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

November 4, 2014

LIXIL Group Corporation

Announcement of the Decision on a Plan to Make GROHE Group a Consolidated Subsidiary Earlier than Planned

In the Executive Officers Meeting held on November 4, 2014, LIXIL Corp, LIXIL Group Corporation's wholly-owned subsidiary, has decided on a plan to make Grohe Group S.a r.l., a consolidated subsidiary earlier than planned.

In order to achieve our goal "to become a global leader in the building materials and housing equipment industry," LIXIL will grow and expand its operations on a global scale. As part of this strategy, we entered the North American market by acquiring ASD Americas Holding Corp. in 2013. In January 2014, through Grace A S.a r.l., a special purpose company owned 50% each by LIXIL and Development Bank of Japan, we made an equity investment in GROHE Group (one of the largest European water technology companies based in Germany, hereinafter "GROHE") and made it a company accounted for by the equity method.

In order to optimize the performance of the new and existing water technology businesses, we have been examining the global integration of these independent companies into a unified global water technology enterprise. In this transformation of operating model, we expect GROHE to play a significant role. As a result, we have decided on a plan to make GROHE a fully consolidated subsidiary effective April 1, 2015 to achieve globally integrated management.

Although the consolidation of GROHE has uncertain elements including potential approvals of various regions, we inform you because the consolidation should have significant impact on the investor's decision.

Note: Statements made above are forward-looking statements. LIXIL Group cautions that a number of factors could cause actual results to differ materially from those discussed in the forward-looking statements.