Financial Results for the Fiscal Year Ended March 31, 2017 (IFRS)

(From April 1, 2016 to March 31, 2017)

TSE Code: 5938

LIXIL Group Corporation

May 8 , 2017

LIXIL Link to Good Living

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FYE2017 Financial Results Summary (IFRS)

JGAAP	IFRS
Net sales	Revenue
Cost of sales	Cost of sales
Gross profit	Gross profit
SG&A	SG&A
Operating profit	Core earnings (CE)
Non-operating income/expenses	Other income/expenses
Ordinary income	Operating profit
Extraordinary income/losses	Finance income/costs
	Share of profit (loss) for using the equity method
Profit before income taxes	Profit before tax
Net profit	Net profit

LIXIL Group has transitioned to IFRS from FYE2017.
Change in profit level structure is as shown on the left.


LIXIL Water Technology (LWT)


LIXIL Housing Technology (LHT)


LIXIL Building Technology (LBT)


LIXIL Kitchen Technology (LKT)


LIXIL Japan Company (LJC)



Distribution and Retail Business (D&R)


Housing and Services Business (H&S)

Operational Efficiencies and Synergies Strengthen Organization

Strategy to achieve leaner, faster, simpler organization has achieved early results:

- ✓ Revenue decreased by 6% YoY to JPY 1,786.4bn due to **divestment of non-core businesses**, impact from forex, and result of selective order intakes of LBT, but still achieved guidance
- ✓ Core earnings increased by 26% YoY to JPY 88.3bn due to improvement in profitability from **acceleration of synergies**, and guidance overachieved by JPY 8.3bn
- ✓ Net profit became positive from V-shape recovery and achieved record high of JPY 42.5bn
- ✓ Improved balance sheet by reducing interest-bearing debt by promoting efforts such as consistent improvement of cash flows, withdrawal from unprofitable businesses, and disposal of idle assets
- ✓ Increase in revenue and profit expected for FYE2018 driven by overseas growth as well as improvement in profitability in Japan. Forecasts are as follows: Revenue JPY 1,850bn, CE JPY 95bn, and Net profit JPY 43bn

Continue to deliver sustainable profit growth

Building a Leaner, Faster, and Simpler Organization

- **Reorganization of LIXIL Housing Technology Japan (LHT):**
  - Eliminated the product businesses and merged the Sash and Door Divisions into one
  - Allocated resources for design and product development as top priority, following similar initiatives at LIXIL Water Technology (LWT)
- **Reorganization of Marketing Division:**
  - Created new integrated global structure in January
  - Enhancing digital capabilities within the marketing function in support of the company globally
- **Strengthened core businesses of manufacturing and distribution & retail business respectively, by listing of LIXIL VIVA**

Stimulate and Respond to New Demand in Japan Renovation Market

Number of registered-service shops for LIXIL PATTO Reform service

Service launched in Oct. 2016 — 500

As of March 31, 2017 — Approx. 3,400

Products for reform

Service launched in Oct. 2016 — 2 products

As of April 2017 — 16 products



Can make **simple** inquiries

Clear pricing

Fast installation

Products expanded under PATTO Reform service from April 2017

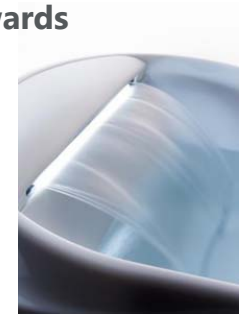


Continued Strengthening of Design Capabilities

LIXIL brands win 6 Red Dot Awards

- The Red Dot Award is an international design competition held by the Design Zentrum Nordrhein Westfalen in Germany
- Products are evaluated by a panel of 40 international design experts based on a number of criteria, including the degree of innovation, functionality, ergonomics, durability and ecological compatibility

reddot award



LIXIL shoulder bathing system *"Aqua Feel"*



GROHE drinking water system for home *"GROHE Blue Home"*



GROHE shower toilet *"Sensia Arena"*



GROHE Faucet *"Lineare"*



GROHE Kitchen Faucet *"Concetto Professional"*



GROHE Kitchen Faucet *"Essence Professional"*

"Toilets for All" Initiative Launched in Japan

- LIXIL is collaborating with UN organizations and international NGOs to expand proper sanitation in underserved communities
- 2017 marks the 50th anniversary since LIXIL introduced the first ever made-in-Japan shower toilet, which has contributed greatly to improve the toilet space in Japan
- For every LIXIL shower toilet sold in Japan, LIXIL will donate one of its innovative "SATO" toilets to Asia and Africa
- Our target is to donate approx. 200,000 toilets to people in Asia and Africa, to provide better sanitation to approx. one million people





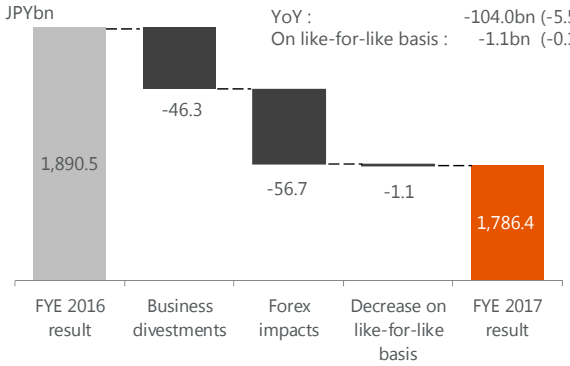
Launched April 2017 (until September)

世界の衛生環境を改善しよう！
みんなにトイレを
プロジェクト

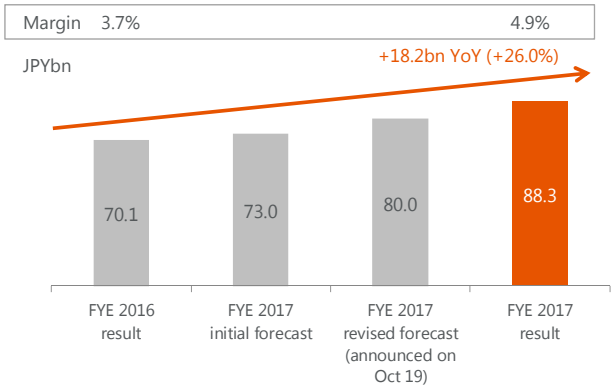


Core Earnings Increased Despite Revenue Decline

Revenue



Core Earnings (CE)



FYE2017 Revenue Highlights (YoY)

- -0.1% flat on like-for-like basis (H1: -1%, H2: +1%)
  - Main factors for the increase in revenue: new products effect and growth in overseas market for LWT (both Japan and overseas) and LKT, and positive contributions made from D&R and H&S
  - On the other hand, revenue decreased from recent selective order intakes of LBT overseas done consistently and the change in demand structure in LHT Japan

FYE2017 CE Highlights (YoY)

- YoY growth in CE expanded due to significant improvement of gross profit margin
  - CE increased in all segments
  - LWT & LKT: CE margin improved 2pp
  - LBT: turned profitable due to large improvement in profitability of on-going projects
  - 4 Tech total: Japan +JPY10bn(+15%), overseas +JPY13.5bn(+65%)

Gross Profit Improves Supported by Synergy Effects

JPYbn	FYE2016 Results	FYE2017 Results	% (YoY)
Revenue	1,890.5	1,786.4	-5.5%
Gross Profit	541.6	563.6	4.1%
(%)	28.6%	31.5%	+2.9
Core Earnings(1)	70.1	88.3	26.0%
(%)	3.7%	4.9%	+1.2
Net Profit (2)	-25.6	42.5	turned profitable
EPS (yen)	-89	148	-
EBITDA(3)	132.3	149.0	12.7%
(%)	7.0%	8.3%	+1.3
ROE	-4.6%	7.9%	+12.5

- **Further details for FYE2017**

<Gross profit margin>

28.6% ⇒ 31.5%: 2.9pp improvement

<Net profit>(2)

NP returned to positive by improvement of JPY 68.1bn due to decrease in other income/expenses, the absence of Joyou related losses from previous year, foreign exchange gains, and others

Other income/expenses

-JPY31.1bn ⇒ -JPY20.8bn (+10.3bn)
(FYE2016: Joyou investigation costs, business impairment; FYE2017: impairment of fixed assets and others)

<ROE>

Significant improvement

(1) Core earnings: Revenue - Cost of sales – SG&A
(2) Net profit (loss) attributable to owners of the parent
(3) EBITDA: Core earnings + Depreciation

Committed to Continued Improvement of FCF

Net Debt Position

JPYbn	(A) Mar 2016	(B) Mar 2017	(B)-(A)
Cash and Cash Equivalents	129.6	121.6	-8.1
Interest-bearing Debt	827.1	759.9	-67.2
Net Interest-bearing Debt	697.4	638.3	-59.1
Total Assets	2,130.1	2,042.2	-88.0
Equity Ratio(%)(1)	24.6	26.8	+2.2

- Total assets and net interest-bearing debt decreased by JPY 88.0bn and 59.1bn, respectively

  <Major items>

  - Current assets decreased by JPY35.4bn due to impact from reducing inventories, sales of businesses, reversal of time-deposits and other
  - Non-current assets decreased (incl. impact of forex and sales of businesses) by JPY52.5bn
- Net D/E ratio 117% (Beginning of the fiscal year 133%)
- Net Debt/EBITDA ratio 4.3x (FYE2016 5.3x)
- Advanced repayment of JPY 49.1bn for long term borrowings in April, 2017

Working Capital & Capex

JPYbn	(A) Mar 2016	(B) Mar 2017	(B)-(A)
Net Working Capital	19.8	7.4	-12.4
Depreciation	62.2	60.7	-1.5
Capex	-72.1	-68.2	3.9
Other	130.3	74.6	-55.7
Free Cash Flow	140.2	74.5	-65.7
Normalized Free Cash Flow (2)	*82.6*	*76.9*	*-5.8*

- Substantial positive FCF(3) maintained. Decrease in FCF was due to decrease of the reversal of time-deposits of JPY73.2bn.
- Normalized FCF, adjusted for one-off proceeds and payments decreased approx. JPY 5.8bn due to revenue growth in Q4 (3 months) despite improvement in working capital

(1) Ratio of equity attributable to owners of the parent
(2) Cash flows from operating activities excluding one-off impact – Capex
(3) Free Cash Flow

Creating Shareholder Value

■ Dividend policy

Dividend payout ratio of over 30% will be maintained on a consolidated basis

	FYE2016 Results	FYE2017 Results	FYE2018 Forecasts
H1	30 yen	30 yen	30 yen
H2	30 yen	30 yen	30 yen
Full year	60 yen	60 yen	60 yen
Dividend payout ratio	–	41%	40%

■ Share buyback

Share buyback may take place depending on factors, such as financial position and share price

■ Basic policy regarding the company's decision control

We do not have special anti-takeover provisions in our articles of association since we intend to increase our corporate value by taking various measures that would gain support from our shareholders. Our investor and shareholder policy is to have our shares held over medium to long-term by a large number of shareholders

Enhancing LIXIL Group's Board

(After the annual shareholders' meeting to be held on June 22)

■ Directors (◎indicate new candidate from June, 2017, ☐ are independent directors) (Announced on March 21)

Director	**Yoichiro Ushioda**	Outside Director	**Tsutomu Kawaguchi**	☐
Director	**Kinya Seto***	Outside Director	**Main Kohda**	☐
Director	**Yoshizumi Kanamori**	Outside Director	**Barbara Judge**	☐
Director	**Yoshinobu Kikuchi**	Outside Director	**Hirokazu Yamanashi**	☐
Director	**Keiichiro Ina**	Outside Director	**Hiroto Yoshimura** ◎	☐

■ Executive Officers (◎indicate new candidate from June, 2017, ※also director)

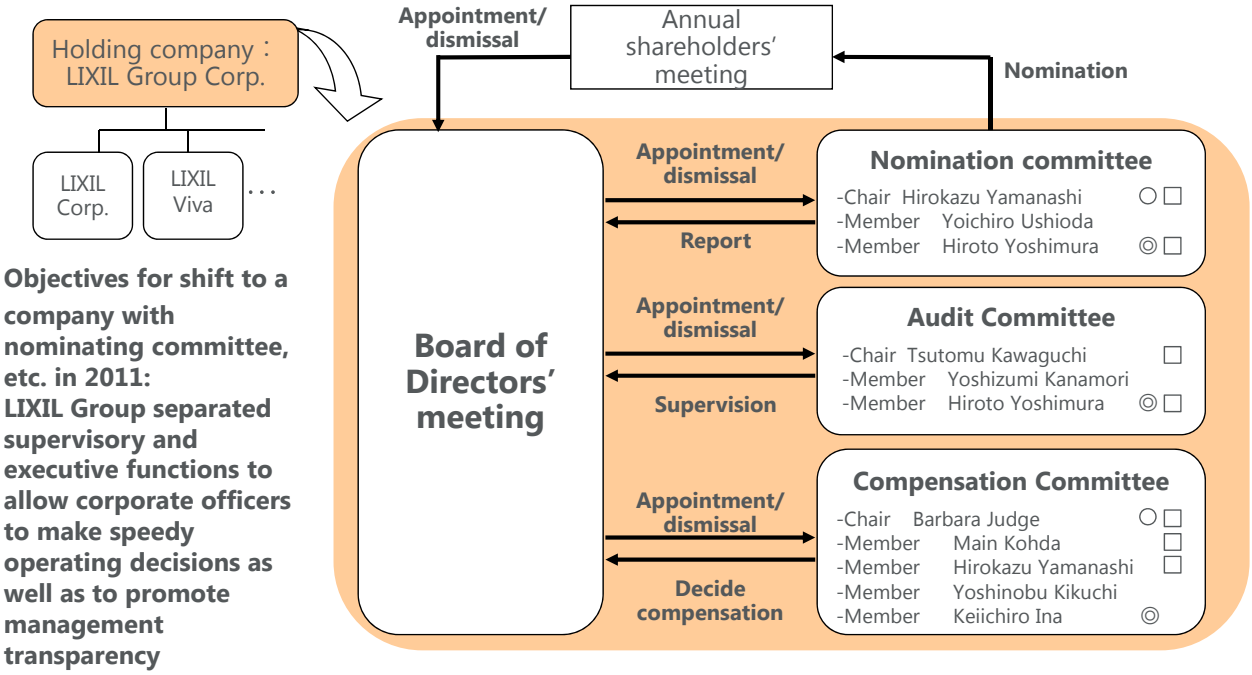
Representative Executive Officer, President & CEO **※ Kinya Seto***	Executive Officer and Senior Managing Director **Laurence W. Bates**
Representative Executive Officer and Vice President **Ryuichi Kawamoto**	Executive Officer and Senior Managing Director **Jin Song Montesano**
Executive Officer and Vice President **Sachio Matsumoto**	Executive Officer and Senior Managing Director **Harumi Matsumura**
Executive Officer and Vice President **Haruo Shirai**	Executive Officer and Senior Managing Director **Ryo Nihei** ◎
Executive Officer and Vice President **Kazuhiko Ootsubo** ◎	Executive Officer and Senior Managing Director **Yugo Kanazawa** ◎

*Also President & CEO of LIXIL Corporation, LWT CEO and LHT CEO

Changes on the LIXIL Group's Board Committees

(After the annual shareholders' meeting to be held on June 22) (Announced on March 21)

Committee structure in LIXIL Group Corporation, a company with nominating committee, etc.



Objectives for shift to a company with nominating committee, etc. in 2011:
LIXIL Group separated supervisory and executive functions to allow corporate officers to make speedy operating decisions as well as to promote management transparency

◎ indicates new members from June, 2017
○ changed from member to Chair
□ indicates independent directors; Independent outside directors are expected to be Chair of each committee for this fiscal year as well

FYE2018 Forecast

Summary of Strategic Priorities - FYE2018

Group-wide

- Continue to improve management efficiency through simplification
- Foster a culture of entrepreneurship (e.g. ACE@LIXIL*)
- Accelerate global Social Sanitation Initiative activities
- Issue new medium term plan



Japan

- Drive and respond to new demand in renovation market
- Actively invest in marketing activities
- Review and optimize product line-up
- Drive initiatives around work style reform



Overseas

- Develop differentiated products（e.g. smart products）
- Build standardized platforms for product development
- Establish global exchange program for engineers and specialists
- Further strengthen operational governance
  (e.g. operational governance in global financial reporting system)



LIXIL *Activating a Culture of Entrepreneurship

Continued Profit Growth Forecast for FYE2018
Promote Reorganization of Assets and Improvement in Organization to Carry Out New Medium Term Plan

Increase in Revenue and Profits
Further Improvement in Financial Position

Key Performance Metrics	FYE2018 Full-year Forecasts		%	vs FYE2017 Results Difference (YoY)	% (YoY)	% Difference (YoY)
Revenue		1,850bn		+63.6bn	+4%	
Core earnings / margin *1		95bn	5%	+6.7bn	+8%	+0.2
Net profit *2		43bn		+0.5bn	+1%	
EPS		149yen		+1yen		
EBITDA / margin *3		159.5bn	9%	+10.5bn		+0.3
Net Debt / EBITDA		4 x				-0.3 x
ROE		8%				0
Equity ratio		28%				+1
Capex / Depreciation	76.0bn	64.5bn		+7.8bn	+3.8bn	

FYE2018 Assumptions
Forex: 1USD=115JPY, 1EUR=120JPY, Aluminum price: 230,000yen/ton

LIXIL (1) Revenues - Cost of sales - SG&A
(2) Net income attributable to owners of the parent
(3) Core earnings + Depreciation

Summary of Financial Results and Strategic Priorities by Segment

LIXIL Water Technology (LWT)

Apr-Mar In JPYbn		FYE2017	YoY vs FYE2016	FYE2018 forecast	
Revenues by Region*	Americas	148.1	(+7%)	(+6%)	
	EMEA	151.3	(+5%)	(+5%)	
	Asia Pacific	91.9	(+8%)	(+15%)	
	Japan	313.1	(+1%)	(+0%)	
	Adjustments	-42.0			
	LIXIL Water Technology	**662.4**	-2% (like-for-like: +4%)	**703.0**	+6%
Core Earnings	**LIXIL Water Technology**	**65.1**	+19%	**67.0**	+3%
	Margin	*10%*	+1.7pp	*10%*	



Detects water leakage with smart technology *"GROHE Sense"*



Ceramic water purification cartridge



100 years clean new material for toilets *"Aqua Ceramic"*



Sheet type shower toilet

Priorities for FYE2018:

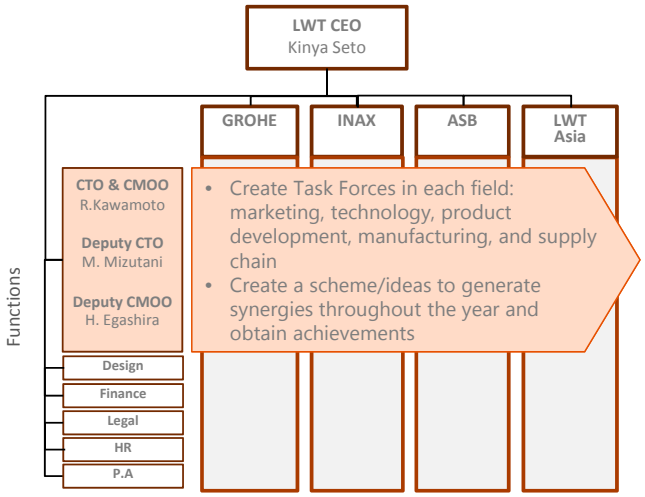
- **Global roll out of technologies, products, marketing capabilities, and brand power in each region**
  - Accelerate new LWT platform strategies activities
  - Focus on global rollout of shower toilets
  - Leverage new global advanced technologies
- **Build optimized global supply chain by utilizing manufacturing and distribution bases**
- **Global roll out of manufacturing and management skills cultivated in Japan**
  - Continue improvement of primary yield of ceramics in overseas factories through optimization of manufacturing processes
  - Clarify brands' positioning through global marketing

*Region: Management basis, Total: Statutory basis
Statutory basis currency : FYE2017 results 1USD=109.03JPY, 1EUR=119.37JPY, FYE2018 assumptions 1USD=115JPY, 1EUR=120JPY
Management basis currency : FYE2017 and vs FYE2016 1USD=125JPY, 1EUR=130JPY, FYE2018 assumptions 1USD=115JPY, 1EUR=120JPY

LWT - New Organization to Drive Further Synergies

Enhance cross-regional activities to maximize comprehensive strength of LWT and drive synergies. Strengthened implementation structure for further acceleration of activities from this fiscal year

Task forces initially established in April 2016 to generate synergies



Horizontal organization now established, building on work started by task forces

New Organization

Global Shower Toilet business Department
Bring greater innovation to reflect LIXIL's belief in the long-term prospects for shower toilets globally

Global Ceramic COE (Center of Excellence) Department
Establish the global best practice in ceramics manufacturing and craftsmanship, leveraging Japanese ceramics manufacturing technologies

Global SC Strategy & Supply Management Department
Drive optimization and establish best-in-class Global Ceramic Supply Chain

Global Strategy Sourcing Department Global Sourcing Asia
Utilize LWT global resources and leverage global scale to generate global sourcing synergies

Existing Task Force

Task Force activities will continue
Advanced Technology, Platform, Operational Excellence, Marketing Task Force

LIXIL Housing Technology (LHT)

Apr-Mar In JPYbn		FYE2017	YoY vs FYE2016	FYE2018 forecast	
Revenues by Region	Japan	531.9	-4%	0%	
		(like-for-like: -2%*)			
	Overseas	12.2	+3%	-43%	
	LIXIL Housing Technology	**544.1**	-4%	**537.0**	-1%
		(like-for-like: -2%*)			
Core Earnings	**LIXIL Housing Technology**	**39.2**	+3%	**41.5**	+6%
	Margin	*7%*	+0.5pp	*8%*	

Priorities for FYE2018:

- **Continue to optimize product line up**
- **Strengthen marketing activities**
- **Develop new products for renovation focused on easy and fast installation – PATTO Reform**
- **Rebuild organization to be more sustainable to changes in operating environment**


Window for renovation
"Reframe Replus"


Tile deck


Interior building materials series *"Vintia"*

*Excluding impact from sale of businesses

LIXIL Building Technology (LBT)

Apr-Mar In JPYbn		FYE2017	YoY (vs FYE2016)	FYE2018 forecast	
Revenues by Region	Japan	109.6	-5%	-1%	
	Overseas	154.0	-29%	+10%	
		(like-for-like: -13%*)			
	LIXIL Building Technology	**263.6**	-21%	**279.0**	+6%
		(like-for-like: -10%*)			
Core Earnings	**LIXIL Building Technology**	**3.8**	turned profitable	**6.5**	+69%
	Margin	*1%*	+3.2pp	*2%*	

Priorities for FYE2018:

<Overseas>

- **Continue to improve profitability through selective order intake**
- **Improve cash management**

<Japan>

- **Capture new demands through focusing on energy-saving and net zero-energy building projects**





Interior business for cruise ships

Currency : FYE2017 results 1USD=109.03JPY, 1EUR=119.37JPY, FYE2018 assumptions 1USD=115JPY, 1EUR=120JPY
*Excluding impact from sales of business and forex

LIXIL Kitchen Technology (LKT)

Apr-Mar In JPYbn		FYE2017	YoY (vs FYE2016)	FYE2018 forecast	
Revenues by Region	Japan	106.5	+2%	0%	
	Overseas	8.3	+3%	+9%	
	LIXIL Kitchen Technology	**114.7**	+2%	**115.0**	+0%
Core Earnings	**LIXIL Kitchen Technology**	**4.3**	+147%	**5.0**	+16%
	Margin	*4%*	+2.2pp	*4%*	

Priorities for FYE2018:

- **Continue to strengthen luxury segment**
- **Generate new customers with improved technology and marketing**
- **Reinforce the capabilities for renovation**
- **Supply chain reform**
- **Strengthen coordination capabilities which would enable proposal as one space, including tiles and LHT interior products**



"W Support sink", easy cooking and cleaning kitchen sink Equipped in kitchen systems "Richelle SI" and "Alesta"



"Pattorikun", replacement kitchen systems subject to PATTO reform service, added to lineup in April 2017

D&R and H&S

Apr-Mar In JPYbn		FYE2017	YoY (vs FYE2016)	FYE2018 forecast	
D&R	Revenue	172.0	-7%	183.0	+6%
		(like-for-like: +2%*1)			
	Core Earnings	7.3	+2%	9.0	+23%
	Margin	4%	+0.4pp	5%	
H&S	Revenue	64.4	+8%	57.0	-11%*2
				(like-for-like: +9% *1)	
	Core Earnings	4.4	+17%	3.5	-21%*2
	Margin	7%	+0.5pp	6%	

Priorities for FYE2018:

D&R

- **LIXIL VIVA, listed on the TSE on April 12, 2017, will actively open new stores and pursue further growth**

H&S

- **Build foundation for mid-long term business development by increasing market share of new housing related services and strengthening strategies for non-new housing services (growth area)**



Super Viva Home (SVH) in Kanagawa (Newly opened in Mar 2017)

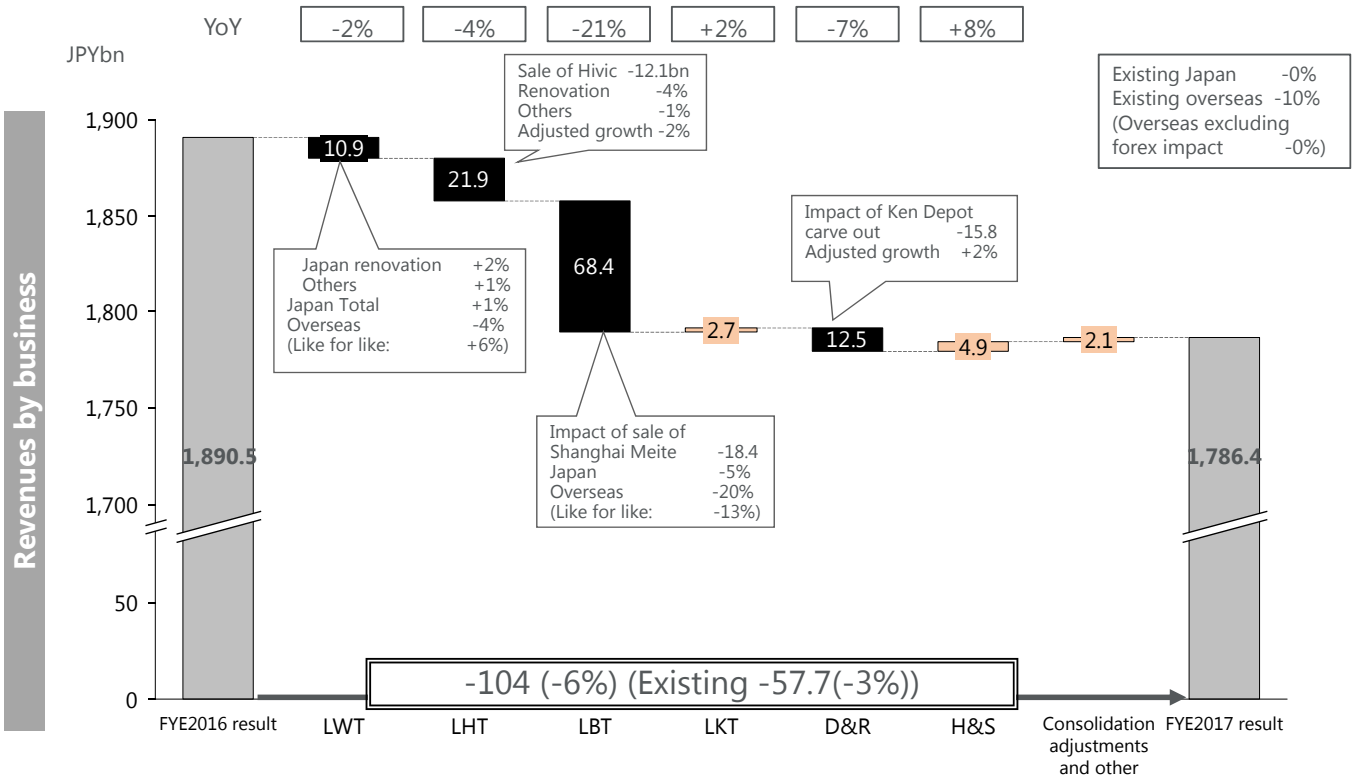

"Cesibo EX-H ～Limited～" Zero-energy home of Eyefulhome

*1 Excluding impact of sale of businesses
*2 Major reason for decrease in revenue and profit for FYE 2018 forecast of H&S is deconsolidation of JIO Corporation

Appendix

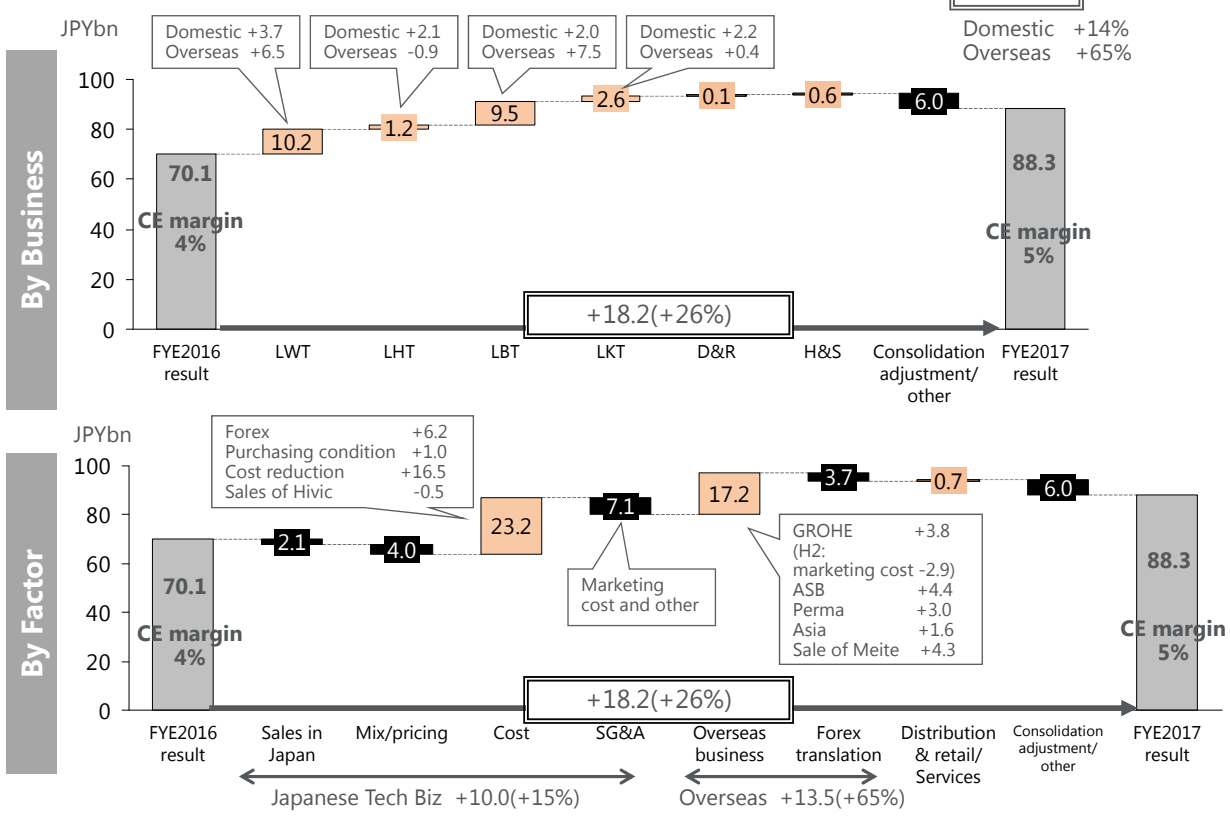
FYE2017 Revenue Increase / Decrease

-6% (H1 -8%, H2 -3%)



FYE2017 Core Earnings Increase / Decrease

+26% (H1 -1%, H2 +62%)



FYE2017 Other Income and Other Expenses, Finance Income and Finance Costs

JPYbn

Items	FYE2016	FYE2017	Increase/ decrease	Details
Rental income	7.1	6.7	-0.4	
Gains on sales of fixed assets	8.1	1.4	-6.7	FYE2016: Sales of land and others
Other	8.0	5.3	-2.7	
Other Income	**23.2**	**13.4**	**-9.8**	
Costs of rent	4.6	4.5	-0.1	
Losses on sale or disposal of fixed assets	3.5	3.6	0.0	
Impairment losses on fixed assets	19.7	17.3	-2.4	FYE2016: Impairment of goodwill for Permasteelisa and Haier, and other businesses FYE2017: Impairment of IT systems, facilities, idle assets, and others
Loss on factory restructuring	3.5	0.3	-3.1	FYE2016: Closing of factory lines
Other	23.0	8.5	-14.5	FYE2016: Joyou investigation expense and loss on sales of subsidiaries and others
Other Expenses	**54.3**	**34.2**	**-20.1**	
Interest income	2.1	1.9	-0.2	
Dividend income	1.0	1.2	0.2	
Gains on valuation of	12.6	4.6	-8.0	Matched with foreign exchange gains/losses
Foreign exchange gains	-	1.3	1.3	
Other	1.0	0.6	-0.3	
Finance Income	**16.6**	**9.6**	**-7.0**	
Interest expense	13.5	8.8	-4.7	
Exchange differences losses	9.8	-	-9.8	Matched with gains on valuation of derivatives
Other	2.7	1.9	-0.8	FYE2016: Impairment on investment securities
Finance Costs	**26.0**	**10.7**	**-15.3**	

Consolidated Financial Position

JPYbn

	Mar 2016	Mar 2017	Increase /Decrease
Cash and cash equivalents	129.6	121.6	-8.1
Trade and other receivables	386.3	391.3	5.0
Inventories	211.9	204.6	-7.3
Non-current assets	1,244.9	1,192.4	-52.5
Others	157.4	132.4	-25.1
Total Assets	**2,130.1**	**2,042.2**	**-88.0**
Trade and other payables	342.8	350.5	7.6
Interest-bearing debt	827.1	759.9	-67.2
Others	422.9	372.3	-50.6
Total Liabilities	**1,592.8**	**1,482.7**	**-110.1**
Treasury shares	-54.9	-53.4	1.5
Others	592.2	612.8	20.6
Total Equity	**537.3**	**559.4**	**22.1**
(1) *Equity Ratio (%)*	24.6	26.8	+2.2
(2) Net Assets per Share (Yen)	1,828.84	1,902.18	73.34
Number of Shares (in thousands)	286,962	287,693	+731

(1) Ratio of equity attributable to owners of the parent
(2) Equity per share attributable to owners of the parent

Cash Flow

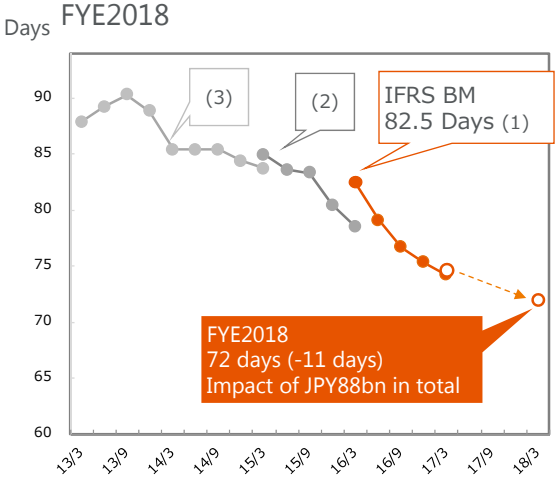
JPYbn

	FYE2016	FYE2017	Increase/ decrease
Profit before tax	-7.1	**66.0**	73.1
Depreciation and amortization	62.2	**60.7**	-1.5
Income taxes paid	-24.1	**-31.0**	-6.9
Working capital	19.8	**7.4**	-12.4
Others	70.2	**29.4**	-40.8
Net cash flows from operating activities	121.1	**132.5**	11.4
Net cash flows from investing activities	19.1	**-58.1**	-77.2
(of which purchase of property, plant and equipment and intangible assets)	-72.1	**-68.2**	3.9
Free cash flows	140.2	**74.5**	-65.7
Net cash flows from financing activities	-154.4	**-79.9**	74.5
Cash and cash equivalents (Balance at the fiscal year end)	129.6	**121.6**	-8.1

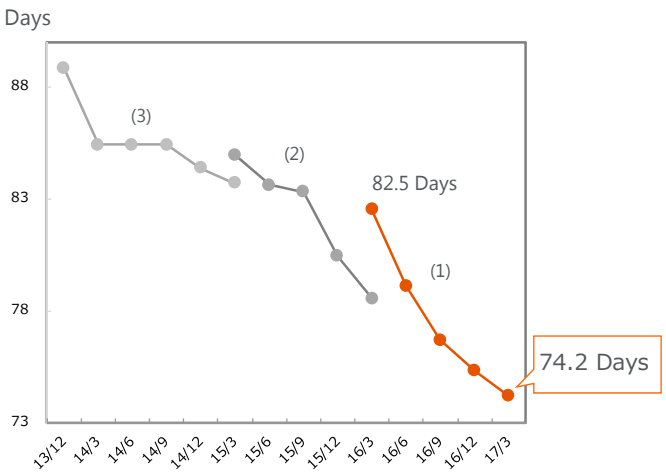
Global Roll Out of CCC (Operational Efficiency) Improvement Activities

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

- New benchmark and outlook through FYE2018



- FYE2017 Result



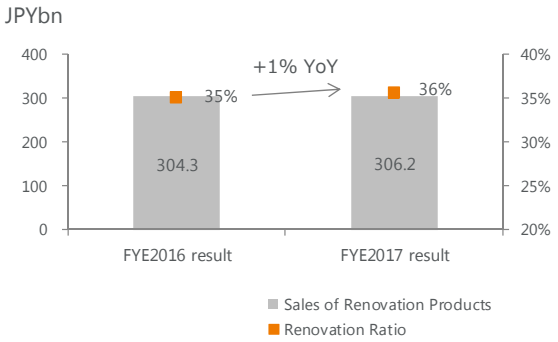
(1) Monitored under IFRS from March 2016
(2) Announced on September 2015 Mid term plan "Redefine the Future" (Including global initiatives), project business excluded
(3) Result of improvement activities only in Japan

Renovation Strategies in Japan Continue Upward Progress

Sales of Renovation Products (LJC)

JPYbn	FYE2015 result	FYE2016 result	YoY	FYE 2017 result	YoY
Sales of Renovation Products	279.6	304.3	9%	306.2	1%
Renovation Ratio	32%	35%	+3	36%	+0

Renovation of plumbing fixtures incl. kitchen: +3% YoY





Window for renovation *"Reframe Replus"*



Replacement kitchen systems *"Pattorikun"*



High-function tiles *"Ecocarat Plus One-Touch Panel"*

Product Expected to be on Lineup of "LIXIL PATTO Reform Service"

Launched "*Reframe Replus*" window with streamlined design for renovation

~Delivers convenient renovation with a new home finish~

In as little as 60 minutes, possible to renovate to a high-performing aluminum and plastic hybrid window that brings improved insulation, natural lighting, and quality of the view

Point 1

Streamlined design



With streamlined design, delivers a finish as if it were a new house

Point 2

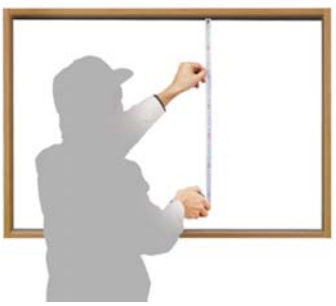
Improved comfort



High-performing aluminum and plastic hybrid window that offers excellent insulation and durability

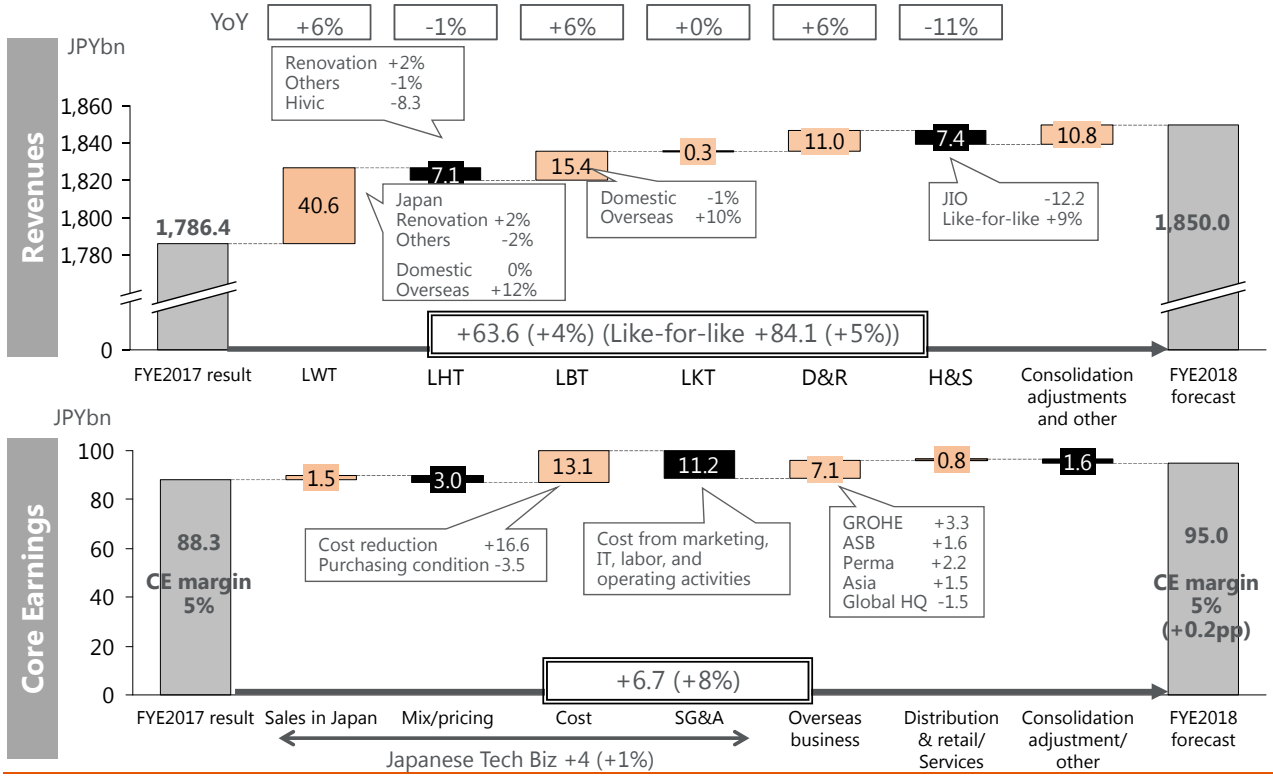
Point 3

Easy renovation



Significantly reduced installation time with "dedicated component" and "seal-less structure". Easy reform in as little as 60 minutes for one window.

Increase / Decrease of Revenues and Core Earnings Forecast for FYE2018



Active Portfolio Management

Sales/Withdrawal of Business and Assets

Year	Company	Date	Description/ Action	FYE2016 (JPYbn) [1] Sales	Core Earnings	Net Profit	Total Assets
FYE 2016	Ken Depot[2]	October 2015	Carved out from LIXIL, LIXIL retains 34% shareholding	15.8 [2]	-0.3	-	-
	LIXIL Building Materials Manufacturing (Shenyang)	March 2016	Sold all shares	0.3	-0.5	-1.1	2.0
	Shanghai Meite Curtain Wall	March 2016	Sold all shares	19.6	-6.0	-6.8	30.0
FYE 2017	Wuxi Moritec Special Door	August 2016	Sold all shares	0.6	-0.2	-0.4	0.3
	Hivic	August 2016	Sold all shares	20.3	0.7	0.5	13.3

(1) Wuxi moritec results in IFRS, others in JGAAP (Impacts to Consolidated Financial Statement after adjustments and eliminations)
(2) Results for half term (April-September, 2015) before spinning-off

Operational Efficiency in Action

Date	Description/ Action	Purpose	Division
March 2016	Halt production at Aoyama factory in Mie Prefecture	Shift production to Chita factory in Aichi Prefecture	LWT
April 2016	Merged Oyama LIXIL factory Corp. and Kani LIXIL Sunwave Manufacturing Co., Ltd. with LIXIL	Allocate employees and manufacturing facilities beforehand to LIXIL, and continue the original business	LWT and LKT
March 2017	Shutdown materials division of Hisai factory in Mie Prefecture	Improve overall utilization of materials division by transferring manufacturing capacity to other factories	LHT



LIXIL
Link to Good Living

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.

Results for the Fiscal Year Ended March 2017 (FYE2017) <Fact Sheets>

*** Unless otherwise noted, figures shown in this material are on International Financial Reporting Standards (IFRS) basis, since LIXIL Group has adopted IFRS for the consolidated financial statements of securities report starting from FY ended March 2016**

**** "Core earnings" or "CE" in this material is equivalent to "Operating profit" of JGAAP**
Core earnings = Revenue - Cost of Sales - SG&A

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

1.	Results for H1, H2 and Full Year of FYE2016 & FYE2017 and Forecasts for FYE2018	P.1
2.	Results and Forecasts by Segment	P.2
3.	Segment Information (1) Technology Businesses (LWT, LHT, LBT, LKT)	P.4
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5.	Segment Information (3) Housing and Services Business	P.6
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9.	Permasteelisa, ASB & GROHE	P.10
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May 8, 2017

LIXIL
Link to Good Living

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 H1, H2 and Full Year of FYE2016 & FYE2017 and Forecasts for FYE2018

Unit: Ybn

	FYE2016		FYE2017						FYE2018					
	Full-year		H1		H2		Full-year		H1		H2		Full-year	
	results	YoY	results	YoY	results	YoY	results	YoY	forecasts	YoY	forecasts	YoY	forecasts	YoY
Revenue	1,890.5	10.8%	870.4	-7.6%	916.0	-3.4%	1,786.4	-5.5%	890.0	2%	960.0	5%	1,850.0	4%
Gross profit	541.6	19.0%	272.4	0.1%	291.2	8.1%	563.6	4.1%	286.0	5%	314.0	8%	600.0	6%
SG&A	471.5	16.9%	232.6	0.2%	242.7	1.3%	475.3	0.8%	246.0	6%	259.0	7%	505.0	6%
Core earnings *1	70.1	35.5%	39.8	-0.7%	48.5	61.8%	88.3	26.0%	40.0	0%	55.0	13%	95.0	8%
CE margin	3.7%	+0.7	4.6%	+0.3	5.3%	+2.1	4.9%	+1.2	4%	-0	6%	+0	5%	+0
Operating Profit	39.0	-18.8%	38.3	17.2%	29.2	362.1%	67.5	73.1%	37.0	-3%	38.0	30%	75.0	11%
Income(loss) before tax	-7.1	fell into the red	41.6	turned profitable	24.4	480.5%	66.0	turned profitable	34.5	-17%	35.5	46%	70.0	6%
Net income(loss)	-25.6	fell into the red	24.1	turned profitable	18.4	turned profitable	42.5	turned profitable	23.0	-5%	20.0	9%	43.0	1%

*1 Core earnings = Revenues - Cost of Sales - SG&A (Equivalent to Operating profit of JGAAP)

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

	FYE2016 results (IFRS)	FYE2017 results (IFRS)	FYE2018 assumptions (IFRS)
US dollars	120.16	109.03	115
Euros	132.36	119.37	120
Thai bahts	3.44	3.10	3.2
RMB	18.88	16.20	16.4

(Yen per ton)

	FYE2016 results	FYE2017 results	FYE2018 assumptions
Aluminum price (Purchasing price)	250,000	220,000	230,000
Copper price	560,000	510,000	640,000

2. Results and Forecasts by Segment

Unit: Ybn

			FYE2015 Full-year results			FYE2016 Full-year results						FYE2017 Full-year results						FYE2018 Full-year forecasts					
			Japan	Overseas	Total	Japan	%	Overseas	%	Total	%	Japan	%	Overseas	%	Total	%	Japan	%	Overseas	%	Total	%
Full-year	LWT	Revenue	300.7	153.2	453.9	309.6	3.0%	363.6	137.4%	673.3	48.3%	313.1	1.1%	349.3	-3.9%	662.4	-1.6%	312.0	0%	391.0	12%	703.0	6%
		Core earnings	23.5	4.7	28.3	26.7	13.7%	28.1	492.5%	54.9	94.0%	30.5	13.9%	34.6	23.1%	65.1	18.6%	28.0	-8%	39.0	13%	67.0	3%
		CE margin	7.8%	3.1%	6.2%	8.6%	+0.8	7.7%	+4.6	8.1%	+1.9	9.7%	+1.1	9.9%	+2.2	9.8%	+1.7	9%	-1	10%	+0	10%	-0
	LHT	Revenue	563.2	10.4	573.6	554.3	-1.6%	11.8	13.6%	566.1	-1.3%	531.9	-4.0%	12.2	3.4%	544.1	-3.9%	530.0	0%	7.0	-43%	537.0	-1%
		Core earnings	34.1	-1.6	32.5	35.7	4.5%	2.3	turned profitable	38.0	16.9%	37.7	5.8%	1.5	-36.8%	39.2	3.2%	41.5	10%	0.0	-	41.5	6%
		CE margin	6.1%	-	5.7%	6.4%	+0.4	19.7%	+35.2	6.7%	+1.0	7.1%	+0.7	12.0%	-7.7	7.2%	+0.5	8%	+1	-	-12	8%	+1
	LBT	Revenue	117.9	230.3	348.2	115.7	-1.9%	216.2	-6.1%	332.0	-4.7%	109.6	-5.3%	154.0	-28.8%	263.6	-20.6%	109.0	-1%	170.0	10%	279.0	6%
		Core earnings	4.7	1.1	5.7	3.6	-22.3%	-9.3	fell into the red	-5.6	fell into the red	5.6	54.7%	-1.8	-	3.8	turned profitable	4.0	-29%	2.5	turned profitable	6.5	69%
		CE margin	4.0%	0.5%	1.7%	3.1%	-0.8	-	-4.7	-	-3.3	5.1%	+2.0	-	+3.1	1.4%	+3.2	4%	-1	1%	+3	2%	+1
	LKT	Revenue	104.5	10.5	115.0	104.0	-0.4%	8.0	-23.8%	112.1	-2.5%	106.5	2.3%	8.3	2.9%	114.7	2.4%	106.0	0%	9.0	9%	115.0	0%
		Core earnings	-1.7	0.2	-1.5	2.0	turned profitable	-0.3	-	1.8	turned profitable	4.2	106.7%	0.1	turned profitable	4.3	146.6%	5.0	19%	0.0	-	5.0	16%
		CE margin	-	1.8%	-	2.0%	+3.6	-	-5.3	1.6%	+2.9	3.9%	+2.0	1.5%	+4.9	3.8%	+2.2	5%	+1	-	-1	4%	+1
	D&R	Revenue	194.4		194.4	184.5	-5.1%			184.5	-5.1%	172.0	-6.8%			172.0	-6.8%	183.0	6%			183.0	6%
		Core earnings	6.5		6.5	7.2	10.1%			7.2	10.1%	7.3	1.8%			7.3	1.8%	9.0	23%			9.0	23%
		CE margin	3.4%		3.4%	3.9%	+0.5			3.9%	+0.5	4.2%	+0.4			4.2%	+0.4	5%	+1			5%	+1
	H&S	Revenue	62.3		62.3	59.5	-4.5%			59.5	-4.5%	64.4	8.2%			64.4	8.2%	57.0	-11%			57.0	-11%
		Core earnings	4.5		4.5	3.8	-15.3%			3.8	-15.3%	4.4	16.8%			4.4	16.8%	3.5	-21%			3.5	-21%
		CE margin	7.2%		7.2%	6.3%	-0.8			6.3%	-0.8	6.9%	+0.5			6.9%	+0.5	6%	-1			6%	-1
	Consolidation, adjustment & other	Revenue			-41.9					-36.9						-34.8						-24.0	
		Core earnings			-24.3					-29.9						-35.9						-37.5	
	LIXIL Group	Revenue	1,343.0	404.4	1,705.4	1,327.7	-1.1%	599.7	48.3%	1,890.5	10.8%	1,297.5	-2.3%	523.8	-12.7%	1,786.4	-5.5%	1,297.0	0%	577.0	10%	1,850.0	4%
		Core earnings	71.6	4.4	51.7	79.0	10.4%	20.9	377.5%	70.1	35.5%	89.8	13.6%	34.4	64.7%	88.3	26.0%	91.0	1%	41.5	21%	95.0	8%
		CE margin	5.3%	1.1%	3.0%	6.0%	+0.6	3.5%	+2.4	3.7%	+0.7	6.9%	+1.0	6.6%	+3.1	4.9%	+1.2	7%	+0	7%	+1	5%	+0

Unit: Ybn

			FYE2017																				
			FYE2017 H1 (6 months) results																				
			FYE2017 Q1 (3 months) results						FYE2017 Q2 (3 months) results														
			Japan		Overseas		Total		Japan		Overseas		Total		Japan		Overseas		Total				
				%		%		%		%		%		%		%		%		%		%	
FYE2017	LWT	Revenue	71.5	-0.3%	87.6	-6.0%	159.2	-3.5%	78.3	0.8%	80.8	-10.8%	159.1	-5.4%	149.8	0.3%	168.5	-8.3%	318.3	-4.5%			
		Core earnings	4.6	-27.3%	9.3	113.5%	13.9	30.0%	7.5	4.7%	8.8	11.9%	16.3	8.4%	12.2	-10.3%	18.1	48.1%	30.2	17.4%			
		CE margin	6.5%	-2.4	10.6%	+5.9	8.7%	+2.3	9.6%	+0.4	10.9%	+2.2	10.3%	+1.3	8.1%	-1.0	10.7%	+4.1	9.5%	+1.8			
	LHT	Revenue	130.1	-2.2%	2.5	-13.1%	132.5	-2.4%	135.0	-3.1%	2.5	-16.1%	137.4	-3.4%	265.0	-2.7%	4.9	-14.6%	270.0	-2.9%			
		Core earnings	8.5	-15.5%	0.5	3.0%	8.9	-14.7%	9.8	-5.5%	0.9	54.4%	10.7	-2.3%	18.3	-10.4%	1.4	32.6%	19.6	-8.3%			
		CE margin	6.5%	-1.0	18.3%	+2.9	6.7%	-1.0	7.3%	-0.2	36.6%	+16.7	7.8%	+0.1	6.9%	-0.6	27.6%	+9.8	7.3%	-0.4			
	LBT	Revenue	20.0	-17.0%	38.9	-27.8%	58.9	-24.5%	31.8	-3.8%	35.7	-38.7%	67.5	-26.1%	51.8	-9.4%	74.6	-33.5%	126.4	-25.3%			
		Core earnings	-1.9	loss expanded	-1.4	-	-3.3	-	3.9	47.0%	-1.4	-403.8%	2.4	-20.7%	2.0	45.9%	-2.8	loss expanded	-0.8	fell into the red			
		CE margin	-	-	-	-	-	-	12.1%	+4.2	-	-	3.6%	+0.2	3.9%	+1.5	-	-	-	-			
	LKT	Revenue	24.0	2.6%	2.1	-3.9%	26.0	2.0%	26.2	1.9%	2.4	0.1%	28.6	1.7%	50.2	2.2%	4.5	-1.8%	54.7	1.9%			
		Core earnings	-0.2	-142.1%	0.0	-	-0.2	-165.2%	0.9	483.3%	0.1	-5.6%	1.0	354.9%	0.7	13.5%	0.1	turned profitable	0.8	65.8%			
		CE margin	-	-	1.2%	-	-	-	3.5%	+2.9	2.2%	-0.1	3.4%	+2.6	1.4%	+0.1	1.8%	+5.1	1.5%	+0.6			
	D&R	Revenue	44.0	-12.9%			44.0	-12.9%	43.2	-10.3%			43.2	-10.3%	87.2	-11.7%			87.2	-11.7%			
		Core earnings	2.4	-9.7%			2.4	-9.7%	2.4	17.3%			2.4	17.3%	4.9	2.0%			4.9	2.0%			
		CE margin	5.5%	+0.2			5.5%	+0.2	5.6%	+1.3			5.6%	+1.3	5.6%	+0.7			5.6%	+0.7			
	H&S	Revenue	15.0	5.0%			15.0	5.0%	17.3	17.3%			17.3	17.3%	32.3	11.2%			32.3	11.2%			
		Core earnings	1.0	-10.1%			1.0	-10.1%	1.3	7.9%			1.3	7.9%	2.3	-0.8%			2.3	-0.8%			
		CE margin	6.7%	-1.1			6.7%	-1.1	7.5%	-0.7			7.5%	-0.7	7.2%	-0.9			7.2%	-0.9			
	Consolidation, adjustment & other	Revenue					-9.0						-9.4						-18.4				
		Core earnings					-8.1						-9.1						-17.2				
	LIXIL Group	Revenue	304.6	-3.9%	131.1	-13.8%	426.6	-7.2%	331.7	-2.0%	121.4	-21.3%	443.8	-8.0%	636.3	-2.9%	252.5	-17.6%	870.4	-7.6%			
		Core earnings	14.5	-25.5%	8.4	169.8%	14.7	-2.8%	25.9	9.4%	8.3	-7.0%	25.1	0.6%	40.3	-6.3%	16.7	38.4%	39.8	-0.7%			
		CE margin	4.7%	-1.4	6.4%	+4.3	3.5%	+0.2	7.8%	+0.8	6.9%	+1.1	5.7%	+0.5	6.3%	-0.2	6.6%	+2.7	4.6%	+0.3			

Unit: Ybn

			FYE2017																					
			FYE2017 H2 (6 months) results																FYE2017 Full-year results					
			FYE2017 Q3 (3 months) results						FYE2017 Q4 (3 months) results															
			Japan		Overseas		Total		Japan		Overseas		Total		Japan		Overseas		Total		Japan		Overseas		Total	
				%		%		%		%		%		%		%		%		%		%		%		%
FYE2017	LWT	Revenue	82.7	2.0%	90.2	-2.9%	172.9	-0.7%	80.6	1.7%	90.6	4.3%	171.2	3.1%	163.3	1.8%	180.9	0.6%	344.1	1.2%	313.1	1.1%	349.3	-3.9%	662.4	-1.6%
		Core earnings	11.3	15.3%	12.0	5.8%	23.3	10.2%	7.0	106.3%	4.5	-1.0%	11.5	45.2%	18.3	38.8%	16.5	3.8%	34.8	19.7%	30.5	13.9%	34.6	23.1%	65.1	18.6%
		CE margin	13.7%	+1.6	13.3%	+1.1	13.5%	+1.3	8.7%	+4.4	4.9%	-0.3	6.7%	+1.9	11.2%	+3.0	9.1%	+0.3	10.1%	+1.6	9.7%	+1.1	9.9%	+2.2	9.8%	+1.7
	LHT	Revenue	135.8	-6.7%	2.8	4.2%	138.7	-6.5%	131.1	-3.9%	4.4	34.4%	135.5	-3.0%	266.9	-5.3%	7.2	20.7%	274.2	-4.8%	531.9	-4.0%	12.2	3.4%	544.1	-3.9%
		Core earnings	13.3	7.6%	0.2	turned profitable	13.5	11.9%	6.2	111.3%	-0.1	fell into the red	6.1	34.9%	19.5	27.5%	0.1	-91.8%	19.6	18.1%	37.7	5.8%	1.5	-36.8%	39.2	3.2%
		CE margin	9.8%	+1.3	7.8%	+18.0	9.7%	+1.6	4.7%	+2.6	-	-	4.5%	+1.3	7.3%	+1.9	1.5%	-20.1	7.1%	+1.4	7.1%	+0.7	12.0%	-7.7	7.2%	+0.5
	LBT	Revenue	28.6	-7.6%	38.8	-37.0%	67.4	-27.1%	29.2	5.8%	40.6	-4.7%	69.8	-0.6%	57.8	-1.3%	79.4	-23.8%	137.2	-15.7%	109.6	-5.3%	154.0	-28.8%	263.6	-20.6%
		Core earnings	0.7	30.6%	-0.3	loss shrunk	0.5	turned profitable	2.9	70.0%	1.3	turned profitable	4.2	turned profitable	3.6	60.1%	1.0	turned profitable	4.7	turned profitable	5.6	54.7%	-1.8	-	3.8	turned profitable
		CE margin	2.6%	+0.8	-	+4.2	0.7%	+3.3	9.9%	+3.7	3.2%	+15.5	6.0%	+11.0	6.3%	+2.4	1.3%	+9.2	3.4%	+7.1	5.1%	+2.0	-	+3.1	1.4%	+3.2
	LKT	Revenue	28.4	2.2%	2.2	17.7%	30.6	3.2%	27.9	2.7%	1.5	-1.6%	29.4	2.5%	56.3	2.5%	3.8	9.0%	60.1	2.9%	106.5	2.3%	8.3	2.9%	114.7	2.4%
		Core earnings	2.7	80.8%	0.1	260.1%	2.7	83.7%	0.8	turned profitable	-0.0	-	0.8	turned profitable	3.5	149.2%	0.0	-	3.5	177.5%	4.2	106.7%	0.1	turned profitable	4.3	146.6%
		CE margin	9.4%	+4.1	3.9%	+2.6	9.0%	+3.9	2.9%	+3.2	-	+6.8	2.6%	+3.4	6.2%	+3.6	1.1%	+4.8	5.9%	+3.7	3.9%	+2.0	1.5%	+4.9	3.8%	+2.2
	D&R	Revenue	45.8	0.3%			45.8	0.3%	39.0	-2.7%			39.0	-2.7%	84.8	-1.1%			84.8	-1.1%	172.0	-6.8%			172.0	-6.8%
		Core earnings	2.6	-22.5%			2.6	-22.5%	-0.2	-			-0.2	-	2.4	1.4%			2.4	1.4%	7.3	1.8%			7.3	1.8%
		CE margin	5.7%	-1.7			5.7%	-1.7	-	+2.0			-	+2.0	2.9%	+0.1			2.9%	+0.1	4.2%	+0.4			4.2%	+0.4
	H&S	Revenue	16.4	9.9%			16.4	9.9%	15.7	1.0%			15.7	1.0%	32.1	5.3%			32.1	5.3%	64.4	8.2%			64.4	8.2%
		Core earnings	1.2	154.9%			1.2	154.9%	0.9	-6.9%			0.9	-6.9%	2.1	45.1%			2.1	45.1%	4.4	16.8%			4.4	16.8%
		CE margin	7.2%	+4.1			7.2%	+4.1	5.8%	-0.5			5.8%	-0.5	6.5%	+1.8			6.5%	+1.8	6.9%	+0.5			6.9%	+0.5
	Consolidation, adjustment & other	Revenue					-8.5						-7.9						-16.4						-34.8	
		Core earnings					-9.9						-8.8						-18.7						-35.9	
	LIXIL Group	Revenue	337.7	-2.4%	134.1	-15.7%	463.2	-6.8%	323.5	-0.8%	137.2	2.1%	452.8	0.4%	661.2	-1.6%	271.3	-7.6%	916.0	-3.4%	1,297.5	-2.3%	523.8	-12.7%	1,786.4	-5.5%
		Core earnings	31.8	13.4%	12.1	48.8%	34.0	23.8%	17.7	121.5%	5.6	705.0%	14.5	474.6%	49.5	37.4%	17.7	100.6%	48.5	61.8%	89.8	13.6%	34.4	64.7%	88.3	26.0%
		CE margin	9.4%	+1.3	9.0%	+3.9	7.3%	+1.8	5.5%	+3.0	4.1%	+3.6	3.2%	+2.6	7.5%	+2.1	6.5%	+3.5	5.3%	+2.1	6.9%	+1.0	6.6%	+3.1	4.9%	+1.2

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

*Revenue 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 revenue to LIXIL Corporation is included in Japan.

*There were some restatements in the revenues of "LWT Japan" and "consolidation, adjustment & other" in Q4 March 2016.

Unit: Ybn

		FYE2017																					
		FYE2017 Q1 (3 months) Results						FYE2017 Q2 (3 months) Results						FYE2017 Q3 (3 months) Results						FYE2017 Q4 (3 months) Results					
		Revenue	YoY	CE	YoY	CE margin	YoY	Revenue	YoY	CE	YoY	CE margin	YoY	Revenue	YoY	CE	YoY	CE margin	YoY	Revenue	YoY	CE	YoY	CE margin	YoY
Japan technology related business		245.6	-2.6%	11.0	-29.3%	4.5%	-1.7	271.2	-1.6%	22.1	8.7%	8.2%	+0.8	275.5	-3.5%	28.0	15.7%	10.2%	+1.7	268.8	-0.6%	16.9	112.7%	6.3%	+3.4
	Renovation	73.2	1.7%					77.9	1.5%					82.7	-1.8%					72.3	1.5%				
	Other/ intersegment sales	172.4	-4.3%					193.4	-2.8%					192.8	-4.1%					196.4	-1.4%				
Overseas housing equipment related business *		92.2	-6.1%	9.8	113.3%	10.6%	+5.9	85.7	-10.7%	9.8	14.7%	11.4%	+2.5	95.3	-2.3%	12.3	10.9%	13.0%	+1.5	96.6	5.3%	4.3	-27.5%	4.5%	-2.0

*Excluding LBT

3. Segment Information (1) Technology Business (LWT, LHT, LBT, LKT)

Unit: Ybn

			Water Tech	Housing Tech	Building Tech	Kitchen Tech	Tech Business Total
FYE 2017	Revenue		662.4	544.1	263.6	114.7	1,584.9
		Japan	313.1	531.9	109.6	106.5	1,061.1
		Overseas	349.3	12.2	154.0	8.3	523.8
	Core earnings		65.1	39.2	3.8	4.3	112.4
FYE 2016	Revenue		673.3	566.1	332.0	112.1	1,683.4
		Japan	309.6	554.3	115.7	104.0	1,083.7
		Overseas	363.6	11.8	216.2	8.0	599.7
	Core earnings		54.9	38.0	-5.6	1.8	89.0

■Increase/decrease breakdown of Revenue

Unit: Ybn

		Water Tech	Housing Tech	Building Tech	Kitchen Tech	Tech Business Total
Revenue increase/decrease		-10.9	-9.8	-50.0	2.7	-68.1
	(%)	-2%	-2%	-15%	2%	-4%
	Japan	3.4	-22.3	-6.1	2.4	-22.6
	(%)	1%	-4%	-5%	2%	-2%
	Overseas	-14.3	0.4	-43.9	0.2	-57.6
	(%)	-4%	3%	-20%	3%	-10%
	Overseas sales of which impact from currency translation	-37.3	-1.2	-16.8	-1.4	-56.7
Deconsolidation *1			-12.1	-18.4		-30.5

■Increase/decrease breakdown of Core earnings

Unit: Ybn

				Water Tech	Housing Tech	Building Tech	Kitchen Tech	Tech Business Total
CE increase/decrease				**10.2**	**1.7**	**5.2**	**2.6**	**19.7**
Gross profit total				14.4	1.5	4.8	3.3	24.0
	Japan	Revenue increase/decrease		1.3	-3.0	-1.0	0.7	-2.1
		Mix/pricing		0.5	-5.1	0.9	-0.4	-4.0
		Cost (ordinary)		6.7	10.9	2.8	3.1	23.7
			of which forex	0.4	5.3		0.6	6.2
			of which purchasing condition		1.0			1.0
	Overseas	GROHE		9.4				9.4
		ASB		7.6				7.6
		Permasteelisa				2.9		2.9
		Other overseas subsidiaries		2.9	-1.2	0.5	0.1	2.3
		Impact from currency translation		-14.0	-0.2	-1.3	-0.2	-15.8
SG&A total				-4.2	0.2	0.4	-0.8	-4.4
	Japan	SG&A (ordinary)		-4.8	-0.3	-0.7	-1.3	-7.1
	Overseas	GROHE		-5.6				-5.6
		ASB		-3.1				-3.1
		Permasteelisa				0.1		0.1
		Other overseas subsidiaries		-0.9	0.4	-0.4	0.3	-0.7
		Impact from currency translation		10.3	0.2	1.4	0.2	12.1
Deconsolidation *1					-0.5	4.3		3.8

*1 March, 2016: Shanghai Meite, August, 2016: Hivic

4. Segment Information (2) Distribution and Retail Business

Revenue and CE by segment

Unit: Ybn

		H1			H2			Full year		
		FYE2016 results	FYE2017 results	YoY	FYE2016 results	FYE2017 results	YoY	FYE2016 results	FYE2017 results	YoY
Revenue		98.7	87.2	-11.7%	85.7	84.8	-1.1%	184.5	172.0	-6.8%
CE		4.8	4.9	2.0%	2.4	2.4	1.4%	7.2	7.3	1.8%
Figures of Ken Depot* included above	Revenue	15.8	-	-	-	-	-	15.8	-	-
	CE	-0.3	-	-	-	-	-	-0.3	-	-

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

FYE2017 excluding Ken Depot figures (YoY): Revenue +2%, CE -3%

Increase/decrease breakdown of CE

<FYE2017 results: YoY>

Unit: Ybn

FYE2016 result	Due to Revenue fluctuation	Sales price	Cost	SG&A	Cost of new stores	Ken Depot	Total	FYE 2017 result
7.2	1.1		0.5	1.0	-2.8	0.3	+0.1	7.3

Number of stores

Unit: stores

	FYE2016 period	FYE2017 period	Vs. FYE2016	FYE 2018 forecasts	Vs. FYE2016
Newly opened SVH stores	3	2	-1	3	+1
Newly opened NVH stores	0	1	+1	0	-1
Number of stores closed	1	1	0	0	-1
Number of stores at end of period	86	88	+2	91	+3
(SVH stores)	37	39	+2	42	+3
(NVH stores)	9	10	+1	10	0
(VH stores)	40	39	-1	39	0

Results of home center business

Unit: Ybn

	FYE2016 results	FYE2017 results	YoY
Revenue	172.7	176.2	2.0%
CE	10.3	10.6	3.1%
%	6.0%	6.0%	+0.1

Rate of revenue growth of home center stores

<FYE2017 results>

Unit: %

All stores	+2.1
Existing stores only	-1.4

*Existing stores: Stores open more than 13 months

Growth rate of customer footfall and average revenue per customer

<FYE2017 results>

Unit: %

All stores	
Customer footfall	+0.7
Average revenue	+1.4
Existing stores only	
Customer footfall	-2.5
Average revenue	+1.1

5. Segment Information (3) Housing and Services Business

Revenue and CE by segment

Unit: Ybn

	H1			H2			Full year		
	FYE2016 results	FYE2017 results	YoY	FYE2016 results	FYE2017 results	YoY	FYE2016 results	FYE2017 results	YoY
Revenue	29.0	32.3	11.2%	30.5	32.1	5.3%	59.5	64.4	8.2%
CE	2.3	2.3	-0.8%	1.4	2.1	45.1%	3.8	4.4	16.8%

Revenue and CE by segment companies

<FYE2017 results: YoY>

Unit: Ybn

	Revenue			CE		
	FYE2016 results	FYE2017 results	YoY	FYE2016 results	FYE2017 results	YoY
LIXIL Housing Research Institute	25.6	27.6	7.9%	2.0	2.0	3.1%
Japan Home Shield	10.2	11.4	12.4%	0.9	0.8	-8.5%
JIO	11.6	12.2	4.9%	0.9	0.7	-20.8%
LIXIL Realty	10.0	10.3	3.4%	0.7	0.8	14.3%
Other & adjustments	2.2	2.9	-	-0.6	0.1	-
Segment total	59.5	64.4	8.2%	3.8	4.4	16.8%

Number of contracts received and houses built with housing franchise businesses

(Revised calculation method for previous year results)

Number of contracts received

Unit: houses

	FYE2016 period	FYE2017 period	YoY
Total for the Group	4,042	3,911	-3.2%

Number of houses built

Unit: houses

	FYE2016 period	FYE2017 period	YoY
Total for the Group	3,472	3,478	0.2%

6. Revenue by Products and Services

Unit: Ybn　　Unit: %

Segment	Major products	FYE2016 results *2	FYE2017 results	YoY	Quarterly YoY							
					FYE2016 (JGAAP)				FYE2017			
					Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
LWT	Sanitary ware	98.0	102.3	4.4%	0.7	3.0	2.1	0.9	-2.1	3.3	7.2	8.5
	Bathroom units	92.2	93.4	1.3%	4.0	6.6	5.7	4.7	-1.2	1.3	2.1	3.0
	Washstand cabinet units	33.9	35.5	4.6%	1.1	3.9	4.7	2.5	0.3	5.1	5.0	7.4
	Tiles	29.3	29.1	-0.8%	-3.7	-2.5	4.1	0.5	-1.4	-1.0	0.0	-1.1
LHT	Housing sashes and related products	204.1	199.1	-2.4%	3.6	1.6	1.2	-0.6	-3.9	-1.0	-4.1	-0.6
	Exterior	110.9	108.7	-2.0%	-12.6	-8.4	0.8	2.9	0.6	-2.8	-4.9	-0.8
	Wooden interior furnishing materials	58.2	60.4	3.8%	2.4	4.7	6.7	4.5	8.7	2.9	0.7	3.4
	Exterior wall materials for houses	31.0	31.0	0.0%	-6.0	-2.2	-2.6	-2.2	-4.6	1.4	3.2	0.0
	Interior fabric	30.2	29.3	-2.8%	-12.0	6.4	3.5	-2.1	0.7	-4.7	-3.2	-3.0
	LHT Other	54.4	38.7	-28.9%	-10.8	-19.3	5.6	-16.1	-8.5	-14.1	-49.2	-40.9
LBT	Building sashes	103.1	96.2	-6.7%	8.3	2.4	-7.2	-5.1	-27.4	4.5	-7.5	-5.2
LKT	Kitchens	104.1	106.8	2.6%	0.4	1.6	2.5	1.4	2.6	2.1	2.4	3.1
D&R	Home center revenue *1	184.5	172.0	-6.8%	4.8	2.6	-14.0	-13.0	-12.9	-10.3	0.3	-3.4
	Overseas	598.6	528.5	-11.7%	21.8	68.3	46.3	32.7	-15.0	-18.7	-12.8	-14.4
	Other	157.9	155.3	-1.6%	4.0	55.0	43.2	11.8	9.5	-12.9	-10.0	-18.7
	Total	1,890.5	1,786.4	-5.5%	5.0	15.0	13.0	7.8	-7.2	-8.0	-6.7	-7.3

*1 Home center revenue of D&R excluding impact of Ken Depot carve out (YoY):
FYE2016 Q3: 0.8%, Q4: 4.2%, FYE2017 Q1: 3.0%, Q2: 7.8%

*2 Revenue of "Exterior wall materials for houses" and "LHT Other" for FYE 2016 were revised.
Also revenue for "Home center", "Overseas", "Other", and "Total" were changed from JGAAP to IFRS basis.

7. Renovation Business

Revenue of renovation products

Unit: Ybn

	FYE2015	FYE2016		FYE2017	
	results	results	YoY	results	YoY
Revenue of renovation products	279.6	304.3	9%	306.2	1%
Renovation ratio	32%	35%	+3	36%	+0

*Revenue of LJC products used for renovation

Number of member homebuilders

Unit: Stores

Franchise type	As of Mar 2015	As of Mar 2016	As of Mar 2017
LIXIL Reform Shop	424	480	519

Unit: Stores

Voluntary type	As of Mar 2015	As of Mar 2016	As of Mar 2017
LIXIL Reform Net	11,708	12,492	13,227

8. Overseas Production Ratio and Revenue

Overseas production ratio

Products	Locations	Overseas production ratio	
		FYE2016 results	FYE2017 results
Aluminum housing sashes	Thailand, Vietnam	27%	26%
Interior wooden furnishing materials	China	42%	40%
Sanitary ware	China, Vietnam	41%	39%
Water faucets	China, Vietnam	11%	10%
Floor tiles	China, Vietnam	56%	62%

Revenue overseas

Unit: Ybn

Areas	FYE2016 results				FYE2017 results				
	Overseas Revenue	LWT	LBT	Overseas/ other	Overseas Revenue	YoY	LWT	LBT	Overseas/ other
Americas	204.8	128.9	75.8	0.1	186.8	-8.8%	126.5	60.3	0.0
Europe	154.2	99.2	55.0	0.0	145.0	-6.0%	102.9	42.1	0.0
Asia	203.7	107.5	72.1	24.2	164.2	-19.4%	96.0	*42.5	25.7
Others	35.8	24.7	10.9	0.2	32.6	-8.9%	21.7	10.5	0.4
Total	598.6	360.2	213.8	24.6	528.6	-11.7%	347.1	155.4	26.1
Greater China	91.3	28.7	49.4	13.1	73.3	-19.7%	30.7	*31.1	11.5

Asia: Incl. Middle East
Others: Africa, Latin America, Oceania, Russia
Greater China: Incl. Taiwan

Impact from currency translation

USD	-9.3%
EUR	-9.8%
RMB	-14.2%

*Impact from divestment of Shanghai Meite -JPY18.4bn

(For reference)

Overseas revenue ratio (JGAAP)

Unit: Ybn

	FYE2012 results	FYE2013 results	FYE2014 results	FYE2015 results	FYE2016 results
Overseas revenue	53.9	205.1	293.9	393.4	559.7
Overseas revenue ratio	4.2%	14.3%	18.0%	23.5%	30.3%

(IFRS)

Unit: Ybn

FYE2015 results	FYE2016 results	FYE2017 results
409.2	598.6	528.6
24.0%	31.7%	29.6%

9. Permasteelisa, ASB & GROHE

■Results (in local currency)

		FYE2016 results			FYE2017 results						FYE2018 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
Revenue		1,493	1,000	1,320	1,286	-14%	1,090	9%	1,391	5%	1,391	1,149	1,506
Core earnings		-18	45	194	5	turned profitable	76	67%	191	-2%	24	89	218
	%	-1.2%	4.5%	14.7%	0.4%	+1.6	6.9%	+2.4	13.7%	-1.0	2%	8%	14%

■Results (in Yen)

Unit: Ybn

		FYE2016 results			FYE2017 results						FYE2018 Full-year forecasts		
		Permasteelisa	ASB	GROHE*	Permasteelisa	YoY	ASB	YoY	GROHE*	YoY	Permasteelisa	ASB	GROHE*
Exchange rate (Yen)		132.4	120.2	132.4	119.4		109.0		119.4		120	115	120
Revenue		197.6	120.2	174.7	153.6	-22%	118.9	-1%	166.0	-5%	167.0	132.1	180.7
Core earnings		-2.4	5.4	25.7	0.7	turned profitable	8.2	52%	22.8	-11%	2.8	10.3	26.1
	%	-1.2%	4.5%	14.7%	0.4%	+1.6	6.9%	+2.4	13.7%	-1.0	2%	8%	14%

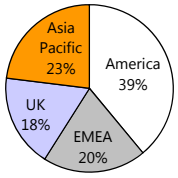
*Excluding GROHE Dawn WaterTech

Permasteelisa

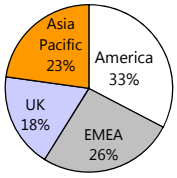
Accounting period = April to March

■Regional revenue contribution *EMEA＝Europe, Middle East, Africa

FYE2016 results

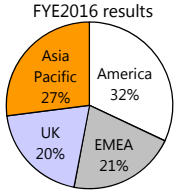


FYE2017 results

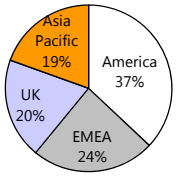


■New orders by region

FYE2016 results



FYE2017 results



Orders received

Unit: EURm

	FYE2016 results	FYE2017 results
New Orders	1,129	1,524
Backlog	2,002	2,203

Permasteelisa, ASB, GROHE

■Non-current asset allocation

	FYE2016 Balance			FYE2017 Amortization (IFRS)			FYE2017 Balance			Remaining Amortization Period		
	Permasteelisa	ASB	GROHE	Permasteelisa	ASB	GROHE	Permasteelisa	ASB	GROHE	Permasteelisa	ASB	GROHE
Unit	EURm	USDm	EURm	EURm	USDm	EURm	EURm	USDm	EURm			
Goodwill	158	150	1,201	-	-	-	158	138	1,215	Not amortized		
Trademark (Unamortized intangible assets)	-	126	1,349	-	0	-	-	126	1,349	-	Not amortized	
Other intangible assets	166	115	207	16	5	24	150	110	183	5 to 15 years	6 to 26 years	4 to 11 years
Revaluation of fixed assets, inventories and other	-	-	75	-	-	2	-	-	73	-	-	Case-by-case
Total	324	391	2,833	16	6	26	308	374	2,821			

10. Goodwill

(Other intangible assets are excluded)

Unit: Ybn

		FYE2016 results		FYE2017 results
		Impairment	Balance	Balance
LWT	GROHE		153.4	145.9
	ASB		16.9	15.5
	American Standard AP		0.6	0.6
LHT	Kawashima Selkon Textiles		1.8	1.8
	Hivic		1.0	-
LBT	Permasteelisa	10.1	20.1	18.9
LKT	LIXIL Haier Housing Products	3.0	-	-
	Other	0.3	1.6	1.6
	Total	13.4	195.5	184.3

Decrease in balance of goodwill of GROHE, ASB & Permasteelisa are due to exchange rate fluctuation

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

M&As of overseas companies

Unit: Ybn

Timing	Company name	Target	Revenue		Purchasing amount at the beginning	Ownership ratio	Total amount of goodwill	Effect
			Time of acquisition	FYE2017 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 (Sold in Mar 2016)	Shanghai Meite Curtain Wall Co., Ltd.	Building sashes (China)	12.0	-	3.2	75%→0%	0.5	>Expand building sashes in China
Dec 2011	Permasteelisa	Building sashes (Global)	116.0	153.6	60.8	100%	Goodwill 34.3 Other intangible assets 35.0	>Globally expand building sashes
Aug 2013	ASD Americas Holding (ASB)	Plumbing products (North America)	82.0	118.9	30.5	100%	Goodwill 14.7 Other intangible assets 21.7	>Establish North American platform
Oct 2013 (partly Dec 2015)	Star Alubuild	Building sashes (India)	1.7	0.0	0.7	70%→100%	0.4	>Business development in India
Jan 2014 (Additionally Apr 2015 and fully Sep 2016)	GROHE Group S.à r.l.	Plumbing fixtures, especially faucets (Europe, Global)	157.5	166.0	80.1	100%	Goodwill 157.3 Other intangible assets 209.3	>Establish European platform
Oct 2014	GROHE DAWN WaterTech Holdings	Faucets, sanitary ware (Africa)	12.9	9.8	8.6	51%	Goodwill 1.2 Other intangible assets 7.8	>Gain access to Sub-Saharan market

M&As of Japanese companies

Unit: Ybn

Timing	Company name	Target	Revenue		Purchasing amount at the beginning	Ownership ratio	Total amount of goodwill	Effect
			Time of acquisition	FYE2017 result				
Apr 2010	Shin Nikkei Company Ltd.	Housing/building sashes	110.0	Integrated into LIXIL in April 2011	0	100% →merged	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% →merged	-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 *	29.3	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 (Sold in Aug 2016)	HIVIC Co., Ltd.	Wood related products	24.4	-	Share exchange rate 1:0.094	100%→ 0%	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
Sep 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%→0%	>Expand sales, development of new products