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To Whom It May Concern

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**Daikin acquires Goodman, a major residential  
HVAC player in U.S., at the total value of \$3.7 billion  
Expands Geographic Reach of Daikin**

Daikin Industries, Ltd. (Daikin) passed a resolution today at its Board of Directors meeting to acquire Goodman Global Group, Inc. (Goodman). Daikin, Goodman, and Goodman's major shareholder, Hellman & Friedman LLC (H&F), signed a definitive agreement today regarding the acquisition. Daikin, a leader in the heating, ventilating and air-conditioning (HVAC) industry headquartered in Osaka, Japan, is represented by its Chairman and CEO, Noriyuki Inoue. Goodman, the leading manufacturer and distributor in the U.S. residential unitary HVAC (for air-conditioning the entire house) sector headquartered in Houston, Texas, is represented by its President and CEO, David L. Swift. H&F, a private equity investment firm headquartered in San Francisco, California, is represented by its Chairman, Brian M. Powers.

In this acquisition, Daikin will purchase 100% of Goodman's stock and the total acquisition value is 3.7 billion US dollars. The transaction, pending regulatory approval, is expected to be completed during the fourth quarter of 2012 calendar year.

Goodman has a significant presence in the ducted-style residential unitary HVAC segment in North America, a segment where Daikin has little offerings. Goodman generates strong financial performance through its low cost US manufacturing operations and extensive network of over 900 distribution points, of which 192 are company operated.

Daikin is a comprehensive global HVAC manufacturer offering extensive products, including ductless air-conditioning and heat pump systems for residential and commercial applications as well as large-sized HVAC systems for buildings and factories. Through this acquisition, Daikin will fully enter the ducted-style air-conditioning market for residential and

commercial applications in North America. Daikin's sales are expected to grow substantially with an outstanding and complementary product portfolio covering not only ducted and ductless air-conditioning systems but also furnace and heat-pump systems in the world's largest HVAC market. Daikin is a market leader delivering high technology, environmentally-friendly and energy-saving solutions to global HVAC customers.

Noriyuki Inoue, Chairman and CEO of Daikin said, "Goodman is the best partner for Daikin in North America as we aim to become the leading global HVAC manufacturer. North America is the largest global HVAC market and most systems in this market are ducted-style, a segment where we have little presence. Goodman and Daikin can enjoy a complementary relationship by having more channels in the market to offer Goodman's market leading ducted products and Daikin's existing products. Daikin will also capitalize on Goodman's lean management know-how to help us improve the earning power of the entire Daikin Group and expand our business in emerging and high volume markets globally."

"Goodman will allow us to serve a broader base of North American customers along with McQuay International (headquartered in Minneapolis, MN), which provides solutions for medium to large HVAC customers, and Daikin AC (Americas), Inc. (headquartered in Dallas, TX), which provides ductless HVAC solutions. Together, Daikin will gain the position of a very competitive North American manufacturer with industry leading energy-saving products and solutions ranging from residential to large building systems."

David L. Swift, President and CEO of Goodman said, "This is an opportunity for Goodman to grow globally as well as in the North American market by leveraging Daikin Group's technical expertise, environmental technologies, and North American commercial expertise. With complementary core businesses, we are in a very competitive position to grow all segments of Goodman's and Daikin's business. We look forward to a successful future as a part of a winning team and are enthusiastic about creating more opportunities to excel."

The combination of Daikin and Goodman will produce a number of strategic benefits and general efficiency, including:

1. Allow Daikin to enter the mainstream ducted-type residential Unitary segment in North America and establish a strong fourth pillar for Daikin's global operations (i.e. Japan, China, Europe and North America).
2. Grow Goodman's business by introducing Daikin's energy saving and power management technologies, such as remote monitoring, into their value product offerings. These technologies will also make significant contributions to the environmental initiatives in the US residential HVAC market.

3. Grow Daikin's global business more efficiently by transferring Goodman's low cost product know-how and lean management expertise, especially in the area of Supply Chain Management (SCM), into Daikin's global operations. By utilizing Goodman's cost competitiveness, Daikin will be able to target the high volume "value" segment in many cost sensitive global markets. On the other hand, Daikin believes that Goodman's ducted-style products and the furnace heating equipment can be sold through Daikin's global sales channels in more than 90 countries all over the world.
4. Grow Daikin's ductless business in North America by gaining access to Goodman's leading distribution network.

Funds for this acquisition will be raised through the combination of internally generated funds, public policy financing, straight bond issuances and bank loans to ensure a stable long-term source of funding at low interest rates. Daikin does not have any plans to issue new stock. As for the public policy financing, Daikin intends to take advantage of and utilize the initiative of the Japan Ministry of Finance on "Emergency Facility to Counter Strong Yen" announced on Aug. 24, 2011, which is offered by the Japan Bank for International Cooperation through private banks.

Goodman has expanded its business as a leader in the North American residential market of ducted-style HVAC system through its excellent management team and lean operating structure. Goodman will continue to manage itself as an independent business organization with its current management team who will strive to maximize the business expansion of both companies. Daikin intends to maintain the independence of Goodman without a merger into other existing organizations or a divestiture of its businesses in the foreseeable future.

Goodman manufactures and distributes ducted-style unitary HVAC solutions for the residential and commercial markets. The majority of their \$2.1 billion US dollar 2011 sales were in the North American market. Goodman's more than 4,500 employees are primarily located in Texas and Tennessee. After the acquisition is completed, as new business opportunities are generated, Daikin intends to invest in Goodman's business, which can lead to an increase in job creation.

Daikin develops, manufactures, sells and provides aftermarket support of HVAC equipment and systems, refrigerants and other chemicals, as well as oil hydraulic products. Consolidated sales for the fiscal year ending March 2012 equaled 1,219 billion yen, with net income of more than 41 billion yen. Daikin has more than 44,000 employees globally and operates manufacturing and sales activities in more than 90 countries.