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

August 4, 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 start of dividend payment: —
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 Three Months Ended June 30, 2026
(From April 1, 2026, to June 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	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	1,426,810	17.5	130,560	7.6	120,811	1.6	80,136	-1.7
June 30, 2025	1,213,821	-3.0	121,300	5.1	118,905	13.0	81,526	29.2

Note: Comprehensive income was ¥145,485 million (146.0%) for the three months ended June 30, 2026, and ¥59,136 million (-70.2%) for the three months ended June 30, 2025.

	Earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	280.60	280.37
June 30, 2025	278.43	278.25

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2026	5,954,253	3,056,403	50.2
As of March 31, 2026	5,809,240	3,316,538	55.9

(Reference) Equity capital was ¥2,988,002 million as of June 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	—				
Fiscal Year ending March 31, 2027 (forecast)		180.00	—	180.00	360.00

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

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
First half	2,610,000	5.3	258,000	4.6	244,000	0.9	163,000	1.3	556.61
Full year	5,150,000	2.7	436,000	5.1	414,000	1.4	278,000	1.0	949.32

Note: Revisions to the consolidated business forecast announced most recently: None

*Notes

(1) Significant Changes in the Scope of Consolidation during the Three Months Ended June 30, 2026: Yes
Newly included: 2 companies (Daikin Air Conditioning Lower Gulf LLC and other)
Excluded: 10 companies (Flanders Holdings LLC and others)

(2) Adoption of Accounting Treatment Specific to Quarterly 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 June 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 June 30, 2026 14,778,565 shares
As of March 31, 2026 272,361 shares
(iii) Average number of shares outstanding during the three months
Three Months Ended June 30, 2026 285,587,604 shares
Three Months Ended June 30, 2025 292,804,800 shares

Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit corporation: Yes (voluntary)

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 Tuesday, August 4, 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)	First Quarter of FY2026 (As of June 30, 2026)
Assets		
Current assets		
Cash and deposits	933,484	925,534
Notes and accounts receivable – trade, and contract assets	1,011,104	1,065,790
Merchandise and finished goods	769,715	779,557
Work in process	78,570	99,761
Raw materials and supplies	289,616	306,320
Other	203,907	204,169
Allowance for doubtful accounts	(23,519)	(24,615)
Total current assets	3,262,880	3,356,518
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	585,839	589,395
Other, net	878,635	912,830
Total property, plant and equipment	1,464,475	1,502,225
Intangible assets		
Goodwill	274,767	266,606
Other	394,774	395,007
Total intangible assets	669,541	661,614
Investments and other assets		
Investment securities	199,020	212,415
Other	213,812	221,969
Allowance for doubtful accounts	(490)	(489)
Total investments and other assets	412,342	433,894
Total non-current assets	2,546,359	2,597,734
Total assets	5,809,240	5,954,253
Liabilities		
Current liabilities		
Notes and accounts payable – trade	419,985	475,411
Short-term borrowings	286,097	500,297
Commercial papers	28,393	143,382
Current portion of bonds payable	25,000	25,000
Current portion of long-term borrowings	94,285	70,986
Income taxes payable	50,632	41,615
Provision for product warranties	132,908	138,373
Other	651,567	675,217
Total current liabilities	1,688,870	2,070,284
Non-current liabilities		
Bonds payable	200,000	200,000
Long-term borrowings	249,387	266,933
Retirement benefit liability	23,418	22,991
Other	331,026	337,640
Total non-current liabilities	803,831	827,565
Total liabilities	2,492,702	2,897,849

(Millions of yen)

	FY2025 (As of March 31, 2026)	First Quarter of FY2026 (As of June 30, 2026)
Net assets		
Shareholders’ equity		
Share capital	85,032	85,032
Capital surplus	68,521	67,206
Retained earnings	2,252,762	2,279,705
Treasury shares	(1,178)	(351,048)
Total shareholders’ equity	2,405,138	2,080,896
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	82,318	90,324
Deferred gains or losses on hedges	1,737	1,302
Foreign currency translation adjustment	768,278	825,418
Remeasurements of defined benefit plans	(7,632)	(9,939)
Total accumulated other comprehensive income	844,702	907,106
Share acquisition rights	4,813	4,599
Non-controlling interests	61,884	63,802
Total net assets	3,316,538	3,056,403
Total liabilities and net assets	5,809,240	5,954,253

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

(Consolidated Statement of Income)

For the Three Months Ended June 30 (Millions of yen)

	First Three Months of FY2025 (April 1, 2025, to June 30, 2025)	First Three Months of FY2026 (April 1, 2026, to June 30, 2026)
Net sales	1,213,821	1,426,810
Cost of sales	780,574	932,862
Gross profit	433,247	493,947
Selling, general and administrative expenses	311,947	363,386
Operating profit	121,300	130,560
Non-operating income		
Interest income	4,716	4,389
Dividend income	2,067	2,411
Share of profit of entities accounted for using equity method	341	218
Inflation accounting adjustment	25	—
Other	3,851	2,241
Total non-operating income	11,002	9,260
Non-operating expenses		
Interest expenses	9,961	12,198
Foreign exchange losses	1,789	3,374
Inflation accounting adjustment	—	1,196
Other	1,646	2,241
Total non-operating expenses	13,397	19,010
Ordinary profit	118,905	120,811
Extraordinary income		
Gain on disposal of non-current assets	—	76
Gain on sale of land	2	—
Gain on revision of retirement benefit plan	1,345	2,123
Total extraordinary income	1,348	2,199
Extraordinary losses		
Loss on disposal of non-current assets	57	—
Loss on valuation of investment securities	0	5
Impairment losses	—	1,243
Total extraordinary losses	57	1,249
Profit before income taxes	120,197	121,761
Income taxes	35,986	38,760
Profit	84,210	83,000
Profit attributable to non-controlling interests	2,683	2,864
Profit attributable to owners of parent	81,526	80,136

(Consolidated Statement of Comprehensive Income)

For the Three Months Ended June 30 (Millions of yen)

	First Three Months of FY2025 (April 1, 2025, to June 30, 2025)	First Three Months of FY2026 (April 1, 2026, to June 30, 2026)
Profit	84,210	83,000
Other comprehensive income		
Valuation difference on available-for-sale securities	4,110	8,049
Deferred gains or losses on hedges	373	(434)
Foreign currency translation adjustment	(24,895)	56,782
Remeasurements of defined benefit plans	(3,800)	(2,602)
Share of other comprehensive income of entities accounted for using equity method	(861)	689
Total other comprehensive income	(25,073)	62,485
Comprehensive income	59,136	145,485
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	57,429	142,540
Comprehensive income attributable to non-controlling interests	1,707	2,945

(3) Consolidated Statement of Cash Flows

(Millions of yen)

	First Three Months of FY2025 (April 1, 2025, to June 30, 2025)	First Three Months of FY2026 (April 1, 2026, to June 30, 2026)
I. Cash flows from operating activities		
Profit before income taxes	120,197	121,761
Depreciation	51,147	61,035
Amortization of goodwill	11,916	13,894
Increase (decrease) in allowance for doubtful accounts	200	551
Interest and dividend income	(6,784)	(6,800)
Interest expenses	9,961	12,198
Share of loss (profit) of entities accounted for using equity method	(341)	(218)
Loss (gain) on disposal of non-current assets	57	(76)
Loss (gain) on valuation of investment securities	0	5
Gain on revision of retirement benefit plan	(1,345)	(2,123)
Decrease (increase) in trade receivables	(18,942)	(39,330)
Decrease (increase) in inventories	(28,022)	(33,427)
Increase (decrease) in trade payables	13,660	47,817
Increase (decrease) in accounts payable - other	(18,999)	(13,024)
Increase (decrease) in accrued expenses	5,667	3,939
Increase (decrease) in retirement benefit liability	293	(154)
Decrease (increase) in retirement benefit asset	(449)	(263)
Other, net	(42,889)	30,235
Subtotal	95,324	196,019
Interest and dividends received	7,785	6,939
Interest paid	(9,319)	(11,042)
Income taxes paid	(30,011)	(38,674)
Net cash provided by (used in) operating activities	63,778	153,242
II. Cash flows from investing activities		
Purchase of property, plant and equipment	(49,760)	(61,379)
Proceeds from sale of property, plant and equipment	1,686	2,737
Purchase of investment securities	(1,155)	(1,591)
Purchase of shares of subsidiaries and associates	(247)	—
Payments for acquisition of businesses	(889)	(2,641)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(799)	—
Purchase of investments in capital of subsidiaries resulting in change in scope of consolidation	(1,962)	—
Decrease (increase) in time deposits	(29,604)	(13,612)
Other, net	(2,565)	(14,063)
Net cash provided by (used in) investing activities	(85,298)	(90,550)

(Millions of yen)

	First Three Months of FY2025 (April 1, 2025, to June 30, 2025)	First Three Months of FY2026 (April 1, 2026, to June 30, 2026)
III. Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	54,771	326,690
Proceeds from long-term borrowings	12,014	15,957
Repayments of long-term borrowings	(35,397)	(24,286)
Purchase of treasury shares	—	(349,999)
Dividends paid	(42,482)	(51,284)
Proceeds from share issuance to non-controlling shareholders	—	96
Dividends paid to non-controlling interests	(1,383)	(520)
Repayments of lease liabilities	(15,262)	(18,984)
Other, net	0	(1,097)
Net cash provided by (used in) financing activities	(27,740)	(103,429)
IV. Effect of exchange rate change on cash and cash equivalents	(5,413)	12,310
V. Net increase (decrease) in cash and cash equivalents	(54,673)	(28,427)
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	603,432	677,488