

For Immediate Release

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LIXIL Strengthens Marketing Capabilities with Creation of New Integrated Marketing Division

Also moves to strengthen manufacturing and decision-making processes at LHT

Tokyo, Japan – LIXIL Corporation ("LIXIL"), a global leader in housing and building materials, products and services, today announced that it will strengthen integrated corporate and product brand marketing activities through the creation of a new consolidated Marketing Division as of January 1, 2017.

The new division will integrate all teams within the current Japan Marketing Division with digital strategy and global branding functions. This will bring new global scale to LIXIL's marketing capabilities and ensure a more comprehensive and aligned strategy. The move will also see further integration of digital intelligence and strategies into the marketing mix, allowing LIXIL to move closer to the end user, whose purchasing decisions are continuing to evolve with new digital trends. Yugo Kanazawa, LIXIL's Chief Digital Officer, will lead the Marketing Division.

In addition, LIXIL Housing Technology (LHT) Japan will be established within LHT to enable faster decision-making and enhance manufacturing processes within the housing products business in Japan. Satoshi Yoshida, who is currently the head of Japan Marketing Division, will assume the role of CEO, LIXIL Housing Technology Japan, reporting directly to CEO Seto. Bijoy Mohan, CEO of LWT and LHT Asia, will continue overseeing LHT's Asia business, reporting to CEO Seto. The Production Division, a new division to manage a range of production-related functions within LHT Japan, will also be established enabling further enhanced manufacturing capabilities with competitive quality, cost and delivery.

To enhance efficiency of logistics and distribution operations, the logistics division that had been within LHT, which had been managing similar operations for LIXIL Water Technology (LWT) in Japan and LIXIL Japan Company (LJC), will become a LIXIL corporate division. The new Logistics/Procurement Division will also incorporate corporate level procurement functions to optimize both logistics and procurement processes.

LIXIL President & CEO, Kinya Seto said, "In Japan and globally we are seeing significant changes in the way consumers behave and reach their purchasing decisions. Bolstering brand and product marketing,



as well as being able to understand and respond to consumer needs, are two factors that will be critical to LIXIL's sustained success. The new Marketing Division will allow us to increase the scale and sophistication of our marketing and branding efforts. In addition, organizational changes in LHT will allow us to drive operational efficiencies and faster decision-making, which are vital to securing growth in Japan, our largest single market."

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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, 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 ¥1.89 trillion in consolidated sales in FYE March 2016.