

First Quarter Results for Fiscal Year Ending March 2026

This notice has been translated from the original notice in Japanese.
In the event of any discrepancy, the original in Japanese shall prevail.

Security Code: 5332

TOTO LTD.
2025. 7.31

Introduction TOTO Business Overview

Japan Housing Equipment Business

- ◆ TOTO's core business that has been built up over 100 years
- ◆ Manufacturing and sales of wide range of plumbing fixtures and housing equipment
- ◆ For nearly 30 years, TOTO has created demand for remodeling, aiming to transform its management model to one that does not rely on new housing demand



Sanitary ware



WASHLET



Faucet fixtures

Sales
distribution
ratio
66%



Modular bathrooms



Modular kitchens



Bathroom
vanity units

International Housing Equipment Business

- ◆ Business has been promoted in the Americas, Asia, Europe, and Mainland China, aiming to become an indispensable presence in each country and region
- ◆ Positioning WASHLET and water-saving toilets as key products. And positioning Americas, and Asia as the growth markets



Sanitary ware



WASHLET

Sales
distribution
ratio
27%



Faucet fixtures



Bathtubs



Wash basins

New Business Domain

- ◆ Demonstrate the strengths by utilizing the technologies and know-hows cultivated in the Sanitary ware business.
- ◆ Development of ceramics products for semiconductor and flap panel display manufacturing equipment
- ◆ Growth driving segment



Electrostatic
chucks



AD film

Sales
distribution
ratio
7%



Precision
ceramic components

1. First Quarter Results for Fiscal Year Ending March 2026

Highlights

Increased sales and decreased profits

Japan Housing Equipment Business: Decreased sales and profits

- ◆ Remodeling sales remained flat compared to the previous year, but new housing sales fell short of the previous year, resulting in a decline in revenue.
- ◆ Although there was an effect from price revisions, profit declined due to increased external procurement costs and investment in human resources.
- ◆ To achieve the sales and operating profit targets, we are strengthening the sales of new products and others.

International Housing Equipment Business: Decreased sales and profits

- ◆ In the Americas Business, sales and profits increased due to expanded sales of WASHLET across all channels.
- ◆ In the Asia Business, sales and profits increased due to strong performance in the Taiwan region and Vietnam.
- ◆ In the European Business, sales increased and profits turned positive due to the effect of expanded sales of WASHLET.
- ◆ In the Mainland China Business, sales decreased and loss were recorded. We are carrying out the business restructuring according to plan.
- ◆ Both sales and operating profit are progressing according to plan.

New business domains: Increased sales and profits

- ◆ Sales and profits increased due to increased sales of electrostatic chucks accompanying the booming semiconductor-related market.
- ◆ Both sales and operating profit are progressing as planned.

Financial results

Unit: Y billion

	FY24 1Q	FY25 1Q	YoY	Influence of exchange rate	Currency- neutral basis
Net Sales	164.5	165.7	+1.2 (101%)	-0.3	+1.5 (101%)
Operating Profit [Operating Margin]	9.8 【6.0%】	8.2 【5.0%】	-1.6 (84%)	-0.9	-0.7 (93%)
Recurring Profit	14.4	8.7	-5.6 (61%)	-5.0	-0.6 (96%)
Profit attributable to owners of parent Company	8.7	6.3	-2.4 (72%)	-4.8	+2.3 (127%)

■ Exchange rates (period average)

	2024 January to March	2024 April to June	2024 July to September	2024 October to December	2025 January to March	2025 April to June
1 \$	¥148.6	¥155.9	¥149.7	¥152.4	¥152.6	¥144.6
1 CNY	¥20.6	¥21.5	¥20.9	¥21.2	¥20.9	¥20.0
1 €	¥161.3	¥167.9	¥164.3	¥162.6	¥160.6	¥163.8
1 TWD	¥4.7	¥4.8	¥4.6	¥4.7	¥4.6	¥4.7
1 VND	¥0.0060	¥0.0061	¥0.0060	¥0.0060	¥0.0060	¥0.0056
1 THB	¥4.2	¥4.3	¥4.3	¥4.5	¥4.5	¥4.4
1 INR	¥1.9	¥1.8	¥1.8	¥1.8	¥1.7	¥1.7

(Subject periods and segments)

- Japan H.E. business,
New business domains
April 2025 to June 2025
- International H.E. business
January to March 2025
(April 2025 to June 2025 for India)

Increased sales and decreased profits.

Sales and profit by business segment

* Subject periods and segments

Japan H.E. business, New business domain: April 2024 to March 2025

International H.E. Business: January to December 2024

(April 2024 to March 2025 for India)

Unit: Y billion

<Net Sales>	FY24 1Q	FY25 1Q	YoY	Influence of exchange rate	Currency- neutral basis
Japan H.E. ※	109.5	108.4	-1.1 (99%)		-1.1 (99%)
International H.E. ※	44.2	42.2	-2.0 (96%)	+0.5	-2.5 (94%)
New business domains ※※	10.8	15.1	+4.3 (140%)	-0.7	+5.0 (147%)
Others	0.1	0.1	+0.0		+0.0
Total	164.5	165.7	+1.2 (101%)	-0.3	+1.5 (101%)

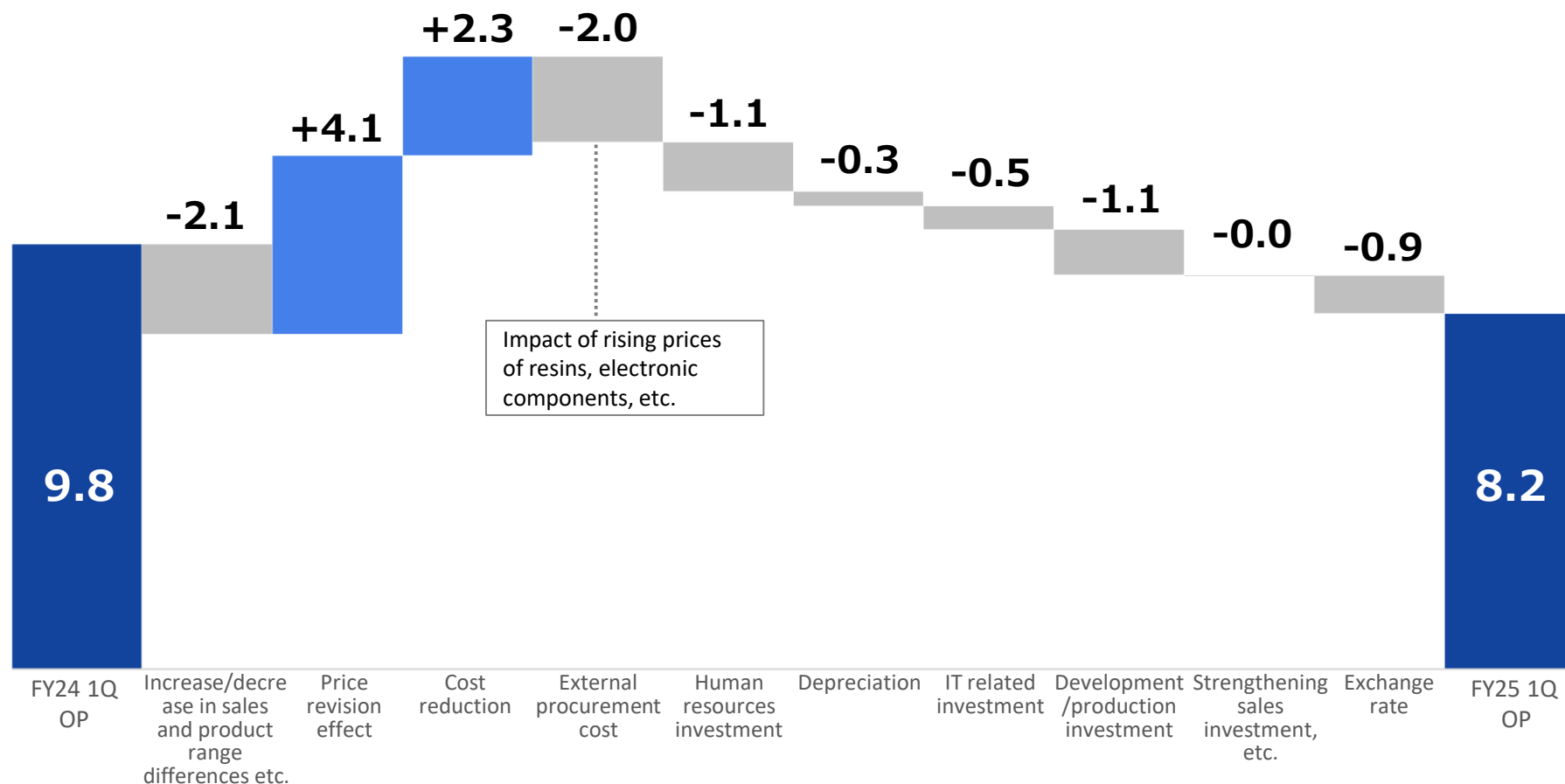
<Operating Profit>	FY24 1Q	FY25 1Q	YoY	Influence of exchange rate	Currency- neutral basis
Japan H.E. ※	2.5	0.8	-1.8 (31%)	-0.1	-1.6 (35%)
International H.E. ※	3.1	2.0	-1.1 (66%)	+0.0	-1.1 (65%)
New business domains ※※	4.7	6.0	+1.3 (127%)	-0.8	+2.1 (144%)
Others	-0.6	-0.6	-0.1		-0.1
Total	9.8	8.2	-1.6 (84%)	-0.9	-0.7 (93%)

※H.E.: Housing Equipment ※※New business domains : Ceramics business

The Housing Equipment Business saw decreases in sales and profits,
while the new business domains saw increases in sales and profits.

Cause of increase/decrease of operating profit

Unit: Y billion



Although there were positive effects from increased sales in the new business domain, price revisions, cost reductions, etc., profits decreased due to factors including a decrease in sales in the Housing Equipment Business, impact of external procurement costs, and human resources investment.

Remodeling (YoY)

Net Sales
76.6 billion yen (100%)
Operating Profit
1.4 billion yen (-1.5 billion yen)

New Housing (YoY)

Net Sales
31.7 billion yen (98%)
Operating Profit
-0.6 billion yen (-0.2 billion yen)

■ New product scheduled to be launched in August 2025



■ Initiatives to promote the value of new products



A media event was held to introduce our new NEOREST with Wellness Features (July 16, 2025)

Raise awareness and arouse interest among many customers through our website and web advertising



Remodeling sales remained flat compared to the previous year, but revenue and profit declined due to increased external procurement costs and higher investments in human resources. We aim to achieve our targets by strengthening sales of new products scheduled for release in August.

International Housing Equipment Business

Net Sales	FY24 1Q	FY25 1Q	YoY	Influence of exchange rate	Currency- neutral basis
Americas	16.6	18.7	+2.1 (113%)	+0.5	+1.6 (110%)
Asian Region	10.9	11.2	+0.3 (102%)	-0.2	+0.4 (104%)
Europe	1.2	1.5	+0.3 (122%)	-0.0	+0.3 (122%)
Mainland China	15.5	10.8	-4.6 (70%)	+0.2	-4.8 (69%)
Total	44.2	42.2	-2.0 (96%)	+0.5	-2.5 (94%)

Operating Profit	FY24 1Q	FY25 1Q	YoY	Influence of exchange rate	Currency- neutral basis
Americas	0.9	1.2	+0.3 (133%)	+0.0	+0.3 (129%)
Asian Region	2.0	2.3	+0.3 (117%)	+0.0	+0.3 (117%)
Europe	-0.1	0.1	+0.2	-0.0	+0.2
Mainland China	0.4	-1.5	-1.9	-0.0	-1.9
Total	3.1	2.0	-1.1 (66%)	+0.0	-1.1 (65%)

Although sales declined and recorded a loss, progress is in a track in Mainland China business. Americas, Asian Region, And Europe business were increased in both sales and profits.

*Figures that do not include consolidated adjustment and common expense allocations

Net Sales (YoY)

123 million dollars
(110%)

Operating Profit (YoY)

9 million dollars
(+5 million dollars)

Net sales growth of 2Q of FY2025 (April to June 2025) YoY: 103%

■Growth rate by product

		YoY	Sales Distribution Ratio
Net Sales	Sanitary Ware	104%	47%
	WASHLET	128%	40%
	Faucet Fixtures	83%	7%
Sales Volume	WASHLET	148%	

Sales volume of WASHLET
2Q of FY2025 (April to June 2025) YoY: 95%

■Market trends

Year-on-year comparison of the number of existing houses sold (based on delivery time)

January to March 2025: 106%

Although the number increased YoY, market conditions remained sluggish due to uncertainty about the future caused by factors such as policy interest rates remaining high.

■Sales status by product

| WASHLET

Mainly in e-commerce and retail chain stores, net sales increased year-on-year across all channels.

| Sanitary Ware

Amidst sluggish market conditions, net sales increased year-on-year due to increased sales of mid- to high-end products.



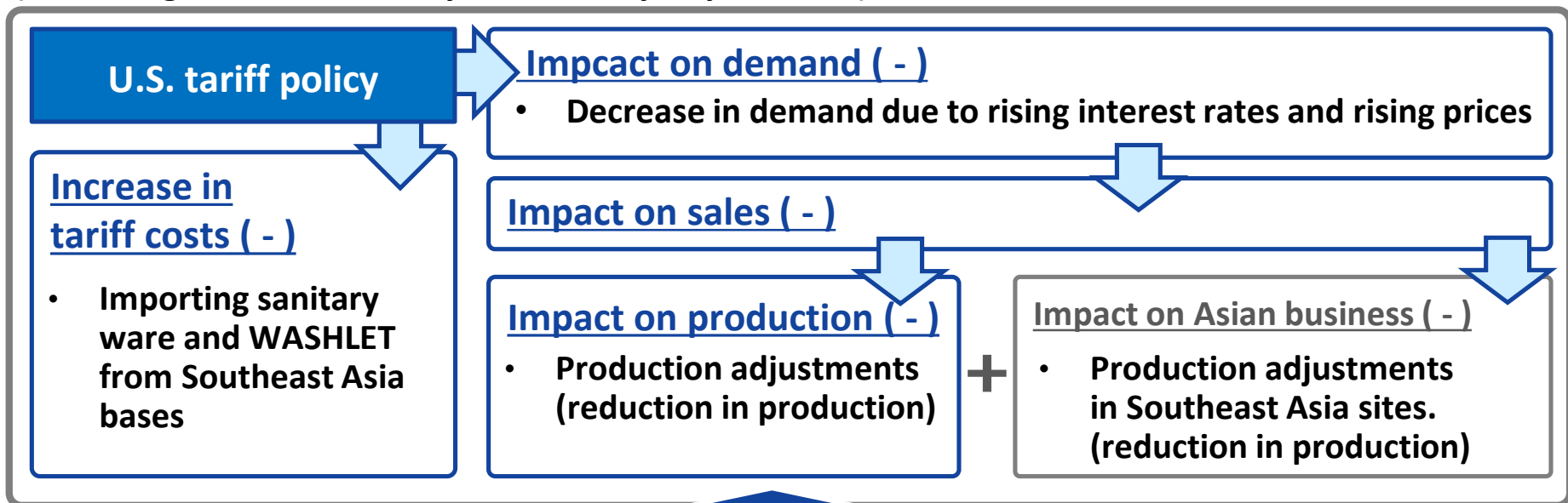
**WASHLET saw significant growth across all channels,
resulting in increased sales and profits.**

Americas Business: Impact of U.S. tariffs

Growth Segment

■ Impact of tariffs on the Americas Business (Include agreed U.S. tariffs by countries by July 31, 2025)

(-) : Negative impact
(+) : Positive impact



Coutermeasures (+)

- Promote sales enhancement measures centered on WASHLET
- Review the composition of import regions
- Implement price revisions

Impact on business performance

- Changes from the impact amount included in the full year plan announced at the April is minor

We will respond to the impact of the U.S. tariff policy by strengthening sales - focusing on WASHLET products - and implementing price revisions.

■ Net Sales (YoY in local currency)

*Figures that do not include consolidated adjustment and common expense allocations

Taiwan Region	1,453 million Taiwan dollars (104%)
Vietnam	193.8 billion dong (110%)
India	650 million Rt. (107%)
Thailand	144 million baht (79%)

■ Situation by country and region

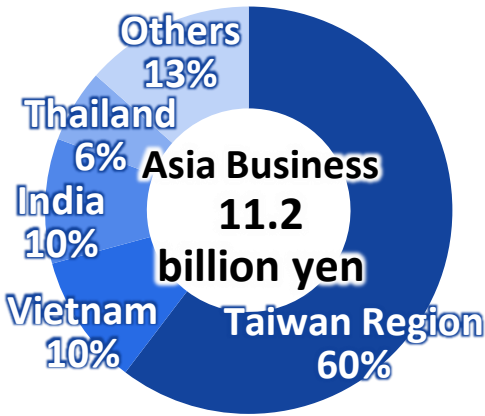
Taiwan Region: The real estate market remained sluggish, but sales increased due to expanded sales of integrated toilets, etc.
Vietnam: Sales increased as market conditions were gradually recovering.
India: Despite the harsh market conditions, sales increased due to various measures.
Thailand: Sales decreased due to the harsh market conditions, etc.

Net sales growth of 2Q of FY2025 (April to June 2025)

Region/Country	YoY
Taiwan Region	107%
Vietnam	119%
Thailand	87%

* Fiscal year in India April 2025 to March 2026

■ Sales Distribution Ratio (JPY)



■ Taiwan Region

WASHLET:
Growth in sales volume (index)



Net sales growth of 2Q of FY2025 (April to June 2025) YoY: 78%

The Taiwan region saw increased sales due to the expanded sales of WASHLET integrated toilets, etc. despite sluggish real estate market conditions. Vietnam saw increased sales due to a gradual recovery in market conditions.

*Figures that do not include consolidated adjustment and common expense allocations

Net Sales (YoY)

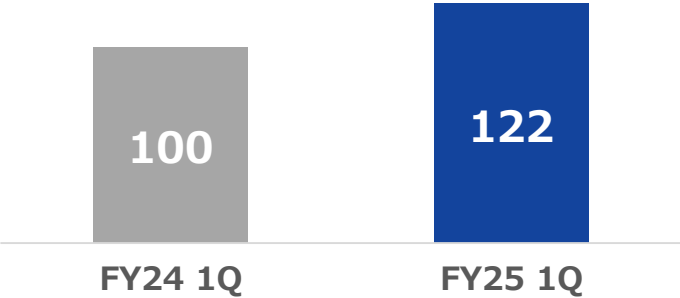
9 million euro
(122%)

Operating Profit (YoY)

0.7 million euro
(+0.8 million euro)

Net sales growth of 2Q of FY2025 (April to June 2025) YoY: 116%

■ WASHLET:
Growth in sales volume (index)



Sales volume of WASHLET
2Q of FY2025 (April to June 2025) YoY: 113%

■ Initiatives to establish market position in the European market

In collaboration with distributors, we promote the new products and new technologies, which we exhibited at ISH 2025.

【Distributors-sponsored exhibition】



*1: World-scale exhibition for the sanitation and heating industry held in Germany in March 2025

Increased sales of WASHLET and other products have led to increase in sales and turned profitable.

*Figures that do not include consolidated adjustment and common expense allocations

Net Sales (YoY)

518 million yuan
(69%)

Operating Profit (YoY)

-60 million yuan
(-88 million yuan)

Net sales growth of 2Q of FY2025 (April to June 2025) YoY: 74%

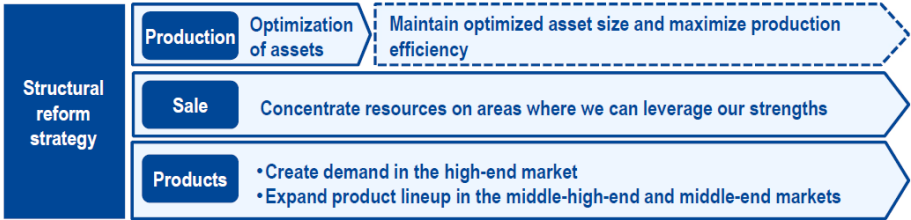
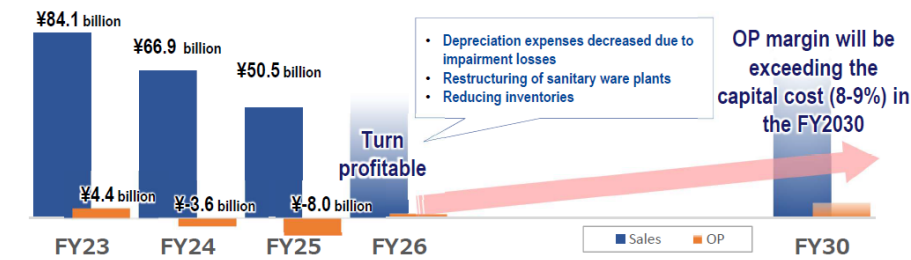
■Growth rate by product

		YoY	Sales Distribution Ratio
Net Sales	Sanitary Ware	68%	45%
	WASHLET	71%	29%
	Faucet Fixtures	74%	22%
Sales Volume	WASHLET	76%	

Sales volume of WASHLET
2Q of FY2025 (April to June 2025) YoY: 80%

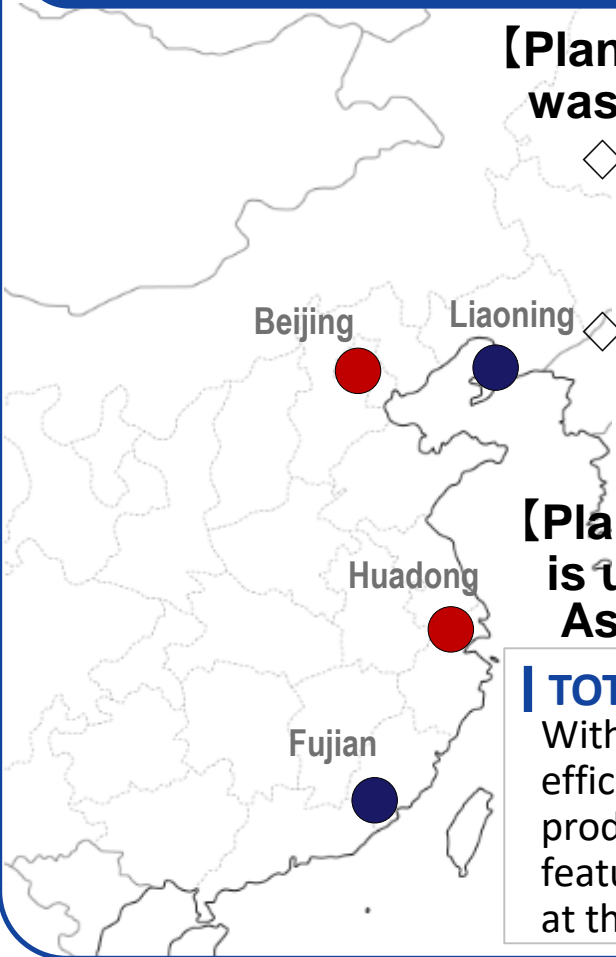
■Structural Reform (announced on April, 2025)

Aim to carry out a business transition to build a stable revenue structure through three strategies



Revenue declined, resulting in a loss. We are steadily advancing business restructuring as planned to achieve profitability in fiscal year 2026.

Production: Restructuring production system of sanitary ware



【Plants where production was suspended: April 28】

- TOTO Beijing (Beijing City)
- TOTO Huadong (Shanghai City)

◇ **Status of liquidation**

Liquidation of the companies is proceeding as planned. Agreements with employees regarding redundancy and transfers to other bases resulting from the liquidation have been finalized.

◇ **Recording extraordinary loss associated with structural reforms: Approximately 15 billion yen**

The above expense has been included in the plan for the fiscal year ending March 2026.

【Plants where production is underway: As of the end of July】

- TOTO Fujian (Zhangzhou City)
- TOTO Huadong (Dalian City)

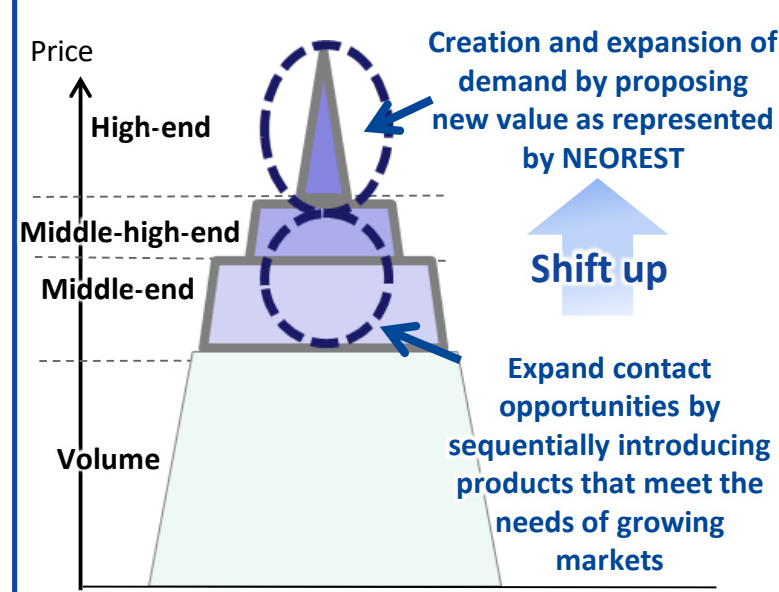
TOTO Huadong Operation started on May 21
With the introduction of the latest high-efficiency equipment, we have improved productivity and achieved high environmental features, including a reduction in CO2 emissions at the plant.



Maximize production efficiency and minimize environmental impact through reorganization of sanitary ware production sites. The scale of production will be a production system that is appropriate for the scale of the business.

Product: New product launch plan

Current market structure and new products launch schedule



FY2027 new products		
FY2026 new products		
FY2025 new products		
	First half	Second half
High-end		
Middle-high-end		
Middle-end		

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We are launching new products as planned, focusing mainly on the expanding mid-range market segment. We will continue to deliver TOTO products that accurately meet local needs.

Sales: Initiatives targeting remodeling demand

Focusing resources on areas where TOTO's strengths can be leveraged through remodeling

- ✓ Focusing resources on areas, applications, and vendors in which we can leverage our strengths
- ✓ Communication with customers utilizing online and offline channels
- ✓ Strengthening functions (proposals, construction, etc.) utilizing existing showrooms

Outline of main initiatives

Collaborate with key distributors and interior contractors to stimulate demand for remodeling and promote the value of our latest products to customers in key areas who trust the TOTO brand and have purchased our products.

Through collaborative efforts utilizing our expertise in targeting specific sites, we are beginning to see results in sales.

We will further refine this successful model and continue to target specific sites.

Online



Offline

Event at a condominium where we delivered products



Attract customers



Showrooms of distributors and interior contractors

We are steadily advancing activities targeting key audiences as planned. We will continue to make steady progress in collaborative efforts with distributors and interior contractors.

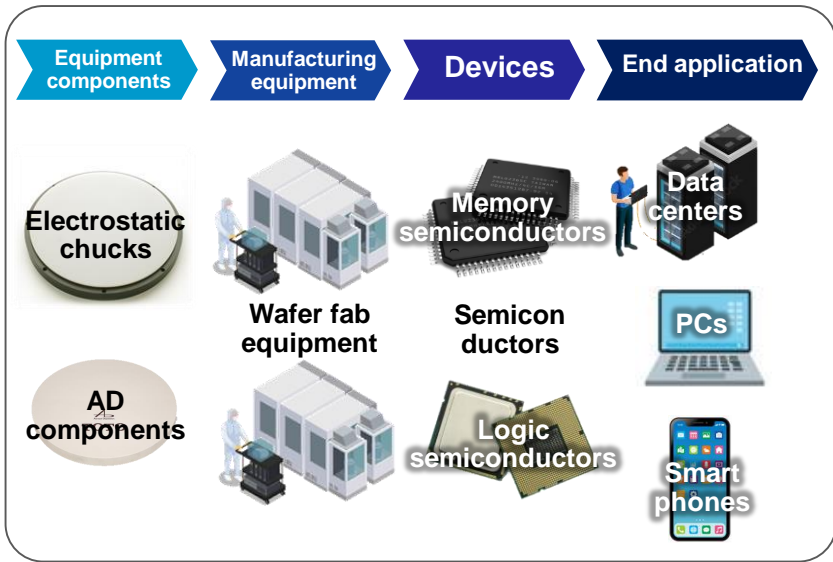
Net Sales (YoY)

15.1 Billion yen
(140%)

Operating Profit (YoY)

6 billion yen
(+1.3 billion yen)

■Main products
(electrostatic chucks and AD components)

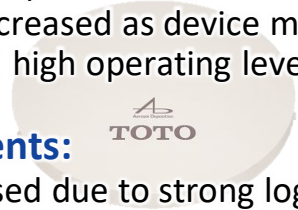


■Status of major products and applications

Electrostatic chucks: Demand for both new and replacement products
Sales increased due to favorable conditions in the semiconductor market accompanying the increased demand from data centers.

- [New demand]
Increased due to progress in new investments in semiconductor manufacturing equipment by device manufacturers.
- [Demand for replacement]
Demand increased as device manufacturers maintained high operating levels.

AD components: Sales increased due to strong logic semiconductor market conditions.



Sales and profits increased due to increased sales of electrostatic chucks accompanying the booming semiconductor-related market.

2. Topics

Sustainable products: Launch of new products

■NEOREST LS-W/AS-W, a WASHLET integrated toilet with wellness features:
Launched in Japan on August 1st

Equipped with a new feature, "Stool Scan," which allows you to check measured data on an app.



<App used on your smartphone>



Features

(1) Stool scan

The stool scan sensor built-in WASHLET scans stools as they fall and automatically measures their shape (hardness), color, and size.

(2) TOTO Wellness

The app shows the status of your daily stool and trends, as well as recommendations tailored to that status condition.

We propose "Daily Wellness," a health habit that can be maintained with no hustle.
We will continue to pursue materiality in “clean, comfort, and wellness.”

Evaluation from our society

■ Selected as a stock in the FTSE4Good Index Series for 10 consecutive years

- Selected as a stock in all ESG investment indices adopted by the Government Pension Investment Fund (GPIF) -



FTSE4Good



FTSE Blossom
Japan



FTSE Blossom
Japan Sector
Relative Index

■ Other ESG investment index adopted by GPIF



MORNINGSTAR GenDi J

Japan ex-REIT Gender Diversity
Tilt Index

■ Named in the CDP Supplier Engagement Assessment Leaderboard, which is the highest ranking leaderboard, for three consecutive years



■ Selected as a constituent stock of the MSCI Japan ESG Select Leaders Index for two consecutive years and as a constituent stock of the MSCI Japan Empowering Women Select Index (WIN) for nine years running

2025 CONSTITUENT MSCI日本株
ESGセレクト・リーダーズ指数

2025 CONSTITUENT MSCI日本株
女性活躍指数 (WIN)

We will continue to promote sustainability management with the aim of achieving clean, comfortable, and healthy lifestyles and contributing to society and the global environment.

Social contribution initiatives

■20th anniversary of the establishment of TOTO Water Environment Fund

- Providing financial assistance to 332 organizations in 43 prefectures in Japan and 18 countries overseas -



| TOTO Water Environment Fund

Established in FY2005 to solve social issues in collaboration with organizations that support local communities. Supports ongoing activities that reexamine the relationship between water and life in local communities.

■TOTO GALLERY·MA celebrates 40th anniversary in October

- A base for TOTO's architectural culture activities -



TOTO GALLERY·MA

| TOTO GALLERY·MA

Opened TOTO GALLERY·MA in 1985 with the aim of contributing to society through the cultivation and development of architectural culture.

We will continue to promote our initiatives at MA as a place that pioneers the future of architecture and design

■10th anniversary of the opening of the TOTO Museum

- 10th anniversary event starts August 1 -

We will continue to strive to make the TOTO Museum an attractive facility that serves as a place for interaction with customers and local residents, as well as a landmark that promotes the TOTO brand from Kokura, where the company was founded, to the rest of the world.

July 2025: Reach **600,000** visitors



TOTO Museum interior



TOTO Museum exterior

Under the TOTO WILL 2030 shared value creation strategy, we will actively promote initiatives that contribute to the development of local communities and the protection of the global environment, with the aim of becoming a company that continues to be needed around the world.

This presentation material contains forward-looking statements based on assumptions, estimates and plans as of July 31, 2025. Actual performance may differ materially from these forward-looking statements due to risks and undermined factors arising from changes in the world economy, competition and foreign currency exchange rates.

あしたを、ちがう「まいにち」に。

TOTO