



Brief Report on the Settlement of Accounts (Consolidated) for the Business Year Ended March 31, 2025 (J-GAAP)

May 8, 2025

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

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Planned date of Ordinary General Meeting of Shareholders: June 27, 2025

Planned date of start of dividend payment: June 30, 2025

Planned date of the filing of securities report: June 25, 2025

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 Fiscal Year Ended March 31, 2025

(From April 1, 2024, to March 31, 2025)

(1) Consolidated Business Results

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	
Fiscal Year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	4,752,335	8.1	401,669	2.4	366,446	3.4	264,757	1.7
March 31, 2024	4,395,317	10.4	392,137	4.0	354,492	-3.2	260,311	1.0

Note: Comprehensive income was ¥256,712 million (-47.9%) for the fiscal year ended March 31, 2025, and ¥493,114 million (39.2%) for the fiscal year ended March 31, 2024.

	Earnings per share	Diluted earnings per share	Ratio of earnings for the fiscal year to shareholders' equity	Ratio of ordinary profit to total assets	Operating margin
Fiscal Year ended	Yen	Yen	%	%	%
March 31, 2025	904.27	903.65	9.7	7.3	8.5
March 31, 2024	889.22	888.64	10.7	7.7	8.9

(Reference) Equity in earnings of affiliates was ¥2,176 million for the fiscal year ended March 31, 2025, and ¥1,605 million for the fiscal year ended March 31, 2024.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	5,133,416	2,866,693	54.6	9,567.14
As of March 31, 2024	4,880,230	2,687,302	54.0	9,009.19

(Reference) Equity capital was ¥2,801,281 million as of March 31, 2025, and ¥2,637,536 million as of March 31, 2024.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal Year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	514,450	(337,406)	(153,468)	658,105
March 31, 2024	399,567	(227,188)	(129,623)	634,008

2. Dividends

	(Annual) Dividend per share					Total cash dividends for the fiscal year (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
Fiscal Year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	—	120.00	—	130.00	250.00	73,190	28.1	3.0
March 31, 2025	—	185.00	—	145.00	330.00	96,626	36.5	3.6
Fiscal Year ending March 31, 2026 (forecast)	—	165.00	—	165.00	330.00		35.5	

Note: Dividend per share for the 2Q-end of the fiscal year ended March 31, 2025 consists of an ordinary dividend of ¥135 and a commemorative dividend of ¥50 for the Company's 100th anniversary.

3. Consolidated Business Forecast for the Fiscal Year Ending March 31, 2026

(From April 1, 2025, to March 31, 2026)

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
First half	2,470,000	-0.9	247,000	0.2	231,000	3.0	152,000	0.2	519.12
Full year	4,840,000	1.8	435,000	8.3	405,000	10.5	272,000	2.7	928.95

*Notes

(1) Significant Changes in the Scope of Consolidation during the Period: Yes

Newly included: 10 companies (Varitec Solutions, LLC and others)

Excluded: 9 companies (ABCO Refrigeration Supply Corp. and others)

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

(i) Changes in accounting policies relating to revisions to accounting standards, etc.: Yes

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Retrospective restatement: None

(3) Number of Shares Issued (common stock)

(i) Number of shares issued at end of period (including treasury shares)

As of March 31, 2025 293,113,973 shares

As of March 31, 2024 293,113,973 shares

(ii) Number of treasury shares at end of period

As of March 31, 2025 311,521 shares

As of March 31, 2024 353,293 shares

(iii) Average number of shares outstanding during the period

Fiscal Year Ended March 31, 2025 292,784,454 shares

Fiscal Year Ended March 31, 2024 292,743,273 shares

(Reference) Summary of Non-Consolidated Business Results for the Fiscal Year Ended March 31, 2025
(From April 1, 2024, to March 31, 2025)

(1) Non-Consolidated Business Results

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

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal Year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	792,314	8.1	5,989	-67.9	149,911	29.2	168,760	17.0
March 31, 2024	733,157	-4.0	18,685	-60.6	115,996	-21.0	144,242	1.0

	Earnings per share	Diluted earnings per share
Fiscal Year ended	Yen	Yen
March 31, 2025	576.39	575.99
March 31, 2024	492.72	492.40

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	1,910,436	1,243,700	64.9	4,233.12
As of March 31, 2024	1,776,881	1,177,875	66.1	4,010.39

(Reference) Equity capital was ¥1,239,488 million as of March 31, 2025, and ¥1,174,103 million as of March 31, 2024.

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

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

- The Company plans to hold a briefing on business results for institutional investors and analysts on Friday, May 9, 2025. Documents and materials distributed in this briefing are posted on the Company's website (https://www.daikin.com/investor/library/results_materials).

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	FY2023 (As of March 31, 2024)	FY2024 (As of March 31, 2025)
Assets		
Current assets		
Cash and deposits	737,961	802,663
Notes and accounts receivable – trade, and contract assets	815,305	856,542
Merchandise and finished goods	696,363	709,232
Work in process	75,932	72,190
Raw materials and supplies	275,446	271,444
Other	148,126	163,975
Allowance for doubtful accounts	(22,536)	(22,395)
Total current assets	2,726,598	2,853,654
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	422,744	524,369
Machinery, equipment and vehicles, net	347,884	415,530
Land	85,135	99,532
Leased assets, net	5,476	5,789
Construction in progress	202,520	154,876
Other, net	71,220	79,228
Total property, plant and equipment	1,134,982	1,279,327
Intangible assets		
Goodwill	306,627	266,337
Customer-related intangible assets	246,186	237,048
Other	130,912	134,481
Total intangible assets	683,726	637,867
Investments and other assets		
Investment securities	171,857	160,032
Long-term loans receivable	1,381	1,799
Deferred tax assets	52,249	66,331
Retirement benefit asset	27,419	36,795
Other	82,564	98,089
Allowance for doubtful accounts	(550)	(481)
Total investments and other assets	334,922	362,566
Total non-current assets	2,153,631	2,279,761
Total assets	4,880,230	5,133,416

	(Millions of yen)	
	FY2023 (As of March 31, 2024)	FY2024 (As of March 31, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable – trade	326,033	362,158
Short-term borrowings	363,205	294,643
Commercial papers	50,419	29,554
Current portion of bonds payable	10,000	15,000
Current portion of long-term borrowings	63,446	58,176
Lease liabilities	40,087	42,790
Income taxes payable	41,261	47,193
Provision for bonuses for directors (and other officers)	353	259
Provision for product warranties	104,616	112,835
Accrued expenses	273,044	283,116
Other	294,521	297,317
Total current liabilities	1,566,990	1,543,047
Non-current liabilities		
Bonds payable	130,000	175,000
Long-term borrowings	194,918	239,920
Lease liabilities	116,110	131,766
Deferred tax liabilities	110,193	93,286
Retirement benefit liability	19,910	21,760
Other	54,804	61,941
Total non-current liabilities	625,936	723,675
Total liabilities	2,192,927	2,266,723
Net assets		
Shareholders' equity		
Share capital	85,032	85,032
Capital surplus	78,014	87,304
Retained earnings	1,896,173	2,068,308
Treasury shares	(1,525)	(1,348)
Total shareholders' equity	2,057,695	2,239,296
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	65,729	53,770
Deferred gains or losses on hedges	358	945
Foreign currency translation adjustment	524,273	512,313
Remeasurements of defined benefit plans	(10,520)	(5,042)
Total accumulated other comprehensive income	579,840	561,985
Share acquisition rights	3,771	4,212
Non-controlling interests	45,994	61,199
Total net assets	2,687,302	2,866,693
Total liabilities and net assets	4,880,230	5,133,416

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

	(Millions of yen)	
	FY2023 (April 1, 2023, to March 31, 2024)	FY2024 (April 1, 2024, to March 31, 2025)
Net sales	4,395,317	4,752,335
Cost of sales	2,885,644	3,125,646
Gross profit	1,509,673	1,626,688
Selling, general and administrative expenses	1,117,536	1,225,019
Operating profit	392,137	401,669
Non-operating income		
Interest income	16,108	20,109
Dividend income	5,015	3,846
Share of profit of entities accounted for using equity method	1,605	2,176
Subsidy income	1,936	2,275
Other	5,289	5,601
Total non-operating income	29,955	34,010
Non-operating expenses		
Interest expenses	44,900	43,030
Foreign exchange losses	1,112	9,163
Settlement payments	2,570	—
Inflation accounting adjustment	12,501	9,023
Other	6,515	8,015
Total non-operating expenses	67,600	69,233
Ordinary profit	354,492	366,446
Extraordinary income		
Gain on sale of land	37	439
Gain on sale of investment securities	46,259	12,162
Gain on insurance claims	—	2,108
Gain on step acquisitions	—	1,717
Total extraordinary income	46,297	16,428
Extraordinary losses		
Loss on disposal of non-current assets	2,839	1,198
Loss on sale of land	—	181
Loss on valuation of investment securities	409	1,051
Loss on sale of shares of subsidiaries and associates	0	—
Loss on liquidation of subsidiaries and associates	—	46
Impairment loss	12,244	—
Distinguished service compensation	—	4,300
Other	0	1
Total extraordinary losses	15,494	6,779
Profit before income taxes	385,294	376,095
Income taxes – current	129,010	134,613
Income taxes – deferred	(13,550)	(33,966)
Total income taxes	115,459	100,647
Profit	269,835	275,448
Profit attributable to non-controlling interests	9,523	10,690
Profit attributable to owners of parent	260,311	264,757

(Consolidated Statement of Comprehensive Income)

	(Millions of yen)	
	FY2023 (April 1, 2023, to March 31, 2024)	FY2024 (April 1, 2024, to March 31, 2025)
Profit	269,835	275,448
Other comprehensive income		
Valuation difference on available-for-sale securities	13,748	(11,962)
Deferred gains or losses on hedges	(100)	586
Foreign currency translation adjustment	210,866	(14,419)
Remeasurements of defined benefit plans	(2,710)	5,594
Share of other comprehensive income of entities accounted for using equity method	1,475	1,465
Total other comprehensive income	223,278	(18,735)
Comprehensive income	493,114	256,712
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	480,121	246,902
Comprehensive income attributable to non-controlling interests	12,992	9,810

(3) Consolidated Statement of Changes in Equity

FY2023 (April 1, 2023, to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	85,032	79,478	1,712,165	(1,676)	1,874,999
Changes in items during period					
Dividends of surplus			(76,112)		(76,112)
Profit attributable to owners of parent			260,311		260,311
Effect of changes in accounting period of subsidiaries			(191)		(191)
Purchase of treasury shares				(6)	(6)
Disposal of treasury shares		399		158	557
Capital increase of consolidated subsidiaries		(858)			(858)
Change in ownership interest of parent due to transactions with non-controlling interests		(1,003)			(1,003)
Net changes in items other than shareholders' equity					
Total changes in items during period	—	(1,463)	184,007	151	182,695
Balance at end of current period	85,032	78,014	1,896,173	(1,525)	2,057,695

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	51,980	459	315,392	(7,801)	360,031	3,116	40,947	2,279,095
Changes in items during period								
Dividends of surplus								(76,112)
Profit attributable to owners of parent								260,311
Effect of changes in accounting period of subsidiaries								(191)
Purchase of treasury shares								(6)
Disposal of treasury shares								557
Capital increase of consolidated subsidiaries								(858)
Change in ownership interest of parent due to transactions with non-controlling interests								(1,003)
Net changes in items other than shareholders' equity	13,749	(100)	208,880	(2,719)	219,809	655	5,046	225,512
Total changes in items during period	13,749	(100)	208,880	(2,719)	219,809	655	5,046	408,207
Balance at end of current period	65,729	358	524,273	(10,520)	579,840	3,771	45,994	2,687,302

FY2024 (April 1, 2024, to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	85,032	78,014	1,896,173	(1,525)	2,057,695
Changes in items during period					
Dividends of surplus			(92,227)		(92,227)
Profit attributable to owners of parent			264,757		264,757
Effect of changes in accounting period of subsidiaries			(395)		(395)
Purchase of treasury shares				(7)	(7)
Disposal of treasury shares		591		183	775
Capital increase of consolidated subsidiaries		5,835			5,835
Purchase of treasury shares of consolidated subsidiaries		3,542			3,542
Change in ownership interest of parent due to transactions with non-controlling interests		(679)			(679)
Net changes in items other than shareholders' equity					
Total changes in items during period	—	9,289	172,134	176	181,600
Balance at end of current period	85,032	87,304	2,068,308	(1,348)	2,239,296

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	65,729	358	524,273	(10,520)	579,840	3,771	45,994	2,687,302
Changes in items during period								
Dividends of surplus								(92,227)
Profit attributable to owners of parent								264,757
Effect of changes in accounting period of subsidiaries								(395)
Purchase of treasury shares								(7)
Disposal of treasury shares								775
Capital increase of consolidated subsidiaries								5,835
Purchase of treasury shares of consolidated subsidiaries								3,542
Change in ownership interest of parent due to transactions with non-controlling interests								(679)
Net changes in items other than shareholders' equity	(11,959)	586	(11,960)	5,477	(17,855)	440	15,204	(2,210)
Total changes in items during period	(11,959)	586	(11,960)	5,477	(17,855)	440	15,204	179,390
Balance at end of current period	53,770	945	512,313	(5,042)	561,985	4,212	61,199	2,866,693

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	FY2023 (April 1, 2023, to March 31, 2024)	FY2024 (April 1, 2024, to March 31, 2025)
I. Cash flows from operating activities		
Profit before income taxes	385,294	376,095
Depreciation	169,979	197,443
Impairment loss	12,244	—
Amortization of goodwill	45,585	48,572
Increase (decrease) in allowance for doubtful accounts	1,446	(173)
Interest and dividend income	(21,123)	(23,956)
Interest expenses	44,900	43,030
Share of loss (profit) of entities accounted for using equity method	(1,605)	(2,176)
Loss (gain) on disposal of non-current assets	2,839	1,198
Loss (gain) on sale of investment securities	(46,259)	(12,162)
Loss (gain) on valuation of investment securities	409	1,051
Loss (gain) on step acquisitions	—	(1,717)
Decrease (increase) in trade receivables	(36,092)	(40,093)
Decrease (increase) in inventories	36,528	(10,918)
Increase (decrease) in trade payables	(56,770)	30,580
Increase (decrease) in accounts payable - other	6,103	(128)
Increase (decrease) in accrued expenses	(2,180)	5,862
Increase (decrease) in retirement benefit liability	371	1,649
Decrease (increase) in retirement benefit asset	(3,925)	(9,436)
Other, net	21,653	57,350
Subtotal	559,398	662,072
Interest and dividends received	23,708	25,382
Interest paid	(44,624)	(43,325)
Income taxes paid	(138,915)	(129,677)
Net cash provided by (used in) operating activities	399,567	514,450
II. Cash flows from investing activities		
Purchase of property, plant and equipment	(242,633)	(245,985)
Proceeds from sale of property, plant and equipment	3,141	6,627
Purchase of investment securities	(1,450)	(17,505)
Proceeds from sale of investment securities	68,654	19,543
Purchase of shares of subsidiaries and associates	(1,548)	(1,094)
Payments for acquisition of businesses	(10,461)	(573)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(9,968)	(8,383)
Payments for investments in capital of subsidiaries resulting in change in scope of consolidation	—	(15,866)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	95
Decrease (increase) in time deposits	(28,592)	(42,028)
Other, net	(4,330)	(32,237)
Net cash provided by (used in) investing activities	(227,188)	(337,406)

	(Millions of yen)	
	FY2023 (April 1, 2023, to March 31, 2024)	FY2024 (April 1, 2024, to March 31, 2025)
III. Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	17,867	(96,689)
Proceeds from long-term borrowings	60,479	106,428
Repayments of long-term borrowings	(58,294)	(66,088)
Proceeds from issuance of bonds	—	59,802
Redemption of bonds	(20,000)	(10,000)
Dividends paid	(76,083)	(92,192)
Proceeds from share issuance to non-controlling shareholders	464	15,112
Dividends paid to non-controlling interests	(5,235)	(13,447)
Repayments of lease liabilities	(47,189)	(56,073)
Other, net	(1,631)	(320)
Net cash provided by (used in) financing activities	(129,623)	(153,468)
IV. Effect of exchange rate change on cash and cash equivalents	42,752	2,033
V. Net increase (decrease) in cash and cash equivalents	85,508	25,608
VI. Cash and cash equivalents at beginning of period	548,242	634,008
VII. Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries	257	(1,511)
VIII. Cash and cash equivalents at end of period	634,008	658,105