

May 20, 2009

**World-leading Development and Testing Facility  
Established at Daikin McQuay Applied Development Center in the U.S.**

Daikin Industries, Ltd. (Head office: Osaka, Japan) announces the establishment of a development and testing facility within Daikin McQuay Applied Development Center, located in the suburbs of Minneapolis, Minnesota, in the United States, for large-scale commercial (applied) air conditioning equipment of the Daikin Group. Dedication ceremonies are scheduled to begin at 10:15 a.m. (CST) on Wednesday, May 20th (Thursday, May 21st in Japan).

With an investment of 52 million U.S. dollars (5.04 billion yen), the newly-established facility offers the capability to reproduce worldwide temperatures (minus 20°C to plus 60°C) and power supply specifications (frequency and voltage) of each country of the world in order to further raise energy-savings and reliability of large-scale commercial air conditioning equipment, such as screw chillers and centrifugal chillers, installed to large buildings and factories.

This center strengthens Daikin in an area of applied air conditioning technology in which McQuay excels and centralizes the total efforts of 70 employees of the large-scale air conditioning development team in Japan, the United States, and Europe. The aim is to further fuse heat pump and inverter technology, technologies in which Daikin specializes, as well as system technology with the applied air conditioning technology of McQuay to rapidly develop global base models with high differentiation.

Daikin established Daikin McQuay Applied Development Center (General Manager: Takenori Miyamoto) in 2007 as an organization to perform development of a global base model for large-scale commercial air conditioning equipment. Completion of this newly-developed, advanced development and testing facility enables base models to be quickly customized according to regional requirements and allows products with high performance and reliability to be launched within a short timeframe.

Until now, Daikin has been primarily leading the global air conditioning market by utilizing its environmental technology such as energy-saving technology in its residential and small-to-midsize commercial air conditioners. Daikin identified the large-scale commercial air conditioning sector as being essential in its pursuit of becoming the global No. 1 in the overall air conditioning industry and acquired OYL Group including McQuay, a company with the world's fourth largest share of the large-scale commercial air conditioning market, to further strengthen its air conditioning business.

With the completion of this development and testing facility within the Daikin McQuay Applied Development Center, Daikin has prepared a product development system to lead in applied air conditioning in each region of the world.

**Summary of the Daikin McQuay Applied Development Center**

- 1) **Name:** Daikin McQuay Applied Development Center
- 2) **Place of incorporation:** Plymouth, Minnesota (a suburb of Minneapolis), the United States
- 3) **Amount of investment:** 52 million U.S. dollars (5.04 billion yen)
- 4) **Opening ceremony:** May 20, 2009
- 5) **Facility description:** one-story building with total floor space of 4,600 m<sup>2</sup>, and six testing rooms
- 6) **Objectives of establishment:** development of the global base model for commercial-use large-sized air conditioning equipment (applied air conditioning equipment)