

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



November 16, 2023

LIXIL Corporation
Kinya Seto
Representative Executive Officer, President, and CEO
(TSE Prime market and NSE Premier market, code 5938)

(Contact):

Kayo Hirano
Senior Vice President, Leader, Investor Relations Office and
Leader, Finance & Treasury Corporate Accounting & Treasury/Tax

Notice Regarding Absorption-Type Merger (Simplified and Short-Form Merger) with Fully Owned Subsidiary (LIXIL Window Products Inc.)

LIXIL Corporation (hereinafter "LIXIL") hereby announces that it has today resolved to carry out an absorption-type merger (hereinafter the "Merger") between LIXIL and LIXIL Window Products Inc. (hereinafter "LIXIL Window Products"), its consolidated subsidiary, effective March 1, 2024.

Since the company is pursuing an absorption-type merger of a fully owned subsidiary of LIXIL, some details for disclosure have been abbreviated.

1. Aim of the Merger

LIXIL is simplifying its operating structure to drive synergies and improve operational efficiencies through enhanced integration. In line with these measures and to accomplish its purpose to have a flat and simple organization, LIXIL has decided to carry out an absorption-type merger of LIXIL Window Products, which processes and assembles window products.

2. Outline of the Merger

(1) Key dates

Date of the resolution of the Merger	November 16, 2023
Date of signing of the Merger agreement	November 16, 2023
Effective date of the Merger	March 1, 2024 (Planned)

(Note) According to Japanese corporate law governing simplified mergers pertaining to LIXIL in Item 2, Article 796 and short-form mergers pertaining to LIXIL Window Products in Item 1, Article 784, the simplified and short-form merger between LIXIL and LIXIL Window Products,

which is a fully owned subsidiary under LIXIL, can be conducted without seeking approval at the Shareholders' Meeting.

(2) Method of the Merger

Using the "absorption-type merger" method, LIXIL will be the surviving company and LIXIL Window Products will be dissolved.

(3) Details of allocations related to the Merger

The Merger will not result in any allocation of shares or other assets.

(4) Handling of share options and bonds with share options related to the Merger

Not applicable.

3. Overview of the Companies to be merged

	Surviving Company	Company to be absorbed
(1) Trade name	LIXIL Corporation	LIXIL Window Products Inc.
(2) Registered office	Osaki Garden Tower 1-1 Nishi-Shinagawa 1-chome, Shinagawa-ku, Tokyo	Osaki Garden Tower 1-1 Nishi-Shinagawa 1-chome, Shinagawa-ku, Tokyo
(3) Representative	Kinya Seto, Representative Executive Officer, President, and CEO	Harutoshi Ueda, Representative Director and President
(4) Business operations	Manufactures and sells building materials and housing equipment for housing and buildings, operates housing-related businesses as well as related services	Processes and assembles window products
(5) Capital	JPY 68,530 million	JPY 50 million
(6) Establishment	September 1949	February 2011
(7) Outstanding shares	Common stock 287,211,790	Common stock 1,000
(8) Accounting period	March 31	March 31
(9) Major shareholders and holding ratio (As of September 30, 2023)	The Master Trust Bank of Japan, Ltd. (Trust Account) 15.99%	LIXIL Corporation 100%
	SSBTC CLIENT 4.48% OMNIBUS ACCOUNT (Standing Proxy: The Hongkong and Shanghai Banking Corporation Limited Tokyo Branch)	

	Custody Bank of Japan, Ltd. (Trust Account)	4.41%	
	Others		
(10) Financial performance for the latest fiscal year-end (Fiscal year ended March 2023)	IFRS (Consolidated)		JGAAP (Standalone)
	Total equity (JPY million)	627,720	Net assets (JPY million)
	Total assets (JPY million)	1,853,534	Total assets (JPY million)
	Equity attributable to owners of the parent per share (JPY)	2,178.77	Net assets per share (JPY)
	Revenue (JPY million)	1,495,987	Net sales (JPY million)
	Operating profit (JPY million)	24,903	Operating profit (JPY million)
	—		Ordinary profit (JPY million)
	Profit for the year attributable to owners of the parent (JPY million)	15,991	Net profit (JPY million)
	Basic earnings per share (JPY)	55.54	Earnings per share (JPY)

(Note) Shareholding calculations for LIXIL exclude treasury stock of 55,300 shares.

4. Overview after the Merger

There will be no change to the trade name, headquarters, name and title of representatives, business description, capital, or the accounting period related to the Merger.

5. Future outlook

As the Merger is between LIXIL and its fully owned subsidiary, the impact on LIXIL's consolidated financial performance will be non-material.

End