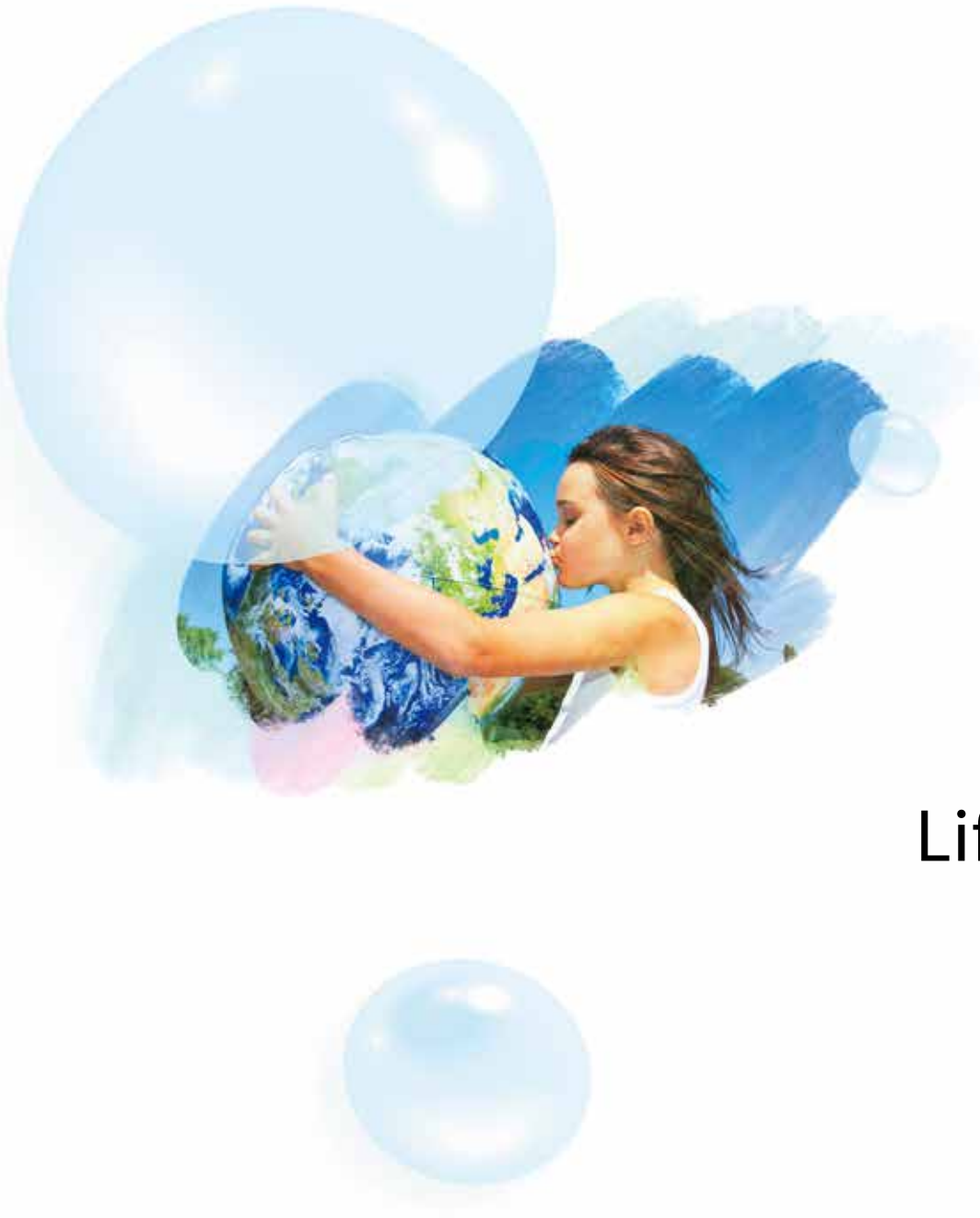


TOTO



Life Anew

TOTO Guide
2019-2020

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.

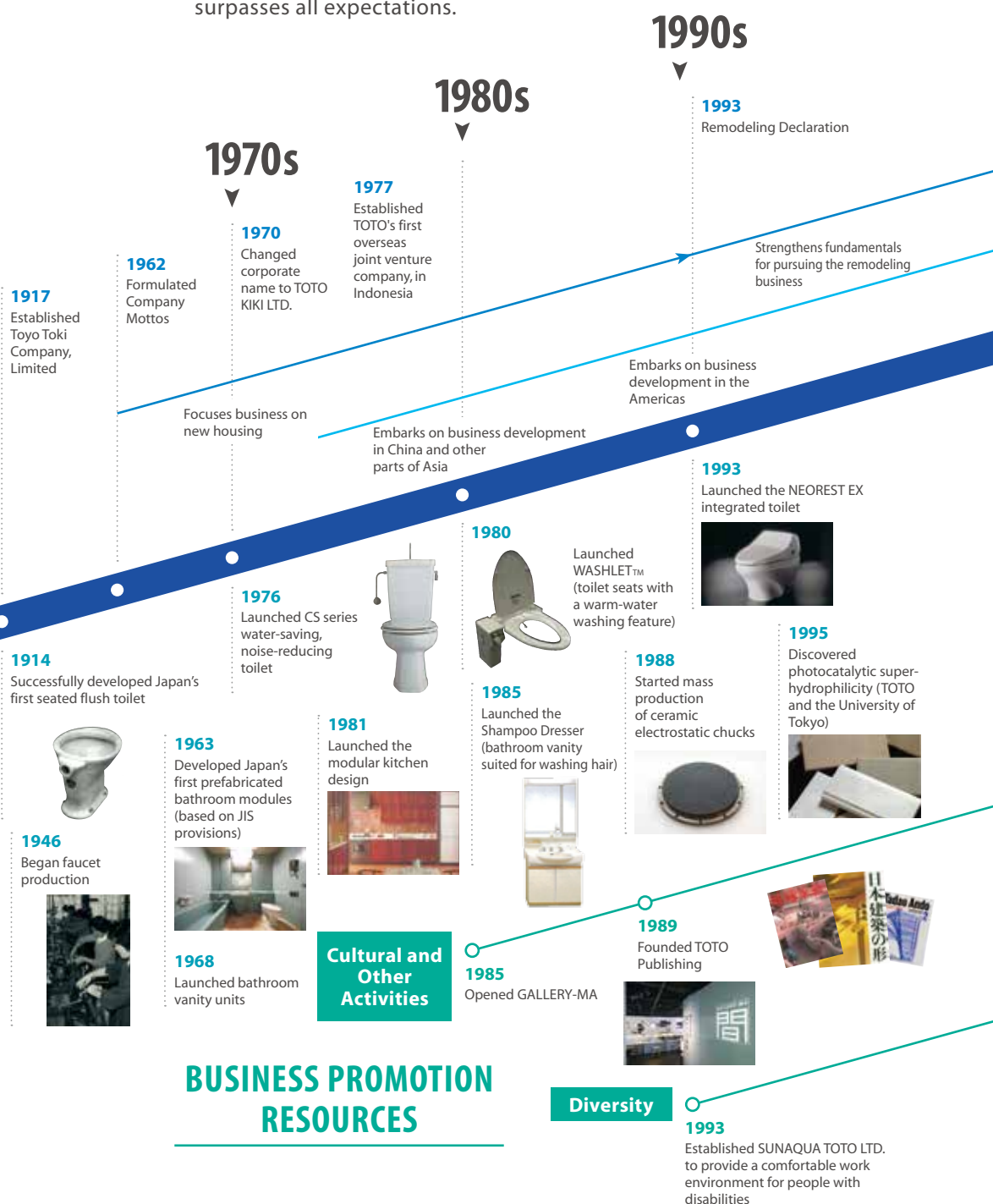
We embrace these values every day to create a future that surpasses all expectations.

The history of TOTO GROUP

COMPANY HISTORY

PRODUCTS AND TECHNOLOGY

BUSINESS PROMOTION RESOURCES



2000s

2002
Entered into operational agreement between TOTO, DAIKEN, and YKK AP

2003
New Remodeling Declaration

2004
Established the Philosophy System for TOTO Group Management

2006
Established TOTO Universal Design Reserch Center

2007
Changed Corporate name to TOTO LTD.

2009
Announced TOTO V-Plan 2017

2010
Announced TOTO Environmental Vision 2017

2014
Announced TOTO Global Environmental Vision

2017
Announced TOTO WILL 2022

2018
Anshin Remodeling Declaration

Advancement of WILL 2022

1999
Developed CEFIONTECT technology



2001
Launched Furupia system bathroom with quick-drying KARARI floor™.



2002
Launched NEOREST EX Series with built-in TORNADO FLUSH



2004
Launched Furupia insulated thermal pot MAHOBIN bathtub™ Series



2008
Launched Restroom Item 01 (Universal Design series of public toilets)



2009
Launched the NEOREST Series/SE in Europe



2010
Launched AIR-IN™ SHOWER showerhead



2011
Launched WASHLET™ apricot with EWATER+, antibacterial electrolyzed water



2012
Launched Drake II 1G water-saving toilet in the US



2013
Launched Bedside Flushable Toilet



2017
Launched NEOREST NX globally



2017
Launched the Faucet 10 series of water faucets, distinguished by their sophisticated designs, to the global market



2019
Established experience TOTO at Narita International Airport



• Opened TOTO Museum



2015
• Established GALLERY TOTO at Narita International Airport



2005
Established the Kirameki Promotion Office to further women's careers

2004
Established the CSR Committee

2005
Established the TOTO Water Environment Fund

2006
Embarked on the TOTO Acorn Reforestation Project

2008
Established the TOTO Water Environment Fund in China

2011
Participation in the UN Global Compact

2018
Obtained Platinum Kurumin accreditation from the Ministry of Health, Labour and Welfare as a company that supports child-rearing

2019
Announced endorsement of the Task Force on Climate-related Financial Disclosures

CSR Activities

Social Contribution

* 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™, the prefabricated bathroom module, and other bathroom and kitchen plumbing products.

Main Products in Japan



Toilets



Prefabricated bathroom modules



Modular kitchens



Bathroom vanity units

Anshin Remodeling



TOTO strives to further evolve remodeling by directly alleviating worries and concerns about renovations through 'visualization' and 'understanding' to give "Anshin" to customers.

Remodeling Library

Get helpful information!

- Provides examples of actual cases include price information online -

<http://su.toto.com/anshin-library>



Remodeling Pro Shop

Find a store you can trust!

- Offers the pro shops recommended by TOTO -

<http://su.toto.com/anshin-shop>



Showrooms

See, touch and experience!

- Proposes ideas for spaces and lets you try products -

<http://su.toto.com/anshin-showroom>



Support Desk for Remodeling

Feel free to ask for help anytime!

- Answers questions and concerns by phone or email -

Tel: 0120-1917-05 (Japan only)

<http://su.toto.com/anshin-support>



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



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



Washbasin



Bathtubs

New Business Domains

Advanced Ceramics Business

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

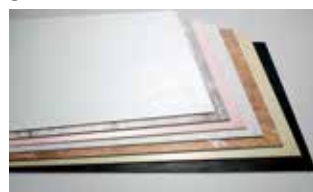


Electrostatic Chucks

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 licensing 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

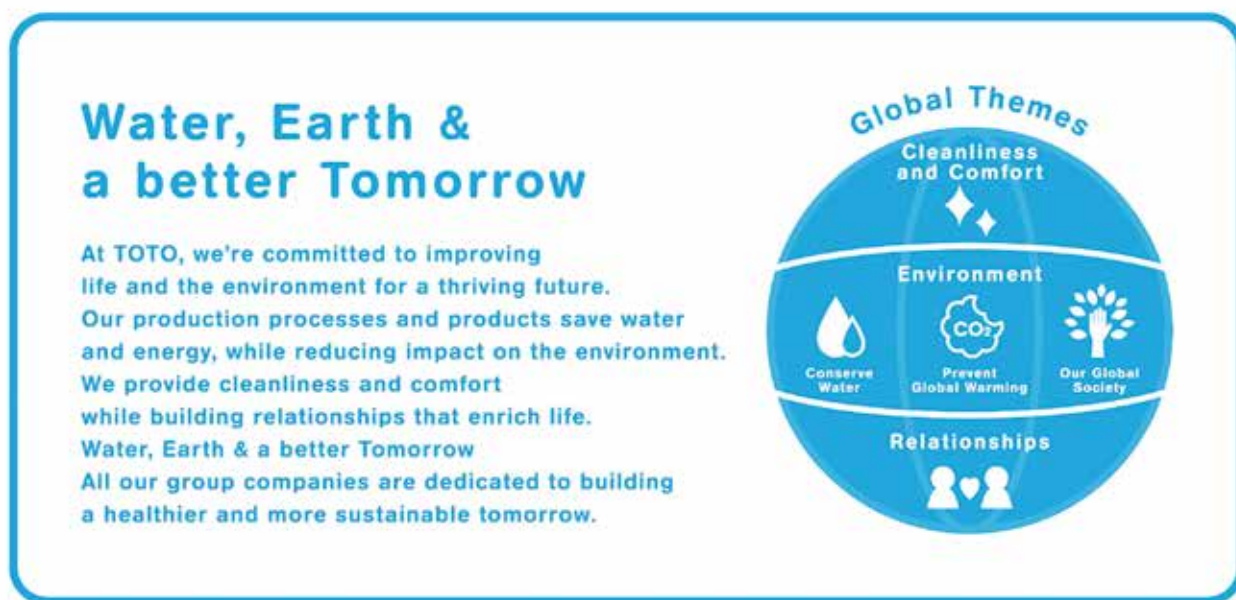
The TOTO Group celebrated its 100th anniversary in 2017.

To ensure we secure and retain the trust of customers and society as a whole, we have formulated a 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.

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.



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 / TORNADO FLUSH

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

and Comfort for Life

Pleasant feeling for everyday use.

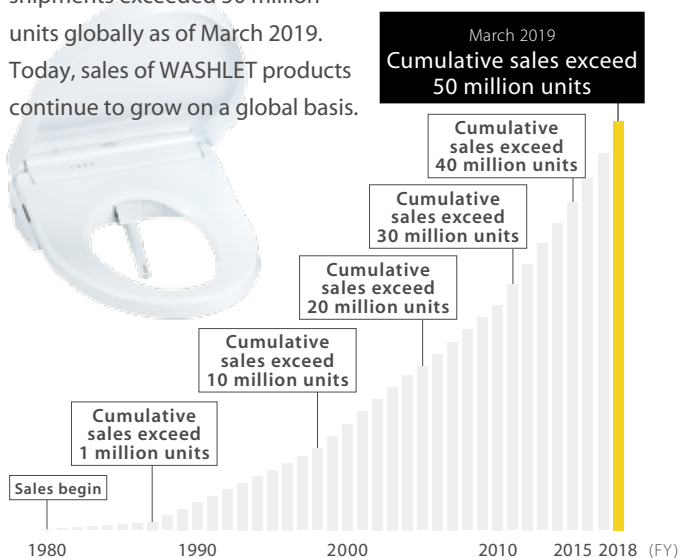
Our products are part of life, providing revolutionary cleanliness and comfort for a thriving future.

SDGs



WASHLET™ 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. As a result, cumulative WASHLET shipments exceeded 50 million units globally as of March 2019. 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 Research Center.

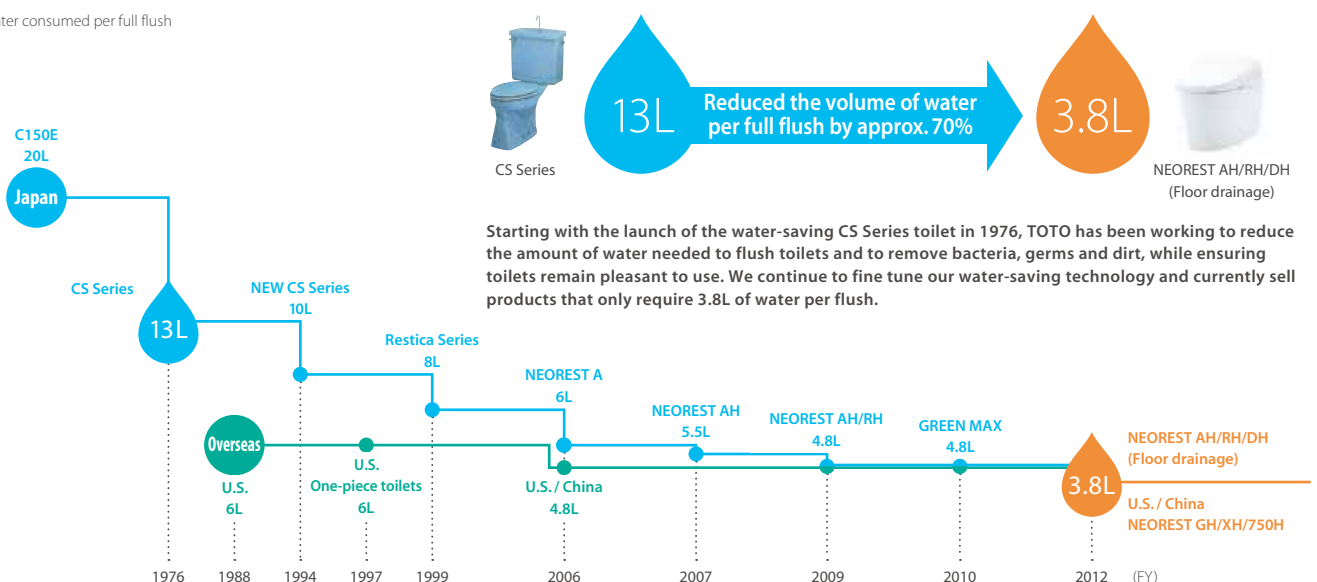


TOTO's Plumbing Equipment Products Help to Protect the Environment

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 860 million m³ in fiscal 2018, 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 (Japan/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.

SDGs



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.



Activities 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 259 organizations active both in local communities and in the 40 prefectures throughout Japan as well as 15 different countries overseas.

TOTO Water Environment Fund
1st to 14th grant assistance total

Approx. **¥340** million

How the TOTO Water Environment Fund works

– A Positive Cycle –

Water-saving Products purchased



Raise awareness of environmental issues

Solve problems collaboratively



TOTO Group employees not only participate as volunteers but encourage the general public to participate as well

Funds donated in line with environmental benefit

| | |
|--------------|---|
| Customers | Conserve water via TOTO products |
| Shareholders | Donate via special benefit programs |
| Employees | Volunteer in greater numbers |
| TOTO | Matches the contributions of the three stakeholders |

Relationships with customers

Grants to citizen groups, NPOs and NGOs

Local water Initiative support

| | |
|----------|--|
| Japan | Aquatic environment and biodiversity conservation and revitalization |
| Overseas | Water resource protection and building of pleasant, sanitary lifestyle |

Work with Local communities

Build Relationships

TOTO HISTORY



1917

The company is established by Kazuchika Okura under the name, TOYO TOKI Co., Ltd. which is later renamed TOTO.



1946

TOTO begins manufacturing metal fittings and faucets in addition to ceramics.



1977

TOTO's first overseas factory opens P.T. Surya TOTO Indonesia.



1989

TOTO begins trading in the USA, having already extended into Indonesia, Korea, Thailand, Taiwan and Hong Kong.



2007

TOTO launched Neorest Hybrid Series

Bangkok
TOTO Technical Center Bangkok

1980

1993

2008
TOTO Asia Oceania

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 August 2019)



New York

Showrooms (Overseas)

TOTO has 14* directly managed showrooms in China, other markets in Asia, Americas and Europe. (*As of August 2019)



Ho Chi Minh

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.



SDGs



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
Tsuyoshi Tane | Archaeology of the Future
—Search & Research (2018)
© Nacása & Partners Inc.



TOTO Publishing
©Yukikazu Ito

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.

Total number of volunteers in fiscal 2018

48,300 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.

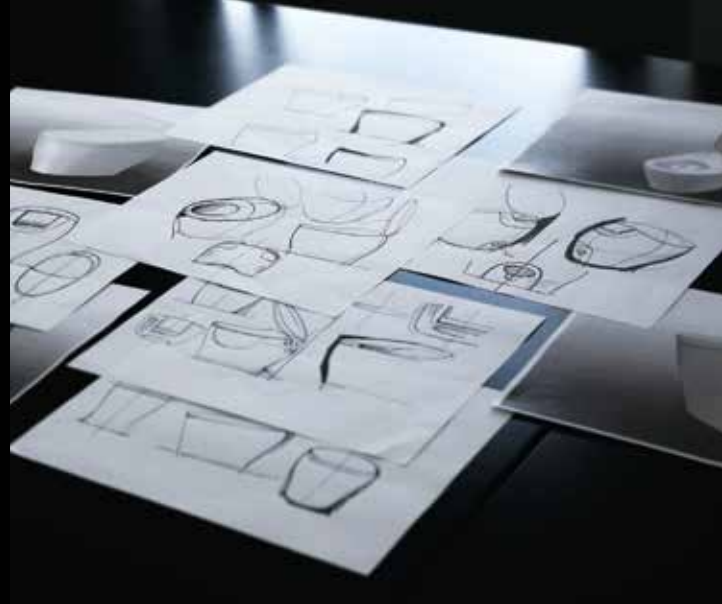
Strengths of TOTO

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

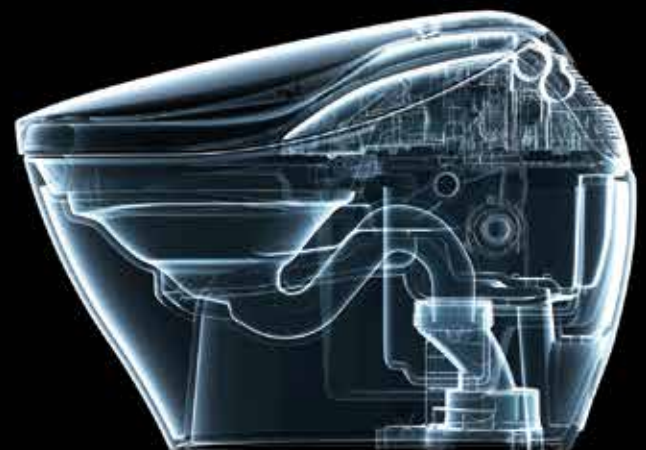
Incorporated in the beautiful design of the NEOREST NX are technologies for maintaining the appearance of the product and ensuring that it will provide users with the expected comfort over the long term. In combination, TOTO's revolutionary TORNADO FLUSH and RIMLESS, proprietary CEFIONTECT dirt-repelling technology and EWATER+ achieve new heights in removing bacteria, preventing the buildup of dirt, and making cleaning easier.



TORNADO FLUSH

EWATER+

Ordinary ceramic toilet CEFIONTECT





Top CES 2019 held in Las Vegas, Nevada (USA)
Bottom International Sanitary and Heating 2019 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 CES 2019 (USA) held in January 2019, ISH 2019^{*1} (Germany) held in March 2019, and KBC 2019^{*2} (Shanghai, China) held in May 2019.

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 2019

*2 Kitchen & Bath China 2019

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, and experience TOTO, a cutting edge omotenashi (welcoming) restroom space utilizing IoT technology, was opened in April 2019. The purpose of these facilities is to give foreign visitors to Japan an opportunity to see, touch, and experience the beauty and comfort of restroom spaces created by TOTO.



GALLERY TOTO



experience TOTO

International Praise For TOTO

In addition to the iF Product Design Award 2018 as well as the Red Dot Design Award for NEOREST NX, we also received the iF Product Design Award 2019 for NEOREST AH/RH WASHLET integrated toilet, Wall-hung RP toilet + WASHLET RX, and Single lever faucet for washbasin, GM Series. In addition, we received the Red Dot Design Award 2019 for our GM Series, ZA Series, GE Series, and GC Series single-lever lavatory faucets with washbasin.

iF Product Design Award 2019



NEOREST AH/RH



Red Dot Design Award 2019



ZA Series Single-lever faucet with washbasin



NEOREST NX

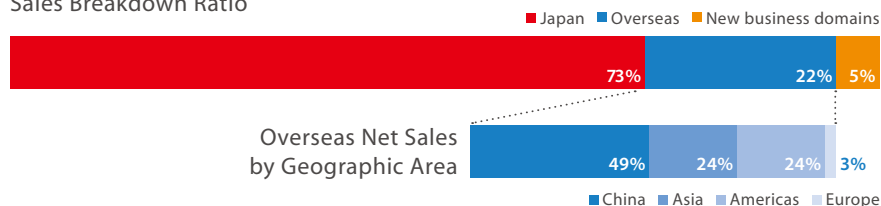
The NEOREST NX is a flagship product incorporating design seen nowhere else and the ultimate in clean functionality. Offered in markets throughout the world, the NEOREST NX is destined to add refinement to restrooms across the globe.



Fiscal 2018 Results

| | |
|---------------------------------|----------------|
| Net sales | ¥586.0 billion |
| Operating Profit | ¥40.1 billion |
| Operating Margin | 6.9% |
| ROA (Based on operating profit) | 7.1% |
| ROE (Based on net profit) | 9.6% |

Sales Breakdown Ratio



Number of employees (consolidated)

33,431

Ratio of female managers

(total for Japan and overseas)

14.7%

Ratio of employees with disabilities (Japan)

2.61%

Platinum Kurumin



TOTO Water Environment Fund 14th grant assistance

10 Organizations ¥24.65 million

Health and Productivity Stock

Selection for fifth consecutive year



Notable Awards from 2018 Onward

| Category | Award Description |
|------------|--|
| Technology | Received the "Award for Chairman of Board of ARIB" at the 29th Radio Achievement Award for the commercialization of micro-wave sensor for toilet seats |
| Packaging | Received the WorldStar Award for "uncrushed" cushioning partition using the springiness of cardboard at the WorldStar Competition 2019 held by the World Packaging Organisation |
| Design | Received the iF Product Design Award 2018 and Red Dot Design Award 2018 for the NEOREST NX WASHLET integrated toilet Received the Gold Selection at the JIDA Design Museum Selection vol.20 |
| Design | Received the iF Product Design Award 2019 for the NEOREST AH/RH WASHLET integrated toilet, wall-hung RP toilet + WASHLET RX, and GM Series single lever faucet with washbasin |
| Design | Received the Red Dot Design Award 2019 for the GM series, ZA series, GE series, and GC series single lever faucets with washbasin |

Corporate Profile (As of March 2019)

| | | | |
|---------------|---|---------------------|---|
| Company Name | TOTO LTD. | Capital | ¥35,579 million |
| Headquarters | 1-1, Nakashima 2-chome, Kokurakita-ku, Kitakyushu, Fukuoka, Japan | Number of Employees | Consolidated: 33,431 Non-consolidated: 8,034 |
| 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>

Message of the President



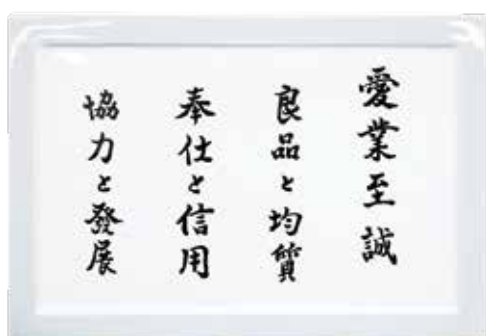
Leveraging the Vision of Our Founder as a Touchstone

TOTO's first president, Kazuchika Okura, wrote a letter to his successor, Saburo Momoki. The words contained in that letter have been treasured by the TOTO Group as the Words of Our Founder. Beginning with "Kindness must always come first," the Words of Our Founder state that our goal should be to provide good products and satisfy the customer and, by accomplishing that, profit and compensation will follow. Accordingly, the Words of Our Founder represent a vision that I as president must place at the center of the Group's management. In addition, this vision acts as a touchstone that has been passed on for over a century, making it an extremely valuable asset to the TOTO Group.

Amid the changing times, we must never lose sight of our vision to constantly pursue new technologies and even better craftsmanship and strive for levels of satisfaction that exceed the expectations of our customers.

Company Mottos

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



The entire process from manufacturing to after-sales and follow-up services contributes to building the TOTO brand, and all Group employees understand that this process must be rigorously upheld. I believe that my mission as president is to ensure that this understanding is passed on to future generations so that we can create enriched and comfortable lifestyles centered on bathroom and kitchen plumbing products.

Moving toward a Dynamic, Vibrant, and Excellent TOTO

The majority of TOTO's products are used by customers for 10 to 20 years. Ensuring that our products are chosen again in 10 to 20 years' time is what will guide the next 100 and 200 years of the Company. It is for this reason that we believe our main role as a manufacturer is to cherish our customers and the excellent products that bring joy to their lives. In addition, customer satisfaction helps enhance employee motivation. To pass these ideas on to the next generation, it is important that we develop our employees. To that extent, the Group's approach to workstyle reform is to focus on establishing an environment in which all employees can work in a lively manner. Also, our business activities are supported not only by our customers and employees but also by our various other stakeholders, including our shareholders, business partners, and local community members. We must therefore strive for collaboration and co-creation with these stakeholders.

We would like to express our gratitude for the continued support of all of our stakeholders, and we ask that you look forward in anticipation to the future of the TOTO Group going forward.

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, 2019)



32 Locations in 18 Countries and Territories

Manufacturing
and sales sites

6

Sales sites

13

Manufacturing
sites

13

*Excluding Japan

Group Companies and Main Affiliates (As of April 1, 2019)

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 LTD.
TOTO Maintenance LTD.
TOTO AQUAENG 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.

● 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.

1-1, Nakashima 2-chome, Kokurakita-ku, Kitakyushu, Fukuoka, 802-8601, Japan
URL: <https://www.toto.com>

