

First Half Results for Fiscal Year Ending March 2027

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.
October 30, 2026

Introduction: TOTO Business Overview

* The sales distribution ratios and operating profits composition ratios are based on FY2025 results, excluding company-wide adjustments.

Global Housing Equipment Business

Japan

- TOTO's core business that has been built up over 100 years
- The core business is the Remodeling sector, which does not rely on new construction demand. We offer a wide range of products.
- Profits are gradually declining due to various cost increases. Structural reforms are underway to improve profitability.

Sales
distribution
ratio

Operating
profits
composition

65%

36%

26%

13%

International

- Aiming to become an indispensable presence in each country and region.
- Americas, and Asia are the growth markets based mainly on WASHLET and water-saving toilets.
- In the Mainland China Business, as performance had deteriorated sharply, structural reforms are underway.

<p>Main Products</p>	<p>Sanitary Ware</p>  <p>Leading the world with superior quality</p>	<p>WASHLET</p> 	<p>The core business and growth driver. Has the highest profitability in the housing equipment business.</p>	 <p>Faucet Fixtures Pursuing design and water efficiency</p>	<p>Bathtubs/ System Bathrooms, Vanity units, Modular kitchens, etc.</p>
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TOTO Group Development System and Production System

Development System

Research Institute and various business divisions



Creating value by developing proprietary technologies

Proprietary Core Technologies

Ex:



Faucet polishing and machining technologies

Applying housing equipment technologies to product development and manufacturing in advanced ceramics business

<Advanced Ceramics Business>

Electrostatic chucks



AD components



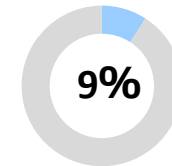
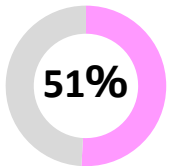
Introduction: TOTO Business Overview

* The sales distribution ratios and operating profits composition ratios are based on FY2025 results, excluding company-wide adjustments.

New Business Domains (Advanced Ceramics Business)

Sales distribution ratio

Operating profits composition



- Core products are high-grade, high-precision ceramic components for semiconductor manufacturing equipment.
- Achieving high profitability by collaborating with all TOTO group business divisions in R&D and manufacturing

Main Products

Electrostatic chucks



- Components used to hold wafers in place inside semiconductor manufacturing equipment.
- Made of high-purity ceramics, these components are highly regarded for their exceptional durability and are used in ultra-low-temperature etching processes in equipment for manufacturing NAND flash memory.

AD components



- Components used as ceiling materials inside semiconductor manufacturing equipment.
- Ceramic films formed using TOTO's proprietary AD method* are dense and have strong adhesion, providing high plasma resistance and preventing the generation of ultrafine particles.
- Used in etching processes in equipment for manufacturing logic semiconductors.

* Aerosol deposition method

Usage Example

Chamber (inside the equipment)

Gas supply

Plasma

The wafer surface is processed through chemical reactions and the physical action of ions.

AD components

Gas exhaust

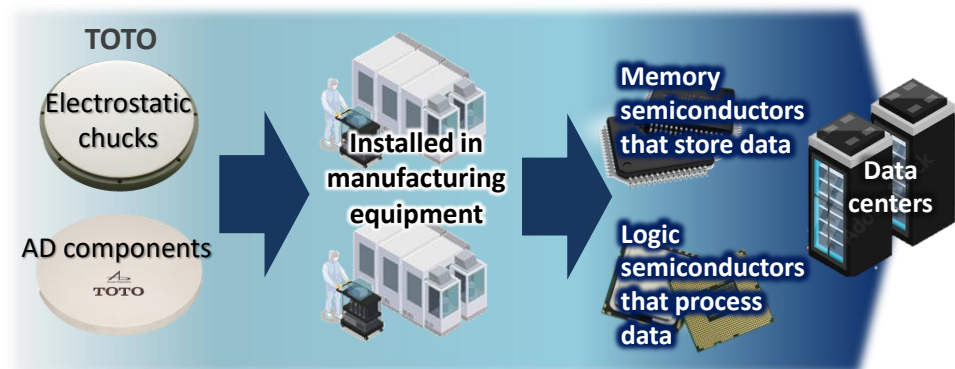
Wafer

Electrostatic chucks

Dense, sintered ceramics are used because outstanding plasma resistance is required.



Product Positioning



1. First Half Results for Fiscal Year Ending March 2027 (FY2026)

Highlights

Increased sales and profits; progress is generally on track with the plan

Japan Housing Equipment Business : Decreased sales and profits

- ◆ Although the impact of the situation in the Middle East on sales and supply has subsided, sales and profits decreased due to lower sales of bathroom products in 1Q and increased external procurement costs, among other factors.

International Housing Equipment Business: Increased sales and profits

- ◆ In the Americas Business, sales increased, driven by continued growth of WASHLET sales and new sanitary ware products, while profit decreased and a loss was posted due to a deterioration in the product mix resulting from worsening market conditions and initial one-off impacts of growth investments, among other factors.
- ◆ In the Asia Business, sales increased and profits decreased. Sales in key markets such as the Taiwan region and Vietnam remained strong, but profit decreased due to unrealized profit impacts associated with a temporary inventory increase in the Americas.
- ◆ In the European Business, sales increased due to continued growth of WASHLET sales due to strategic headcount expansion and showroom investments. (The aggregate results of group companies remained profitable.)
- ◆ In the Mainland China Business, sales increased due to strong retail sales. Losses were significantly reduced due to the effects of business restructuring. (The aggregate results of group companies turned profitable.)

New Business Domains (Advanced Ceramics Business) : Increased sales and profits

- ◆ Sales and profits increased, driven by higher sales of electrostatic chucks and AD components amid robust advanced semiconductor demand, as well as foreign exchange effects.

Financial results

Unit: Y billion

	FY25 1H	FY26 1H	YoY			plan	vs.plan
				Influence of exchange rate	Currency- neutral basis		
Net Sales	349.4	364.7	+15.3 (104%)	+11.5	+3.8 (101%)	370.0	-5.3 (99%)
Operating Profit	20.8	25.2	+4.4 (121%)	+2.6	+1.8 (109%)	23.0	+2.2 (110%)
[Operating Margin]	[5.9%]	[6.9%]	[+1.0pt]			[6.2%]	[+0.7pt]
Recurring Profit	23.1	24.8	+1.7 (108%)	+1.9	-0.2 (99%)	22.2	+2.6 (112%)
Profit attributable to owners of parent Company	8.8	21.3	+12.5 (2.4 times)	+1.3	+11.2 (2.3 times)	19.5	+1.8 (109%)

■ Exchange rates (period average)

	FY25 January to March	FY25 April to June	FY25 July to September	FY25 October to December	FY26 January to March	FY26 April to June	FY26 July to September
1 \$	¥152.6	¥144.6	¥147.5	¥154.1	¥157.0	¥159.6	¥159.4
1 CNY	¥20.9	¥20.0	¥20.6	¥21.7	¥22.7	¥23.5	¥23.6
1 €	¥160.6	¥163.8	¥172.3	¥179.4	¥183.7	¥185.4	¥183.5
1 TWD	¥4.6	¥4.7	¥4.9	¥5.0	¥5.0	¥5.1	¥5.0
1 VND	¥0.0060	¥0.0056	¥0.0056	¥0.0059	¥0.0060	¥0.0061	¥0.0061
1 THB	¥4.5	¥4.4	¥4.5600	¥4.7900	¥5.0	¥4.9	¥4.8
1 INR	¥1.8	¥1.7	¥1.7000	¥1.7400	¥1.7	¥1.7	¥1.7

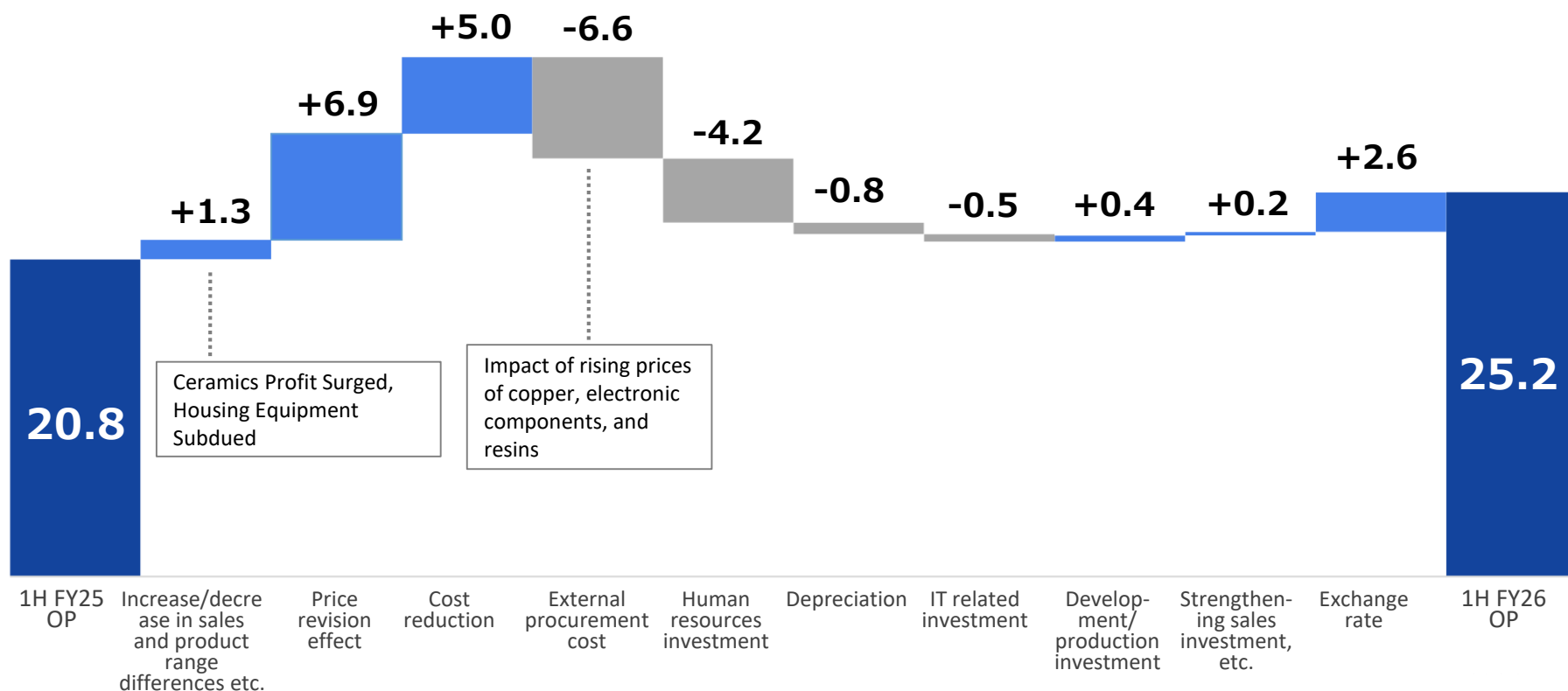
*Subject periods and segments

- Japan H.E. business,
New business domains
April to September 2026
- International H.E. business
January to June 2026
(April to September 2026
for India)

Increased sales and profits. Record-High Net Sales and Net Income

Cause of increase/decrease of operating profits

Unit: Y billion



Vs. Former Plan

-0.7

-1.3

+0.2

-0.2

-0.4

+0.4

+0.2

+1.0

+2.0

+1.0

+2.2

Despite lower sales due to the situation in the Middle East and increased external procurement costs, profit increased, supported by higher sales in the Advanced Ceramics Business, cost reductions, and the effects of price revisions.

Sales and profits by business segment

* Subject periods and segments

Japan H.E. business, New business domain: April to September, 2026

International H.E. Business: January to June 2026

(April to September 2026 for India)

Unit: Y billion

<Net Sales>	FY25 1H	FY26 1H	YoY	Influence of exchange rate	Currency- neutral basis	plan	vs.plan
Japan H.E.	228.5	223.1	-5.4 (98%)		-5.4 (98%)	226.0	-2.9 (99%)
International H.E.	91.1	101.8	+10.7 (112%)	+8.0	+2.7 (103%)	103.4	-1.6 (98%)
New business domains ※1	29.6	39.6	+10.0 (134%)	+3.5	+6.5 (122%)	40.5	-0.9 (98%)
Others	0.1	0.1	+0.0		+0.0	0.1	+0.0
Total	349.4	364.7	+15.3 (104%)	+11.5	+3.8 (101%)	370.0	-5.3 (99%)
<Operating Profit> ※2	FY25 FY	FY26 FY	YoY	Influence of exchange impact	Currency- neutral basis	plan	vs.plan
Japan H.E.	6.7	5.4	-1.3 (81%)	-1.5	+0.2 (103%)	2.0	+3.4 (260%) (3 times)
International H.E.	2.8	3.0	+0.2 (106%)	+0.6	-0.5 (84%)	5.5	-2.5 (54%)
New business domains ※1	12.7	18.2	+5.5 (143%)	+3.4	+2.1 (116%)	17.0	+1.2 (107%)
Others	-1.4	-1.4	-0.0		-0.0	-1.5	+0.1
Total	20.8	25.2	+4.4 (121%)	+2.6	+1.8 (109%)	23.0	+2.2 (110%)

※1 New business domains: Advanced Ceramics business ※2 The method for allocating common expenses has been partially revised. (Prior-year figures have also been retroactively adjusted.)

The Japan Housing Equipment Business saw decreases in sales and profits, while the International Housing Equipment Business and the new business (Advanced Ceramics Business) saw increases in sales and profits.

International Housing Equipment Business

Unit: Y billion

*Including consolidation adjustments and allocations of common expenses

Net Sales	FY25 1H	FY26 1H	YoY	Influence of exchange rate	Currency- neutral basis	plan	vs.plan
Americas	37.9	41.5	+3.6 (110%)	+2.6	+1.0 (103%)	43.0	-1.5 (97%)
Asian & Oceanian Region	24.4	27.6	+3.2 (113%)	+1.7	+1.5 (106%)	27.9	-0.3 (99%)
Europe	2.9	3.7	+0.8 (129%)	+0.4	+0.4 (114%)	3.5	+0.2 (105%)
Mainland China	25.9	29.0	+3.1 (112%)	+3.3	-0.3 (99%)	29.0	+0.0 (100%)
Total	91.1	101.8	+10.7 (112%)	+8.0	+2.7 (103%)	103.4	-1.6 (98%)
Operating Profit	FY25 1H	FY26 1H	YoY	Influence of exchange rate	Currency- neutral basis	plan	vs.plan
Americas	2.8	-0.2	-3.0	+0.1	-3.1	2.0	-2.2
Asian & Oceanian Region	4.2	3.8	-0.5 (89%)	+0.4	-0.9 (78%)	3.4	+0.4 (110%)
Europe	-0.2	-0.2	-0.0	+0.0	-0.1	-0.2	-0.0
Mainland China	-4.1	-0.4	+3.7	+0.1	+3.6	0.3	-0.7
Total	2.8	3.0	+0.2 (106%)	+0.6	-0.5 (84%)	5.5	-2.5 (54%)

*The method for allocating common expenses has been partially revised. (Prior-year figures have also been retroactively adjusted.)

Double-digit growth in net sales across all businesses

2. Revised Plan for the Year Ending March 2027 (FY2026)

Revised Plan: Highlights

Based on the first-half results and the second-half outlook, we have revised the full-year plan. We aim to achieve record-high net sales and operating profit for the second consecutive fiscal year.

Net sales: 775.0 billion yen (vs. initial plan:99%)

Operating profit: 60.0 billion yen (vs. initial plan:±0.0 billion yen)

〈vs. initial plan〉

〈vs. initial plan〉

Japan Housing Equipment Business:

Net sales:100%

Operating profit: +1.5 billion yen

- ◆ Sales are in line with the initial forecast, supported by stronger proposals for target markets and expanded sales of new products.
- ◆ We have factored in the effects of the price revisions to be implemented in December, additional cost reductions, and other factors.

International Housing Equipment Business:

Net sales:96%

Operating profit: -2.6 billion yen

- ◆ On the Americas business, we have factored in the impact of worsening market conditions
- ◆ On Mainland China Business, revised plans due to market deterioration, but achieved revenue growth and a significant narrowing of operating loss through strengthened retail.

New Business Domains:

Net Sales:102%

Operating Profit: +1.5 billion yen

- ◆ Revised upward to reflect the first-half recovery of shipments delayed from 1Q due to supply chain impacts, as well as robust demand for advanced semiconductors.

Revised Plan: Financial Results

Unit: Y billion

	FY25	FY26 revised plan	YoY	Influence of exchange rate	Currency- neutral basis	FY26 Plan	vs.Former Plan
Net Sales	737.4	775.0	+37.6 (105%)	+15.3	+22.3 (103%)	785.0	-10.0 (99%)
Operating Profit	53.8 [7.3%]	60.0 [7.7%]	+6.2 (112%)	+2.3	+3.9 (107%)	60.0 [7.6%]	+0.0 (100%)
Recurring Profit	60.7	58.0	-2.7 (96%)	-3.6	+0.9 (101%)	58.5	-0.5 (99%)
Profit attributable to owners of parent Company	40.3	46.0	+5.7 (114%)	-2.6	+8.3 (121%)	46.0	+0.0 (100%)
ROA	6.6%	7.3%	+0.7pt	*ROA: Operating profit / Total Assets *TOTO version ROIC Operating profits after tax (Operating capital + Fixed assets)		7.2%	+0.1pt
ROE	7.7%	8.8%	+1.1pt			8.5%	+0.3pt
ROIC ※	6.9%	8.4%	+1.5pt			8.6%	-0.2pt

■ Exchange rates (period average)

	FY25 Jan to Mar	FY25 Apr to Jun	FY25 Jul to Sept	FY25 Oct to Dec	FY26 Jan to Mar	FY26 Apr to Jun	FY26 Jul to Sept	FY26 Oct to Dec	FY27 Jan to Mar
1 \$	¥152.6	¥144.6	¥147.5	¥154.1	¥157.0	¥159.6	¥159.4	¥155.0	¥155.0
1 CNY	¥20.9	¥20.0	¥20.6	¥21.7	¥22.7	¥23.5	¥23.6	¥22.5	¥22.5
1 €	¥160.6	¥163.8	¥172.3	¥179.4	¥183.7	¥185.4	¥183.5	¥180.0	¥180.0
1 TWD	¥4.6	¥4.7	¥4.9	¥5.0	¥5.0	¥5.1	¥5.0	¥4.9	¥4.9
1 VND	¥0.0060	¥0.0056	¥0.0056	¥0.0059	¥0.0060	¥0.0061	¥0.0061	¥0.0059	¥0.0059
1 THB	¥4.5	¥4.4	¥4.6	¥4.8	¥5.0	¥4.9	¥4.8	¥4.9	¥4.9
1 INR	¥1.8	¥1.7	¥1.7	¥1.7	¥1.7	¥1.7	¥1.7	¥1.8	¥1.8

*Subject periods and segments

- Japan H.E. business,
New business domains
April 2026 to March 2027
- International H.E. business
January to December 2026
(April 2026 to March 2027 for India)

We have revised our full-year plan based on the first-half results and second-half outlook for each segment.
We aim to achieve record-high net sales, operating profit, and net income.

Reference: 2H Revised Plan: Financial Results

Unit: Y billion

	FY25	FY26	YoY	Influence of exchange rate	Currency- neutral basis	FY25	vs.Fomer Plan
	2H	2H Revised Plan				2H Fomer Plan	
Net Sales	388.1	410.3	+22.3 (106%)	+3.8	+18.5 (105%)	415.0	-4.7 (99%)
Operating Profit	33.0 [8.5%]	34.8 [8.5%]	+1.8 (106%)	-0.3	+2.1 (106%)	37.0 [8.9%]	-2.2 (94%)
Recurring Profit	37.6	33.2	-4.4 (88%)	-5.5	+1.1 (103%)	36.3	-3.1 (91%)
Profit attributable to owners of parent Company	31.5	24.7	-6.8	-3.9	-2.9	26.5	-1.8 (93%)

■ Exchange rates (period average)

	FY25 Jan to Mar	FY25 Apr to Jun	FY25 Jul to Sept	FY25 Oct to Dec	FY26 Jan to Mar	FY26 Apr to Jun	FY26 Jul to Sept	FY26 Oct to Dec	FY27 Jan to Mar
1 \$	¥152.6	¥144.6	¥147.5	¥154.1	¥157.0	¥159.6	¥159.4	¥155.0	¥155.0
1 CNY	¥20.9	¥20.0	¥20.6	¥21.7	¥22.7	¥23.5	¥23.6	¥22.5	¥22.5
1 €	¥160.6	¥163.8	¥172.3	¥179.4	¥183.7	¥185.4	¥183.5	¥180.0	¥180.0
1 TWD	¥4.6	¥4.7	¥4.9	¥5.0	¥5.0	¥5.1	¥5.0	¥4.9	¥4.9
1 VND	¥0.0060	¥0.0056	¥0.0056	¥0.0059	¥0.0060	¥0.0061	¥0.0061	¥0.0059	¥0.0059
1 THB	¥4.5	¥4.4	¥4.6	¥4.8	¥5.0	¥4.9	¥4.8	¥4.9	¥4.9
1 INR	¥1.8	¥1.7	¥1.7	¥1.7	¥1.7	¥1.7	¥1.7	¥1.8	¥1.8

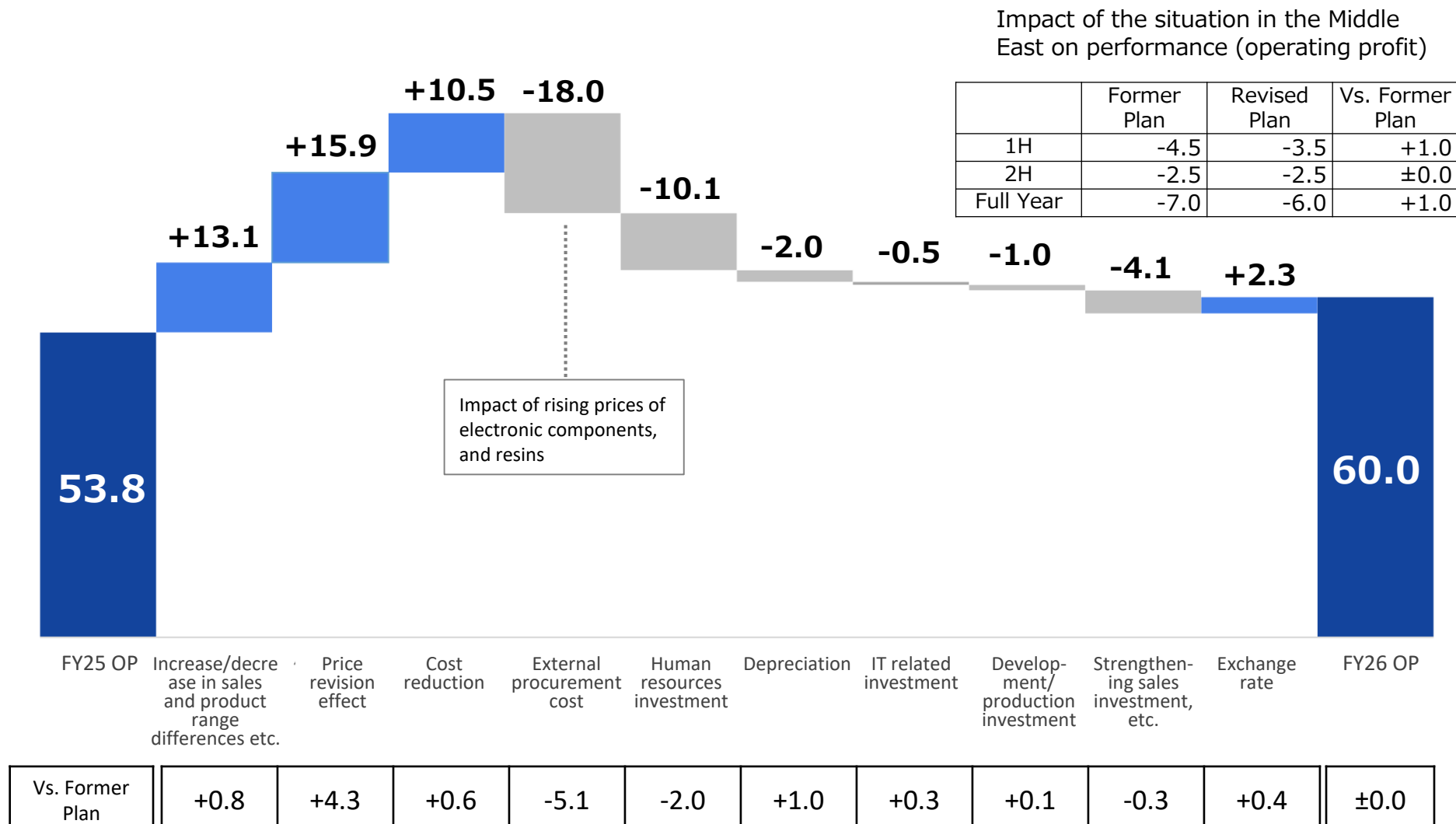
*Subject periods and segments

- Japan H.E. business,
New business domains
October 2026 to March 2027
- International H.E. business
January to December 2026
(April 2026 to March 2027 for India)

We revised the plan based on the second-half outlook.

Revised Plan: Cause of increase/decrease of operating profit

Unit: Y billion



We have factored in the effects of price revisions, the impact of the situation in the Middle East, and the latest performance outlook for each business.

Revised Plan:

Sales and profit by business segment

<Subject periods and segments>
 Japan H.E. business, New domain business:
 - April to March 2027
 International H.E. Business:
 - January to December 2026 (Apr to Mar 2027 for India)

Unit: Y billion

<Net Sales>	FY25	FY26 revised plan	YoY	Influence of exchange rate	Currency-neutral basis	FY25 Plan	vs.Former Plan
Japan H.E.	479.7	481.0	+1.3 (100%)		+1.3 (100%)	483.0	-2.0 (100%)
International H.E.	190.1	206.7	+16.6 (109%)	+11.7	+4.9 (103%)	216.3	-9.6 (96%)
New business domains *	67.4	87.0	+19.6 (129%)	+3.6	+16.0 (124%)	85.5	+1.5 (102%)
Others	0.3	0.3	+0.0		+0.0	0.2	+0.1
Total	737.4	775.0	+37.6 (105%)	+15.3	+22.3 (103%)	785.0	-10.0 (99%)
<Operating Profit>	FY25	FY26 revised plan	YoY	Influence of exchange impact	Currency-neutral basis	FY25 Plan	vs.Former Plan
Japan H.E.	21.9	14.5	-7.4 (66%)	-2.2	-5.1 (77%)	13.0	+1.5 (112%)
International H.E.	6.3	10.9	+4.6 (174%)	+1.1	+3.5 (156%)	13.5	-2.6 (81%)
New business domains *	28.7	38.0	+9.3 (132%)	+3.5	+5.8 (120%)	36.5	+1.5 (104%)
Others	-3.1	-3.4	-0.3		-0.3	-3.0	-0.4
Total	53.8	60.0	+6.2 (112%)	+2.3	+3.9 (107%)	60.0	+0.0 (100%)

*Advanced Ceramics Business

We have factored in the outlook for each business segment.

Revised Plan: International Housing Equipment Business

Unit: Y billion

Net Sales	FY25	FY26 revised plan	YoY			FY25 Plan	vs.Former Plan
				Influence of exchange rate	Currency- neutral basis		
Americas	75.6	83.0	+7.4 (110%)	+3.8	+3.6 (105%)	87.0	-4.0 (95%)
Asian & Oceanian Region	54.9	60.5	+5.6 (110%)	+2.2	+3.4 (106%)	62.3	-1.8 (97%)
Europe	5.7	7.2	+1.5 (127%)	+0.5	+1.0 (118%)	7.0	+0.2 (103%)
Mainland China	53.9	56.0	+2.1 (104%)	+5.2	-3.1 (94%)	60.0	-4.0 (93%)
Total	190.1	206.7	+16.6 (109%)	+11.7	+4.9 (103%)	216.3	-9.6 (96%)
Operating Profit	FY25	FY26 revised plan	YoY			FY25 October	vs.Former Plan
				Influence of exchange rate	Currency- neutral basis		
Americas	4.4	3.0	-1.4 (68%)	+0.2	-1.7 (62%)	5.0	-2.0 (60%)
Asian & Oceanian Region	9.7	9.0	-0.7 (93%)	+0.6	-1.3 (86%)	7.6	+1.4 (118%)
Europe	-0.4	-1.0	-0.6	+0.0	-0.6	-0.6	-0.4
Mainland China	-7.4	-0.1	+7.3	+0.2	+7.2	1.5	-1.6
Total	6.3	10.9	+4.6 (174%)	+1.1	+3.5 (156%)	13.5	-2.6 (81%)

Americas Business incorporated market deterioration impacts; China Business revised plans amid deteriorating local market conditions, but achieved revenue growth and a significant narrowing of operating loss through strengthened retail.

This presentation material contains forward-looking statements based on assumptions, estimates and plans as of October 30, 2026.

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