

**For Immediate Release****December 21, 2017**  
**LIXIL Group Corporation**

## **LIXIL to Sell its Stake in Joint Venture LIXIL-Haier**

**Tokyo, Japan** - LIXIL Group Corporation (LIXIL Group; TSE code: 5938), a global leader in the housing and building industry, today announced it has decided to sell its 51% stake in LIXIL-Haier Housing Products (Qingdao) Co., Ltd. (LIXIL-Haier), held by its major subsidiary LIXIL Corporation (LIXIL), to Qingdao Haier Kitchen Facilities Co., Ltd. (Haier Kitchen) for RMB 446 million. The transaction is subject to customary closing conditions and regulatory processes.

LIXIL-Haier is a China-based manufacturer and seller of mainly Haier-branded kitchen systems. LIXIL is the controlling shareholder with 51% of shares while the remaining 49% of shares are owned by Haier Kitchen, a subsidiary of major home electrical appliance maker, Haier Group. Upon the closing of the transaction, LIXIL-Haier will be wholly owned by Haier Kitchen.

Since the beginning of this year, Haier Group has embarked on its "Big Kitchen" strategy, aimed at strengthening its global kitchens business platform. LIXIL agreed to support this strategy by transferring its equity in LIXIL-Haier to Haier Kitchen. The transaction will help Haier Group streamline decision making processes and accelerate its execution of key initiatives under its Big Kitchen strategy.

The transfer of these shares is in line with efforts at LIXIL Group to optimize its business portfolio to enhance operational efficiency and strengthen financial conditions. This transaction also aligns with LIXIL's ongoing efforts to simplify its business structure, enabling further synergies and efficiencies across its global organization.

LIXIL Group President and CEO, Kinya Seto, said: "We value the partnership that we have built with Haier Group over the years and look forward to continuing to explore opportunities for collaboration in the future. This transaction does not change our commitment to expanding opportunities for our own kitchen business in China. We remain fully committed to our kitchen business in Japan, and to business expansion in the Chinese market through other water technology business activities, including high-end kitchen products."

**-Ends-**



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**About LIXIL**

LIXIL is a global leader in the housing and building industry. Our unique portfolio spans everything from technologies that revolutionize how we interact with water in our daily lives, to a full lineup of products and services for housing and major architectural projects. Delivering core strengths in water, kitchen, housing, and building technologies, our brands including LIXIL, American Standard, GROHE, DXV, INAX, and Permasteelisa are leaders in the industries and regions in which they operate. LIXIL operates in more than 150 countries and employs more than 70,000 people, bringing together function, quality, and design to make people's lives better and more delightful – wherever they are.

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**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, which is led by President and CEO Kinya Seto, 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. LIXIL Group Corporation posted ¥1.79 trillion in consolidated sales in FYE March 2017.