



Brief Report on the Settlement of Accounts (Consolidated) for the Six Months Ended September 30, 2025 (J-GAAP)

November 5, 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 the filing of semi-annual securities report: November 6, 2025

Planned date of start of dividend payment: December 2, 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 Six Months Ended September 30, 2025

(From April 1, 2025, to September 30, 2025)

(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, 2025	2,478,798	-0.6	246,602	0.0	241,887	7.9	160,933	6.1
September 30, 2024	2,493,064	12.0	246,594	4.6	224,168	1.4	151,657	-0.9

Note: Comprehensive income was ¥228,149 million (165.9%) for the six months ended September 30, 2025, and ¥85,809 million (-75.2%) for the six months ended September 30, 2024.

	Earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	549.61	549.18
September 30, 2024	518.00	517.65

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	5,367,787	3,047,454	55.5
As of March 31, 2025	5,133,416	2,866,693	54.6

(Reference) Equity capital was ¥2,981,042 million as of September 30, 2025, and ¥2,801,281 million as of March 31, 2025.

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, 2025	—	185.00	—	145.00	330.00
Fiscal Year ending March 31, 2026	—	165.00			
Fiscal Year ending March 31, 2026 (forecast)			—	165.00	330.00

Note: Revisions to the dividend forecast announced most recently: None

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
Full year	4,840,000	1.8	435,000	8.3	415,000	13.2	280,000	5.8	956.28

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, 2025: Yes
 Newly included: 5 companies (Dynamic Data Centers Solutions, Inc. and others)
 Excluded: 30 companies (Goodman Global Holdings, Inc. 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, 2025	293,113,973 shares
As of March 31, 2025	293,113,973 shares
 - (ii) Number of treasury shares at end of period

As of September 30, 2025	285,153 shares
As of March 31, 2025	311,521 shares
 - (iii) Average number of shares outstanding during the six months

Six Months Ended September 30, 2025	292,811,724 shares
Six Months Ended September 30, 2024	292,772,992 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 6, 2025. 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)

	FY2024 (As of March 31, 2025)	Second Quarter of FY2025 (As of September 30, 2025)
Assets		
Current assets		
Cash and deposits	802,663	876,254
Notes and accounts receivable – trade, and contract assets	856,542	845,435
Merchandise and finished goods	709,232	756,190
Work in process	72,190	79,128
Raw materials and supplies	271,444	273,394
Other	163,975	177,467
Allowance for doubtful accounts	(22,395)	(22,614)
Total current assets	2,853,654	2,985,256
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	524,369	538,634
Other, net	754,957	790,624
Total property, plant and equipment	1,279,327	1,329,259
Intangible assets		
Goodwill	266,337	279,937
Other	371,529	386,410
Total intangible assets	637,867	666,348
Investments and other assets		
Investment securities	160,032	184,645
Other	203,015	202,755
Allowance for doubtful accounts	(481)	(478)
Total investments and other assets	362,566	386,922
Total non-current assets	2,279,761	2,382,531
Total assets	5,133,416	5,367,787
Liabilities		
Current liabilities		
Notes and accounts payable – trade	362,158	360,673
Short-term borrowings	294,643	248,087
Commercial papers	29,554	68,681
Current portion of bonds payable	15,000	10,000
Current portion of long-term borrowings	58,176	62,618
Income taxes payable	47,193	41,890
Provision for product warranties	112,835	118,546
Other	623,484	597,505
Total current liabilities	1,543,047	1,508,003
Non-current liabilities		
Bonds payable	175,000	215,000
Long-term borrowings	239,920	257,968
Retirement benefit liability	21,760	20,841
Other	286,994	318,519
Total non-current liabilities	723,675	812,329
Total liabilities	2,266,723	2,320,333

	(Millions of yen)	
	FY2024 (As of March 31, 2025)	Second Quarter of FY2025 (As of September 30, 2025)
Net assets		
Shareholders' equity		
Share capital	85,032	85,032
Capital surplus	87,304	87,551
Retained earnings	2,068,308	2,186,784
Treasury shares	(1,348)	(1,234)
Total shareholders' equity	2,239,296	2,358,134
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	53,770	69,516
Deferred gains or losses on hedges	945	1,462
Foreign currency translation adjustment	512,313	560,933
Remeasurements of defined benefit plans	(5,042)	(9,004)
Total accumulated other comprehensive income	561,985	622,908
Share acquisition rights	4,212	5,066
Non-controlling interests	61,199	61,345
Total net assets	2,866,693	3,047,454
Total liabilities and net assets	5,133,416	5,367,787

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

	(Millions of yen)	
	First Six Months of FY2024 (April 1, 2024, to September 30, 2024)	First Six Months of FY2025 (April 1, 2025, to September 30, 2025)
Net sales	2,493,064	2,478,798
Cost of sales	1,632,290	1,596,079
Gross profit	860,773	882,719
Selling, general and administrative expenses	614,179	636,117
Operating profit	246,594	246,602
Non-operating income		
Interest income	9,862	8,551
Dividend income	2,305	2,488
Share of profit of entities accounted for using equity method	1,024	843
Inflation accounting adjustment	—	5,983
Other	6,866	4,151
Total non-operating income	20,059	22,018
Non-operating expenses		
Interest expenses	23,200	20,756
Foreign exchange losses	12,108	1,049
Inflation accounting adjustment	4,067	—
Other	3,109	4,926
Total non-operating expenses	42,484	26,732
Ordinary profit	224,168	241,887
Extraordinary income		
Gain on sale of land	14	2
Gain on sale of investment securities	3,712	6
Gain on sale of shares of subsidiaries and associates	—	0
Gain on liquidation of subsidiaries and associates	—	25
Gain on revision of retirement benefit plan	—	1,345
Total extraordinary income	3,726	1,380
Extraordinary losses		
Loss on disposal of non-current assets	498	6,054
Loss on sale of land	170	—
Loss on valuation of investment securities	464	11
Distinguished service compensation	4,300	—
Total extraordinary losses	5,433	6,066
Profit before income taxes	222,462	237,202
Income taxes	65,265	70,397
Profit	157,196	166,804
Profit attributable to non-controlling interests	5,539	5,871
Profit attributable to owners of parent	151,657	160,933

(Consolidated Statement of Comprehensive Income)

	(Millions of yen)	
	First Six Months of FY2024 (April 1, 2024, to September 30, 2024)	First Six Months of FY2025 (April 1, 2025, to September 30, 2025)
Profit	157,196	166,804
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,255)	15,813
Deferred gains or losses on hedges	727	517
Foreign currency translation adjustment	(65,184)	50,065
Remeasurements of defined benefit plans	(2,714)	(3,968)
Share of other comprehensive income of entities accounted for using equity method	2,039	(1,082)
Total other comprehensive income	(71,386)	61,344
Comprehensive income	85,809	228,149
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	81,379	221,856
Comprehensive income attributable to non-controlling interests	4,430	6,293

(3) Consolidated Statement of Cash Flows

(Millions of yen)

	First Six Months of FY2024 (April 1, 2024, to September 30, 2024)	First Six Months of FY2025 (April 1, 2025, to September 30, 2025)
I. Cash flows from operating activities		
Profit before income taxes	222,462	237,202
Depreciation	94,479	105,343
Amortization of goodwill	24,033	24,494
Increase (decrease) in allowance for doubtful accounts	593	(317)
Interest and dividend income	(12,168)	(11,039)
Interest expenses	23,200	20,756
Share of loss (profit) of entities accounted for using equity method	(1,024)	(843)
Loss (gain) on disposal of non-current assets	498	6,054
Loss (gain) on sale of investment securities	(3,712)	(6)
Loss (gain) on valuation of investment securities	464	11
Gain on revision of retirement benefit plan	—	(1,345)
Decrease (increase) in trade receivables	(39,742)	29,379
Decrease (increase) in inventories	43,379	(37,863)
Increase (decrease) in trade payables	31,716	(11,015)
Increase (decrease) in accounts payable - other	(17,402)	(21,047)
Increase (decrease) in accrued expenses	32,386	17,577
Increase (decrease) in retirement benefit liability	356	(181)
Decrease (increase) in retirement benefit asset	3,110	(579)
Other, net	(9,315)	(27,012)
Subtotal	393,316	329,566
Interest and dividends received	12,521	12,177
Interest paid	(23,372)	(20,698)
Income taxes paid	(63,929)	(77,628)
Net cash provided by (used in) operating activities	318,536	243,416
II. Cash flows from investing activities		
Purchase of property, plant and equipment	(132,346)	(94,121)
Proceeds from sale of property, plant and equipment	1,872	2,329
Purchase of investment securities	(1,048)	(1,500)
Proceeds from sale of investment securities	4,933	6
Purchase of shares of subsidiaries and associates	(753)	(250)
Payments for acquisition of businesses	(324)	(889)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,707)	(47,602)
Payments for investments in capital of subsidiaries resulting in change in scope of consolidation	(3,298)	(2,006)
Decrease (increase) in time deposits	(37,049)	(46,923)
Other, net	(17,039)	(8,952)
Net cash provided by (used in) investing activities	(187,761)	(199,910)

	(Millions of yen)	
	First Six Months of FY2024 (April 1, 2024, to September 30, 2024)	First Six Months of FY2025 (April 1, 2025, to September 30, 2025)
III. Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(128,171)	(13,964)
Proceeds from long-term borrowings	103,168	67,884
Repayments of long-term borrowings	(22,293)	(45,303)
Proceeds from issuance of bonds	59,802	49,830
Redemption of bonds	(10,000)	(15,000)
Dividends paid	(38,044)	(42,444)
Proceeds from share issuance to non-controlling shareholders	404	—
Dividends paid to non-controlling interests	(7,163)	(6,122)
Repayments of lease liabilities	(29,163)	(30,322)
Other, net	(323)	(161)
Net cash provided by (used in) financing activities	(71,784)	(35,603)
IV. Effect of exchange rate change on cash and cash equivalents	(3,134)	14,932
V. Net increase (decrease) in cash and cash equivalents	55,855	22,835
VI. Cash and cash equivalents at beginning of period	634,008	658,105
VII. Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries	(1,511)	—
VIII. Cash and cash equivalents at end of period	688,352	680,940