

For Immediate Release**June 24, 2016****LIXIL Group Corporation**

LIXIL Announces Organizational Changes in Japan to Simplify Decision-Making, Drive Focus and Enhance Efficiency

Tokyo, Japan – LIXIL Group Corporation (“LIXIL Group”), a global leader in housing and building materials, products and services, today announced a series of organizational changes across its technology businesses in Japan to create a flatter and simpler structure with faster decision-making to improve operational efficiency. All changes will be effective 1 July.

LIXIL Water Technology’s Japan business is a key focus of growth and investment. To this end, LIXIL will reorganize by consolidating and integrating key divisions and business units under LWT Japan to enhance its competitiveness and operational effectiveness. LIXIL’s tile business, which provides a range of fire and water resistant functional tiles that add premium and beautiful designs to bathrooms, kitchens and a full range of living spaces, will operate as part of LIXIL Water Technology (“LWT”) Japan. It was previously managed as part of LIXIL Housing Technology (“LHT”). The move enables alignment of core systems, as well as strengthening collaboration with bathroom and toilet products to enhance customer service.

LWT Japan will also establish a new Quality and Technology Division, incorporating the Quality Assurance and Production Engineering Departments. The move will reinforce the water technology business’s important quality systems and enable closer cooperation with the engineering unit. In addition, the Toilet & Vanity Supply Chain (SC) Division, Bathroom SC Division and Faucet SC Division and their respective plants will transfer from supply chain to be operated within their relevant business divisions under LWT Japan. The aim of these changes is to integrate key aspects of the water technology business for closer operations and enhance LIXIL’s focus on “*monozukuri*” or manufacturing excellence. These changes at LWT Japan follow the reorganization of LWT’s global organization structure announced in March.

In addition, due to the strategic importance of the Japanese market, the current Sales & Marketing Division under LIXIL Japan Company (“LJC”), which focuses on sales promotion and marketing

activities, will move directly under LIXIL Corporation, reporting to CEO Seto. The move will strengthen collaboration between the division and the technology business units in Japan, as well as with corporate functions. The Renovation Promotion Division, which had previously been part of the Sales & Marketing Division, will remain within LJC as a new stand-alone division reporting to LJC CEO Haruo Shirai, further demonstrating the strategic importance LIXIL places on the renovation market in Japan.

Commenting on the changes, LIXIL Group President & CEO Kinya Seto said, "Our focus is on building a leaner, simpler, faster LIXIL, to strengthen our value-driven growth foundations for long-term sustainable performance. Having already taken a number of important steps in this regard, the moves announced today will allow us to further simplify our structure and drive efficiencies across our businesses in Japan and globally."

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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 Permasteelisa 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 150 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 Kinya Seto, the Group posted ¥1.85 trillion in consolidated sales in FYE March 2016.