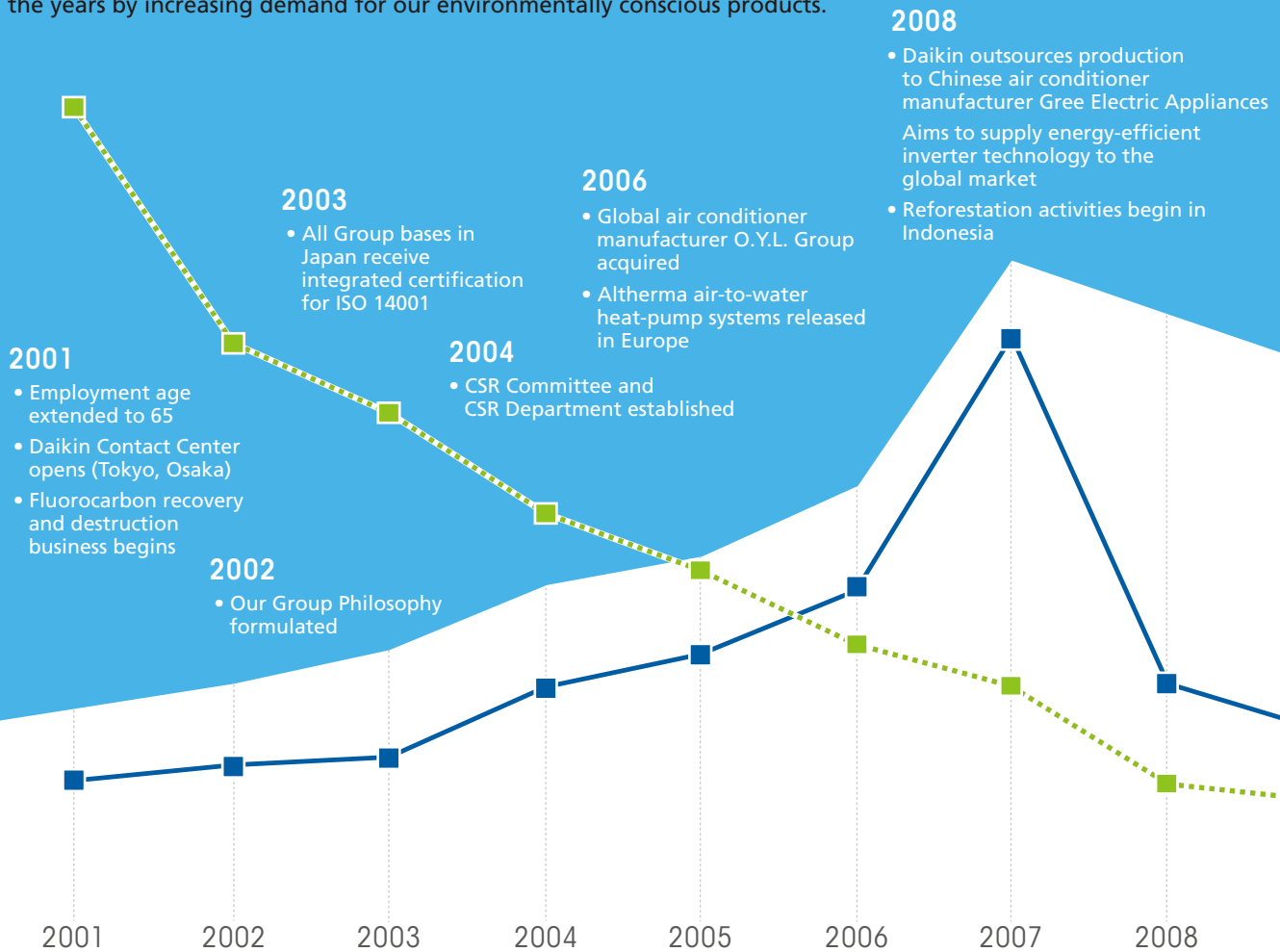


# Achieving both Environmental Contribution and Business Expansion

The Daikin Group's Fusion strategic management plan, is, as the name suggest, a strategic fusion across existing boundaries in which we seek to share technologies throughout the Daikin Group and other companies. With the aim of becoming a "Truly Global and Excellent Company," we seek to achieve business growth and contribute to the environment through the technologies we have built up over the years by increasing demand for our environmentally conscious products.



**Fusion 05: Building a Business Foundation**

**Main Achievements**

Achieved the global No. 2 position in our main businesses, by expanding our share of the Japanese air conditioning market and expanding our overseas business ratio, and our market capitalization target of 1 trillion yen, thereby building a business foundation for future growth

**Fusion 10: Realizing Global No.1 Air Conditioner**

**Main Achievements**

- Realized global No.1 market share on the air conditioner business
- Raised overseas sales as percentage of Group sales: From 46% in FY2005 to 62% in FY2010
- Expanded environment-related businesses, including the expansion of heat-pump-type space-heating systems in Europe and other regions and the advancement of inverter strategy

# 2015

- Technology and Innovation Center opens
- Daikin offers free access to its worldwide patents for HFC-32 air conditioners
- "Daikin's Policy and Comprehensive Actions on the Environmental Impact of Refrigerants" published, clarifies company policy on responding to environmental issues through refrigerants

## 2014

- Cooling only inverter air conditioners for emerging countries released
- "Forests for the Air" project begins in seven locations around the world
- Daikin selected for inclusion in the Climate Performance Leadership Index (CPLI) of the Carbon Disclosure Project (CDP)

## 2013

- FIVE STAR ZEAS, world's first commercial air conditioner using new refrigerant, HFC-32, released

## 2012

- Major U.S. residential air conditioner company Goodman Global Group, Inc. acquired
- Urusara 7, world's first residential air conditioner to use new refrigerant, HFC-32, released

## 2011

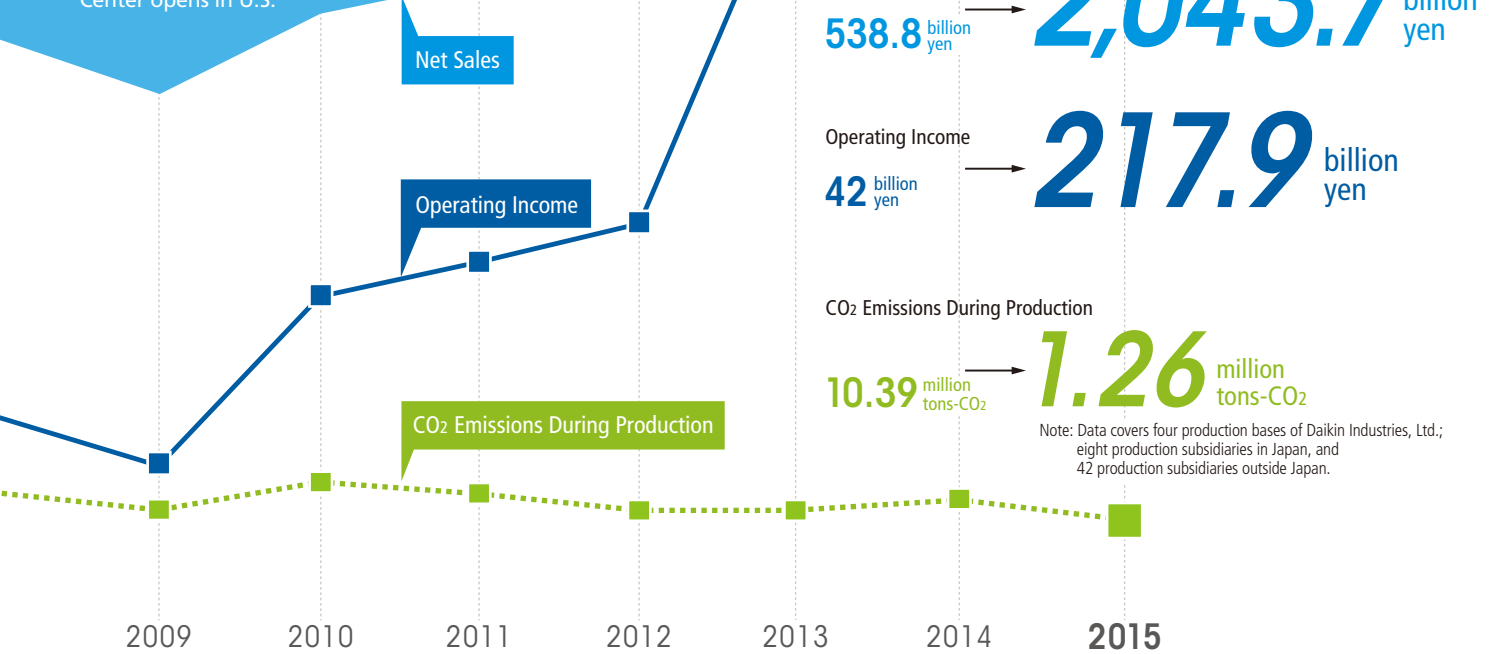
- Environmental protection activities begin in Shiretoko, Japan

## 2010

- China R&D Center opens

## 2009

- Applied Development Center opens in U.S.



### Business

- Achieved alliances, partnerships, and M&A, including the acquisition of O.Y.L. Group to expand business sphere

### Fusion 15: Becoming a Truly Global and Excellent Company

#### Main Achievements

- Fully entered emerging markets and the volume zone
- Solutions/environmental innovation
- Accelerated growth through alliances, partnerships, and M&A, including the acquisition of Goodman Global Group, Inc.
- Established the Technology and Innovation Center