TOTO CORPORATE REPORT 2011 DIGEST

TOTO

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MESSAGE from the PRESIDENT

We aim to evolve into a "truly global company" as we move toward our centenary.

To begin with, I would like to offer my deepest condolences to all those affected by the Great East Japan Earthquake that struck on March 11, 2011.

The disaster has caused delays in TOTO Group production and shipping, and we are working to stabilize production so that we can continue to deliver our products and services to our customers in perfect condition.

In fiscal 2010, the TOTO Group commenced in earnest "TOTO V-Plan 2017" and "TOTO GREEN CHALLENGE," two commitments that we aim to fulfill moving toward our centenary in 2017.

Our vision is to evolve into a "truly global company" by this time.

This aim extends beyond high levels of sales and percentage of overseas business to being recognized by local people as a true company of their country that contributes to better lifestyles by providing plumbing products suitable for particular local customs and culture.

To achieve this goal, we believe it is critical to address global environmental issues. TOTO Group business activities are connected to contributing to the environment as we aim to lead the creation of a "genuinely sustainable society." As a company that creates and provides lifestyle value, we propose ideas for a new "every day" that add value to people's lives and exceed expectations for the future.

Challenging ideas for a new "every day." Everyone in the TOTO Group will work in unison to achieve the goals we have set forth.

Kunio Harimoto, President TOTO LTD. Kum Harmoto

THE TOTO WAY

Passing on Our Founding Spirit and Continuing to Promote Innovation

The history of TOTO production stretches back almost 100 years. In 1912, when the concept of public sewage systems was not yet widespread in Japan, Kazuchika Okura, then president of Nippon Toki Gomei Kaisha (currently Noritake Co., Ltd.), upon exposure to advanced lifestyles overseas, established a ceramic sanitary ware laboratory based on a desire to provide sanitary living spaces. Two years later in 1914, the laboratory successfully produced ceramic sanitary ware, a first for Japan. In 1917, Toyo Toki K.K. (currently TOTO LTD.) was founded to permeate the market with these products.

Since then, we have sought to contribute to the development of society based on a spirit of service that inspires the provision of high-quality products and ensures customer satisfaction. This determination is expressed in TOTO's company mottos formulated in 1962.

TOTO constantly aspires to produce the best products, with this unflagging commitment to quality receiving critical acclaim and ensuring a high level of trust from people worldwide.

TOTO's unyielding approach to develop products that meet society's needs and technology that can provide new value has given rise to various eco-friendly technologies in recent years, such as a water-saving toilet that uses only 4.8 liters per flush and Hydrotect air purification technology used in tiles and coating products.

TOTO Group personnel have a strong determination, akin to our founder Kazuchika Okura, to improve people's lives and believe that spreading the use of sanitary-related products will promote social development. These ideas continue to be the bedrock for corporate growth today.





TOTO GREEN CHALLENGE

The environment is changing at a rate beyond our expectations. Plumbing equipment, alongside household electrical appliances, accounts for the majority of CO₂ emitted from the home. As a leading

manufacturer of plumbing-related products, TOTO commenced TOTO GREEN CHALLENGE to significantly accelerate conventional environmental activities. This involves a review of all corporate activities with a view toward achieving stringent quantitative targets by 2017. Product-related initiatives include a focus on "reducing CO2 emissions from plumbing products" and "purifying the air with Hydrotect." We have devised an easy-to-understand vision of the future and a roadmap outlining how to get there, aiming to expand activities encompassing the entire housing construction industry on a global scale.

TOTO

Toward a Full-Fledged Initiative TOTO's New Environmental Vision

Now 1

TOTO GREEN CHALLENGE was started in April 2010. Full-scale execution is proceeding based on three pillars of contribution and we have begun expanding efforts for the whole of society.

As a leading company in plumbing products, TOTO has since our earliest days viewed environmental conservation as a vital issue and has been proactive in promoting environment-related initiatives. In April 2010, we initiated a new environmental vision called "TOTO GREEN CHALLENGE" with the objectives of dramatically accelerating these initiatives and expanding their scale globally.

TOTO GREEN CHALLENGE sets forth an action plan and quantitative targets to 2017, the year of our centenary. The strict targets were set upon thoroughly analyzing the relationship between corporate activities and the environment with regard to the following areas: (1) products and services, manufacturing and social contribution (three pillars of contribution); (2) prevention of global warming, placing importance on resources, elimination of pollution and contribution to biodiversity (four domains); and (3) human resources development, which serves as the foundation of these actions.

TOTO is dedicated to the development of plumbing products (TOTO green products) that protect the environment without users realizing it in their daily lives. In August 2010, TOTO simultaneously launched four products from the respective restroom, bathroom, kitchen and washbasin segments for the first time, and achieved a 30% reduction (versus fiscal 1990 level) in CO₂ emissions from product usage ahead of the target date of fiscal 2012. We are currently aiming for more than a 50% reduction (versus fiscal 1990 level) in



CO₂ emissions by fiscal 2017.

TOTO is contributing to the resolution of atmospheric pollution resulting from nitrogen oxide (NOx) with Hydrotect, an environmental purification technology using a photocatalyst uniquely developed by TOTO. We are broadening the global reach of Hydrotect and have concluded licensing agreements already with over 100 companies in Japan and overseas.

In terms of manufacturing, we are aiming to reduce CO₂ emissions by 45% (versus fiscal 1990 level) by 2017, and to this end are deploying activities to lessen environmental loads from an all-encompassing perspective in all business processes from the procurement of materials to development, design, production and distribution.

As for social contribution, we are conducting environmental activities rooted in the local community through such campaigns as the TOTO Water Environment Fund, TOTO Acorn Reforestation Project and Eco School for Parents and Children.

It is people who are the driving force behind each of these environmental activities. To this end, TOTO works to strengthen relationships with partner companies, industrial groups, government and other parties and to foster people with high environmental awareness. At the same time, we constantly communicate the importance of reducing environmental loads through our products and services and are extending the reach of our activities from TOTO to the whole of society.



TOTO

For Comfortable Living and a Comfortable World

Now 2

Shifting from remodeling to green remodeling, TOTO aims to further innovate our remodeling business on the back of initiatives under TOTO GREEN CHALLENGE.

TOTO's "green remodeling" initiative is a promise to provide customers with new lifestyles that exceed expectations by taking home improvement and reform one step further. This program aims to create earth-friendly and human-friendly homes. To this end, TOTO has joined forces with Daiken Corporation and YKK AP Inc. based on three concepts: "healthy living," "a sturdy home" and "CO2 reduction." These three companies are working together to create "more comfortable living and a more comfortable world" that realize new lifestyles and the aspirations of each customer.

At our 102 TOTO showrooms nationwide, experienced and knowledgeable advisors propose comfortable ways of living suited to the lifestyle of each person. In July 2010, TOTO, Daiken and YKK AP opened the first collaboration showroom in a metropolitan area in Osaka (Umeda). This unified showroom proposes diverse living spaces and provides the latest information on green remodeling.

In fiscal 2010, we held Green Remodeling Fairs in major cities throughout Japan in conjunction with Daiken and YKK AP. The fairs included a life-size home layout to propose comprehensive remodeling, different zones showing living spaces pre- and post-remodeling, and a section providing useful information on remodeling. These events also introduced the value and functions of various products including a water-saving toilet and super insulated



bath, which are included in the Japanese government's new ecopoint system for housing.

TOTO Remodeling Club Stores, which form one of the largest remodeling and construction networks in Japan, provide comprehensive support to customers, from proposing remodeling plans to construction, equipment repair and after-sales service, acting as TOTO's community-based partners for green remodeling.

A diagnostic system is highly useful in making it easier to visualize the value of green remodeling. The system diagnoses a current living space and evaluates how "green" the dwelling is. In light of results, TOTO provides a remodeling proposal for comfortable, safe and earth-friendly living that fits with the desires and lifestyle of the customer. Graphs and figures show the current status of a customer's home and the potential benefits of green remodeling, while also pinpointing areas requiring remodeling and the details for such remodeling, as well as the benefit of reduced costs. This enables customers to get a broad overview at a glance and examine the contents of the proposal with a sense of reassurance.

TOTO seeks to create better living spaces that enable people to dwell with peace of mind. We also aim to realize lifestyles that are both human-friendly and earth-friendly. TOTO will continue offering comfortable, eco-friendly products for our customers' daily lives.



TOTO

Remaining Indispensable to Customers around the World

Now 3

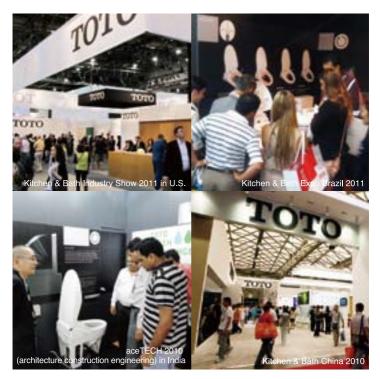
Plumbing products are closely related to people's lives. TOTO proposes enriched, comfortable and eco-friendly living to the world while rooting itself in the local communities of different countries and regions.

TOTO has devised "TOTO V-Plan 2017," a long-term management vision which got underway in 2009. Within this framework, TOTO declared our aim to be a "truly global company" with the overseas housing equipment business as a key pillar of growth.

We do not merely view other countries and regions as production sites and markets. Instead, we seek to put down roots in the areas in which we operate as a corporate citizen and contribute to the enhancement of lifestyles and cultures. We always stay true to our company mottos of "Quality and Uniformity," "Service and Trust," and "Cooperation and Prosperity." We will also contribute to resolving global water shortage issues and reducing environmental loads, two of the targets of TOTO GREEN CHALLENGE. We aim to be a company that remains indispensable to customers in respective countries and regions through these initiatives.

TOTO's overseas housing equipment business is based on a Five-Polar global structure that encompasses Japan, China, the Americas. Asia/Oceania and Europe.

In recent years, we have addressed local needs in the Chinese market, the key growth driver of our overseas housing equipment business, including drought issues and demand for sanitary toilets, while providing total coordination of plumbing areas with high technological expertise and environmental friendliness. As a result, TOTO has established a position as a sought-after luxury brand in China.



The cleansing capacity of TOTO's sanitary ware is highly regarded in the United States, where many cities suffer from water shortages and the Energy Act restricts toilet flushing to less than 6 liters per flush. This has enabled TOTO to build a strong market presence.

In the European market, where the trend toward integration of design and functionality is taking hold, we are promoting both environmental friendliness and comfort that leverages TOTO's technological expertise. We will proactively release functional products such as the Washlet along with other restroom products, and make proposals for the entire bathroom area in Europe. Through these efforts, we are creating new demand in a mature market.

We enter new markets with a view to establishing a sales network and local production based on the market conditions in each country. In January 2011, we set up subsidiaries in Brazil and India.

Each regional strategy has one thing in common: Our stance of placing importance on interaction with local people and understanding respective lifestyles and cultures and needs. We promote the use of local personnel in overseas group companies. We are also seeking to create long-term ties with local communities through such efforts as setting up showrooms in different parts of the world and actively participating in major exhibitions in each region, including Europe, China, the United States, India, Vietnam, Taiwan and Brazil.

TOTO Group Corporate Philosophy

The TOTO Group strives to create a great company, trusted by people all around the world, and contributing to the betterment of society. To achieve our philosophy,

TOTO will:

- Create an enriched and more comfortable lifestyle and culture built on our plumbing products.
- Pursue customer satisfaction by exceeding expectations with our products and services.
- Provide high-quality products and services through ongoing research and development.
- Protect the global environment by conserving finite natural resources and energy.
- Create an employee-friendly work environment that respects the individuality of each employee.

Missions



TOTO's products are used daily by a diverse array of people. That's why we've been contemplating easy-to-use design for over 30 years, delivering products and creating spaces that are safe, comfortable and fun for all ages and regardless of physical mobility.

The specialized Universal Design Research Center promotes human research and pursues new heights in user-friendliness every day. This is what TOTO refers to as universal design.

TOTO—Universal Design in Everyday Living



TOTO's products are used daily by a diverse array of people. This inevitably has an impact on the environment, both positive and negative. While ensuring a comfortable living environment, TOTO aims to protect the natural environment as well.

For that reason, development focuses on waterconserving and energy-saving products, as well as environmental technologies, such as photocatalyst technology, that support healthy, green living. TOTO has set its own targets for reduction of environmental loads in all business activities from manufacturing to logistics and sales.

TOTO—For the Earth and Living in Harmony with the Environment



TOTO's products are used daily by a diverse array of people. All of them are designed to be used for a long time. That's why TOTO does more than just sell; we forge life-long bonds. Apart from superior after-sales service, TOTO proposes new lifestyle value beyond expectations in accordance with each lifecycle. Making full use of showrooms and a remodeling network has enabled strong relationships with customers.

Thus, it is these personal bonds that can make your future more comfortable.

TOTO—Bonds that Exceed Service

TOTO in ACTION

The Great East Japan Earthquake: Initiatives and Recovery Efforts

The TOTO Group suffered damage to some factories as well as logistics and sales offices due to the Great East Japan Earthquake. TOTO Fine Ceramics Ltd. near the Fukushima nuclear power plants has halted operations. Accordingly, we will build new facilities within the Ibaraki Plant of TOTO Washlet Techno Ltd. to cover production of certain products and consign other areas of production to affiliate companies. Despite immense damage to buildings and equipment, we have already resumed operations and business at the Ibaraki Plant, the Chiba Distribution Center and at TOTO Tohoku Sales Ltd. and its showroom

The TOTO Group, including overseas companies, has donated ¥100 million to the areas affected by the disaster and hopes for the swift recovery of all those affected. An additional ¥18 million has been donated voluntarily by current and retired employees. We have also donated ¥1 million to Sakuragawa, where the Ibaraki Plant of TOTO Washlet Techno Ltd. is located, and ¥1 million each to Naraha-machi and Tomiokamachi, where TOTO Fine Ceramics Ltd. has facilities.

Remaining challenges include power supply shortages in summer. Since the power shortages affect people's daily lives, we took measures at our plants in western Japan including setting up new production lines and resuming operation of inactive lines. In addition, we are switching to energy-saving lighting and air conditioning for the entire company, and we will install self-powered generators and shift operating hours at plants. The TOTO Group is thereby trying to lessen the burden of the power shortages in the Kanto and Tohoku regions.

We will do whatever we can throughout the TOTO Group to bring about the swift restoration of areas affected by the disaster and meet the requirements of all of our customers.

Bonds with Customers

TOTO products can be used for many years in daily life. For that reason, TOTO wants to preserve a lifelong relationship with our customers and constantly seeks to deepen bonds with them and make every day into a more comfortable tomorrow.

Deepening Our Bonds with Customers through Continuous Interaction

We are not only connected to customers through our products but also seek to provide satisfaction beyond expectations via various means of customer interaction initiatives. As one example, TOTO showrooms allow customers to experience our products firsthand while providing them with concrete images of comfortable lifestyles. Showrooms also foster exchanges with customers to deepen ties. Fairs and other events held in collaboration with Remodeling Club Stores aim to make showrooms into community spaces where customers and the general public feel right at home.

In addition, TOTO holds Factory Remodeling Fairs at our 22 factories throughout Japan where customers can view the manufacturing process and experience the latest products firsthand. In the past two years the 62 fairs staged have seen over 110,000 visitors.



Cooking class trying out a TOTO kitchen



Factory Remodeling Fair

TOTO's Concept of Manufacturing

TOTO's products are used daily by a diverse array of people. Because they are products used by customers throughout the world in their daily lives, TOTO's concept of manufacturing is to consider both end users and the environment.

Focusing on Ease-of-Use So That Everyone Can Use Our Products

The concept of Universal Design (UD) has been integral to our research and development program for over 40 years since a diverse range of people use TOTO products on a daily basis. As an example, in our product catalogs issued in the 1970s we introduced different ways of using our toilets suited to individual needs via illustrations, developed through observation of various monitors used on wheelchairs at the research and development stage.

The TOTO Universal Design Research Center established in 2006 aims to create products that are safe, comfortable and easier to use through repeated dialogue between product developers and customers as well as observation and examination.

Going forward, these kinds of products which correspond to an aging society will become increasingly sought after. TOTO will continue using the design concepts of our predecessors with the aim of being the company chosen by customers.



Various observations and examinations at TOTO Universal Design Research Center

Deploying Our Technologies to Contribute to Better Living Environments

In areas besides plumbing-related products, TOTO executes various initiatives aimed at creating business in new domains by leveraging "Only One" technologies. One of these technologies is Hydrotect, an air purification technology that uses a photocatalyst to clean the environment and living spaces through the power of sunlight and water, TOTO was the first in the world to succeed in the practical application of this technology, where exposure to sunlight makes the photocatalytic layer resolvent and hydrophilic (non-water repellent), offering the benefits of air purification by eliminating pollutants such as nitrogen oxide (NOx) and a self-cleaning property to keep the external surfaces of buildings clean. TOTO contributes broadly to environmental protection in Japan and around the world in many ways, including expanding the application of Hydrotect to our own products such as paints, tiles and building materials, and together with partner companies, aims to expand the use of Hydrotect via a broad range of building materials.



A shopping center in the Netherlands using Hydrotect tiles



Hydrotect website http://www.toto.co.jp/ hydrotect/top01.html

Realizing TOTO Quality

TOTO quality is born from an ability to take a customer perspective along with a strong determination to ensure top reliability. We will continue to maintain quality throughout the product lifecycle, from design to manufacturing and after-sales service.



Sanitary ware product inspection

Creating Products that Ensure Peace of Mind and Reliability

TOTO believes its mission is to provide customers with products that can be used safely and with peace of mind. To this end, the TOTO Group implements various quality assurance programs under an integrated quality management system based on ISO 9001 standards in order to supply products that customers can use with reassurance.

Each TOTO Group employee undergoes training to increase awareness and knowledge of safety, including training on pertinent laws and ordinances in Japan and overseas, beginning with the Consumer Product Safety Law, and on related technical standards. Besides this, to enhance quality management in company-wide processes from the product planning stage to delivery, we have set voluntary action guidelines related to product safety and seek to enhance awareness of product safety in every corner of the TOTO Group.



Maintaining "Quality and Uniformity" as one of our company mottos

Utilizing Customer Feedback to Further Raise Product Quality

We aim to attain a level of satisfaction in our products and services that exceeds customer expectations. TOTO makes full use of customer feedback as the starting point in product development and quality management. The Customer Division promptly sorts various feedback from customers, such as opinions and requests from user questionnaires and the Customer Consultation Center, and uses and shares this information internally.

We convene meetings to hear customer opinions that are attended by managers in charge of the Customer Consultation Center and by managers in charge of product development and production. The customer feedback provided through these meetings is used in new product development and product improvement.



A call center



Inproving maintenance techniques



Training on after-sales service at Taiwan TOTO Co., Ltd.

Delivering High-Quality After-Sales Service

We consider "TOTO quality" to include not only product assembly but also maintenance in case a problem arises. To realize high-quality after-sales service, we conduct training sessions and improve maintenance techniques. We also educate staff on appropriate manners when visiting a customer's home to make repairs, which is another key component of "TOTO quality."

Swift Disclosure of Information

In case of an accident caused by a TOTO product, or indications that one may occur, we gather information quickly from customers and other relevant sources and cooperate with outside sales agents to promptly disclose key information and make the necessary response. If a major incident occurs, we swiftly announce the information publicly and recall the product to minimize impact. The cause is then thoroughly investigated to prevent recurrence and make future improvements.

Important Announcements Released in Japan



In certain direct-pressure kerosene water heaters (TOTO sales brand name: High Acty Series) manufactured from May 2000 through August 2004, there have been instances of kerosene leaks and malfunctions due to a defective kerosene seal for the pipes. In September and November 2008, TOTO announced this information in newspapers and via our website. We offer inspections and component replacements for these models free of charge.



It has been discovered that for **table top dishwasher-dryers** manufactured from September 2000 through March 2005, there could be the rare occurrence of smoke-related accidents, possibly even damaging the lower covering of the dishwasher-dryers, caused by heat generation from an electrical power connector mounted on a substrate. In February 2008, TOTO announced this information in newspapers and via our website. To prevent any accidents, we conduct inspections and repairs of the relevant part free of charge.



It has been learned that in one-piece toilets with integrated Washlet manufactured from March 1999 through December 2001, contact failure involving internal contacting components occurs that could possibly cause some plastic tanks to emit smoke or ignite. In April 2007, TOTO announced this information in newspapers and via our website. To prevent any accidents, we conduct inspections and repairs of the relevant part free of charge.

Commitment to the Environment

Our traditional environmental activities were provided further impetus with the introduction of TOTO GREEN CHALLENGE, which focuses on the three core areas of products and services, manufacturing and social contribution, all of which are underpinned by human resources development.

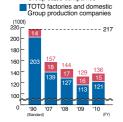


Air in Shower realizes both comfort and water-savings by combining air with water.

"Products and Services" Initiatives

Plumbing-related products are used daily by a diverse array of people. That means even minimal usage daily is cumulative in nature and can have a major impact on the environment. TOTO works to develop technologies that enhance the environmental performance of our products and services in order to place greater importance on limited resources and energy while ensuring the enrichment of customers' lives.

■ CO₂ Reductions at Domestic Group Companies ■ TOTO branches and domestic Group sales companies



TOTO used a CO₂ conversion factor for calculating electric power of 0.378kg-CO₂/kWh in accordance with the Law Concerning the Promotion of Measures to Cope with Global Warming. Estimates are utilized for certain past data.

"Manufacturing" Initiatives

We are a variety of environment-conscious measures and reduce CO₂ emissions such as enhancing production equipment and conserving energy at company sites, and introducing high-efficiency lighting that greatly reduces CO₂ when reforming showrooms nationwide. We are continuing activities and have set a higher target of a 45% reduction in CO₂ emissions by 2017 (versus fiscal 1990 level).



Activities for the TOTO Acorn Reforestation Project

"Social Contribution" Initiatives

TOTO aims to promote our own environmental contribution activities together with the community from the perspective of biodiversity.

The TOTO Water Environment Fund was established to support non-profit organizations (NPOs) and civic groups with their water-conservation efforts. TOTO Group employees also participate in various activities.

For the TOTO Acorn Reforestation Project, TOTO Group employees pick up acorns, nurture these at the factory or their homes and plant the saplings in the forest with help from local communities. An Eco School for Parents and Children has been created at TOTO showrooms nationwide. Participants can learn about the environment in a fun way via a board game called "Green Life Game." Also, the TOTO Environment Book is distributed.

From fiscal 2011, TOTO changed the name of volunteer activities that contribute to the environment to "Green Volunteer" initiatives. We also promote participation of employees and strive to deepen interaction with local citizens.



Eco School for Parents and Children

TOTO Human Resources Development

We promote diversity, nurture and effectively utilize human resources, and encourage a good work-life balance so that everyone in the TOTO Group can work to maximum potential.



Step-up training session for women

Promoting Diversity So That Everyone Can Reach Their Full Potential

The TOTO Group respects the individuality of our diverse human resources, who differ in such respects as age, gender and nationality. We are creating prosperous and comfortable lifestyles by leveraging the fresh new ideas born from these differences.

TOTO is undertaking wide-ranging diversity activities built on the three key focus areas of women, persons with disabilities and foreign national employees. In addition, we have set up a rehiring system for retired workers over the age of 60 as well as an "employment status step-up" system for temporary and contract workers with the main aim being to increase the skill level and know-how of our human resources.

In addition, we aim to foster human resources who can think and act on their own. For that purpose, we clarify the knowledge and skills required for a specific qualification and provide employees with the opportunity to reach their full potential by their own initiative based on a particular career path.



Showing customers around at a fair with a smile

Creating an Employee-Friendly Work Environment

The TOTO Group believes that striking a balance between work and home life by enabling every employee to adjust work hours will lead to an increase in productivity and motivation. We are also devoting efforts to supporting occupational safety and health to create environments where employees can work with a sense of reassurance.

In promoting a good work-life balance, we encourage people to take paid holidays and promote days with no overtime, while also advancing a flexible shift system, including childcare leave and shortened working days, to help employees with child rearing. We also support employees to take leave to care for a family member in need of nursing care.

We are strengthening support for the physical and mental well-being of employees through collaboration with occupational health physicians, health professionals and mental health practitioners at each business site in providing various types of health management services as well as through activities to enlighten employees on health issues.

We also seek to eliminate work-related accidents by working to increase awareness in terms of work operations and stop unsafe work practices and conditions. We continually raise safety awareness and enhance safety measures throughout the Group.



Training for managers and supervisors indentifying mental health issues

Stakeholder Engagement

TOTO considers the concept of stakeholder engagement to be vital in building relationships of trust with stakeholders and to facilitate cooperation. By doing so, we aim to improve society for generations to come.



TOTO was selected for the Dow Jones
Sustainability Asia Pacific Index (DJSI Asia Pacific) for the second consecutive year. This is an index for Socially Responsible Investment (SRI) that selects companies with an exceptional track record in three areas: economic, environmental and social.

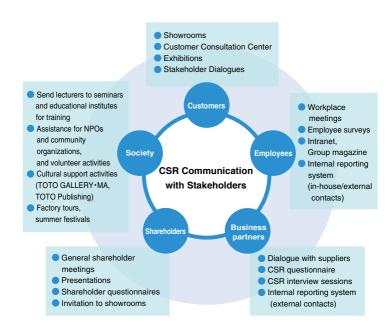
Striving to Be a Company That Is Indispensable to All People

The TOTO Group views communication with all stakeholders, including customers, employees, shareholders, business partners and society, as extremely important and constantly endeavors to strengthen relations.

To deepen interaction with customers, we communicate with them through various occasions, such as events at our showrooms, factory tours and summer festivals. We always attempt to have open and frank discussions with our business partners through dialogue with suppliers and CSR forums. The Company also seeks to disclose appropriate information in a timely manner to shareholders, as well as offers invitations to factory tours and showrooms to gain an understanding of TOTO's monozukuri (spirit of manufacturing). TOTO holds Stakeholder Dialogues in various areas as a means to deepen their understanding of TOTO's CSR efforts, as well as hear their opinions and indentify issues to be addressed.



Stakeholder Dialogue



Coexistence with the Local Community

The TOTO Group believes in the importance of coexistence with the local community and conducts activities that contribute to the local environment, social welfare, and life and culture. We also release and exchange information on architecture, design, plumbing and lifestyle.



TOTO Publishing website (Japanese) http://www.toto.co.jp/ publishing/index.html

TOTO GALLERY·MA
TOTO Nogizaka BLDG
3F,
1-24-3 Minami-Aoyama,
Minato-ku, Tokyo
107-0062
http://www.toto.co.jp/
gallerma/about/index_e.
htm

For Life and Culture

TOTO GALLERY·MA and TOTO Publishing Cultivate the Culture of Architecture and Design

TOTO GALLERY·MA specializes in exhibitions on architecture and design. Since opening in 1985, the gallery has sought to transmit information of the highest quality, conveying the ideas and philosophies of architects and designers from around the world. In October 2010, the gallery held an event entitled "GLOBAL ENDS" featuring seven architects from around the world. Many people visit the gallery, not only architects and students training to be architects, but the general public as well. In this manner, we are proud to contribute to broadening the horizons of architecture and design culture.

TOTO Publishing publishes books made from a unique perspective covering topics such as architecture, design and lifestyle culture.



Event marking the 25th anniversary of the gallery entitled "GLOBAL ENDS"

TOTO History Museum Introduces the History of Plumbing Culture

The TOTO History Museum within the Company's headquarters premises displays sanitary ware from the Taisho to Showa eras, products used in the national parliament building, as well as the original Washlet and eating utensils. More than 40,000 people from around the world, including many specialists, have visited the museum to date. Sanitary ware and eating utensils belonging to the museum were approved as part of the Heritage of Industrial Modernization stipulated by the Ministry of Economy, Trade and Industry in February 2009 due to their importance to the history of the modernization and development of Kyushu's ceramics industry.



TOTO History Museum 2-2 Kifune-machi, Kokurakita-ku, Kitakyushu City, Fukuoka Prefecture 802-0073 http://www.toto.co.jp/ company/profile/museum/ (Japanese)

Coexistence with the Local Community



TOTO Cup International Junior *Go* Championship

Support for Cultural Activities Connecting with the Local Community and Overseas

TOTO supports international cultural activities mainly in Kitakyushu, the home of its headquarters. Besides sponsoring the TOTO Cup International Junior *Go* Championship to spread the game of *go* and promote the sound development of children and international exchange, we also sponsor the TOTO Kitakyushu International Music Festival which attracts top artists from Japan and internationally.

TOTO Athletics Club

Members actively take part in various sports events and provide coaching to children at neighboring schools.



TOTO summer festiva

With the Local Community

To express its gratitude to local citizens for their patronage, TOTO holds summer festivals and cleanup activities at its factories in Japan every year.



Research Group on School Toilets website (Japanese) http://www.school-toilet. jp/index.html

Research Group on Medical Facilities Toilets for Patients' Rest and Relaxation (Japanese) http://hospitalty-toilet.jp/

For Social Welfare

Activities for Improving the Restroom Environment

As a company engaged in the restroom domain, TOTO participates in activities such as the research groups on toilets for schools and medical facilities to improve the restroom environment

Volunteer and Fundraising Activities

TOTO has set up a volunteer leave system to support employees' volunteer activities.

TOTO Group workers and employers joined forces through fundraising activities and donations when the Great East Japan Earthquake struck in March 2011.

Corporate Profile (as of March 2011)

Company name: TOTO LTD.

Establishment: May 15, 1917

Capital: ¥35,579 million

Headquarters: 1-1, Nakashima 2-chome, Kokurakita-ku,

Kitakyushu, Fukuoka, Japan

Number of employees: 24,159 (consolidated)

8,217 (non-consolidated)

Group companies: 70 companies (62 consolidated subsidiaries)

Main businesses: Housing Equipment

Sanitary ware (toilet basins, urinals, sinks,

washbasins, etc.),

system toilets, toilet seats (e.g., Washlet),

plumbing accessories, etc.
Bathrooms, System bathrooms,

fittings (various faucets, drain fittings, etc.)

Modular kitchens, vanity units,

Marbright artificial marble counters, etc.

Bathroom ventilation,

heating and drying systems, welfare equipment, etc.

New Business Domain Products

Eco-friendly materials (tiles, Hydrotect coating

materials, etc.),

ceramics (precision ceramics, optical communication components, etc.)

TOTO Group Global Network (26 overseas consolidated subsidiaries and affiliates)



