

TOTO

100th
ANNIVERSARY



TOTO Guide 2017

Life Anew

To create a culture of comfortable, healthy living.

Since our founding, we have continuously pursued innovations that offer greater wellness and comfort to daily life.

Honoring the trust that our customers and society place in us, TOTO remains dedicated to delivering products that offer inclusive functionality and respect for the environment.

We embrace these values every day to create a future that surpasses all expectations.

100 Years

COMPANY HISTORY

1917
Established Toyo Toki Company, Limited

1962
Formulated Company Mottos

1970s

1970
Changed corporate name to TOTO KIKI LTD.

Focuses business on new housing

1980s

1977
Established TOTO's first overseas joint venture company, in Indonesia

Embarks on business development in China and other parts of Asia

1990s

1993
Remodeling Declaration

Embarks on business development in the Americas

1993
Launched the NEOREST EX



1995
Discovered photocatalytic super-hydrophilicity (TOTO and the University of Tokyo)



1988
Started mass production of electrostatic chucks



1980

Launched WASHLET™ (toilet seats with a warm-water washing feature)



1985

Launched the Shampoo Dresser (bathroom vanity suited for washing hair)



1976

Launched CS series water-saving, noise-reducing toilet



1963
Developed construction method for Japan's first prefabricated bathroom modules (based on JIS provisions)



1981
Launched the modular kitchen design



1914
Successfully developed Japan's first seated flush toilet



1946
Began faucet production



1968

Launched bathroom vanity units



PRODUCTS AND TECHNOLOGY

Cultural and Other Activities

1985
Opened GALLERY-MA

1989
Founded TOTO Publishing

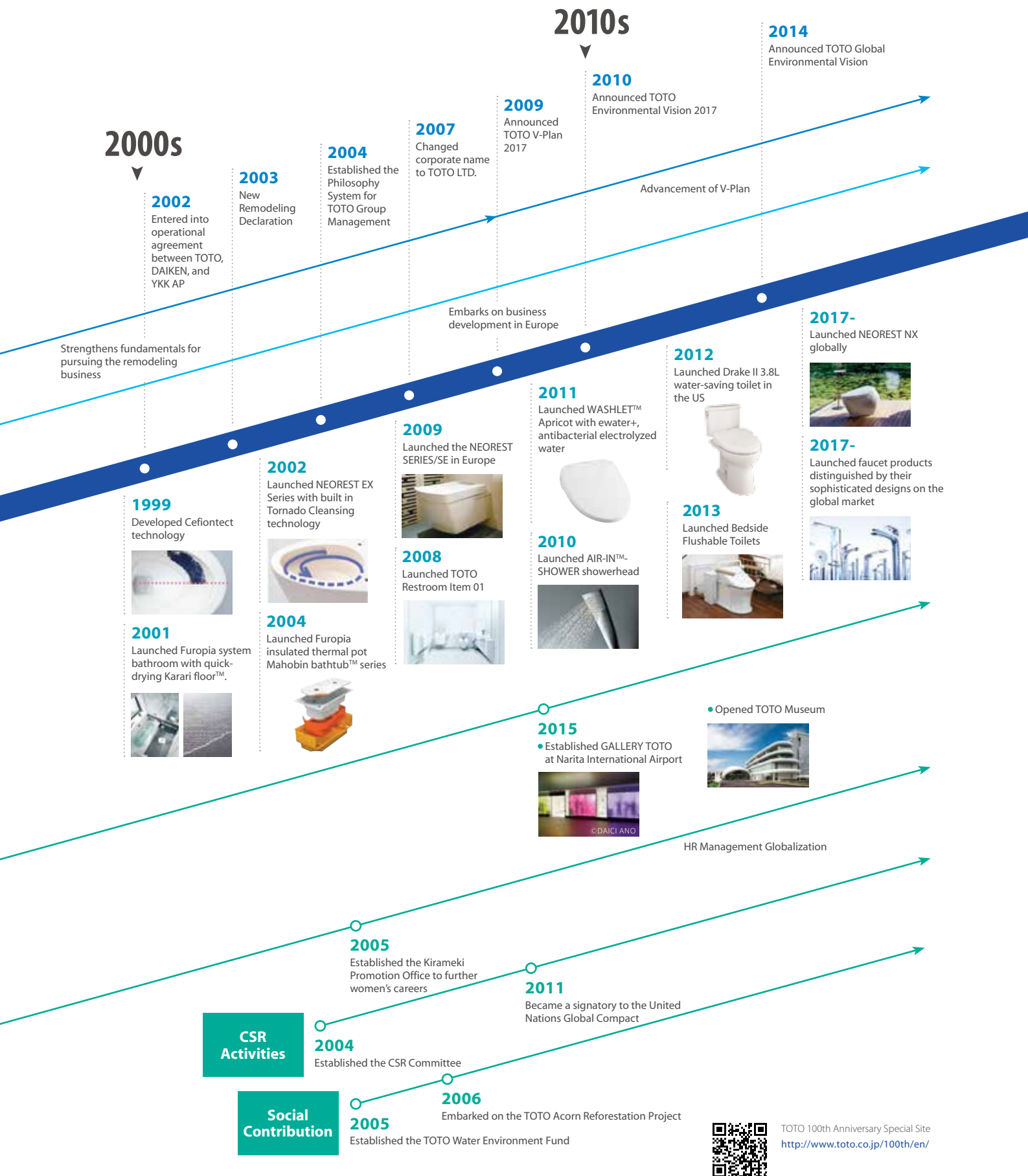


BUSINESS PROMOTION RESOURCES

Diversity

1993

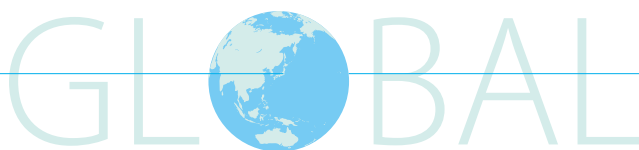
Established SUNAQUA TOTO LTD. to provide a comfortable work environment for people with disabilities



Businesses of TOTO

Global Housing Equipment Business

JAPAN



CHINA & ASIA
AMERICAS & EUROPE

Japan Housing Equipment Business

The TOTO Group was manufacturing seated flush toilets at a time when public sewage systems were not yet widespread in Japan, and it has been instrumental in promoting healthy lifestyles. The TOTO Group has opened the door to new lifestyles by creating products such as the WASHLET™, the prefabricated bathroom module, and other bathroom and kitchen plumbing products.

China & Asia Housing Equipment Business Americas & Europe Housing Equipment Business

Our first move overseas was in 1977, when we entered the Indonesian market. Over the next 40 years we extended our network into many other markets around the world. In pursuing business development on a global scale, we are striving to enhance the comfort, hygiene, safety and security of bathroom and kitchen spaces throughout the world by working to develop products that bring a new sense of prosperity to the daily lives of customers in countries and regions each with their own unique environments and cultures.

Main Products in Japan



Toilets



WASHLET™ (toilet seats with a warm-water washing feature)



Prefabricated bathroom modules



Modular kitchens



Bathroom vanity units



Faucets



Toilets



WASHLET™ (toilet seats with a warm-water washing feature)



Faucets



Washbasin



Bathtubs

New Business Domains

Advanced Ceramics Business

TOTO provides high-quality advanced ceramics, including air bearings, electrostatic chucks, bonding capillaries and receptacles, for the semiconductor, FPD manufacturing and optical communications industries.



Electrostatic Chucks

Used in equipment to manufacture semiconductors for smartphones and personal computers

Green Building Materials Business

TOTO offers building materials utilizing HYDROTECT, an environmental purification technology. TOTO also enters into license agreements and technology transfer contracts with companies worldwide handling exterior building materials (including tile, paint, metal panels, glass, and architectural stone).



HYDROCERA WALL



Used as house building materials

TOTO's Mission

The TOTO Group celebrated its 100th anniversary in 2017.

To ensure we secure and retain the trust of customers and society as a whole, we have formulated a new mission with three key elements.



Global Environmental Vision

We will implement our Global Environmental Vision to support the new mission.

Water, Earth & a better Tomorrow

At TOTO, we're committed to improving life and the environment for a thriving future. Our production processes and products save water and energy, while reducing impact on the environment. We provide cleanliness and comfort while building relationships that enrich life. **Water, Earth & a better Tomorrow** All our group companies are dedicated to building a healthier and more sustainable tomorrow.



TOTO's Mission

Provide Cleanliness



Technologies that Keep Toilets Clean and Pleasant

TOTO has refined its manufacturing technology over the last hundred years. To create hygienic and pleasant toilet spaces for our customers, we have developed a range of clean technologies unique to TOTO, such as ewater+, Cefiontect dirt-resistant glazing, the Tornado Flush system and rimless design. Together, these technologies remove bacteria, prevent the buildup of dirt and make cleaning easier, resulting in toilets that are not only resistant to dirt and easy to clean, but also achieve new heights in hygiene by effectively cleaning themselves.



ewater+

Keeps water clean by removing bacteria, which can cause darkening of the toilet bowl



Cefiontect

A special glaze applied to the enamel ensures all waste matter flushes away



Rimless Design / Tornado Flush System

Rimless toilet bowls and a whirlpool-like flush mean toilets are thoroughly cleaned every time

and Comfort for Life

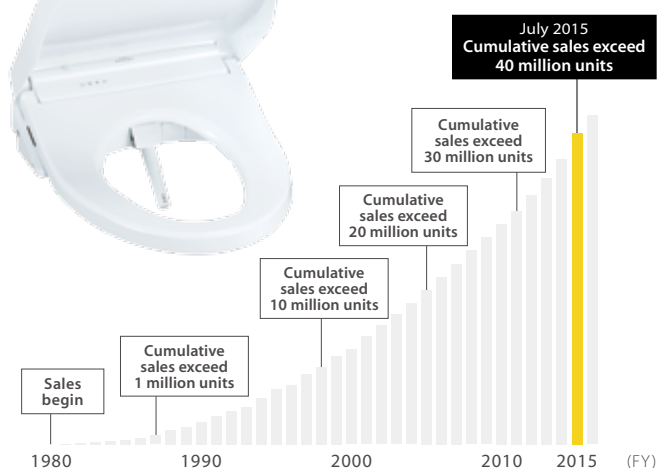
Pleasant feeling for everyday use.

Our products are part of life, providing revolutionary cleanliness and comfort for a thriving future.



WASHLET™ – Gaining Popularity throughout the World

Launched in 1980, the WASHLET™ singlehandedly changed how people use toilets in Japan. After launching in Japan, WASHLET™ products were introduced to the U.S. market in 1986. With a focus on having these products adopted by luxury hotels in countries throughout the world, sales activities have been expanded to China, Asia and Oceania, and Europe. As a result, cumulative WASHLET™ shipments exceeded 40 million units globally as of July 2015. Today, sales of WASHLET™ products continue to grow on a global basis.



TOTO's Universal Design

The key principle of universal design at TOTO is to make products as easy and pleasant to use as possible for as many people as possible. The starting point for universal design at TOTO is to define what "easy to use" and "pleasant" means. To that end, we have set out TOTO's Five Principles of Universal Design, which employees always keep in mind to help them develop better products and improve product ideas.

TOTO's Five Principles of Universal Design

- 1 Easy posture and movement
- 2 Simple, easy to understand operation
- 3 Coordination to address differences and changes in users
- 4 Comfort
- 5 Safety



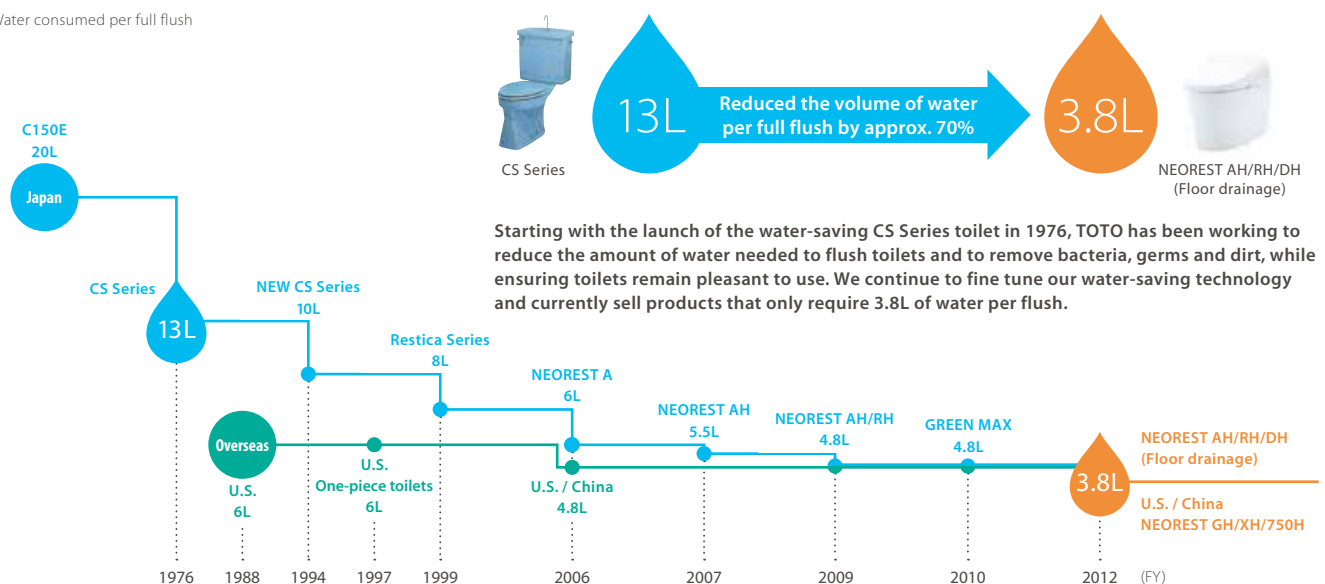


TOTO's Plumbing Equipment Products Help to Protect the Environment

The depletion of water resources is a serious global issue that TOTO has a duty to help solve as a supplier of bathroom and kitchen plumbing products. By promoting water-saving products, we succeeded in reducing water used by our products by 740 million m³ in fiscal 2016, as compared to what usage would have been had products available in 2005 continued to be sold and used, without the subsequent development of better performing products. At 79% of shipments in Japan and 68% of shipments overseas, water-saving toilets (those that use 4.8L or less per use) are steadily growing as a percent of total unit sales.

Water-Saving Performance of Toilets

* Water consumed per full flush



the Environment

Respect for water, earth and living.

We are a socially conscious business committed to preserving the environment for our children.

What TOTO Can Do to Protect the Global Environment

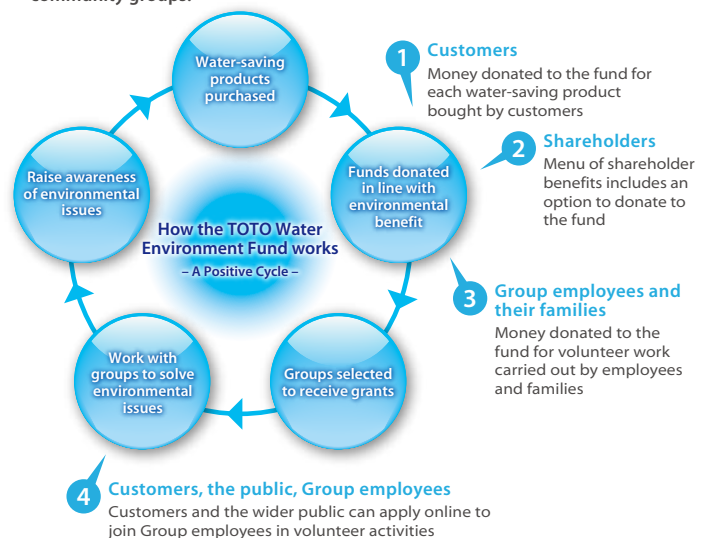
Through the TOTO Water Environment Fund, which was established in 2005, we provide grants for activities such as protecting water sources, water quality, and biodiversity. These activities are organized by various groups, and we encourage our employees to participate as volunteers in their activities and in activities organized by local citizens. In fiscal 2016, the TOTO Water Environment Fund provided an overall sum of ¥15.56 million in financial support to a total of 24 organizations, including for the first time an overseas group (in India). Through the TOTO Water Environment Fund, we also undertake activities such as installing wells for supplying safe drinking water to help create sanitary and comfortable living environments for people in various parts of the world.



Example of activities performed by Bridge for Lives in Mozambique, an organization supported by the TOTO Water Environment Fund

The TOTO Water Environment Fund

TOTO recognizes that it needs to develop water-saving technologies to support the sustainable development of society based on the effective use of precious water resources. NPOs and other community groups also have a vital role to play. Based on that thinking, TOTO established the TOTO Water Environment Fund in fiscal 2005 to support environmental activities led by community groups.



TOTO Water Environment Fund 1st to 12th grant assistance total

Approx. **¥300** million

Build Relationships



Together with Customers

The TOTO Group is upgrading its showrooms, remodeling network and after-sales services to further improve satisfaction for all customers. We are also using our network of directly managed showrooms overseas to highlight and explain our unique technologies to customers in international markets.



Customer Consultation Centers

Customers can visit these centers to ask questions about our products or to get a rapid response to any inquiry. We use feedback from customers in product development and to improve existing models.



After-sales Service

We provide maintenance and repair support 365 days a year to ensure our customers can use our products safely with peace of mind.



Remodeling Network

Our system of approximately 5,000 TOTO Remodel Clubs provides customers with general support for their remodeling projects, from design proposals right through to construction work.



Showrooms (Japan)

TOTO has 100* showrooms in Japan, giving customers the opportunity to see, touch and experience our products for themselves.
(*As of October 2017)



New York
(opened September 2016)

Showrooms (Overseas)

TOTO has 14* directly managed showrooms in China, other markets in Asia, Americas and Europe.
(*As of October 2017)



Ho Chi Minh
(opened November 2016)

that Enrich Life

Establishing relationships with customers to improve lives every day.

Every day we strive to improve the customer experience and build relationships that last generations.



TOTO Technical Center Bangkok

Building a Better Future

To help build a better society for the future, TOTO contributes to local communities through architecture, art, sports and other activities.



TOTO Museum



Promoting architectural culture
TOTO GALLERY-MA (left), TOTO Publishing (right)



Creating a Collaborative Society

We encourage employees to participate in volunteer activities across a wide range of fields, including Green Volunteer social contribution activities such as tree-planting and community cleanups.

Volunteer activity participants in fiscal 2016:

49,300



TOTO employees cleaning beaches in Vietnam

In human resources management, the TOTO Group respects the individuality inherent in a workforce that embodies diversity along lines such as age, gender, and nationality. We promote diversity based on our belief that it gives rise to fresh, new ideas that can further our desire to create prosperous and comfortable lifestyles.

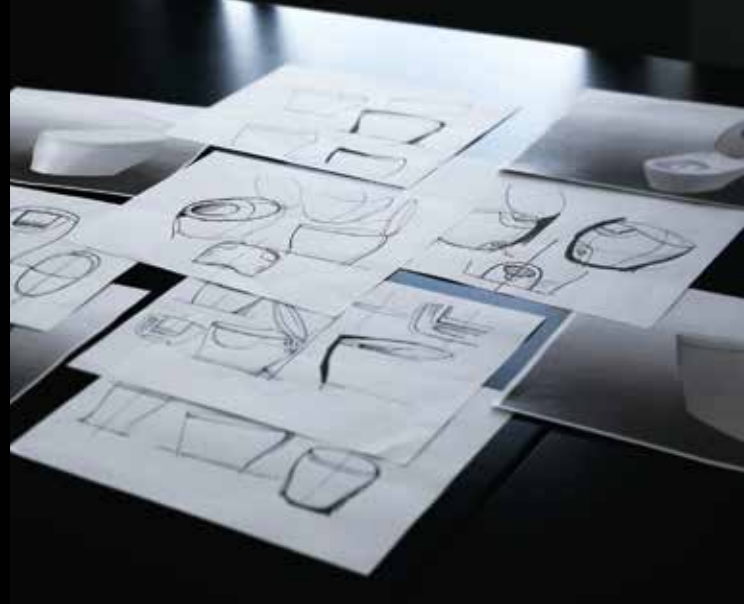
Strengths of TOTO

Committed to Design

Design that is understated yet perfectly in tune with the user. In developing products, TOTO has been steadfast in its pursuit of beautiful design that harmonizes perfectly with various types of spaces, while also delivering outstanding quality and functionality.

Our latest NEOREST NX product embodies our focus on the use of curves to accentuate the beauty of ceramic sanitary ware, and our desire to create a product with an artistic aura. This product represents countless rounds of examination to ensure outstanding functionality, without compromising design, and painstaking efforts to eliminate unnecessary surface elements and spaces. In the end, we created a design conceding nothing at an overall or detailed level.

The result of this beautiful combination of cutting-edge technology and design is what TOTO, a company that has been making ceramic sanitary ware for over a century, believes is the ultimate in toilet design.



Design and Functionality



Adding Functionality to Augment Beautiful Design

Incorporated in the beautiful design of the NEOREST NX are technologies for maintaining the appearance of the product and ensuring that it will provide users with the expected comfort over the long term. In combination, TOTO's revolutionary Tornado Flush System and rimless design, proprietary Cefiontect dirt-repelling technology and ewater+ achieve new heights in removing bacteria, preventing the buildup of dirt, and easing cleaning.



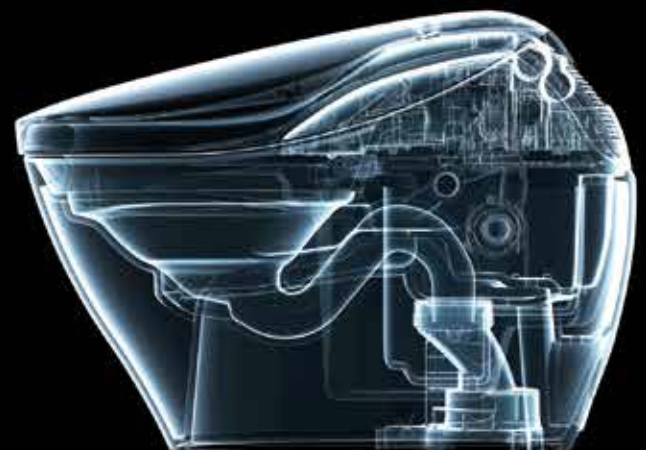
Tornado Flush System



ewater+



Ordinary ceramic toilet Cefiontect





International Sanitary and Heating 2017 fair held in Frankfurt, Germany

Offering New Value to Customers

To offer the WASHLET™ and other TOTO products to customers throughout the world, we participate in international trade shows spotlighting bathroom and kitchen plumbing fixtures and housing equipment. These events are held in various countries across the globe.

Recently, we have participated in the International Sanitary and Heating (ISH) 2017 fair held in March in Germany and the Kitchen & Bath China (KBC) 2017 show held in May in Shanghai.

The concept of our exhibits expresses TOTO's constant desire to update and enrich daily life for people across the globe. Through our exhibit spaces, we introduce products such as the NEOREST Series and TOTO proprietary technologies, including ones for saving water and removing the bacteria that hinders the thorough cleaning of toilet surfaces. These efforts help to establish TOTO as a global brand.

Quality to Impress the World

Experiential Spaces for Promoting Japan's Toilet Culture and Technology to the World

GALLERY TOTO, an experiential space located at Narita International Airport, was opened in April 2015. The purpose of this facility is to give foreign visitors to Japan an opportunity to see, touch, and experience the beauty and comfort of restroom spaces created by TOTO. It is hoped that visitors will return to their countries with a strong desire to have a restroom space like those modeled at GALLERY TOTO.



©DAICI ANO

GALLERY TOTO, an experiential space

International Praise for TOTO

TOTO products, lauded for their sophisticated design and proprietary technologies and functionality, have won numerous international awards.



iF Design Award 2017
Gold Award



Red Dot Design Award 2017
Best of the Best



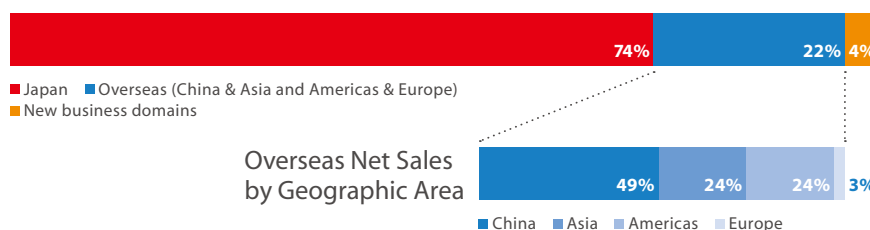
NEOREST NX

The NEOREST NX is a flagship product incorporating design seen nowhere else and the ultimate in clean functionality. Offered in markets throughout the world, the NEOREST NX is destined to add refinement to restrooms across the globe.

Fiscal 2016 Results

Net sales	¥573.8 billion
Operating income	¥48.5 billion
Operating margin	8.5%
ROA (on a basis of operating income)	8.9%
ROE (on a basis of net income)	11.8%

Sales Breakdown Ratio



Number of employees (consolidated)

30,334

Employment rate of persons with disabilities (Japan)

2.57%

TOTO Water Environment Fund 11th grant assistance

24 Organizations
¥15.56 million

Ratio of women in management roles (full-time employees, TOTO LTD.)

8.4%

Nadeshiko Stock

Selection for three consecutive years



Health and Productivity Stock

Selection for three consecutive years



Corporate Profile (As of March 2017)

Company Name	TOTO LTD.	Capital	¥35,579 million
Headquarters	1-1, Nakashima 2-chome, Kokurakita-ku, Kitakyushu, Fukuoka, Japan	Number of Employees	Consolidated: 30,334 Non-consolidated: 7,539
Establishment	May 15, 1917		

• More About TOTO (List of links)



TOTO GLOBAL SITE
<http://www.toto.com/>



TOTO Museum
<http://www.toto.co.jp/museum/en/>



GALLERY TOTO
<http://www.toto.co.jp/gallerytoto/en/>



WELCOME TO JAPAN
<http://www.toto.com/en/wtjapan/>



Environmental information for customers
(in Japanese)
<http://www.toto.co.jp/greenchallenge/>

To Thrive for Another Hundred Years



With the Vision of Our Founder as a Touchstone

Advancing into its second century of operation, the TOTO Group conducts corporate activities with the aim of continuing to be a beneficial presence to society at large and to the earth's environment. Each and every employee is imbued with our founder's vision of providing a healthy and civilized way of life. We aim to contribute to the advancement of society by always placing the provision of high-quality products and customer satisfaction above all else, and maintaining the spirit of service. The conviction inherited at our founding is the heart of our manufacturing

as well as the core of corporate management. Providing customers throughout the world with the security and reliability of the TOTO brand, my mission, as president of the TOTO Group, is to continue to "Create an enriched and more comfortable lifestyle and culture built on our plumbing products," as stated in the TOTO Group Corporate Philosophy.

Creating Another Century of Success

Business activities come to nothing in the absence of cooperation and co-creation with customers, business partners, shareholders, and the entire broad array of our stakeholders. For the TOTO Group, the primary actors are individual employees who take it upon themselves to think of how they can best contribute to the benefit of customers and society. That is why we will continue to place great emphasis on human resource development and will continue to "Create an enriched and more comfortable lifestyle and culture built on our plumbing products."

We aim to continue to provide products and services that will make customers, not only in Japan but throughout the world, happy that they have chosen TOTO and want to choose TOTO again in the future. Looking to our next 100 years, each and every one of our employees will act in ways that boost the TOTO brand and enhance our corporate value.

Madoka Kitamura
President, Representative Director

Company Mottos

Company Mottos represent the thoughts of the founder to be passed down through the generations.



- ① Take pride in your work, and strive to do your best
- ② Quality and Uniformity
- ③ Service and Trust
- ④ Cooperation and Prosperity

TOTO Group Corporate Philosophy

Our corporate philosophy, based on the thoughts of the founder to be passed down through the generations, communicates to all of our stakeholders the purpose for which our company exists, our business domains, and the type of company we aim to be.

The TOTO Group strives to be 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.

TOTO Group Overseas Business Sites



32 Locations in 18 Countries and Territories

Manufacturing and sales sites 6

Sales sites 13

Manufacturing sites 13

*Excluding Japan

Group Companies and Affiliates

Japanese Group Companies

TOTO Hokkaido Sales LTD.
TOTO Tohoku Sales LTD.
TOTO AQUAIR LTD.
TOTO EXCERA LTD.
TOTO MTEC LTD.
TOTO Engineering LTD.
CERA TRADING LTD.
TOTO Chubu Sales LTD.
TOTO Kansai Sales LTD.
TOTO Chugoku Sales LTD.
TOTO Shikoku Sales LTD.
TOTO Kyushu Sales LTD.
TOTO Remodel Service LTD.
TOTO AQUATECHNO LTD.
TOTO WASHLET TECHNO LTD.
TOTO OKITSUMO Coatings LTD.
TOTO SANITECHNO LTD.

TOTO High Living LTD.
TOTO Bath Create LTD.
TOTO Fine Ceramics LTD.
TOTO PLATECHNO LTD.
TOTO MATERIA LTD.
SUNAQUA TOTO LTD.
TOTO INFOM LTD.
TOTO EXPERT LTD.
TOTO BUSINETZ LTD.
TOTO Finance LTD.
TOTO Maintenance LTD.
TOTO LOGICOM LTD.

Overseas Group Companies

● **U.S.A.**
TOTO U.S.A., INC.
● **Mexico**
TOTO MEXICO, S.A. DE C.V.
● **Brazil**
TOTO Do Brasil Distribuição e Comércio, Ltda.
● **China**
TOTO (CHINA) CO., LTD.
BEIJING TOTO CO., LTD.
TOTO (BEIJING) Co., LTD.
TOTO DALIAN CO., LTD.
NANJING TOTO CO., LTD.
TOTO (SHANGHAI) CO., LTD.
TOTO EASTCHINA CO., LTD.
TOTO (FUJIAN) CO., LTD.
TOTO (GUANGZHOU) CO., LTD.
TOTO (H.K.) LTD.

● **Singapore**
TOTO ASIA OCEANIA PTE. LTD.
● **Thailand**
TOTO (THAILAND) Co., LTD.
● **Vietnam**
TOTO VIETNAM CO., LTD.
● **Malaysia**
TOTO MALAYSIA SDN. BHD.
● **India**
TOTO INDIA INDUSTRIES PVT. LTD.
● **Indonesia** (Affiliate Company)
P.T.SURYA TOTO INDONESIA
● **Taiwan**
TAIWAN TOTO CO., LTD.
● **Korea**
TOTO KOREA LTD.
● **Germany**
TOTO Europe GmbH
TOTO Germany GmbH

TOTO

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