



Presentation of Financial Results
for the First Half in September 2020

November 6, 2020

DAIKIN INDUSTRIES, LTD.

I . Financial Summary (Company-Wide)

Financial Results for the First Half P.3-9

Business Forecast for FY2020 P.10-12

II . Business Conditions by Segments .. P. 13-20

III . Dividends Plan P. 21

《Reference》

The impact of COVID-19 significantly slowed the global economy. Accordingly, Daikin assessed prospects for a recovery in demand for each region, business, and product while also promoting both defensive and proactive measures such as utilizing online tools, strengthening proposal sales of ventilation products, and thoroughly reducing fixed costs. Taking advantage of stable supply from localized production near markets and sales activities having close contact with customers, the company achieved financial results exceeding the current plan.

In the Air Conditioning business, sales expanded mainly for residential-use products capitalizing on the growing interest in air quality and ventilation.

In the Chemicals business, despite a recovery lag in the semiconductor market and stagnant demand in the automotive market, sales improved for tablet PCs due to an increase in telework and the need for medical protective clothing.

(billion yen)	FY2019 H1 Result	FY2020 H1		Y/Y
		Current Plan	Result	
Net sales	1,354.2	1,205.0	1,229.2	91%
Operating profit (Percentage of profit to net sales)	168.3 (12.4%)	121.0 (10.0%)	131.6 (10.7%)	78%
Ordinary profit (Percentage of profit to net sales)	170.1 (12.6%)	121.0 (10.0%)	131.9 (10.7%)	78%
Profit attributable to owners of parent (Percentage of profit to net sales)	118.5 (8.8%)	75.0 (6.2%)	84.6 (6.9%)	71%
USD/JPY	¥109	¥108	¥107	
EUR/JPY	¥121	¥120	¥121	
RMB/JPY	¥15.7	¥15.7	¥15.3	

OFX Effect (Y/Y)

On Sales -23.5 billion yen
On Operating Profit -5.0 billion yen

(billion yen)		H1 Result		
		FY2019	FY2020	Y/Y
Total	Sales	1,354.2	1,229.2	91%
	Operating profit (Percentage of profit to net sales)	168.3 (12.4%)	131.6 (10.7%)	78%
Air-Conditioning	Sales	1,234.4	1,131.7	92%
	Operating profit (Percentage of profit to net sales)	152.5 (12.4%)	124.5 (11.0%)	82%
Chemicals	Sales	90.0	74.6	83%
	Operating profit (Percentage of profit to net sales)	12.9 (14.4%)	5.9 (8.0%)	46%
Others	Sales	29.8	22.9	77%
	Operating profit (Percentage of profit to net sales)	2.8 (9.5%)	1.2 (5.3%)	43%

Profit and Loss Statement

(billion yen)	FY2019 H1	FY2020 H1	Impact on profitability
	104	91	
Net sales	1,354.2	1,229.2	-125.0
Cost of sales	874.4 (64.6%)	798.1 (64.9%)	+76.3
Gross profit	479.8 (35.4%)	431.1 (35.1%)	-48.6
Selling general and administrative expenses	311.5 (23.0%)	299.5 (24.4%)	※1 +12.0
Operating profit	168.3 (12.4%)	131.6 (10.7%)	-36.7
Non-operating gain or losses	1.8	0.2	※2 -1.5
Ordinary profit	170.1 (12.6%)	131.9 (10.7%)	-38.2
Extraordinary gains or losses	0.2	-0.3	※3 -0.5
Profit before income taxes	170.3 (12.6%)	131.6 (10.7%)	-38.7
Corporate taxes, etc.	48.0	43.5	+4.5
Tax burden ratio	28.2%	33.1%	
Profit attributable to non-controlling interests	3.8	3.5	+0.4
Profit attributable to owners of parent	118.5 (8.8%)	84.6 (6.9%)	-33.9

※1 Changes in selling, general and administrative expense

Advertising costs	+4.8
Product shipping costs	+4.6

※2 Changes in non-operating gains or losses

Interest income	-0.9 (+3.8→+2.9)
Dividend income	-0.5 (+3.0→+2.5)

※3 Changes in extraordinary gains or losses

Gains on sale of assets	-0.4 (+0.4→0)
Gains on insurance claims	-0.2 (+0.2→0)

() parentheses indicate percentage to net sales

(billion yen)	2019/9E	2020/9E	Y/Y
Cash and cash equivalents	382.7	730.0	+347.3
Receivables	61 days 451.3	64 days 430.6	-20.7
Inventories	58 days 427.3	60 days 402.1	-25.2
Fixed assets	1,133.2	1,111.5	-21.6
Investment and others	199.4	177.0	-22.4
Others	129.5	140.9	+11.4
Total Assets	2,723.5	2,992.2	+268.7

	2019/9E	2020/9E	Y/Y
Trade payables	188.1	187.3	-0.8
Interest bearing	591.6	784.2	+192.5
(Interest-bearing ratio)	(21.7%)	(26.2%)	
Others	464.2	479.0	+14.8
Total liabilities	1,244.0	1,450.5	+206.5
Total equity	1,445.2	1,511.2	+66.1
(Equity ratio)	(53.1%)	(50.5%)	
Share Warrant	2.1	2.1	+0.1
Non-controlling interests	32.3	28.3	-4.0
Total net assets	1,479.5	1,541.7	+62.2
Total liabilities and net assets	2,723.5	2,992.2	+268.7

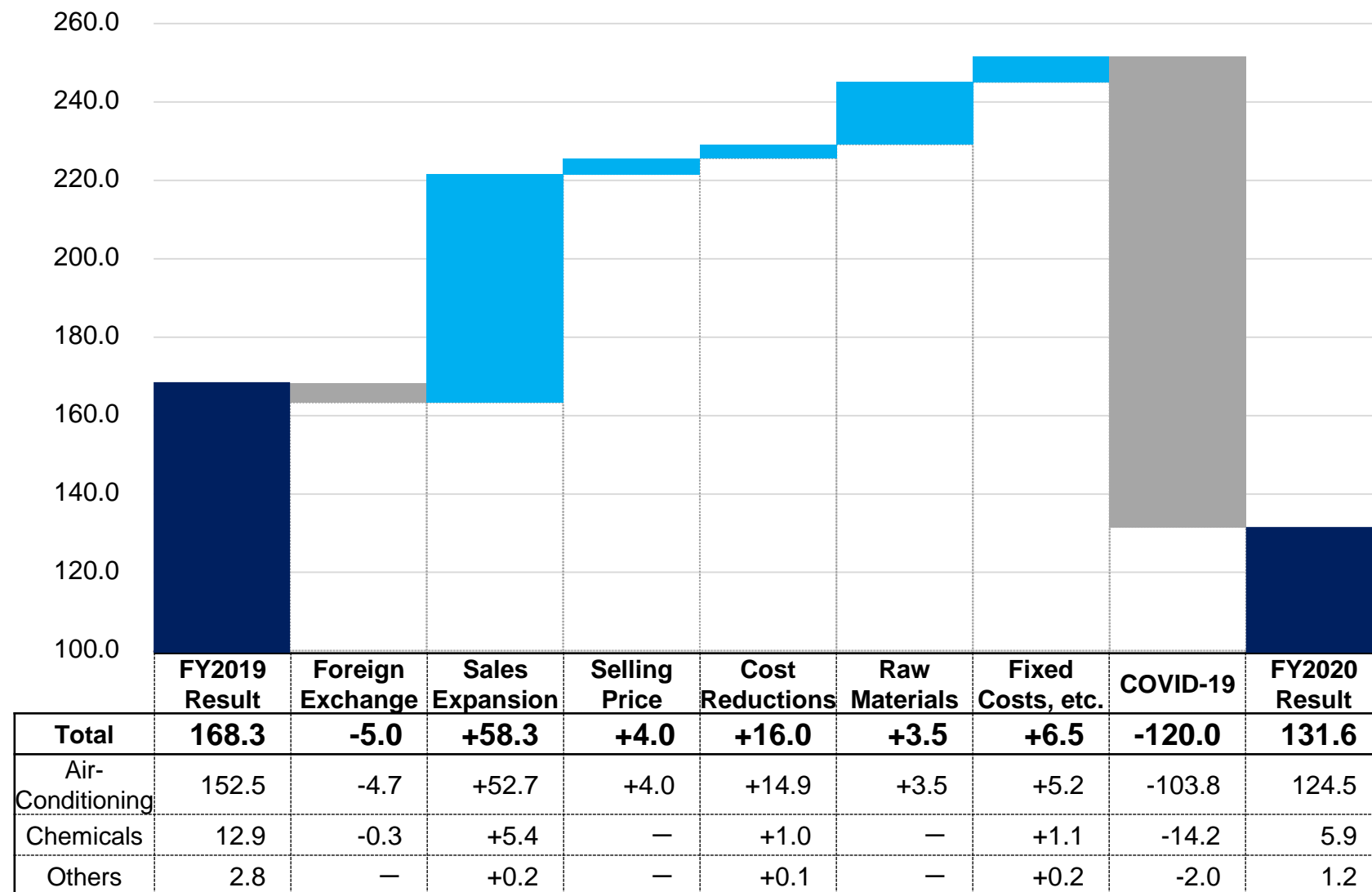
※Breakdown of interest-bearing debt

	2019/9E	2020/9E	Y/Y
Short-term borrowings	41.9	56.7	+14.8
CP	48.0	0	-48.0
Bonds	70.0	140.0	+70.0
Long-term borrowings	361.5	511.1	+149.6
Lease debt	70.2	76.4	+6.2
Total	591.6	784.2	+192.5

Breakdown of Changes in Operating Profit

[Year-on-Year Comparison of First Half Results]

(billion yen)



Sales by Region – Air Conditioning



*Includes the refrigerator and freezer and the filter businesses.

※Percentage expresses year on year comparison

(billion yen)	FY2016 H1		FY2017 H1		FY2018 H1		FY2019 H1		FY2020 H1		FY2020 Forecast		FY2020 Forecast (Previously announced)	
	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %	Value
Japan	104%	220.8	105%	232.9	108%	250.7	107%	268.7	93%	250.8	98%	485.0	95%	470.0
Europe	98%	126.4	115%	145.6	114%	166.6	113%	188.7	98%	185.7	100%	380.0	97%	370.0
China	88%	166.8	117%	195.2	107%	207.9	96%	199.4	91%	181.4	101%	310.0	100%	305.0
Americas	99%	270.7	112%	304.4	112%	341.4	108%	369.4	93%	343.9	96%	675.0	92%	650.0
Asia	97%	117.3	107%	126.0	111%	140.3	106%	148.7	76%	112.5	83%	245.0	78%	230.0
Oceania	108%	23.2	142%	32.9	113%	37.3	90%	33.7	106%	35.8	94%	69.0	87%	64.0
Middle East	91%	22.1	113%	25.1	95%	23.9	92%	22.0	84%	18.5	92%	44.0	92%	44.0
Africa	72%	3.5	101%	3.6	122%	4.3	86%	3.7	84%	3.2	84%	7.0	84%	7.0
Total	98%	950.9	112%	1,065.5	110%	1,172.4	105%	1,234.4	92%	1,131.7	96%	2,215.0	93%	2,140.0
Overseas Sales ratio	77%		78%		79%		78%		78%		78%		78%	
USD/JPY	¥105		¥111		¥110		¥109		¥107		¥107		¥108	
EUR/JPY	¥118		¥126		¥130		¥121		¥121		¥121		¥120	
RMB/JPY	¥15.9		¥16.4		¥16.8		¥15.7		¥15.3		¥15.2		¥15.7	

Sales by Region – Chemicals



※Percentage expresses year on year comparison

(billion yen)	FY2016 H1		FY2017 H1		FY2018 H1		FY2019 H1		FY2020 H1		FY2020 Forecast		FY2020 Forecast (Previously announced)	
	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value
Japan	102%	19.4	119%	23.2	115%	26.6	98%	26.2	72%	18.8	84%	42.0	84%	42.0
Americas	87%	18.4	112%	20.5	114%	23.4	91%	21.3	76%	16.1	84%	37.0	88%	39.0
China	91%	15.4	119%	18.3	107%	19.6	92%	17.9	109%	19.6	110%	37.0	104%	35.0
Asia	86%	7.8	135%	10.5	120%	12.6	91%	11.4	88%	10.0	88%	22.5	88%	22.5
Europe	91%	11.2	120%	13.5	135%	18.2	68%	12.3	79%	9.7	84%	21.0	84%	21.0
Others	122%	0.4	170%	0.6	135%	0.9	93%	0.8	49%	0.4	39%	0.5	39%	0.5
Total	92%	72.5	119%	86.6	117%	101.2	89%	90.0	83%	74.6	89%	160.0	89%	160.0
Overseas sales ratio	73%		73%		74%		71%		75%		74%		73%	
USD/JPY	¥105		¥111		¥110		¥109		¥107		¥107		¥108	
EUR/JPY	¥118		¥126		¥130		¥121		¥121		¥121		¥120	
RMB/JPY	¥15.9		¥16.4		¥16.8		¥15.7		¥15.3		¥15.2		¥15.7	

Steady implementation of “defensive and proactive measures,” “constitution strengthening and reform,” and “six emergency projects” prompted by the rapid spread of COVID-19 has led us to an upward revision of the annual plan. With increasing concerns for a second wave of COVID-19 infections and prospects of a worsening in the demand environment, particularly for commercial-use air conditioning, Daikin will maintain an “aggressive” and “challenging” mindset that thoroughly executes all measures including the building of an SCM that can flexibly respond to changing demand, strengthening of sales and marketing capabilities, and launching of new products that capitalize on the growing interest in air quality and ventilation. In this way, we will aim to achieve results that exceed our plan.

	FY2019 Result			FY2020 Forecast (Previously announced)	FY2020			
	H1	H2	Total	Total	H1 Result	H2 Forecast	Total Forecast	Y/Y
(billion yen)								
Net sales	1,354.2	1,196.1	2,550.3	2,400.0	1,229.2	1,195.8	2,425.0	95%
Operating profit	168.3	97.2	265.5	198.0	131.6	78.4	210.0	79%
(Percentage of profit to net sales)	(12.4%)	(8.1%)	(10.4%)	(8.3%)	(10.7%)	(6.6%)	(8.7%)	
Ordinary profit	170.1	99.0	269.0	198.0	131.9	78.1	210.0	78%
(Percentage of profit to net sales)	(12.6%)	(8.3%)	(10.5%)	(8.3%)	(10.7%)	(6.5%)	(8.7%)	
Profit attributable to owners of parent	118.5	52.2	170.7	130.0	84.6	55.4	140.0	82%
(Percentage of profit to net sales)	(8.8%)	(4.4%)	(6.7%)	(5.4%)	(6.9%)	(4.6%)	(5.8%)	
USD/JPY	¥109	¥108	¥109	¥108	¥107	¥108	¥107	
EUR/JPY	¥121	¥121	¥121	¥120	¥121	¥120	¥121	
RMB/JPY	¥15.7	¥15.5	¥15.6	¥15.7	¥15.3	¥15.2	¥15.2	

OFX Effect (Y/Y)

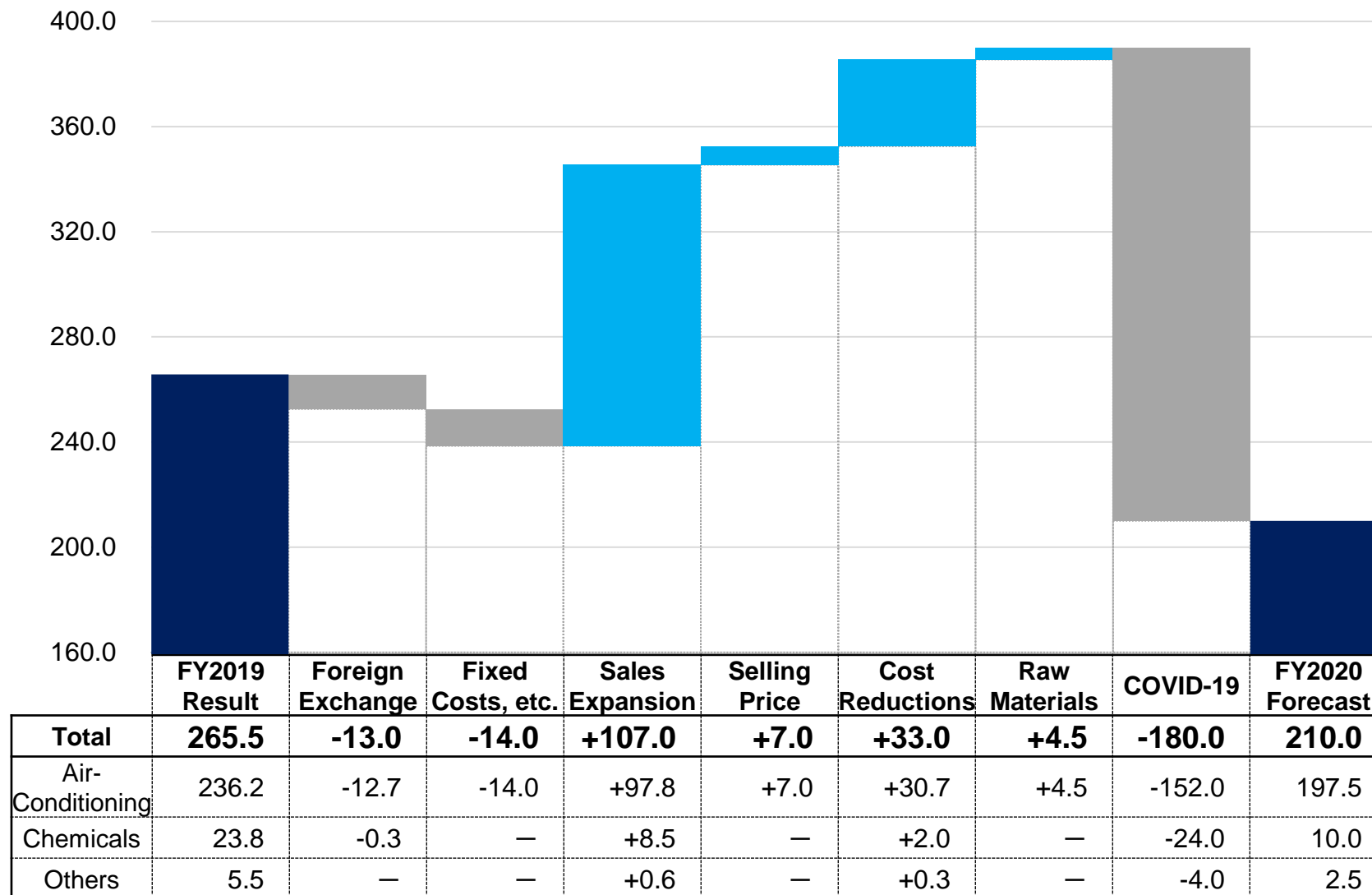
On Sales -50.5 billion yen
On Operating Profit -13.0 billion yen

		FY2019 Result	FY2020			
			H1 Result	H2 Forecast	Total Forecast	Y/Y
(billion yen)						
Total	Sales	2,550.3	1,229.2	1,195.8	2,425.0	95%
	Operating profit (Percentage of profit to net sales)	265.5 (10.4%)	131.6 (10.7%)	78.4 (6.6%)	210.0 (8.7%)	79%
Air-Conditioning	Sales	2,309.1	1,131.7	1,083.3	2,215.0	96%
	Operating profit (Percentage of profit to net sales)	236.2 (10.2%)	124.5 (11.0%)	73.0 (6.7%)	197.5 (8.9%)	84%
Chemicals	Sales	179.9	74.6	85.4	160.0	89%
	Operating profit (Percentage of profit to net sales)	23.8 (13.2%)	5.9 (8.0%)	4.1 (4.8%)	10.0 (6.3%)	42%
Others	Sales	61.3	22.9	27.1	50.0	82%
	Operating profit (Percentage of profit to net sales)	5.5 (9.0%)	1.2 (5.3%)	1.3 (4.7%)	2.5 (5.0%)	45%

Breakdown of Changes in Operating Profit

[Full-Year Plan Comparison with Previous Fiscal Year]

(billion yen)



First Half Overall

Industry demand for Residential Use exceeded year on year due to favorable weather since August along with the effects of pent-up demand and special cash payments. Here Daikin strengthened sales of **Urusara X**, which is appealing because of its ventilation function. With more time being spent indoors, interest grew in energy savings and the need for air quality, leading to an expansion of market share. To meet the surge in demand for air purifiers, Daikin increased supply capacity, and sales significantly grew.

Industry demand for Commercial Use declined year on year due to the reversal in demand from the special demand for school air conditioning and stagnation in economic activities. We strengthened proposal sales in response to changes in demand. With government subsidies as a tailwind, sales grew for ventilation products such as heat reclaim ventilators, and market share increased. In Applied, we went forward with replacement to models adopting R32 refrigerant, and profitability improved.

Second Half Measures

In both Residential and Commercial Use, we intend to capitalize on the high interest in air quality and ventilation. In Residential Use, we aim to increase market share by expanding our lineup of products equipped with our unique Streamer technology and a ventilation function.

In Commercial Use, we will expand products of heat reclaim ventilators that can be retrofitted to restaurants and retail stores. By proposing as part of a set with air conditioners, we aim to capture replacement demand.

<AC sales by product (volume basis)>

(Y/Y change)		H1 Result	Full Year Forecast
Residential	Market	102%	100%
	Daikin	105%	106%
Commercial	Market	79%	84%
	Daikin	85%	90%
Applied	Market	86%	83%
	Daikin	81%	88%
Air purifiers	Market	156%	148%
	Daikin	192%	177%

※Applied is based on sales.

First Half Overall

Government economic measures and monetary easing bolstered consumption, and the economy showed signs of a recovery. Efforts were made in sales activities using online tools, but the effect of a temporary closing of the Goodman factory operations in April led to a year-on-year decline in overall region sales.

- In Ducted Unitary for Houses, sales fell due to tight supply resulting from a shortage in manufacturing personnel due to the COVID-19 pandemic.
- In Ductless, sales expanded in **RA/SKY** by capturing the rising demand from the need for improvement in living spaces and greater demand due to favorable weather. As sales declined for **VRV systems**, we focused on online training for dealers and sales expanded for small projects. Second quarter sales exceeded the previous fiscal year.
- In Applied, we strengthened sales network. Centering on air handling units and services, sales increased due to shipment of orders received before the impact of COVID-19 became apparent.

Second Half Measures

Together with increasing supply capability by increasing personnel at the Goodman factory, we will support dealer sales activities. In Ducted Unitary for Houses, we will strengthen sales activities that combine ventilation products. In Ductless, we aim to expand sales of highly energy-saving RA (SEER 19) by capitalizing on robust demand for residential products. In Applied, we will promote sales to firm markets such as data centers and capitalizing on needs for air quality and ventilation.

< AC sales by product (volume basis) >

(Y/Y change)		H1 Result	Full Year Forecast	
			Market	Daikin
Ducted unitary for houses		90%	100%	94%
Ductless	RA/SKY	117%	107%	110%
	VRV	91%	87%	88%
Applied		105%	98%	101%

※SKY・・・Medium or compact size packaged air conditioners

※VRV・・・Multi-split system for commercial

※Applied is based on sales in local currency.

First Half Overall

In response to a full-scale market reopening from June, we strengthened sales activities. In the second quarter, Daikin achieved sales that exceeded the previous fiscal year, but the first half sales declined year on year due to the impact of sales activities restrictions by COVID-19 in April and May. High profits were maintained by taking advantage of the soft market conditions in the raw materials market, reducing fixed costs, and promoting cost reductions.

- In the Residential Use market, sales of residential multi-split air conditioners have grown from June. We built a new business model that combines online sales with sales at PROSHOP specialty stores. Online events promoted sales by identifying new customers and utilizing live broadcasts.
- In the Commercial Use market, we promoted collaboration with major developers and enhanced product appeal to large-scale projects where demand is recovering. For retail stores with a delayed recovery, we are focusing on developing demand by engaging in sales activities that promote ventilation, cleaning, and disinfection.
- In the Applied market, we will shift resources to growth fields including infrastructure-related, data centers, maintenance and servicing, and promote sales.

Second Half Measures

In response to changes in demand for post-COVID, we will strengthen our product lineup for ventilation products and accelerate online sales activities while aiming for annual sales that exceed the previous fiscal year.

<AC sales by market (aggregate sales in local currency)>

(Y/Y change)	H1 Result	Full Year Forecast	
		Market	Daikin
Residential※	94%	100%	103%
Commercial	86%	98%	100%
Applied	97%	101%	101%

※Multi-split air conditioners for residential use are included.

First Half Overall

In Europe, demand centered on Residential Use began to recover after lockdowns were lifted, and sales were on par with the previous fiscal year. In the Middle East, results were affected by the falling crude oil prices accompanying COVID-19 and currency depreciation.

- In Residential Use, we captured recovery demand with a stable supply through localized production to significantly expand sales from June.
- In Commercial Use, sales for ventilation products such as heat reclaim ventilators improved, but a decline in demand at hotels, retail stores, and offices impacted results.
- In the Heating business, we obtained replacement demand due to factors including incentives promoting replacement to heat pump type hot water heating systems.
- In Applied, the stagnant economy caused construction projects to be postponed in the Middle East, the largest market, and sales declined.

Second Half Measures

In Residential Use, we will work to expand sales by capturing increased demand for multi-split air conditioners and air purifiers. In Commercial Use, despite the increased market severity from a reemergence of COVID-19, we will expand sales of ventilation products while strengthening sales for IT-related and warehouse products where demand is steady. In the Heating business, we will capture strong demand and enlarge market share by promoting the environmental performance of heat pump type hot water heating systems. In the Refrigerator and Freezer business, we intend to expand business for the cold chain overall by using the combined sales networks and product lineups of Zanotti and AHT.

<AC sales by product (volume basis)>

(Y/Y change)		H1 Result	Full Year Forecast	
			Market	Daikin
Residential		105%	92%	105%
Commercial	SKY	86%	74%	84%
	VRV	84%	84%	90%
Heating		103%	103%	114%
Applied		90%	89%	97%

※SKY・・・Medium or compact size package air conditioners

※VRV・・・Multi-split system for commercial

※Applied is based on sales in local currency.

First Half Overall

Capitalizing on the growing need for improvement in living spaces, we focused on sales activities that utilized online tools, but measures restricting activities in each country, beginning with India, significantly impacted results, and sales declined year on year.

- In Residential Use, because electronics retail stores were closed in each country, Daikin promoted sales by utilizing online tools and its own dealer routes. In Australia and Malaysia, results exceeded the previous fiscal year. In India, measures restricting activities greatly impacted the first quarter, which declined year on year, but results in the second quarter recovered to become on par with the previous fiscal year because of efforts to strengthen dealers such as online training.
- In Commercial Use, construction delays and postponements due to lockdowns in every country affected results, and sales declined.
- In Applied, we focused on the After Sales Service business such as maintenance and servicing.

Second Half Measures

We will promote improvement of sales and after sales services networks and aim to increase share. In Residential Use, along with working to build a system for online sales, we will strengthen sales by launching new products that capitalize on a greater need for air quality improvement. In Commercial Use, we will strengthen sales to schools and hospitals that are not easily affected by COVID-19. In Applied, we will aim to expand sales by selling equipment for data centers and strengthen after sales service proposals.

■ Year-on-year sales of main countries (local currency basis)
 Australia: 109%, Vietnam: 72%, Malaysia: 95%
 Thailand: 84%, India: 57%, Indonesia: 84%

<AC sales by product (volume basis)>

(Y/Y change)		H1 Result	Full Year Forecast	
			Market	Daikin
Residential		81%	83%	89%
Commercial	SKY	77%	79%	85%
	VRV	71%	84%	87%
Applied		78%	86%	110%

※SKY・・・Medium or compact size package air conditioners

※VRV・・・Multi-split system for commercial

※Applied is based on sales in local currency.

First Half Overall

In addition to the lag in recovery of the semiconductor market, sales declined year on year because of lower demand in the automotive market, a decrease in sales of refrigerant gas, and the impact from the COVID-19 pandemic.

- In Fluorocarbon Gas, sales significantly dropped worldwide due to a decrease in air conditioning demand, and sales decreased considerably over the previous fiscal year.
- Polymers and Fluoroelastomers
 - Fluoropolymers saw a decline in sales due to lower global demand for semiconductors and automobiles in addition to weak demand in the United States for construction and aircraft-related.
 - Fluoroelastomers experienced an impact from the steep drop in demand in the automotive market in Japan, Europe, United States, and Asia.
- In Fine Chemicals, sales of surface antifouling agents focused on tablet PCs as sales expanded in China and Japan. Sales of water and oil repellent agents grew in medical-related applications such as for medical protective clothing.

Second Half Measures

Fine Chemicals will focus on sales expansion of favorable water and oil repellent agents. Polymers and Fluoroelastomers will promote sales in the semiconductor market where demand is expected to recover in the acceleration of IT adoption by 5G introduction. We will strive to retain profitability by reducing total costs.

Application development of lithium-ion battery materials will be promoted for next-generation automobiles.

<Chemical sales by product (aggregate sales)>

(Y/Y change)	H1 Result	Full Year Forecast	
		Market	Daikin
For all fluorochemical products	83%	83%	89%
Fluorocarbon Gas	55%	63%	59%
Polymers & Fluoroelastomers	81%	82%	86%
Fine Chemicals, etc.	98%	85%	105%

First Half Overall

To drastically reform the business structure, we worked to build a stable supply system, reduce total costs, and strengthen sales capabilities of high value-added products.

- In the Air Filter segment, we capitalized on growing ventilation needs and promoted sales of products to mitigate the spread of COVID-19 such as high-performance filters and negative pressure units. Sales in the Asia and the United States expanded for hospitals, cleanrooms, and residences.
- In P&I※, resources were shifted to the After Sales Service business and efforts were made to improve business structure, but results were significantly impacted by lower demand in the gas turbine market.

*P&I: commercial-use dust collection systems such as for gas turbines and large-scale plants

Second Half Measures

In the Air Filter segment, we will establish a stable supply system in the United States and aim to expand sales by capturing growing demand for products that mitigate the spread of infectious diseases. We will strengthen sales for medical and healthcare markets even in Japan, Europe, and China.

In P&I, we will strive to strengthen after sales services and reduce fixed costs in an effort to build a stable business foundation.

First Half Overall

In the Oil Hydraulics business, demand fell for industrial and construction equipment due to stagnant capital investments, and revenue declined.

In the Defense Systems business, sales grew for pulse oximeters that measure oxygen saturation in the blood without collecting blood and home oxygen concentrators, but sales to the Japanese Ministry of Defense decreased, and revenue declined.

In the Electronics business, sales for R&D support systems (visual R&D) decreased by stagnant capital investments in the manufacturing industry, and revenue declined.

Second Half Measures

In the Oil Hydraulics business, we will strengthen our online sales activities during this difficult time in the demand environment.

In the Defense Systems business, we will capitalize on the special demand for pulse oximeters, which is expected to increase for COVID-19, and aim to expand sales in the field of home healthcare.

In the Electronics business, we will utilize subsidies for IT introduction and strengthen proposal sales of CAD for facilities.

Daikin plans an annual dividend of 160 yen (interim 80 yen and term-end 80 yen).

[Daikin Dividend Policy]

Together with making every effort to maintain a ratio of dividends to shareholder equity (DOE) of 3.0% based on the principle of always providing stable dividends to shareholders, we will continue striving in our mission to provide shareholders with even greater return by aiming for an increasingly higher level of dividend payout ratio.

		FY2016	FY2017	FY2018	FY2019	FY2020 (Forecast)
Dividend per share	Interim	¥60	¥65	¥70	¥80	¥80
	Annual	¥130	¥140	¥160	¥160	¥160
Earning per share	H1	¥330.1	¥347.1	¥385.8	¥405.1	¥289.2
	Annual	¥526.8	¥646.5	¥646.4	¥583.6	¥478.5

(Reference) DOE Trends

3.6%

3.4%

3.5%

3.3%

3.2%

■ Exchange Rate

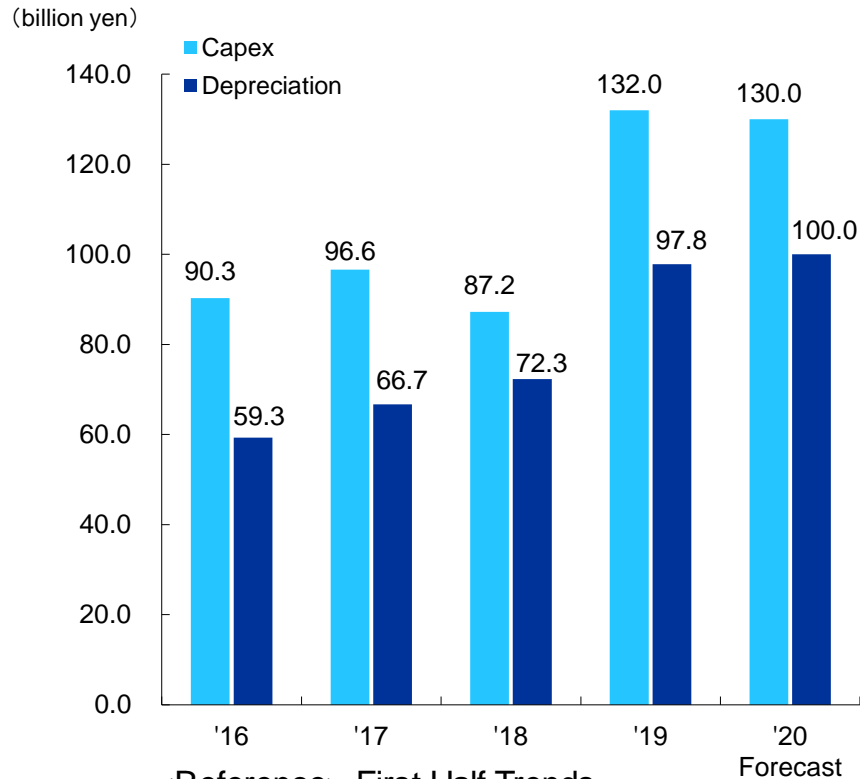
	FY2019 Result			FY2020		
	H1	H2	Total	H1 Result	H2 Forecast	Total Forecast
USD	¥109	¥108	¥109	¥107	¥108	¥107
EUR	¥121	¥121	¥121	¥121	¥120	¥121
RMB	¥15.7	¥15.5	¥15.6	¥15.3	¥15.2	¥15.2
THB	¥3.5	¥3.5	¥3.5	¥3.4	¥3.4	¥3.4
AUD	¥75	¥73	¥74	¥73	¥73	¥73

■ Sensitivity of Foreign Exchange (Impact of change by 1 yen to operating profit)

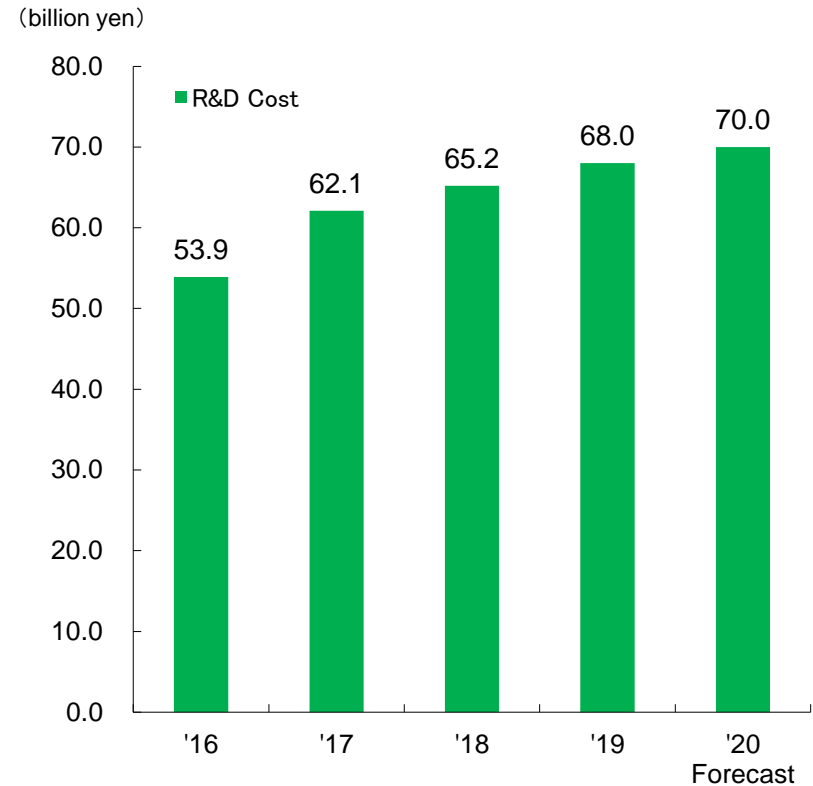
	FY2020 Forecast
USD	1.3 billion yen ※
EUR	0.4 billion yen

※Changes for the THB, RMB, AUD, etc., are assumed to be linked to the USD.

Capex and Depreciation



R&D Cost



<Reference> First Half Trends

(billion yen)	FY2016	FY2017	FY2018	FY2019	FY2020
Capex	39.7	40.4	39.8	54.0	63.3
Depreciation	28.3	32.5	35.7	46.1	50.3
R&D Cost	26.1	30.3	31.7	33.6	33.0



DAIKIN INDUSTRIES, LTD.

Notes on forecast

- This data is compiled for informational purposes and is not to be construed as a solicitation of any action. This data (includes management plan) was compiled by Daikin Industries., Ltd. (the Company) based on reliable information available at the time of compilation. It may include some risks and uncertainties. The Company is not responsible for its accuracy or completeness.
- The Company asks for your own discretion in using this data. The Company accepts no liability for any loss or damage of any kind arising out of judgment for investment made solely relying on the business forecast or target figures described in the data.