



March 7, 2016

LIXIL Group Corporation  
Yoshiaki Fujimori  
Representative Executive Officer and President  
(First section of TSE/NSE, code 5938)

(Contact):  
Takashi Tsutsui  
Executive Officer and Vice President in charge of IR  
(Tel: +81-3-6268-8806)

**Announcement regarding Organization Changes in Water Technology**

LIXIL Group Corporation today announces changes to the organization structure of its LIXIL Water Technology business (LWT) as attached.

For Immediate Release

March 7, 2016  
LIXIL Group Corporation

## **LIXIL Strengthens Management of Overseas Businesses with Organization Changes in Water Technology**

***Move enhances internal controls and efficiencies***

**Tokyo, Japan** - LIXIL Group Corporation ("LIXIL Group"; TSE code: 5938) today announces changes to simplify the organization structure of its LIXIL Water Technology business (LWT) as part of steps to further integrate and strengthen the management of its overseas businesses. The move is part of an effort to enhance governance practices and internal controls for LIXIL Group subsidiaries.

LIXIL Corporation President and CEO, Kinya Seto, will expand his responsibilities to also cover direct management of LWT. He will be supported by the deep capability and seasoned leadership already in place within LWT. The current CEOs of Water Technology, Michael Rauterkus of LWT EMEA and Grohe AG, Steven Delarge of LWT Americas and American Standard Brands, Tadashi Arishiro of LWT Japan and Bijoy Mohan of LWT Asia Pacific, will report directly to Mr. Seto. As a result of this reorganization, the current LWT CEO David Haines will leave the organization effective March 7.

Paul Flowers will continue his role as LWT Chief Design Officer. To ensure that customers continue to benefit from the synergies of a seamlessly global and highly productive manufacturing and supply chain operation, Ryuichi Kawamoto, LIXIL Corporation Chief Technology Officer, will also concurrently take on the role of LWT Chief Manufacturing Optimization Officer. LWT's key functional teams in Finance, Human Resources, Legal, and Public Affairs will report, on LWT responsibilities, to the respective heads of these corporate functions at LIXIL Group, who will hold concurrent LWT function leader roles.

These changes will enable faster and more thorough implementation of growth strategies, new policies and programs in internal audit, financial accounting and controllership, education and training in the Group's compliance and conduct codes, as well as in the rules and working processes that govern operating as part of a Japan-based global company. To ensure a rigorous and operationally disciplined execution of these changes, a seasoned Post-Merger Integration (PMI) leader will be appointed to a newly created PMI position specifically focused on LWT.

There will be no change to current growth strategies for LWT. LIXIL will preserve the operating independence of these consumer-oriented business entities, which rely on speed and agility to stay competitive.

Commenting on the changes, LIXIL Group President and CEO, Yoshiaki Fujimori, said, "This is an expanded role for Seto-san and the team. I am confident in Seto-san's capability to lead the global LWT business, together with the highly experienced HQ functional leaders. These changes are consistent with the enhancement of the direct governance we have been pursuing as LIXIL management of our overseas subsidiaries."

LIXIL Corporation President and CEO, Kinya Seto, added, "Having now met with hundreds of executives and managers working across Japan and overseas, I am impressed with the capable teams we have across our various LWT businesses, especially the deep bench of leaders we have running our geographies and key global entities. This business has significant potential for the future and with these changes, I am confident that LWT will be able to maximize opportunities across its brand portfolio and in all key markets over the long term."

**-Ends-**

**About LIXIL**

**LIXIL Corporation** is a global leader in housing and building materials products and services. The foundation of LIXIL's success is our constant investment in technological innovation to improve the way we live. Delivering core strengths in water, housing, building and kitchen technologies, our brand portfolio businesses LIXIL, GROHE, American Standard Brands and Permateelisa are leaders in the industries and regions in which they operate. LIXIL produces some of the world's most fundamental and innovative products and services, and our solutions are an integral part of some of the world's most iconic and cutting-edge living and working spaces. Operating in more than 130 countries, and employing more than 80,000 people, we bring together function, quality and design to make people's lives better, and more delightful – wherever they are.

**About LIXIL Group**

**LIXIL Group Corporation** (TSE Code: 5938) is the listed holding company containing LIXIL Corporation, LIXIL VIVA CORPORATION and LIXIL Housing Research Institute, Ltd.. The Group is involved in a broad spectrum of housing-related businesses, ranging from the manufacture and sales of building materials and housing equipment to the operation of home centers and a network of homebuilding franchises, and comprehensive real estate service. Led by President and CEO Yoshiaki Fujimori, the Group posted 1.6 trillion JPY in consolidated sales in FY ended March 2015.