

# Daikin Texas Technology Park



## Positive for TEXAS



U.S. based Employment  
growth



Over \$500M  
investment in Texas

# Daikin Industries, Ltd. - Company Overview



**Founded in 1924 in Osaka, Japan Daikin has manufacturing facilities in 80 locations across the world and approximately \$18.9 billion in global sales.**

- **Daikin** is a world leading heating, air conditioning, and refrigerant manufacturer, with products sold in over 150 countries, including the United States
- **Daikin** is committed to boosting the ever-evolving challenges of comfort. By leveraging state-of-the-art technology to create outstanding products and system solutions, we will help the people of the world ensure comfortable and sustainable living environments.
- **Daikin**, through a combination of enhanced, innovative technology and solutions, with a focus on efficiency and our end user experience, will contribute to comfort and increased energy efficiency.

## Historic Actions Taken by Daikin in North America

Daikin acquired O.Y.L., parent of **McQuay** (now **Daikin Applied**),  
The first of several large-scale investments in the United States.

**2006**



a member of **DAIKIN** group

**2012**

**Daikin acquired Goodman Global Group, Inc.** one of the largest HVAC manufacturer and distributors in the United States

To accommodate successful sales growth and to enhance collaboration between all segments of the company,  
**Daikin began construction of the Daikin Texas Technology Park**

**2015**



**2017**

A "Grand Opening Ceremony" is held for Daikin's new, **\$500M investment in Texas** in May, 2017

## Daikin Group Companies in the United States







# Overview of the Daikin Texas Technology Park (DTTP)

## Daikin's largest facility investment

### Summary

- **Total investment >\$500M**
- **No public funding**
- **497 acres for the full site**
  - 94 acres under roof
  - Up to 7,000 people working on campus by 2020

### Vision

- Meet the needs of American consumers with innovative and value-added products
- Be a good corporate citizen
- Contribute to the economy of Texas and the U.S.
- Lead a new wave in HVAC culture and manufacturing in America

### Location and Community

- Thousands of potential employees live in Waller/ Cypress/ Jersey Village/ Houston
- Proximity to our customers. Central US location
- Excellent highway connections
- Partnership w/Waller ISD on vocational curriculum
- Partnership with Lone Star College on tech skills
- We recruit from Texas universities



1

### Manufacturing

- **Over \$100 Million investment in new and upgraded equipment**
  - Latest technology offers increased productivity

2

### Distribution Center

- **Twelve warehouses consolidated into a single location**
- Connection to Manufacturing reduces lead time and costs of moving material

3

### Engineering Laboratories

- **54 test labs facilities**
- Ability to create test conditions with temperature ranges from -40° F to +140° F

4

### Offices & Amenities

- **LEED Certified Gold**
- Co-location of groups to improves collaboration and speed of innovative execution
- In-house wellness clinic – access to healthcare



## Aiming to be a trusted community partner and well-respected leader

- We create **environmentally advanced, high-value products** incorporating Daikin technology that **meets customer needs**. Through innovation, we promote brand strength in the U.S. and the expansion of sales and profits.
- Striving for **sustainable growth rooted in the North American market**, we build **strong relationships with all stakeholders**. (Customers, as well as regional and local communities, government / industry / academia, employees, etc. )
- In the U.S. where air conditioning was born, we are creating a **new culture and innovative business** by bringing together knowledge, know-how and the technology of Daikin group.

### Customer First

Gaining customer trust is of utmost importance to us. We strive for customer voices to directly link with our product development. This allows the best products to emerge.

### Society

By bringing Japanese technology to the U.S., we build a state-of-the-art business. To generate new growth, we bring value to American society. We place great value on local engagement and partnerships.



### Environment

Daikin Texas Technology Park (DTTP) will launch our sustainable site. The products will also be designed to be environmentally friendly business solutions.

### Work Environment

We provide employees a work place that promotes collaboration and continuously improves quality of work.

**DTTP is the No.1 air-conditioner production facility that will utilize Daikin's most advanced manufacturing technology**

# DTTP Grand Opening Ceremony

Held in May 2017 to show appreciation to local communities and employees and demonstrate Daikin's commitment to continue to invest in the US

- 4,500 guests attended the community event
- 500 employees volunteered
- 400 VIP guests visited the new facility



Ribbon Cutting Ceremony



Sake Barrel Opening Ceremony



Welcoming by employees



Opening Festival



# Daikin Texas Technology Park: Now and in the Future

## Now:

### Employees



- Greater than 4,900 people working on campus

### Manufacturing



- 17 Assembly Lines
- 13,000 Units produced daily
- 43 sheet metal presses

### Products



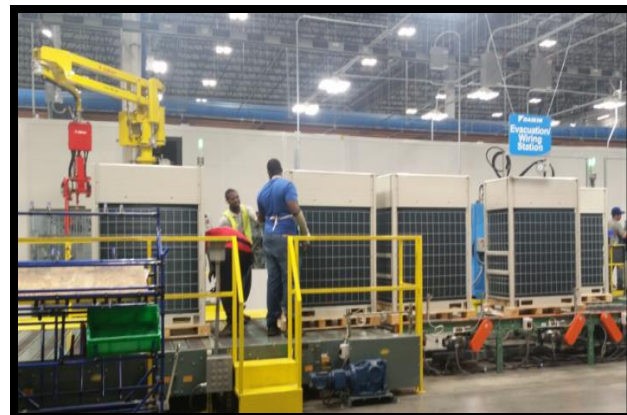
- >1,000 Different product SKUs including Indoor and Outdoor unitary units, furnaces, and VRVs

## By 2020:

- **Up to 7,000** people working on campus

- **22** Assembly Lines
- **20,000** Units produced daily
- **72** sheet metal presses

- **>3,000** Different product SKUs including Indoor and Outdoor unitary units, furnaces, and VRVs, **PTAC, Light Commercial, Mini Split systems**



\*Fin Presses operating at the DTTTP

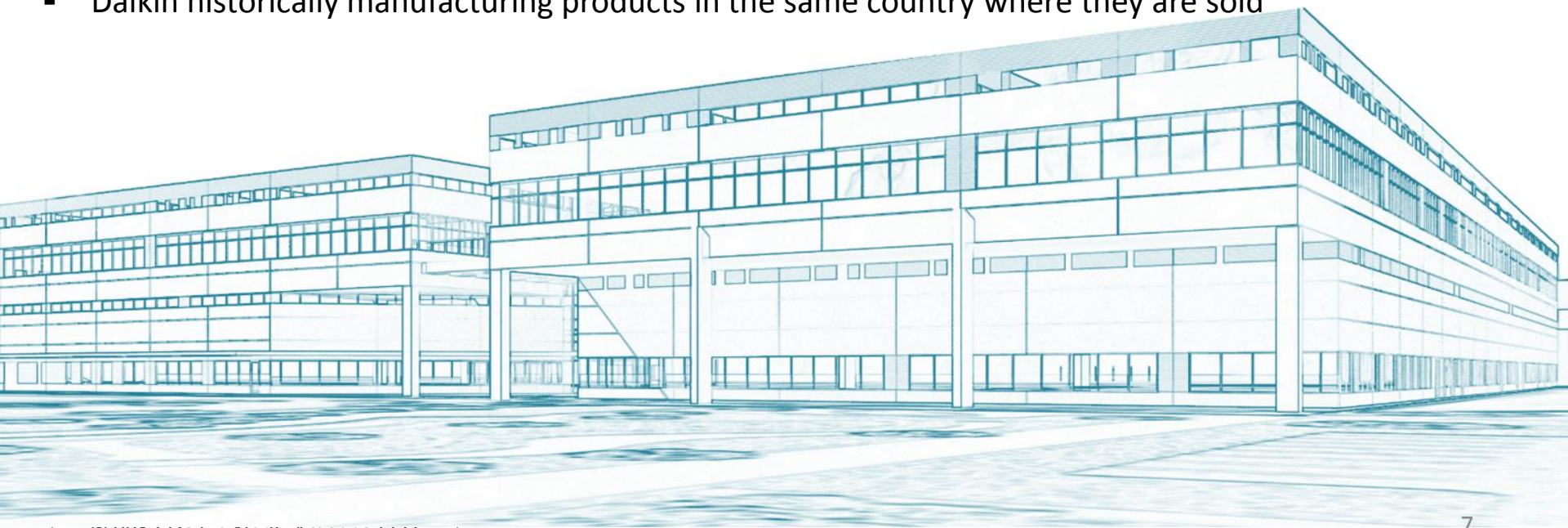
\*Tubing employees at the DTTTP

\*VRV assembly line employees at the DTTTP

# Why Daikin Chose Texas for Expansion

## Texas gives Daikin access to highly talented potential employees

- Renowned schools such as **Texas A&M University, University of Texas at Austin, University of Houston, Rice University and Prairie View A&M University** are all in close proximity and give Daikin access to a pipeline of talent
- **Houston** is a large, diverse, international, and fast growing city, where Daikin is able to hire talented employees at all levels
- Centrally located, Texas has a **state-of-the-art transportation network** for providing timely access to domestic and global markets via air, land and sea
- Texas has a **growing dynamic economy** and provides many opportunities for business expansion
- Daikin historically manufacturing products in the same country where they are sold



# Corporate Social Responsibility

The community where we live and work are an integral part of what we do. We show our commitment by volunteering locally and making a pledge to sustainability which is demonstrated by partnerships with government, industry and academia.

## Giving Locally with our Heart - Love of the Earth Activities

- As an official participant in Harris County's Adopt-A-County Mile program (a litter abatement initiative), our employees volunteer three times a year to clean a one mile stretch of the roadways surrounding our campus: Kermier Road and Kickapoo Road.
- In honor of Earth Day, Daikin employee volunteers spend time at local schools leading students through activities focusing on sustainability.



Employee Volunteers at a Clean Up Event

## Establishing Roots in our Community and Sharing Japanese Culture



Daikin Park

### Donation

As a gift to the City of Waller, Daikin donated \$125,000 to buy new playground equipment and renovate the city park, now called Daikin Park.



School Art Contest

### Education

Partnering with Waller ISD, Daikin sponsors an environmentally themed art contest for fifth graders. The winning artwork is featured in the lobby of our building.



Homestay Program

### Culture

Our 10-day homestay in Japan offers students from Waller a unique experience – staying with a Daikin family in Osaka while they gain an understanding of Japanese culture.



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