

[This is an English translation of the original text written in Japanese]



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LIXIL Corporation  
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(TSE Prime market and NSE Premier market, code 5938)

(Contact):  
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**Notification Regarding Share Buybacks and Cancellation of Treasury Shares  
(Share buybacks are in accordance with the Articles of Incorporation provisions in Item 1,  
Article 459, and the cancellation of treasury shares are in accordance with Article 178 of  
Japanese corporate law)**

LIXIL Corporation (hereinafter “LIXIL”) hereby gives notice that its Board of Directors has today resolved the following matters pertaining to share buybacks in accord with the Articles of Incorporation provisions in Item 1, Article 459 of Japanese corporate law and the cancellation of treasury shares in accord with Article 178 of Japanese corporate law. Details are provided below.

1. Reasons for share buybacks and cancellation of treasury shares

LIXIL is working to simplify and strengthen its balance sheet and improve profitability under LIXIL’s medium-term management direction, the LIXIL Strategy Playbook. To simplify and strengthen its balance sheet, LIXIL has set medium-term targets of achieving a net debt-to-EBITDA ratio of 3.5 times or below and a ratio of equity attributable to owners of the parent of 35%. At this time, LIXIL believes that it is on track to secure the level of achieving these targets.

To improve profitability, LIXIL will continue to make structural changes to its Japanese business and promote further growth in its international water-related business. As a basic approach to these efforts, LIXIL is focusing on creating greater synergies within its current business portfolio, while promoting an asset-light policy to improve capital efficiency. In light of this management direction and the progress in strengthening its balance sheet, LIXIL has decided to repurchase its shares and cancel treasury shares. LIXIL believes that this action will contribute to enhancing LIXIL’s corporate value from the perspectives

of improving capital efficiency and strengthening shareholder returns.

After the share buyback is complete, LIXIL plans to cancel all of the shares that it will repurchase as well as 22,280,000 shares of treasury shares currently held, representing the total number of treasury shares, excluding 300,170 shares that may be issued going forward such as due to the exercise of shares such as stock options.

## 2. Details of share buybacks

(1) Class of shares to be repurchased	Common stock of LIXIL Corporation
(2) Total number of shares to be repurchased	5,900,000 shares (maximum) (Equivalent to 2.03% of outstanding shares excluding treasury shares)
(3) Total repurchase amount	JPY10 billion (maximum)
(4) Repurchase period	From May 2, 2022 to July 29, 2022
(5) Repurchase method	Market purchases through the Tokyo Stock Exchange

## 3. Details of cancellation of treasury shares

(1) Class of shares to be cancelled	Common stock of LIXIL Corporation
(2) Total number of shares to be cancelled	Treasury shares currently held of 22,280,000 shares and all of the shares to be repurchased as stated in 2 above
(3) Effective date of the cancellation	August 31, 2022

(Reference) Treasury shares held as of March 31, 2022

Outstanding shares (excluding treasury shares)	290,738,989 shares
Total number of treasury shares	22,580,170 shares

End