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Brief Report on the Settlement of Accounts (Consolidated) for the Six Months Ended September 30, 2026 (J-GAAP)

November 5, 2026

Name of Listed Company: **Daikin Industries, Ltd.** Listed on TSE
Code No.: 6367
(URL: https://www.daikin.co.jp/)
Representative: Naofumi Takenaka, President and COO
Contact: Yuri Sakamoto,
General Manager, Investor and Shareholder Relations Office
(Tel.: +81-6-6147-9925)
Planned date of the filing of semi-annual securities report: November 6, 2026
Planned date of start of dividend payment: December 2, 2026
Preparation of supplementary explanatory materials for the settlement of accounts: Yes
Holding briefings on the settlement of accounts: Yes (for institutional investors and analysts)

1. Consolidated Business Results for the Six Months Ended September 30, 2026

(From April 1, 2026, to September 30, 2026)

(1) Consolidated Business Results (Accumulated)

Note: Amounts less than one million yen are truncated.
Percentages indicate year-over-year increases/decreases.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	2,910,766	17.4	270,793	9.8	247,188	2.2	172,959	7.5
September 30, 2025	2,478,798	-0.6	246,602	0.0	241,887	7.9	160,933	6.1

Note: Comprehensive income was ¥139,416 million (-38.9%) for the six months ended September 30, 2026, and ¥228,149 million (165.9%) for the six months ended September 30, 2025.

	Earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	612.34	611.84
September 30, 2025	549.61	549.18

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2026	5,841,527	3,045,317	51.0
As of March 31, 2026	5,809,240	3,316,538	55.9

(Reference) Equity capital was ¥2,980,043 million as of September 30, 2026, and ¥3,249,840 million as of March 31, 2026.

2. Dividends

	(Annual) Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2026	—	165.00	—	175.00	340.00
Fiscal Year ending March 31, 2027	—	185.00			
Fiscal Year ending March 31, 2027 (forecast)			—	185.00	370.00

Note: Revisions to the dividend forecast announced most recently: Yes

3. Consolidated Business Forecast for the Fiscal Year Ending March 31, 2027

(From April 1, 2026, to March 31, 2027)

Note: Percentages indicate year-over-year increases/decreases.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	5,440,000	8.5	455,000	9.6	417,000	2.2	280,000	1.7	1,006.45

Note: Revisions to the consolidated business forecast announced most recently: Yes

*Notes

(1) Significant Changes in the Scope of Consolidation during the Six Months Ended September 30, 2026: Yes

Newly included: 5 companies (DAIKIN RESEARCH AND DEVELOPMENT INDIA PRIVATE LIMITED and others)

Excluded: 14 companies (DAIKIN FLUORO COATINGS (SHANGHAI) CO., LTD. and others)

(2) Adoption of Accounting Treatment Specific to Semi-annual Consolidated Financial Statement Preparation: Yes

(3) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatement

(i) Changes in accounting policies relating to revisions to accounting standards, etc.: None
(ii) Changes in accounting policies other than (i) above: None
(iii) Changes in accounting estimates: None
(iv) Retrospective restatement: None

(4) Number of Shares Issued (common stock)

(i) Number of shares issued at end of period (including treasury shares)
As of September 30, 2026 293,113,973 shares
As of March 31, 2026 293,113,973 shares

(ii) Number of treasury shares at end of period
As of September 30, 2026 14,907,286 shares
As of March 31, 2026 272,361 shares

(iii) Average number of shares outstanding during the six months
Six Months Ended September 30, 2026 282,456,798 shares
Six Months Ended September 30, 2025 292,811,724 shares

The Brief Report on the Settlement of Accounts is outside the scope of review by a certified public accountant or an audit corporation in the second quarter.

Explanation about the Appropriate Use of the Business Forecast and Other Noteworthy Points

- The business forecasts are based on information currently available to Daikin Industries, Ltd. (the "Company") and certain assumptions that are deemed reasonable. Actual results may differ significantly from these forecasts.
- The Company plans to hold a briefing on business results for institutional investors and analysts on Thursday, November 5, 2026. Documents and materials distributed in this briefing are posted on the Company's website (https://www.daikin.com/investor/library/results_materials).

2. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	FY2025 (As of March 31, 2026)	Second Quarter of FY2026 (As of September 30, 2026)
Assets		
Current assets		
Cash and deposits	933,484	932,047
Notes and accounts receivable – trade, and contract assets	1,011,104	1,026,333
Merchandise and finished goods	769,715	742,033
Work in process	78,570	109,098
Raw materials and supplies	289,616	312,410
Other	203,907	204,334
Allowance for doubtful accounts	(23,519)	(24,581)
Total current assets	3,262,880	3,301,677
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	585,839	580,627
Other, net	878,635	910,822
Total property, plant and equipment	1,464,475	1,491,450
Intangible assets		
Goodwill	274,767	245,403
Other	394,774	377,544
Total intangible assets	669,541	622,947
Investments and other assets		
Investment securities	199,020	201,249
Other	213,812	224,691
Allowance for doubtful accounts	(490)	(488)
Total investments and other assets	412,342	425,452
Total non-current assets	2,546,359	2,539,850
Total assets	5,809,240	5,841,527
Liabilities		
Current liabilities		
Notes and accounts payable – trade	419,985	454,144
Short-term borrowings	286,097	302,393
Commercial papers	28,393	158,629
Current portion of bonds payable	25,000	15,000
Current portion of long-term borrowings	94,285	79,221
Income taxes payable	50,632	45,076
Provision for product warranties	132,908	137,623
Other	651,567	675,242
Total current liabilities	1,688,870	1,867,331
Non-current liabilities		
Bonds payable	200,000	280,000
Long-term borrowings	249,387	289,742
Retirement benefit liability	23,418	22,578
Other	331,026	336,558
Total non-current liabilities	803,831	928,879
Total liabilities	2,492,702	2,796,210

(Millions of yen)

	FY2025 (As of March 31, 2026)	Second Quarter of FY2026 (As of September 30, 2026)
Net assets		
Shareholders' equity		
Share capital	85,032	85,032
Capital surplus	68,521	66,660
Retained earnings	2,252,762	2,372,540
Treasury shares	(1,178)	(350,512)
Total shareholders' equity	2,405,138	2,173,720
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	82,318	81,935
Deferred gains or losses on hedges	1,737	(193)
Foreign currency translation adjustment	768,278	734,147
Remeasurements of defined benefit plans	(7,632)	(9,566)
Total accumulated other comprehensive income	844,702	806,322
Share acquisition rights	4,813	4,033
Non-controlling interests	61,884	61,239
Total net assets	3,316,538	3,045,317
Total liabilities and net assets	5,809,240	5,841,527

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

(Consolidated Statement of Income)

(Millions of yen)

	First Six Months of FY2025 (April 1, 2025, to September 30, 2025)	First Six Months of FY2026 (April 1, 2026, to September 30, 2026)
Net sales	2,478,798	2,910,766
Cost of sales	1,596,079	1,914,829
Gross profit	882,719	995,936
Selling, general and administrative expenses	636,117	725,143
Operating profit	246,602	270,793
Non-operating income		
Interest income	8,551	9,326
Dividend income	2,488	2,726
Share of profit of entities accounted for using equity method	843	581
Inflation accounting adjustment	5,983	—
Other	4,151	4,379
Total non-operating income	22,018	17,014
Non-operating expenses		
Interest expenses	20,756	23,564
Foreign exchange losses	1,049	7,970
Inflation accounting adjustment	—	2,553
Other	4,926	6,530
Total non-operating expenses	26,732	40,619
Ordinary profit	241,887	247,188
Extraordinary income		
Gain on sale of land	2	—
Gain on sale of investment securities	6	1,981
Gain on sale of shares of subsidiaries and associates	0	—
Gain on liquidation of subsidiaries and associates	25	2,094
Gain on revision of retirement benefit plan	1,345	2,123
Total extraordinary income	1,380	6,199
Extraordinary losses		
Loss on disposal of non-current assets	6,054	923
Loss on valuation of investment securities	11	6
Impairment losses	—	1,239
Total extraordinary losses	6,066	2,169
Profit before income taxes	237,202	251,218
Income taxes	70,397	72,743
Profit	166,804	178,474
Profit attributable to non-controlling interests	5,871	5,515
Profit attributable to owners of parent	160,933	172,959

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	First Six Months of FY2025 (April 1, 2025, to September 30, 2025)	First Six Months of FY2026 (April 1, 2026, to September 30, 2026)
Profit	166,804	178,474
Other comprehensive income		
Valuation difference on available-for-sale securities	15,813	(309)
Deferred gains or losses on hedges	517	(1,930)
Foreign currency translation adjustment	50,065	(35,794)
Remeasurements of defined benefit plans	(3,968)	(2,230)
Share of other comprehensive income of entities accounted for using equity method	(1,082)	1,206
Total other comprehensive income	61,344	(39,058)
Comprehensive income	228,149	139,416
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	221,856	134,579
Comprehensive income attributable to non-controlling interests	6,293	4,836

(3) Consolidated Statement of Cash Flows

(Millions of yen)

	First Six Months of FY2025 (April 1, 2025, to September 30, 2025)	First Six Months of FY2026 (April 1, 2026, to September 30, 2026)
I. Cash flows from operating activities		
Profit before income taxes	237,202	251,218
Depreciation	105,343	122,079
Amortization of goodwill	24,494	27,847
Increase (decrease) in allowance for doubtful accounts	(317)	1,146
Interest and dividend income	(11,039)	(12,053)
Interest expenses	20,756	23,564
Share of loss (profit) of entities accounted for using equity method	(843)	(581)
Loss (gain) on disposal of non-current assets	6,054	923
Loss (gain) on sale of investment securities	(6)	(1,981)
Loss (gain) on valuation of investment securities	11	6
Gain on revision of retirement benefit plan	(1,345)	(2,123)
Decrease (increase) in trade receivables	29,379	(28,156)
Decrease (increase) in inventories	(37,863)	(43,404)
Increase (decrease) in trade payables	(11,015)	38,951
Increase (decrease) in accounts payable - other	(21,047)	(12,520)
Increase (decrease) in accrued expenses	17,577	20,086
Increase (decrease) in retirement benefit liability	(181)	41
Decrease (increase) in retirement benefit asset	(579)	(398)
Other, net	(27,012)	34,271
Subtotal	329,566	418,917
Interest and dividends received	12,177	12,260
Interest paid	(20,698)	(23,172)
Income taxes paid	(77,628)	(66,986)
Net cash provided by (used in) operating activities	243,416	341,019
II. Cash flows from investing activities		
Purchase of property, plant and equipment	(94,121)	(123,494)
Proceeds from sale of property, plant and equipment	2,329	4,663
Purchase of investment securities	(1,500)	(3,158)
Proceeds from sale of investment securities	6	2,425
Purchase of shares of subsidiaries and associates	(250)	—
Payments for acquisition of businesses	(889)	(2,987)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(47,602)	(729)
Purchase of investments in capital of subsidiaries resulting in change in scope of consolidation	(2,006)	—
Decrease (increase) in time deposits	(46,923)	(40,783)
Other, net	(8,952)	(19,697)
Net cash provided by (used in) investing activities	(199,910)	(183,761)

(Millions of yen)

	First Six Months of FY2025 (April 1, 2025, to September 30, 2025)	First Six Months of FY2026 (April 1, 2026, to September 30, 2026)
III. Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(13,964)	151,382
Proceeds from long-term borrowings	67,884	81,878
Repayments of long-term borrowings	(45,303)	(53,754)
Proceeds from issuance of bonds	49,830	79,746
Redemption of bonds	(15,000)	(10,000)
Purchase of treasury shares	(0)	(350,000)
Dividends paid	(42,444)	(51,240)
Proceeds from share issuance to non-controlling shareholders	—	256
Dividends paid to non-controlling interests	(6,122)	(4,197)
Repayments of lease liabilities	(30,322)	(36,818)
Other, net	(160)	(3,466)
Net cash provided by (used in) financing activities	(35,603)	(196,212)
IV. Effect of exchange rate change on cash and cash equivalents	14,932	(5,327)
V. Net increase (decrease) in cash and cash equivalents	22,835	(44,283)
VI. Cash and cash equivalents at beginning of period	658,105	706,523
VII. Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries	—	(607)
VIII. Cash and cash equivalents at end of period	680,940	661,632