.5	10.2					
		CE margin	5.7%	3.7%	5.0%	6.6%	3.4%	5.5%	6.2%	3.5%	5.2%					
	LHT	Sales	143.8	1.1	144.9	149.0	1.4	150.3	292.8	2.5	295.2					
		Core earnings	8.7	-0.5	8.2	9.5	-0.7	8.8	18.1	-1.2	16.9					
		CE margin	6.0%	-	5.6%	6.4%	-	5.8%	6.2%	-	5.7%					
	LBT	Sales	17.2	46.0	63.2	30.2	52.7	83.0	47.4	98.7	146.1					
		Core earnings	-1.3	-0.1	-1.4	1.0	1.3	2.2	-0.3	1.2	0.8					
		CE margin	-	-	-	3.2%	2.4%	2.7%	-	1.2%	0.6%					
	LKT	Sales	23.8	1.7	25.5	25.2	2.4	27.6	49.0	4.1	53.1					
		Core earnings	-1.6	-0.1	-1.7	-0.9	0.1	-0.9	-2.6	0.0	-2.6					
		CE margin	-	-	-	-	2.1%	-	-	-	-					
	D&R	Sales	49.4	-	49.4	48.5	-	48.5	97.9	-	97.9					
		Core earnings	2.2	-	2.2	1.3	-	1.3	3.5	-	3.5					
		CE margin	4.5%	-	4.5%	2.7%	-	2.7%	3.6%	-	3.6%					
	H&S	Sales	14.1	-	14.1	15.2	-	15.2	29.3	-	29.3					
		Core earnings	1.2	-	1.2	0.9	-	0.9	2.1	-	2.1					
		CE margin	8.2%	-	8.2%	6.2%	-	6.2%	7.1%	-	7.1%					
	Consolidation, adjustment & other	Sales	-	-	-8.8	-	-	-12.0	-	-	-20.7					
		Core earnings	-	-	-8.3	-	-	-9.5	-	-	-17.8					
	LIXIL Group	Sales	308.2	82.0	381.5	333.7	92.9	414.7	642.0	175.0	796.2					
		Core earnings	12.5	0.6	4.8	16.1	8.5	28.6	28.6	2.4	13.3					
		CE margin	4.1%	0.7%	1.3%	4.8%	2.0%	2.0%	4.5%	1.4%	1.7%					
Mar-15			Mar-15 Full-year (provisional)												Unit: Ybn	
			Mar-15 Q3 (9 months)													
			Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas	Total		
			%	%	%	%	%	%	%	%	%	%	%	%		
Mar-15	LWT	Sales	68.2	38.1	106.3	193.8	107.7	301.6	256.3	151.5	407.9					
		Core earnings	7.7	0.9	8.7	15.5	3.4	18.9	22.6	6.6	29.1					
		CE margin	11.4%	2.4%	8.2%	8.0%	3.1%	6.3%	8.8%	4.3%	7.1%					
	LHT	Sales	151.0	1.4	152.4	443.8	3.8	447.6	591.0	5.4	596.4					
		Core earnings	13.3	-0.4	12.9	31.4	-1.6	29.8	38.8	-25.1%	36.8					
		CE margin	8.8%	-	8.5%	7.1%	-	6.7%	6.6%	-8.3	6.2%					
	LBT	Sales	25.4	52.3	77.7	72.8	151.0	223.8	115.1	5.4%	333.9					
		Core earnings	0.9	1.7	2.6	0.6	2.9	3.4	5.0	177.6%	9.7					
		CE margin	3.4%	3.3%	3.3%	0.8%	1.9%	1.5%	4.3%	+2.7	2.9%					
	LKT	Sales	27.0	2.4	29.4	76.0	6.5	82.5	103.3	10.4	113.7					
		Core earnings	0.9	0.1	1.0	-1.7	0.1	-1.6	-1.3	turned profitable	-1.0					
		CE margin	3.4%	4.4%	3.5%	-	1.4%	-	-	+6.0	-					
	D&R	Sales	54.5	-	54.5	152.4	-	152.4	198.8	2.0%	198.8					
		Core earnings	3.0	-	3.0	6.5	-	6.5	7.1	54.7%	7.1					
		CE margin	5.4%	-	5.4%	4.3%	-	4.3%	3.6%	+1.2	3.6%					
	H&S	Sales	14.8	-	14.8	44.1	-	44.1	59.6	-8.2%	59.6					
		Core earnings	1.2	-	1.2	3.3	-	3.3	4.2	-31.6%	4.2					
		CE margin	8.1%	-	8.1%	7.5%	-	7.5%	7.0%	-2.4	7.0%					
	Consolidation, adjustment & other	Sales	-	-	-10.4	-	-	-31.2	-	-	-36.8					
		Core earnings	-	-	-8.5	-	-	-26.2	-	-	-34.3					
	LIXIL Group	Sales	340.9	94.2	424.6	982.8	269.1	1,220.8	1,324.1	386.1	1,673.4					
		Core earnings	27.0	2.4	20.9	55.6	4.8	34.2	76.3	9.6	51.7					
		CE margin	7.9%	2.5%	4.9%	5.7%	1.8%	2.8%	5.8%	+0.6	3.1%					

16			Mar-16 1H (6 months)																		Unit: Ybn	
			Mar-16 Q1						Mar-16 Q2													
			Japan		Overseas		Total		Japan		Overseas		Total		Japan		Overseas		Total			
			%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%		
	LWT	Sales	61.9	3.0%	40.3	21.2%	102.2	9.5%	69.3	5.5%	93.6	157.2%	162.9	59.7%	131.1	4.4%	133.9	92.3%	265.1	35.7%		
	Core earnings	5.1	49.2%	1.6	29.1%	6.7	43.9%	6.6	51.0%	16.5	-	23.0	313.2%	11.7	50.2%	18.1	634.2%	29.8	190.5%			
	CE margin	8.3%	+2.6	4.0%	+0.2	6.6%	+1.6	9.5%	+2.9	17.6%	+14.2	14.1%	+8.7	8.9%	+2.7	13.5%	+10.0	11.2%	+6.0			
LHT	Sales	138.9	-3.4%	0.4	-62.0%	139.3	-3.9%	145.4	-2.4%	2.2	63.5%	147.6	-1.8%	284.2	-2.9%	2.7	7.5%	286.9	-2.8%			
	Core earnings	9.7	12.6%	-0.6	-	9.2	12.6%	9.9	4.9%	0.2	turned profitable	10.1	15.6%	19.7	8.6%	-0.4	-	19.3	14.1%			
	CE margin	7.0%	+1.0	-	-89.6	6.6%	+1.0	6.8%	+0.5	-	+60.2	6.9%	+1.0	6.9%	+0.7	-	+35.0	6.7%	+1.0			
LBT	Sales	17.8	3.7%	58.2	26.6%	76.0	20.4%	31.6	4.4%	53.9	2.3%	85.5	3.1%	49.4	4.1%	112.2	13.6%	161.5	10.5%			
	Core earnings	-2.0	-	-1.6	-	-3.6	-	2.1	119.8%	-0.6	fell into the red	1.5	-32.7%	0.1	turned profitable	-2.2	fell into the red	-2.1	fell into the red			
	CE margin	-	-4.6	-	-2.5	-	-	6.8%	+3.6	-	-3.6	1.8%	-0.9	0.2%	#VALUE!	-	-3.2	-	-1.9			
LKT	Sales	23.4	-1.6%	1.8	8.8%	25.2	-0.9%	25.8	2.4%	2.2	-10.2%	28.0	1.3%	49.2	0.4%	4.0	-2.4%	53.2	0.2%			
	Core earnings	0.3	turned profitable	-0.2	-	0.1	-	0.7	turned profitable	-0.2	fell into the red	0.5	turned profitable	1.0	turned profitable	-0.4	-	0.6	turned profitable			
	CE margin	1.2%	+8.2	-	-5.2	0.5%	+7.2	2.7%	#VALUE!	-	-11.7	1.7%	#VALUE!	2.0%	#VALUE!	-	-9.0	1.1%	+6.1			
D&R	Sales	51.7	4.8%			51.7	4.8%	49.8	2.6%			49.8	2.6%	101.5	3.7%		101.5	3.7%				
	Core earnings	2.7	22.2%			2.7	22.2%	1.7	26.3%			1.7	26.3%	4.4	23.7%		4.4	23.7%				
	CE margin	5.2%	+0.7			5.2%	+0.7	3.4%	+0.6			3.4%	+0.6	4.3%	+0.7		4.3%	+0.7				
H&S	Sales	14.8	4.8%			14.8	4.8%	15.4	1.1%			15.4	1.1%	30.1	2.9%		30.1	2.9%				
	Core earnings	1.2	6.5%			1.2	6.5%	1.3	40.1%			1.3	40.1%	2.5	21.6%		2.5	21.6%				
	CE margin	8.3%	+0.1			8.3%	+0.1	8.6%	+2.4			8.6%	+2.4	8.4%	+1.3		8.4%	+1.3				
Consolidation, adjustment & other	Sales					-8.6						-12.3					-20.9					
	Core earnings					-10.0						-12.5					-22.4					
LIXIL Group	Sales	308.4	0.1%	100.8	22.9%	400.6	5.0%	337.1	1.0%	152.0	63.5%	476.8	15.0%	645.5	0.6%	252.8	44.5%	877.4	10.2%			
	Core earnings	17.0	36.1%	-0.7	fell into the red	6.3	31.6%	22.4	38.6%	15.8	759.9%	25.7	203.7%	39.4	37.5%	15.1	529.3%	32.0	141.2%			
	CE margin	5.5%	1.5	-	-1.4	1.6%	+0.3	6.6%	+1.8	10.4%	+8.4	5.4%	+3.3	6.1%	+1.6	6.0%	+4.6	3.7%	+2.0			

Unit: Ybn

M			Mar-16 Q3 (9 months)															UNIT: YEN	
			Mar-16 Q3																
			Japan		Overseas		Total		Japan		Overseas		Total						
			%		%		%		%		%		%		%				
LWT	Sales	73.5	7.8%	89.1	134.2%	162.7	53.1%	204.7	5.6%	223.1	107.1%	427.7	41.8%						
	Core earnings	8.7	11.7%	11.7	-	20.4	135.1%	20.3	31.0%	29.8	779.9%	50.2	165.1%						
	CE margin	11.8%	+0.4	13.2%	+10.7	12.5%	+4.4	9.9%	+1.9	13.4%	+10.2	11.7%	+5.5						
LHT	Sales	152.1	0.7%	2.1	52.5%	154.1	1.2%	436.3	-1.7%	4.8	23.6%	441.0	-1.5%						
	Core earnings	13.2	-1.0%	0.6	turned profitable	13.7	6.7%	32.8	4.5%	0.2	Turned profitable	33.1	10.9%						
	CE margin	8.6%	-0.1	28.4%	+57.8	8.9%	+0.5	7.5%	+0.4	4.6%	+46.7	7.5%	+0.8						
LBT	Sales	25.0	-1.5%	58.0	10.8%	83.0	6.8%	74.3	2.2%	170.1	12.6%	244.5	9.2%						
	Core earnings	0.5	-43.8%	1.2	-31.8%	1.7	-35.8%	0.6	5.8%	-1.1	fell into the red	-0.5	fell into the red						
	CE margin	2.0%	-1.5	2.0%	-1.3	2.0%	-1.3	0.8%	+0.0	-	-2.5	-	-1.7						
LKT	Sales	27.8	2.8%	2.4	-0.8%	30.2	2.5%	77.0	1.3%	6.4	-1.8%	83.4	1.0%						
	Core earnings	1.4	52.1%	0.1	-48.6%	1.5	41.8%	2.4	turned profitable	-0.3	fell into the red	2.1	turned profitable						
	CE margin	5.1%	+1.6	2.3%	-2.1	4.9%	+1.3	3.1%	+5.3	-	-6.4	2.5%	+4.4						
D&R	Sales	46.9	-14.0%			46.9	-14.0%	148.4	-2.6%			148.4	-2.6%						
	Core earnings	3.2	8.5%			3.2	8.5%	7.6	16.8%			7.6	16.8%						
	CE margin	6.8%	+1.4			6.8%	+1.4	5.1%	+0.9			5.1%	+0.9						
H&S	Sales	15.3	3.1%			15.3	3.1%	45.4	2.9%			45.4	2.9%						
	Core earnings	0.5	-61.4%			0.5	-61.4%	3.0	-8.6%			3.0	-8.6%						
	CE margin	3.0%	-5.1			3.0%	-5.1	6.6%	-0.8			6.6%	-0.8						
Consolidation, adjustment & other	Sales					-12.3						-33.1							
	Core earnings					-13.3						-35.8							
LIXIL Group	Sales	340.5	-0.1%	151.6	61.0%	479.8	13.0%	986.0	0.3%	404.4	50.3%	1,357.3	11.2%						
	Core earnings	27.4	1.5%	13.6	475.8%	27.6	32.2%	66.8	20.0%	28.6	502.8%	59.6	74.6%						
	CE margin	8.0%	+0.1	8.9%	+6.4	5.8%	+0.8	6.8%	+1.1	7.1%	+5.3	4.4%	+1.6						

\*Core earnings of business segment is before amortization of goodwill and purchase price allocation (JGAAP)

\*Sales and core earnings of Japan and Overseas in this page are the sum of Japan and overseas subsidiaries after inter-company consolidation adjustment, respectively. Overseas subsidiaries with factories that manufacture products mostly for sales to LIXIL Corporation is included in Japan. Therefore, there are differences with the figures shown on p11 or previously announced overseas sales.

Unit: Ybn

		Mar-16 Q1						Mar-16 Q2						Mar-16 Q3					
		Sales	YoY	CE	YoY	CE %	YoY	Sales	YoY	CE	YoY	CE %	YoY	Sales	YoY	CE	YoY	CE %	YoY
Japan Technology Business		241.9	-1.2%	13.1	43.2%	5.4%	+1.7	272.0	0.7%	19.4	39.7%	7.1%	+2.0	278.4	2.5%	23.7	3.8%	8.5%	+0.1
	Renovation products	72.0	11.6%					76.8	9.4%					84.2	8.9%				
	Other/ intersegment sales	169.9	-5.7%					195.2	-2.3%					194.1	-0.1%				
Overseas housing equipment related business		42.6	18.1%	0.9	29.9%	2.0%	+0.2	98.0	143.9%	16.5	-	16.8%	+15.4	93.6	123.7%	12.4	-	13.2%	+11.7

### 3. Quarterly Financial Results (IFRS)

Unit: Ybn

			Mar-15 Full-year			Mar-16 Full-year forecasts					
			Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas	Total
						%	%	%			
Mar-15	LWT	Sales	262.2	152.4	414.6	270.0	3%	360.0	136%	630.0	52%
		Core earnings	20.8	5.3	26.0	26.0	25%	27.0	413%	53.0	103%
		CE margin	7.9%	3.5%	6.3%	10%	+2	8%	+4	8%	+2
	LHT	Sales	604.7	11.3	616.0	590.0	-3%	10.0	-8%	600.0	-3%
		Core earnings	36.9	-2.1	34.7	46.5	26%	1.5	-170%	48.0	38%
		CE margin	6.1%	-	5.6%	8%	+2	15%	+34	8%	+2
	LBT	Sales	117.9	230.3	348.2	125.0	0%	230.0	0%	355.0	2%
		Core earnings	4.7	1.1	5.7	4.0	-15%	3.0	184%	7.0	22%
		CE margin	4.0%	0.5%	1.7%	3%	-1	1%	+1	2%	+0
	LKT	Sales	104.5	10.5	115.0	104.0	0%	11.0	4%	115.0	0%
		Core earnings	-1.7	0.2	-1.5	2.0	-	0.0	-76%	2.0	turned profitable
		CE margin	-	1.8%	-1.3%	2%	+4	0%	-1	2%	+3
	D&R	Sales	194.4		194.4	185.0	-5%			185.0	-5%
		Core earnings	6.5		6.5	7.5	15%			7.5	15%
		CE margin	3.4%		3.4%	4%	+1			4%	+1
	H&S	Sales	62.3		62.3	65.0	4%			65.0	4%
		Core earnings	4.5		4.5	5.0	12%			5.0	12%
		CE margin	7.2%		7.2%	8%	+1			8%	+1
	Consolidation, adjustment & other	Sales			-45.1					-40.0	
		Core earnings			-24.3					-37.5	
	LIXIL Group	Sales	1,346.0	404.5	1,705.4	1,339.0	-1%	611.0	51%	1,910.0	12%
		Core earnings	71.6	4.4	51.7	91.0	27%	31.5	623%	85.0	64%
		CE margin	5.3%	1.1%	3.0%	7%	+1	5%	+4	4%	+1

Unit: Ybn

			Mar-16 1H (6 months)											
			Mar-16 Q1 (provisional)						Mar-16 Q2 (provisional)					
			Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas	Total
Mar-16	LWT	Sales	63.3	93.0	156.3	69.1	90.5	159.6	132.4	183.5	315.9			
		Core earnings	5.6	4.5	10.1	6.9	8.1	14.9	12.5	12.5	25.0			
		CE margin	8.9%	4.8%	6.4%	9.9%	8.9%	9.4%	9.4%	6.8%	7.9%			
	LHT	Sales	141.2	3.1	144.2	148.5	3.2	151.6	289.6	6.2	295.9			
		Core earnings	10.6	0.3	10.9	10.5	0.5	11.0	21.1	0.8	21.9			
		CE margin	7.5%	11.2%	7.6%	7.1%	15.2%	7.3%	7.3%	13.2%	7.4%			
	LBT	Sales	24.1	54.7	78.8	33.1	57.4	90.5	57.2	112.1	169.3			
		Core earnings	-1.2	-0.6	-1.9	2.6	-0.4	2.2	1.3	-1.0	0.3			
		CE margin	-	-	-2.4%	7.9%	-	2.4%	2.4%	-	0.2%			
	LKT	Sales	23.3	2.2	25.5	25.7	2.4	28.1	49.1	4.6	53.7			
		Core earnings	0.5	-0.2	0.3	0.2	0.1	0.2	0.6	-0.2	0.5			
		CE margin	2.0%	-	1.0%	0.6%	2.4%	0.8%	1.3%	-	0.9%			
	D&R	Sales	50.6		50.6	48.2		48.2	98.7		98.7			
		Core earnings	2.7		2.7	1.8		1.8	4.6		4.6			
		CE margin	5.4%		5.4%	3.8%		3.8%	4.6%		4.6%			
	H&S	Sales	15.3		15.3	15.9		15.9	31.2		31.2			
		Core earnings	1.3		1.3	1.3		1.3	2.6		2.6			
		CE margin	8.4%		8.4%	8.4%		8.4%	8.4%		8.4%			
	Consolidation, adjustment & other	Sales			-10.0			-12.2			-22.2			
		Core earnings			-7.4			-7.4			-14.8			
	LIXIL Group	Sales	317.7	153.0	460.7	340.4	153.4	481.7	658.2	306.4	942.4			
		Core earnings	19.5	3.9	16.0	23.3	8.2	24.1	42.8	12.2	40.1			
		CE margin	6.1%	2.6%	3.5%	6.8%	5.4%	5.0%	6.5%	4.0%	4.3%			

Unit: Ybn

Mar-16			Mar-16 Q3 (9 months) (provisional)								
			Mar-16 Q3 (provisional)								
			Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas	Total
			%	%	%	%	%	%	%	%	%
Mar-16	LWT	Sales	74.3	92.7	167.0	206.8	276.2	482.9			
		Core earnings	8.5	11.3	19.8	21.0	23.8	44.8			
		CE margin	11.5%	12.2%	11.9%	10.2%	8.6%	9.3%			
	LHT	Sales	155.6	3.1	158.7	445.2	9.3	454.5			
		Core earnings	13.5	-0.4	13.1	34.6	0.4	35.0			
		CE margin	8.7%	-	8.2%	7.8%	4.3%	7.7%			
	LBT	Sales	30.9	62.5	93.5	88.1	174.6	262.7			
		Core earnings	0.6	-2.7	-2.1	1.9	-3.7	-1.8			
		CE margin	1.8%	-	-	2.2%	-	-			
	LKT	Sales	27.8	1.9	29.7	76.9	6.5	83.3			
		Core earnings	1.5	0.0	1.5	2.1	-0.1	2.0			
		CE margin	5.3%	1.3%	5.0%	2.7%	-	2.4%			
Mar-16	D&R	Sales	45.6		45.6	144.4		144.4			
		Core earnings	3.3		3.3	7.9		7.9			
		CE margin	7.2%		7.2%	5.4%		5.4%			
	H&S	Sales	16.0		16.0	47.2		47.2			
		Core earnings	0.6		0.6	3.2		3.2			
		CE margin	3.6%		3.6%	6.8%		6.8%			
	Consolidation, adjustment & other	Sales			-12.4			-34.5			
		Core earnings			-8.5			-23.3			
	LIXIL Group	Sales	350.3	160.1	498.1	1,008.5	466.5	1,440.5			
		Core earnings	27.9	8.2	27.6	70.7	20.4	67.7			
		CE margin	8.0%	5.1%	5.5%	7.0%	4.4%	4.7%			

\*Purchase price allocation related to acquisitions are allocated to each business segment

\*Sales and core earnings of Japan and Overseas in this page are the sum of Japan and overseas subsidiaries after inter-company consolidation adjustment, respectively.  
Overseas subsidiaries with factories that manufacture products mostly for sales to LIXIL Corporation is included in Japan.

Unit: Ybn

	Mar-16 Q1			Mar-16 Q2			Mar-16 Q3		
	Sales	Core earnings	CE margin	Sales	Core earnings	CE margin	Sales	Core earnings	CE margin
Japan Technology Business	251.9	15.4	6.1%	276.4	20.1	7.3%	288.7	24.0	8.3%
Renovation	72.0			76.8			84.2		
Other/intersegment sales	179.9			199.6			204.5		
Overseas housing equipment related business	98.3	4.6	4.7%	96.0	8.6	9.0%	97.6	10.9	11.2%



#### 4. Segment Information (1) Technology Business (JGAAP)

Unit : Ybn

			Water Tech	Housing Tech	Building Tech	Kitchen Tech	Tech Business Total
Mar-16 Q3 (9 months)	Sales		427.7	441.0	244.5	83.4	1,196.6
		Japan	204.7	436.3	74.3	77.0	792.3
		Overseas	223.1	4.8	170.1	6.4	404.4
	Amortization of goodwill		4.9	0.6	2.4	0.5	8.4
	PPA <sup>*1</sup>		1.7	-	1.8	-	3.4
	CE before amortization of goodwill and PPA (JGAAP)		50.2	33.1	-0.5	2.1	84.8
		(%)	12%	7%	0%	2%	7%
Mar-15 Q3 (9 months)	CE (IFRS) (provisional)		44.8	35.0	-1.8	2.0	80.0
	Sales		301.6	447.6	223.8	82.5	1,055.5
		Japan	193.8	443.8	72.8	76.0	786.4
		Overseas	107.7	3.8	151.0	6.5	269.1
	Amortization of goodwill		1.0	0.6	2.6	0.5	4.8
	PPA <sup>*1</sup>		0.5	-	1.7	-	2.2
	CE before amortization of goodwill and PPA (JGAAP)		18.9	29.8	3.4	-1.6	50.6
		(%)	6%	7%	2%	-2%	5%

##### ■ Increase/decrease breakdown of sales

Unit : Ybn

			Water Tech	Housing Tech	Building Tech	Kitchen Tech	Tech Business Total
Sales increase/decrease			36.7	-6.6	20.7	1.5	52.3
(%)			12%	-1%	9%	2%	5%
Japan			10.8	-7.5	1.6	1.6	6.5
Overseas			25.9	0.9	19.1	-0.1	45.8
New consolidation <sup>*2</sup>			89.5	-	-	-	89.5
Deconsolidation <sup>*3</sup>			-	-	-	-0.6	-0.6

##### ■ Increase/decrease breakdown of CE

Unit : Ybn

				Water Tech	Housing Tech	Building Tech	Kitchen Tech	Tech Business Total
CE increase/decrease				16.1	3.3	-3.9	3.7	19.1
	Gross profit total			14.3	0.7	0.7	1.1	16.7
	Japan	Sales increase/decrease		4.0	-2.3	0.3	0.3	2.2
		Mix/pricing		0.4	6.1	2.1	0.2	8.7
		Cost		-1.1	-5.4	-0.3	1.0	-5.9
		of which forex		-1.2	-5.4		-0.1	-6.6
	of which purchasing condition		-0.2	-4.0	-0.1	-0.5	-4.8	
	Overseas	ASB		5.4				5.4
		Permasteelisa				-0.5		-0.5
		Other overseas subsidiaries		1.4	2.3	-0.4	-0.5	2.7
		Impact from currency translation		4.2	0.0	-0.4	0.2	4.0
	SG&A total			1.9	2.6	-4.6	2.6	2.4
	Japan	SG&A		1.6	3.1	-2.0	2.7	5.4
Overseas		ASB		-3.0				-3.0
		Permasteelisa				-0.3		-0.3
		Other overseas subsidiaries		1.6	-0.5	-2.0	0.2	-0.7
		Impact from currency translation		-3.3	-0.1	-0.1	-0.2	-3.7
		Goodwill difference		5.0	-	-0.1	-0.1	4.8
New consolidation *2				15.1				15.1

<sup>\*1</sup> Purchase price allocation

<sup>\*2</sup> GROHE

<sup>\*3</sup> Sunwave Kitchen Techno Corporation

## 5. Segment Information (2) Retail and Distribution Business (JGAAP)

### Sales and CE for the segment

Unit: Ybn

		1H			Q3 (9months)		
		Mar-15 results	Mar-16 results	YoY	Mar-15 results	Mar-16 results	YoY
Sales		97.9	101.5	3.7%	152.4	148.4	-2.6%
CE		3.5	4.4	23.7%	6.5	7.6	16.8%
Figures of Ken Depot* included above	Sales	15.1	16.0	6.2%	23.1	16.0	-30.5%
	CE	-0.8	-0.3	-	-1.0	-0.3	Loss shrunk

\*Business transferred to Ken Depot Corporation; equity method affiliate company from October 2015

Mar-15 Q3 Ken Depot figures (YoY): Sales +3%, CE +14%

### Increase/decrease breakdown of CE

<Mar-16 Q3(9 months) results: YoY>

Unit: Ybn

Mar-15 results	Due to sales fluctuation	Sales price	Cost	SG&A	Cost of new stores	Ken Depot	Total	Mar-16 results
6.5	1.2	0.3	-0.1	0.3	-0.9	0.2	+1.1	7.6

### Number of stores

Unit: stores

	Mar-15 results	Mar-16		Mar-16	
		Q3 (9 months) results	Vs. Mar-15	forecasts	YoY
Newly opened SVH stores	1	2	+1	3	+2
Newly opened NVH stores	0	0	0	1	+1
Newly opened Ken Depot* stores	2	0	-2	0	-
Number of stores closed	1	1	0	1	0
Number of stores at end of term	148	85	-63	88	-60
(SVH stores)	34	36	+2	39	+5
(NVH stores)	9	9	0	10	+1
(Ken Depot* stores)	64	0	-64	0	0
(VH stores)	41	40	-1	39	-1

\*Business transferred to Ken Depot Corporation; equity method affiliate company from October 2015

### Results of home center business

Unit: Ybn

	Mar-15 Q3 (9 months) results	Mar-16 Q3 (9 months) results	YoY
Sales	129.3	132.3	2.3%
CE	8.6	9.3	8.6%
%	6.6%	7.0%	+0.4

### Rate of sales growth of home center stores

<Mar-16 Q3 (9 months) results Unit: %

All stores	+2.4
Existing stores only	+1.7

\*Existing stores: Stores open more than 13 months

### Growth rate of customer footfall and average sales per customer

<Mar-16 Q3 (9 months) results>

Unit: %

All stores	
Customer footfall	-0.2
Average sales	+2.5
Existing stores only	
Customer footfall	-0.6
Average sales	+2.4

## 6. Segment Information (3) Housing Services Business (JGAAP)

### Sales and CE of the segment

Unit: Ybn

	1H			Q3 (9months)		
	Mar-15	Mar-16	YoY	Mar-15	Mar-16	YoY
	results	results		results	results	
Sales	29.3	30.1	2.9%	44.1	45.4	2.9%
CE	2.1	2.5	21.6%	3.3	3.0	-8.6%

### Sales and CE by segment companies

<Mar-16 Q3(9 months) results>

Unit: Ybn

	Sales			CE		
	Mar-15	Mar-16	YoY	Mar-15	Mar-16	YoY
	results	results		results	results	
LIXIL Housing Research Institute	18.7	19.2	2.5%	1.3	1.5	18.6%
JIO	8.3	8.4	1.2%	0.4	0.6	55.6%
LIXIL Realty	6.0	7.8	30.3%	0.6	0.6	12.2%
Japan Home Shield	7.2	7.8	7.1%	0.7	0.8	4.2%
Other & adjustments	3.8	2.2	-	0.4	-0.4	-
Segment total	44.1	45.4	2.9%	3.3	3.0	-8.6%

### Number of contracts received and houses built with housing franchise businesses

Number of contracts received

Unit: houses

	Mar-15	Mar-16	YoY
	Q3 results	Q3 results	
Total for the Group	2,895	2,911	0.6%

\*Revised last fiscal year's results due to change in calculation

Number of houses built

Unit: houses

	Mar-15	Mar-16	YoY
	Q3 results	Q3 results	
Total for the Group	2,591	2,640	1.9%

## 7. Sales by Products and Services

Unit: Ybn

Unit: %

Segment	Major products	Mar-15 results	Mar-15 Q3 (9 months) results	Mar-16 Q3 (9 months) results	YoY	Quarterly YoY (%)						
						Mar-15				Mar-16		
						Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>LWT</b>	Sanitary ware	<b>96.4</b>	<b>71.1</b>	<b>72.5</b>	1.9%	0.8	-4.6	-4.3	-13.3	0.7	3.0	<b>2.1</b>
	Bathroom units	<b>87.6</b>	<b>66.3</b>	<b>69.9</b>	5.4%	1.6	-3.1	-5.4	-8.6	4.0	6.6	<b>5.7</b>
	Washstand cabinet units	<b>32.9</b>	<b>24.1</b>	<b>24.9</b>	3.3%	5.6	-2.4	-3.1	-11.0	1.1	3.9	<b>4.7</b>
<b>LHT</b>	Housing sashes and related products	<b>201.2</b>	<b>153.1</b>	<b>156.3</b>	2.1%	-5.2	-5.1	-8.1	-7.4	3.6	1.6	<b>1.2</b>
	Exterior	<b>116.4</b>	<b>90.6</b>	<b>84.4</b>	-6.9%	8.3	3.2	-6.4	-17.5	-12.6	-8.4	<b>0.8</b>
	Wooden interior furnishing materials	<b>55.6</b>	<b>41.5</b>	<b>43.5</b>	4.7%	0.6	-3.8	-8.3	-14.4	2.4	4.7	<b>6.7</b>
	Exterior wall materials for houses	<b>32.1</b>	<b>24.5</b>	<b>22.9</b>	-6.7%	-5.9	-16.4	-12.3	-23.7	-6.0	-2.2	<b>-11.8</b>
	Tiles	<b>29.4</b>	<b>21.6</b>	<b>21.5</b>	-0.6%	0.6	-3.1	-6.9	-7.7	-3.7	-2.5	<b>4.1</b>
	Interior fabric	<b>30.5</b>	<b>21.6</b>	<b>21.5</b>	-0.4%	-1.2	-6.9	-8.7	-6.0	-12.0	6.4	<b>3.5</b>
	LHT Other	<b>57.4</b>	<b>41.0</b>	<b>36.6</b>	-10.7%	3.0	4.5	-21.8	-9.9	-12.4	-21.2	<b>5.0</b>
<b>LBT</b>	Building sashes	<b>104.7</b>	<b>66.4</b>	<b>66.7</b>	0.5%	4.0	-2.2	0.5	-4.5	8.3	2.4	<b>-7.2</b>
<b>LKT</b>	Kitchens	<b>102.6</b>	<b>75.8</b>	<b>76.9</b>	1.5%	-5.3	-8.4	-6.8	8.8	0.4	1.6	<b>2.5</b>
<b>D&amp;R</b>	Home center sales	<b>198.8</b>	<b>152.4</b>	<b>148.4</b>	*-2.6%	2.6	6.4	5.4	-6.3	4.8	2.6	<b>*-14.0</b>
	Overseas	<b>393.4</b>	<b>274.0</b>	<b>401.2</b>	46.4%	64.1	42.4	26.6	18.6	21.8	68.3	<b>46.3</b>
	Other	<b>134.4</b>	<b>258.3</b>	<b>277.3</b>	7.4%	-1.4	-0.6	-0.6	-14.6	4.3	-7.6	<b>44.6</b>
	Total	<b>1,673.4</b>	<b>1,220.8</b>	<b>1,357.3</b>	11.2%	9.5	5.5	1.1	-3.1	5.0	15.0	<b>13.0</b>

\*Home center sales of D&R excluding impact of Ken Depot carve out (YoY):  
Q3(9 months) 2.7%, Q3(3 months) 0.8%

## 8. Renovation Business

Ratio of renovation business (Excluding impact of Ken Depot carve out; revised Mar-15 results)

Unit: Ybn

	Mar-15	Mar-16	YoY
	Q3(9 months) results	Q3(9 months) results	
Sales from renovation business	269.5	297.2	10%
Ratio of renovation business	29%	32%	+2

Sales of renovation products

Unit: Ybn

	Mar-14	Mar-15		Mar-16		Mar-16	
	results	results	YoY	Q3(9 months) results	YoY	forecasts	YoY
Sales of renovation products	282.6	279.6	-1%	233.0	10%	290.0	4%
Renovation ratio	31%	32%	+1	36%	+3	33%	+1

\*Sales of LJC products used for renovation

Number of member homebuilders

Unit: Stores

Franchise type	Mar-13 result	Mar-14 result	Mar-15 result	Sep-15 result	<b>Dec-15 result</b>
LIXIL Reform Shop	377	376	424	451	<b>471</b>

Changed from "LIXIL Reform Chain" since April 2015

Unit: Stores

Voluntary type	Mar-13 result	Mar-14 result	Mar-15 result	Sep-15 result	<b>Dec-15 result</b>
LIXIL Reform Net	9,356	10,203	11,708	12,046	<b>12,260</b>

## 9. Overseas Production Ratio and Sales

### Overseas production ratio

Products	Locations	Overseas production ratio	
		Mar-15 results	Mar-16 Q3 (9 months) results
Aluminum housing sashes	Thailand, Vietnam	27%	27%
Interior wooden furnishing materials	China	43%	42%
Sanitary ware	China, Vietnam	43%	42%
Water faucets	China, Vietnam	14%	11%
Floor tiles	China, Vietnam	53%	56%

### Sales overseas

Unit: Ybn

Areas	Mar-15 Q3(9 months) results			Mar-16 Q3(9 months) results				
	Sales	Housing-related business	LBT	Sales	YoY	Housing-related business	YoY	LBT
Greater China	56.7	21.3	35.3	64.6	14.0%	26.7	25.2%	37.9
Thailand	11.1	9.7	1.4	13.6	22.6%	12.7	31.4%	0.9
Vietnam	6.6	6.5	0.1	7.9	19.9%	7.9	20.8%	0.0
Korea	7.2	7.2	0.0	9.2	27.0%	9.2	27.0%	0.0
Other Asian countries	12.7	5.2	7.5	17.9	41.6%	11.6	123.3%	6.3
Middle East	18.9	0.0	18.9	18.0	-4.8%	8.9	-	9.0
North America	110.6	70.4	40.2	150.6	36.1%	93.0	32.1%	57.6
Europe	40.0	0.3	39.7	97.1	142.7%	53.1	-	44.1
Others	10.3	3.5	6.8	22.4	116.6%	15.0	327.2%	7.3
Total	274.0	124.2	149.9	401.2	46.4%	238.1	91.7%	163.2

(For reference)

### Overseas sales ratio

Unit: Ybn

	Mar-12 results	Mar-13 results	Mar-14 results	Mar-15 results	Mar-16 Q3 (9 months) results
Overseas sales	53.9	205.1	293.9	393.4	401.2
Overseas sales ratio	4.2%	14.3%	18.0%	23.5%	29.6%



## 10. Permasteelisa, ASB & GROHE

### ■ Results (JGAAP, in Yen)

#### ASB

Accounting period = January to December (until FY13)

April to March (since FY14)

#### Permasteelisa & GROHE

Accounting period = January to December

Unit: JPYbn

	Dec-14 / Mar-15 Q3 (9 months) results			Dec-15 / Mar-16 Q3 (9 months) results						Mar-16 Full-year forecasts		
	Permasteelisa	ASB	GROHE	Permasteelisa	YoY	ASB	YoY	GROHE	YoY	Permasteelisa	ASB	GROHE
Exchange rate (Yen)	139.8	107.3		135.6		121.5		134.6		130	120	130
Sales	137.3	72.5		155.5	13%	90.6	25%	93.2		206.7	117.7	142.0
Core earnings	3.3	1.0		2.0	-39%	3.9	288%	9.9		9.6	3.0	22.0
	%	2.4%	1.4%	1.3%	-1.1	4.3%	+2.9	10.6%		5%	3%	15%

\*GROHE was an equity method subsidiary from January 2014 to March 2015

### ■ Results (IFRS, in local currency)

#### Permasteelisa, ASB & GROHE

Accounting period = April to March

	Mar-15 Q3 (9 months) results			Mar-16 Q3 (9 months) results						Mar-16 Full-year forecasts		
	Permasteelisa	ASB	GROHE	Permasteelisa	YoY	ASB	YoY	GROHE	YoY	Permasteelisa	ASB	GROHE
Unit	EURm	USDm	EURm	EURm		USDm		EURm		EURm	USDm	EURm
Sales	1,122	676	909	1,186	6%	720	7%	983	8%	1,590	981	1,447
Core earnings	34	9	145	19	-44%	38	322%	164	13%	74	25	212
	%	3.1%	1.3%	1.6%	-1.4	5.3%	+3.9	16.7%	+0.7	5%	3%	15%

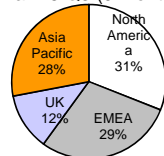
#### Permasteelisa

Accounting period = April to March

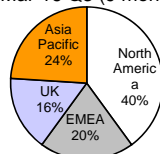
### ■ Regional sales contribution

\*EMEA = Europe, Middle East, Africa

Mar-15 Q3 (9 months)

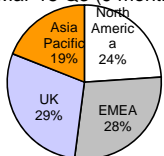


Mar-16 Q3 (9 months)

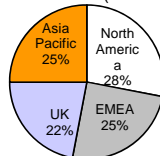


### ■ New orders by region

Mar-15 Q3 (9 months)



Mar-16 Q3 (9 months)



#### Orders received

Unit: EURm

	Mar-15 Q3 results	Mar-16 Q3 results
New Orders	974	914
Backlog	2,051	2,167

#### GROHE

### ■ Non-current asset allocation

Unit: EURm

	Mar-16 results (JGAAP) fixed	Amortization period
Goodwill	1,220	20 years Not amortized in IFRS
Trademark (Unamortized intangible assets)	1,349	None
Other intangible assets	231	6 to 13 years
Revaluation of fixed assets, inventories and other	106	Case-by-case
Total	2,907	

## 11. Goodwill

### Amortization of negative goodwill

None for this fiscal term

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

Unit: Ybn

		Mar-15 results		Mar-16 Q3(9 months) results		Mar-16 forecasts (JGAAP) Amortization
		Amortization	Balance	Amortization	Balance	
LWT	GROHE	-	-	4.1	160.6	5.9
	ASB	0.9	18.0	0.8	17.9	1.0
	American Standard AP	0.2	-	-	-	-
LHT	Kawashima Selkon Textiles	0.6	0.7	0.4	0.3	0.6
	Hivic	0.3	0.4	0.2	0.2	0.3
	Star Alubuild	0.4	0	-	-	-
LBT	Permasteelisa	3.4	28.1	2.4	23.5	3.1
LKT	LIXIL Haier Housing Products	0.7	1.7	1.4	0.3	1.5
	Other	0.4	0.5	0.2	0.4	0.6
Total		6.8	49.5	9.6	203.2	13.0
SG&A		6.5		8.6		12.1
Extraordinary loss		0.4		0.9		0.9

## 12. Recent M&As / Business & Capital Alliances (JGAAP)

### M&As of overseas companies

Unit: Ybn

Timing	Company name	Target	Sales		Purchasing amount	Ownership ratio	Total amount of goodwill	Effect
			Time of acquisition	FY Dec-14 result				
Jul 2009 (partly Nov 2009)	American Standard Asia Pacific (Group)	Sanitary ware (Asia)	23.5	-	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	21.9	3.2	75%	0.5	>Expand building sashes in China
Dec 2011	Permasteelisa	Building sashes (Global)	116.0	198.2	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	99.9	30.5	100%	Goodwill 14.7 Other intangible assets 21.7	>Establish North American platform
Oct 2013	Star Alubuild	Building sashes (India)	1.7	0.6	0.7	70%	0.4	>Business development in India
Jan 2014 (Additionally Apr 2015)	GROHE Group S.à r.l.	Plumbing fixtures, especially faucets (Europe, Global)	157.5	*1 165.3	80.1	44%→56%	Goodwill 157.3 Other intangible assets 209.3	>Establish European platform
Oct 2014	GROHE DAWN WaterTech Holdings	faucets, sanitary ware (Africa)	12.9	*2 14.6	8.6	51%	Goodwill 1.2 Other intangible assets 7.8	>Gain access to Sub-Saharan market

\*1 GROHE was an equity method company until FY ended Mar-15, but on this chart, sales for FY ended Dec-14 (full-year) is shown

\*2 Estimate

### M&As of Japanese companies

Unit: Ybn

Timing	Company name	Target	Sales		Purchasing amount	Ownership ratio	Total amount of goodwill	Effect
			Time of acquisition	FY Mar-15 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 (partly Dec 2010)	Kawashima Selkon Textiles Co., Ltd.	Interior fabric such as curtains	34.3 *	30.4	Y2.2bn (Dec 2010) Share exchange rate 1:0.035 (Aug 2011)	100%	1.7	>Create synergy with sales of existing window business >Utilize <i>Kawashima</i> brand
Oct 2011	HIVIC Co., Ltd.	Wood related products	24.4	19.7	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: Ybn

Timing	Company name	Target	Purchasing amount	Ownership ratio	Effect
Dec 2010	Leopalace 21	Major lease management, renovation, and other	1.8	9%→0%	>Expand sales for Leopalace
Sept 2013	EDION	Renovation business in the home electrical appliance industry	5.0	8%	>Expand sales for EDION
Oct 2013	Sharp	New product development by integrating building & electrical materials	5.0	1%	>Expand sales, development of new products

### 13. Major Differences of Accounting Process Between IFRS and JGAAP

	JGAAP	IFRS	Mar-16 Q3 CE impact
Scope of consolidation	Materiality (such as future prospects) standard in assets, sales, profit and surplus.	In principle, all subsidiaries and associates are consolidated.	Subsidiaries' FS (not included in J-GAAP consolidation). +Y6.8bn
Fiscal year-end	Three month-gap can be accepted at the maximum.	The same fiscal year-end as the LIXIL. (FY ends in March)	The three month period (Jan to Mar) of the subsidiaries, whose FY ends in Dec, is recorded to FS of the previous FY. +Y3.9bn
Depreciation method	The declining-balance method. (Mainly in Japan)	The straight-line method.	New facilities: depreciation expenses tend to decrease. Elapsed facilities: depreciation expenses tend to increase. +Y0.3bn
Goodwill amortization	Goodwill is amortized within 20 years.	Goodwill is not amortized, but impairment test needs to be conducted once every fiscal year.	Goodwill amortization is recognized in PL. +Y8.6bn
Actuarial gains/losses from retirement benefits	This item is recorded in PL. (Gains=deducted from cost and expenses)	This item is recorded in Other comprehensive income.	The amount recorded in JGAAP will be an impact to PL. -Y13.5bn
Construction contracts	The completed-contract method or percentage-of-completion method.	Cost recovery method or percentage-of-completion method.	Revenue are recognized by the timing of progress. -

### 14. IFRS/ JGAAP Profit Level (Figures are of Q3 March 2016)

There is a change in profit level structure of PL in IFRS base.

The conventional "Operating profit" in JGAAP will be continued to be managed as "Core earnings" after adopting IFRS.

Unit: Ybn

JGAAP	IFRS	Corresponding amount
Net Sales 1,357.3	Revenue 1,440.5	
Cost of sales	Cost of sales	
Gross profit 394.1	Gross Profit 418.0	
SG&A	SG&A	
+	+	
Operating income 59.6	Core earnings 67.7	Operating income (JGAAP)=Core earnings (IFRS)
Non-operating expenses/ income -5.4	Other income/ expenses	5.3 (Rental income, Cost of rent, Investigation cost, Other non-operating income/expense) -3.4 -5.7
Ordinary Income 54.2	Operating income	Other extraordinary income/ losses
Extraordinary income/ losses	Finance cost/income	1.0 (Dividend income, Interest income, Interest expense, FX Gain/loss, Gain/loss on sale of financial assets, etc.) 1.4 -6.9
Income before income taxes and minority 13.1	Profit/loss for the equity method	-10.2 7.8 0.4
Income taxes etc.	Net profit before tax	Profit/loss for the equity method, Loss on investment to associates and other -35.8
Net income -8.7	Income taxes etc.	
	Net income	

Extraordinary and non-operating items (except for finance cost/income) under J-GAAP will be included in "Other income/expenses" under IFRS