

For Immediate Release

September 30, 2016
LIXIL Corporation

LIXIL Launches PATTO Reform Campaign to Create New Demand for Home Renovation in Japan

Making home renovation faster, simpler and clearer

Tokyo, Japan – LIXIL Corporation (“LIXIL”), a global leader in housing and building materials, products and services, today announced its new PATTO¹ Reform campaign in Japan. The campaign aims to create new demand in Japan’s home renovation market by bringing together manufacturers, distributors and construction contractors to make the entire renovation process faster, simpler and clearer for consumers. The new services will launch nationwide on October 1st of this year.

Kinya Seto, President and CEO of LIXIL, said, “A variety of factors including an aging population, a preference for aging-in-place, and greater awareness of energy efficiency demonstrate there is strong potential for renovation products in Japan. LIXIL’s PATTO Reform services will provide a stress-free and simplified home renovation process, helping homeowners improve their living spaces and lifestyles.”

While home renovation has been gaining more attention due to the growth of existing homes sales and use of existing housing stock, LIXIL research has identified that 20% of consumer requests in the small-scale renovation market (under 500,000 yen) currently go unfulfilled. Small-scale renovation projects comprise 40% of the total renovation inquiries. Surveys also revealed that consumers are most concerned by unclear pricing in the industry, finding reliable contractors, and lack of transparency on timing and the result.

LIXIL, together with distributors and construction contractors, will provide new renovation services that will initially target the small-scale renovation market and address common customer concerns. This includes developing a registry of LIXIL PATTO Reform Service Shops, which will expand from 400 shops at the start of the campaign to 1,200 in the future, and establishing a dedicated service that will respond to inquiries within 24 hours, provide cost simulations, and deliver estimates from shops within 3 days.

¹ PATTO: Japanese term in this case indicating doing something quickly.

LIXIL PATTO Reform Service Shops will also offer customers products that can be quickly installed: LIXIL's energy-efficient *Inplus* windows can be installed in as little as an hour while *Rechent* entrance doors require no more than a single day.

As the world's leading Living Technology manufacturer, LIXIL will continue to innovate in order to address changing lifestyles in markets around the world. To access the new PATTO Reform services in Japan, visit: www.pattoreform.com (From October 1, 2016, in Japanese only)

-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 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, 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 ¥1.85 trillion in consolidated sales in FYE March 2016.