



Life Anew

TOTO Guide 2018-2019

Corporate Message

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.





The WASHLET, KARARI floor, MAHOBIN bathtub and AIR-IN are trademarks or registered trademarks of TOTO LTD.

Businesses of TOTO

Global Housing Equipment Business

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_{TM}, the prefabricated bathroom module, and other bathroom and kitchen plumbing products.

Main Products in Japan



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 Overseas



Toilets

washing feature)

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

building materials

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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 mission with three key elements.



Global Environmental Vision

We will implement our Global Environmental Vision to realize TOTO's Mission.



TOTO will contribute to the Sustainable Development Goals (SDGs) advocated by the United Nations around the three themes outlined in the Global Environmental Vision.



Sustainable Development Goals are international objectives composed of 17 goals and 169 targets to realize a sustainable world adopted by the United Nations General Assembly in 2015.

TOTO's Mission **Provide Cleanliness**

Technologies that Keep Toilets Cleanliness and Comfort

TOTO has refined its manufacturing technology over the last one hundred years. To create clean and comfortable toilet spaces for our customers, we have developed a range of clean technologies unique to TOTO, such as EWATER+, CEFIONTECT, RIMLESS, and TORNADO FLUSH. Together, these technologies remove bacteria, prevent the buildup of dirt, and easy cleaning, resulting in toilets that are not only resistant to dirt and easy to clean, but also achieve new heights in cleanliness by effectively cleaning themselves.



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

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_{TM} – Gaining Popularity Throughout the World

Launched in 1980, WASHLET has created a new lifestyle and culture for Japanese toilets. After launching in Japan, WASHLET products were introduced to the U.S. market in 1986. From then, we began moving forward with the installation of these products in luxury hotels in countries throughout the world, thereby expanding our sales in China, Asia and Oceania, and Europe.

> July 2015 Cumulative sales exceed

> > 40 million units

Cumulative

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 comfortable to use as possible for as many people as possible. We firmly believe that the starting point for universal design is to define what "easy to use" and "comfort" 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



Inspection at TOTO Universal Design Reserch Center.

TOTO's Mission

Respect

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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 780 million m³ in fiscal 2017, 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 77% of shipments (Japan/overseas), water-saving toilets (those that use 4.8L or less per use) are steadily growing as a percent of total unit sales.



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

The TOTO Group aims to contribute to the growth of society by creating an enriched and more comfortable lifestyle and culture built on our products. Companies have to fulfill their duty in both business and civic activities to effectively use water resources and foster the sustainable growth of society in the future.

As part of these efforts, the TOTO Group established the TOTO Water Environment Fund and continues to provide grants to organizations that engage in environmental activities related to water.



Activites of the NPO Asia Child Support, an organization backed by the TOTO Water Environment Fund to draw water in Myanmar

TOTO Water Environment Fund

The TOTO Water Environment Fund established in 2005 has offered assistance to environmental activities conducted by the public throughout Japan. In 2008, we began to offer support to NPOs and NGOs that engage in environmental conservation overseas and the construction of pleasant, sanitary lifestyle environments. This fund is broadening its efforts after having provided over ¥300 million in grants up until now to a total of 249 organizations active both in local communities and in the 40 prefectures throughout Japan as well as 14 different countries overseas.

TOTO Water Environment Fund 1st to 13th grant assistance total





TOTO's Mission



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.



Showrooms (Japan) TOTO has 100° showrooms in Japan, giving customers the opportunity to see, touch and experience our products for themselves. (*As of September 2018)



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.



Showrooms (Overseas)



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.



TOTO has 14* directly managed showrooms in China, other markets in Asia, Americas and Europe. (*As of September 2018)

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.



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



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.

Total number of volunteers in fiscal 2017

52,300 volunteers

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.

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



TOTO Museum









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 and RIMLESS, proprietary CEFIONTECT dirt-repelling technology and EWATER+ achieve new heights in removing bacteria, preventing the buildup of dirt, and easing cleaning.







TORNADO FLUSH

EWATER+

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 had participated in the International Sanitary and Heating (ISH) 2017^{*1} fair held in March 2017 in Germany and the Kitchen & Bath China (KBC) 2018^{*2} show held in June 2018 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.

*1 International Sanitary and Heating 2017

*2 Kitchen & Bath China 2018

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.



GALLERY TOTO, an experiential space

International Praise For TOTO

The NEOREST NX as well as the GS Series and GA Series of single lever lavatory faucets have won the Red Dot Design Award 2018.



This is the second major award for the NEOREST NX after receiving the iF Design Award 2018 in March 2018.

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 2017 Results

Net sales	¥592.3 billion
Operating Profit	¥52.6 billion
Operating Margin	8.9%
ROA (Based on operating profit)	9.4%
ROE (Based on net profit)	11.7%

Number of employees (consolidated)

(total for Japan and overseas)





Notable Awards from 2017 Onward

13.4%

Category	Award Description				
Products	Awarded "architectural facility technology heritage" status in 2017 for an automatic faucet with built-in photoelectric sensor in the TOTO Museum.		Automatic faucet with built-in photoelectric sensor		
Packaging	Received the WorldStar Award for triangle partition structure for product inclination at the WorldStar Competition 2018 held by the World Packaging Organisation.	R	Triangle partition inclination	structure for product	
Design	Received the iF Product Design Award 2018 for NEOREST NX, ZL Series single-lever lavatory faucet, and Washbasin (vessel-type).	1	NEOREST NX	DESIGN AWARD 2016	
Design	Received the Red Dot Design Award 2018 for the NEOREST NX, and GS and GA Series of single-lever lavatory faucets.	ZF	Single-lever lavatory faucet (GS Series)	reddict award 2018	
Environment	Received the GREEN GOOD DESIGN AWARD in 2018 for WASHLET equipped with EWATER+.	0	WASHLET equipped with EWATER+		

Corporate Profile (As of March 2018)

Company Name	TOTO LTD.	Capital	¥35,579 million	
Headquarters	1-1, Nakashima 2-chome, Kokurakita-ku,	Number of Employees	Consolidated:	32,428
	Kitakyushu, Fukuoka, Japan		Non-consolidated:	7,960
Establishment	May 15, 1917			

• More About TOTO (List of links)



TOTO GLOBAL SITE https://www.toto.com



TOTO Museum https://jp.toto.com/museum/en



GALLERY TOTO https://jp.toto.com/gallerytoto/en



WELCOME TO JAPAN https://www.toto.com/en/wtjapan

Keep Gaining TOTO Fans around the World

With the Vision of Our Founder as a Touchstone

The TOTO Group, which marked its 100th anniversary in 2017, conducts corporate activities with the aim of continuing to provide greater contributions to society and the environment. To this day, each and every employee has been imbued with our founder's will of providing a healthy and civilized way of life. His thoughts, which have been passed down through the generations since our founding, comprise the heart of our manufacturing and sales activities as well as the core of our corporate management. Providing customers around the world with the security and reliability of the TOTO brand, my mission, as president of the TOTO Group, is to continue to pass down our founder's will into the future and "create an enriched and more comfortable lifestyle and culture built on our plumbing products," as stated in the TOTO Group Corporate Philosophy.

The Strengths of the TOTO Group, Cultivated over 100 Years of History

The TOTO Group was manufacturing seated flush toilets at a time when the concept of public sewage systems was not yet widespread. Since then, the TOTO Group has opened the door to new lifestyles by creating products such as WASHLET and other bathroom and kitchen plumbing products.

This is part of a 100-year history full of challenges and innovations, in which the TOTO Group has cultivated a set of strengths—high-level fusion of design and functionality, creation of new value through TOTO proprietary technologies, and advanced production technology and global supply system. However, there are more challenges and innovations yet to come.

For the Next 100 Years

With a strong will to keep gaining TOTO fans around the world, the TOTO Group has taken a bold step forward toward the next 100 years. TOTO will continue to promote innovation and

Company Mottos

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



Take pride in your work, and strive to do your best
 Quality and Uniformity
 Service and Trust
 Cooperation and Prosperity



realize further growth without wavering from its inherited corporate philosophy.

Our business activities cannot exist without the cooperation and co-creation of all of our stakeholders. For the TOTO Group, the primary actors are the individual employees who take it upon themselves to think of how they can best contribute to the benefit of customers and society. With that in mind, we will increase corporate value by continuing to place great emphasis on our human resource development and taking on the challenge of creating prosperous and comfortable lifestyles that provide customer satisfaction.

Madoka Kitamuna

Madoka Kitamura President, Representative Director

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 (As of April 1, 2018)



Group Companies and Affiliates (As of April 1, 2018)

Japanese Group Companies

TOTO SANITECHNO LTD. TOTO WASHLET TECHNO LTD. TOTO Bath Create LTD. TOTO High Living LTD. TOTO AQUATECHNO LTD. SUNAQUA TOTO LTD. TOTO PLATECHNO I TD TOTO Maintenance LTD. TOTO AOUAENG LTD. TOTO MTEC LTD. TOTO Kansai Sales LTD. TOTO Hokkaido Sales LTD. TOTO Tohoku Sales LTD. TOTO Chubu Sales LTD. TOTO Chugoku Sales LTD. TOTO Shikoku Sales LTD. TOTO Kyushu Sales LTD. CERA TRADING LTD. TOTO Remodel Service LTD. TOTO Finance LTD. TOTO INFOM LTD. TOTO BUSINETZ LTD. TOTO LOGICOM LTD. TOTO Fine Ceramics LTD. TOTO MATERIA LTD. TOTO OKITSUMO Coatings LTD.

Overseas Group Companies

Americas
TOTO AMERICAS HOLDINGS, INC.
TOTO U.S.A., Inc.
TOTO MEXICO, S.A. DE C.V.
TOTO Do Brasil Distribuição e Comércio, Ltda

Europe

TOTO Europe GmbH TOTO Germany GmbH

Asia

TOTO (CHINA) CO., LTD. BEIJING TOTO CO., LTD. TOTO (BEIJING) CO., LTD. NANJIN TOTO CO., LTD. TOTO DALIAN CO., LTD. TOTO (SHANGHAI) CO., LTD. TOTO EAST CHINA CO., LTD. TOTO (FUJIAN) CO., LTD. TOTO (GUANGZHOU) CO., LTD. TOTO (H.K.) LTD. XIAMEN AND LIDO BATHROOM TECHNOLOGY CO., LTD. (Affiliate Company) TAIWAN TOTO CO., LTD. TOTO ASIA OCEANIA PTE. LTD. TOTO VIETNAM CO., LTD. TOTO (THAILAND) CO., LTD. TOTO INDIA INDUSTRIES PVT. LTD. TOTO MALAYSIA SDN. BHD. TOTO KOREA LTD. P.T. SURYA TOTO INDONESIA TBK. (Affiliate Company)

TOTO LTD.

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