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## Brief Report on the Settlement of Accounts (Consolidated) for the Nine Months Ended December 31, 2024 (J-GAAP)

February 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

Contact: Motoshi Hosomi,

General Manager, Corporate Communication Department

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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 Nine Months Ended December 31, 2024

(From April 1, 2024, to December 31, 2024)

#### (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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2024	3,593,224	10.1	318,740	4.0	292,483	3.7	186,712	-3.7
December 31, 2023	3,263,652	9.3	306,490	0.9	282,113	-5.7	193,850	-7.2

Note: Comprehensive income was ¥298,348 million (-8.6%) for the nine months ended December 31, 2024, and ¥326,588 million (20.4%) for the nine months ended December 31, 2023.

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
December 31, 2024	637.72	637.28
December 31, 2023	662.19	661.77

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	5,306,961	2,903,475	53.6
As of March 31, 2024	4,880,230	2,687,302	54.0

(Reference) Equity capital was ¥2,842,442 million as of December 31, 2024, and ¥2,637,536 million as of March 31, 2024.

## 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, 2024	—	120.00	—	130.00	250.00
Fiscal Year ending March 31, 2025	—	185.00	—		
Fiscal Year ending March 31, 2025 (forecast)				135.00	320.00

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

Dividend per share for the 2Q-end of the fiscal year ending 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, 2025

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

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	4,770,000	8.5	428,000	9.1	392,000	10.6	267,000	2.6	912.01

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

### \*Notes

(1) Significant Changes in the Scope of Consolidation during the Nine Months Ended December 31, 2024: Yes

Newly included: 8 companies (Varitec Solutions, LLC and others)

Excluded: 4 companies (ABCO Refrigeration Supply Corp. 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.: Yes

(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 December 31, 2024 293,113,973 shares

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

(ii) Number of treasury shares at end of period

As of December 31, 2024 316,510 shares

As of March 31, 2024 353,293 shares

(iii) Average number of shares outstanding during the nine months

Nine Months Ended December 31, 2024 292,779,764 shares

Nine Months Ended December 31, 2023 292,739,162 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 Company plans to hold a briefing on business results for institutional investors and analysts on Wednesday, February 5, 2025. Documents and materials distributed in this briefing are posted on the Company's website ([https://www.daikin.com/investor/library/results\\_materials](https://www.daikin.com/investor/library/results_materials)).

## 2. Consolidated Financial Statements and Primary Notes

### (1) Consolidated Balance Sheet

(Millions of yen)

	FY2023 (As of March 31, 2024)	Third Quarter of FY2024 (As of December 31, 2024)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	737,961	931,149
Notes and accounts receivable – trade, and contract assets	815,305	776,498
Merchandise and finished goods	696,363	736,345
Work in process	75,932	83,886
Raw materials and supplies	275,446	288,624
Other	148,126	180,442
Allowance for doubtful accounts	(22,536)	(24,318)
Total current assets	2,726,598	2,972,629
<b>Non-current assets</b>		
Property, plant and equipment	1,134,982	1,290,693
<b>Intangible assets</b>		
Goodwill	306,627	288,982
Other	377,099	388,410
Total intangible assets	683,726	677,393
<b>Investments and other assets</b>		
Investment securities	171,857	185,533
Other	163,616	181,263
Allowance for doubtful accounts	(550)	(551)
Total investments and other assets	334,922	366,245
Total non-current assets	2,153,631	2,334,332
<b>Total assets</b>	4,880,230	5,306,961
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable – trade	326,033	365,099
Short-term borrowings	363,205	262,162
Commercial papers	50,419	152,194
Current portion of bonds payable	10,000	15,000
Current portion of long-term borrowings	63,446	52,918
Income taxes payable	41,261	44,991
Provision for product warranties	104,616	114,068
Other	608,007	618,829
Total current liabilities	1,566,990	1,625,265
<b>Non-current liabilities</b>		
Bonds payable	130,000	175,000
Long-term borrowings	194,918	258,625
Retirement benefit liability	19,910	21,639
Other	281,107	322,955
Total non-current liabilities	625,936	778,221
<b>Total liabilities</b>	2,192,927	2,403,486

	(Millions of yen)	
	FY2023 (As of March 31, 2024)	Third Quarter of FY2024 (As of December 31, 2024)
<b>Net assets</b>		
Shareholders' equity		
Share capital	85,032	85,032
Capital surplus	78,014	87,238
Retained earnings	1,896,173	1,990,262
Treasury shares	(1,525)	(1,370)
Total shareholders' equity	2,057,695	2,161,163
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	65,729	63,750
Deferred gains or losses on hedges	358	571
Foreign currency translation adjustment	524,273	630,647
Remeasurements of defined benefit plans	(10,520)	(13,691)
Total accumulated other comprehensive income	579,840	681,279
Share acquisition rights	3,771	4,295
Non-controlling interests	45,994	56,737
Total net assets	2,687,302	2,903,475
<b>Total liabilities and net assets</b>	4,880,230	5,306,961

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

For the Nine Months Ended December 31	(Millions of yen)	
	First Nine Months of FY2023 (April 1, 2023, to December 31, 2023)	First Nine Months of FY2024 (April 1, 2024, to December 31, 2024)
Net sales	3,263,652	3,593,224
Cost of sales	2,133,257	2,361,679
Gross profit	1,130,395	1,231,544
Selling, general and administrative expenses	823,904	912,803
Operating profit	306,490	318,740
Non-operating income		
Interest income	11,108	14,307
Dividend income	4,693	3,556
Share of profit of entities accounted for using equity method	1,430	1,568
Other	5,494	5,085
Total non-operating income	22,726	24,518
Non-operating expenses		
Interest expenses	32,257	31,769
Foreign exchange losses	424	3,850
Settlement payments	2,547	—
Inflation accounting adjustment	8,633	6,934
Other	3,240	8,220
Total non-operating expenses	47,103	50,775
Ordinary profit	282,113	292,483
Extraordinary income		
Gain on sale of land	37	287
Gain on sale of investment securities	5,674	4,253
Gain on insurance claims	—	607
Total extraordinary income	5,711	5,148
Extraordinary losses		
Loss on disposal of non-current assets	2,285	829
Loss on sale of land	—	169
Loss on valuation of investment securities	5	429
Loss on sale of shares of subsidiaries and associates	0	—
Distinguished service compensation	—	4,300
Other	0	—
Total extraordinary losses	2,291	5,728
Profit before income taxes	285,532	291,903
Income taxes	83,733	96,631
Profit	201,799	195,271
Profit attributable to non-controlling interests	7,949	8,558
Profit attributable to owners of parent	193,850	186,712

**(Consolidated Statement of Comprehensive Income)**

For the Nine Months Ended December 31	(Millions of yen)	
	First Nine Months of FY2023 (April 1, 2023, to December 31, 2023)	First Nine Months of FY2024 (April 1, 2024, to December 31, 2024)
Profit	201,799	195,271
Other comprehensive income		
Valuation difference on available-for-sale securities	19,524	(1,970)
Deferred gains or losses on hedges	(956)	212
Foreign currency translation adjustment	105,739	107,592
Remeasurements of defined benefit plans	(1,263)	(3,171)
Share of other comprehensive income of entities accounted for using equity method	1,745	413
Total other comprehensive income	124,789	103,077
Comprehensive income	326,588	298,348
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	317,067	288,150
Comprehensive income attributable to non-controlling interests	9,520	10,198

**(3) Consolidated Statement of Cash Flows**

(Millions of yen)

	First Nine Months of FY2023 (April 1, 2023, to December 31, 2023)	First Nine Months of FY2024 (April 1, 2024, to December 31, 2024)
<b>I. Cash flows from operating activities</b>		
Profit before income taxes	285,532	291,903
Depreciation	124,379	144,227
Amortization of goodwill	33,706	36,504
Increase (decrease) in allowance for doubtful accounts	2,972	880
Interest and dividend income	(15,801)	(17,864)
Interest expenses	32,257	31,769
Share of loss (profit) of entities accounted for using equity method	(1,430)	(1,568)
Loss (gain) on disposal of non-current assets	2,285	829
Loss (gain) on sale of investment securities	(5,674)	(4,253)
Loss (gain) on valuation of investment securities	5	429
Decrease (increase) in trade receivables	50,564	65,930
Decrease (increase) in inventories	(23,693)	(28,947)
Increase (decrease) in trade payables	(56,365)	26,364
Increase (decrease) in accounts payable - other	(17,088)	(21,470)
Increase (decrease) in accrued expenses	2,172	11,607
Increase (decrease) in retirement benefit liability	(2,057)	859
Decrease (increase) in retirement benefit asset	(2,721)	2,788
Other, net	11,166	(3,414)
Subtotal	420,210	536,577
Interest and dividends received	18,317	19,160
Interest paid	(31,455)	(31,185)
Income taxes paid	(109,571)	(97,906)
Net cash provided by (used in) operating activities	297,499	426,645
<b>II. Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(190,560)	(187,728)
Proceeds from sale of property, plant and equipment	1,806	4,237
Purchase of investment securities	(1,027)	(16,729)
Proceeds from sale of investment securities	7,634	5,626
Purchase of shares of subsidiaries and associates	(893)	(1,096)
Payments for acquisition of businesses	(8,683)	(573)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,125)	(2,707)
Payments for investments in capital of subsidiaries resulting in change in scope of consolidation	—	(17,237)
Decrease (increase) in time deposits	(26,676)	(52,765)
Other, net	367	(20,826)
Net cash provided by (used in) investing activities	(219,159)	(289,801)



	(Millions of yen)	
	First Nine Months of FY2023 (April 1, 2023, to December 31, 2023)	First Nine Months of FY2024 (April 1, 2024, to December 31, 2024)
<b>III. Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	142,744	(4,367)
Proceeds from long-term borrowings	14,541	103,159
Repayments of long-term borrowings	(47,169)	(59,314)
Proceeds from issuance of bonds	—	59,802
Redemption of bonds	(20,000)	(10,000)
Dividends paid	(76,109)	(92,235)
Proceeds from share issuance to non-controlling shareholders	464	15,110
Dividends paid to non-controlling interests	(2,721)	(7,547)
Repayments of lease liabilities	(35,004)	(42,022)
Other, net	(1,615)	(322)
Net cash provided by (used in) financing activities	(24,869)	(37,737)
<b>IV. Effect of exchange rate change on cash and cash equivalents</b>	19,293	36,634
<b>V. Net increase (decrease) in cash and cash equivalents</b>	72,764	135,741
<b>VI. Cash and cash equivalents at beginning of period</b>	548,242	634,008
<b>VII. Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries</b>	257	(1,511)
<b>VIII. Cash and cash equivalents at end of period</b>	621,263	768,237