

Daikin shares an optimistic outlook for the heat pump market and stresses its refrigerant strategy to accelerate low-carbon technology adoption in Europe

Brussels/Frankfurt, 18 March 2025 – Daikin, a global leader in Heating, Ventilation, Air Conditioning and Refrigeration (HVAC-R), anticipates substantial long-term growth in the heat pump market, despite a recent slowdown in the residential heating market. At ISH25 the Daikin Europe team presented Daikin’s refrigerant strategy to support the European decarbonisation agenda. All this week, Daikin is showcasing its latest innovations, including the Daikin Altherma 4 generation and CO2 VRV, designed to offer low-carbon heating and cooling solutions for all types of buildings. “We are committed to supporting Europe’s 2030 climate goals and believe in long-term heat pump growth despite the current market slowdown. With a projected market growth of 250% by 2030, Daikin will be at the forefront of heat pump adoption in the coming years”, says Carl Lievens, General Manager Residential SBU at Daikin Europe.

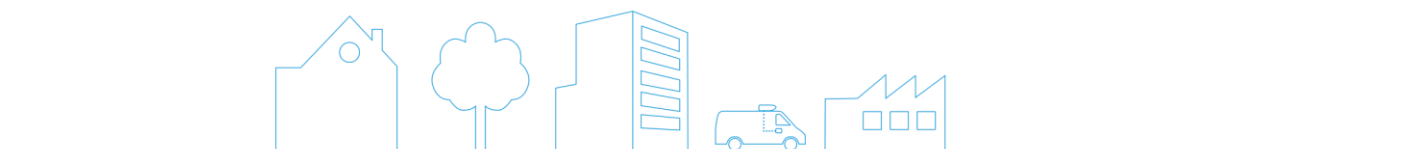
Long-term heat pump market growth and path to full decarbonisation by 2050 within reach

“At Daikin, we see several market trends. In the residential sector, high upfront costs and high electricity prices slow down the shift from fossil-fuel based heating to heat pumps, despite EU mandates pushing for greener energy. The commercial sector sees growing interest in decarbonisation and low global warming potential (GWP) heat pump technologies, though progress remains gradual. Meanwhile, industrial applications still heavily rely on fossil fuels, with digitalisation and heat recovery solutions presenting opportunities for change”, says Carl Lievens, General Manager Residential SBU at Daikin Europe.

Although technological advancements have made heat pump systems reliable and mature alternatives to fossil-fuel-based heating, the market is facing economic challenges and is being impacted by varying regulations across Europe. In 2024, the residential heat pump market saw a decline compared to 2023, leading to the loss of over 4,000 jobs in the sector across Europe.

Despite the current market situation, the long-term market outlook remains positive as the EU remains committed to its 2030 climate goals. “Key policies, such as the Fit for 55 Package, the Energy Performance of Buildings Directive (EPBD), and the upcoming Emissions Trading System (ETS2) expansion in 2027, will drive demand up. We strongly believe a widespread adoption of heat pump systems is required to achieve net-zero heating by 2050. Decisive action, including phasing out incentives for fossil fuels, stronger new-build regulations, and implementing renewable heating standards will increase the replacement rates of fossil-fuel based solutions by low carbon heat pumps. Adopting the right policies and incentives today will bring the path to full decarbonisation by 2050 within reach”, says Patrick Crombez, (Deputy) General Manager Environment Research Centre at Daikin Europe.

Flexible refrigerant choices to help decarbonise heating



Refrigerants are a key component of heat pumps and refrigerant policies play a vital role in tackling energy efficiency and climate impact of heating systems. The shift towards low GWP refrigerants in heat pumps, along with a decarbonised electricity grid, will further increase the advantage of heat pumps over fossil fuel systems.

The selection of the right refrigerant is crucial to achieve optimal performance for heating, cooling, and hot water production in all applications and in all climate conditions. Various refrigerants exist, each with their own characteristics, advantages, and limitations. Daikin has developed a unique and flexible refrigerant approach to address these concerns, ensuring compliance with evolving EU regulations and supporting the shift to low-carbon heating, cooling, and hot water solutions.

“By carefully selecting the most balanced refrigerant for each application, we prioritise energy efficiency, affordability and safety throughout the entire product lifecycle, from production and installation to maintenance and decommissioning. Meanwhile, we consider the European regulations on F-gases. We are committed to advocate for the flexibility of refrigerant choices: there is no one-size-fits-all solution to help decarbonise heating.” concludes Carl Lievens.

Heat pump technology pioneer continues innovations

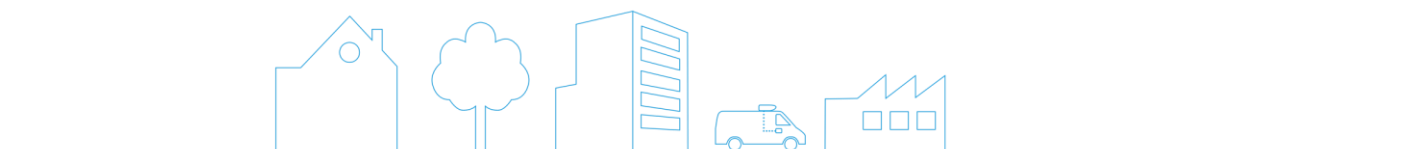
At ISH25, Daikin is introducing a multitude of innovative solutions that prioritise safety and quality in both product and installation. These include residential solutions like the Daikin Altherma 4 H on R290, the Daikin Altherma 4 X on R454C, a VRV range with CO2 as refrigerant, and its latest chiller on R290. As future alternatives for the current R-32 air-to-air residential split type heat pumps, Daikin introduces a multisplit with R-454C and a (low capacity) single split using R-290.

Explore the details of the latest products here:

Residential

1. [Daikin Altherma 4 H](#)

- Available in classes 6, 8, 10, 12 and 14
- Running on R-290
- Operates down to -28°C
- Low sound generation of only 28dBA at 3 metres distance
- Ideal for replacement of fossil fuel boilers
- Increased user friendliness and comfort



2. Daikin Altherma X

- Simultaneous air-to-air & air-to water heating and cooling
- One single outdoor unit using R-454C refrigerant, ideal for both new built and replacement
- Powerful space heating, either low (underfloor heating) or high temperature (radiators)
- Flexible connection for up to four Stylish indoor units (air-to-air heating and cooling)
- Possibility to integrate a domestic hot water (DHW) tank

Commercial

1. [CO2 VRV](#)

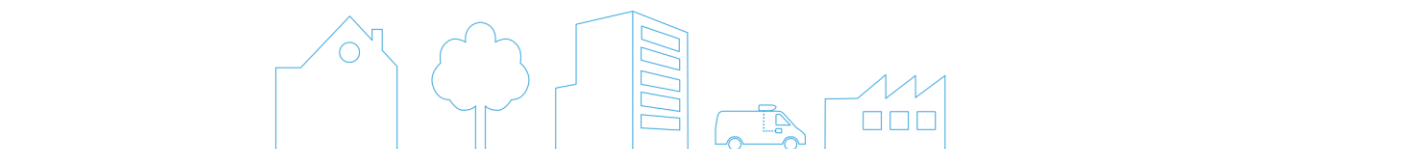
- Strengthens VRV range running on R-32
- Running on CO2, a natural refrigerant with a GWP of only 1
- Classified as A1 to ISO817, meaning low-toxic and non-flammable
- Ideal for shops and industrial buildings
- Cost-effective and affordable solution

2. [EWYK-QZ](#)

- Air-to-water heat pump running on R-290
- Modular design, with easy expansion and flexibility to adapt to changing energy demands
- Capacity of 100 – 125 kW per single module, up to 500 kW with up to 4 models in master/slave
- CLWT up to 75°C
- Future-ready, meeting F-Gas regulations

You can still visit Daikin at ISH25

- March 17-21, 2025
- Messe Frankfurt, Ludwig-Erhard-Anlage 1, 60327 Frankfurt am Main, Germany
- Hall 12.0 Stand E41



About Daikin Europe N.V.

The Daikin Europe Group is a leading provider of heating, cooling, ventilation, air purification and refrigeration (HVAC-R) technology in Europe, the Middle East, and Africa. Daikin Europe caters to a diverse customer base within this region by designing, manufacturing, and marketing an extensive range of products, maintenance services, and turnkey solutions tailored for residential, commercial, and industrial applications. The company employs over 13,800 employees through 59 subsidiaries and operates 15 manufacturing sites in Europe (12), Turkey (1) and the Middle East (2). Daikin's refrigeration products are available under the Daikin, Tewis, Zanotti, Hubbard, and AHT brands. Headquartered in Ostend, Belgium, for over 50 years, the Daikin Europe group is a subsidiary of the global group Daikin Industries.

About Daikin Industries Ltd.

Daikin Industries (DIL) is a global leader in heat pump, air conditioning and air filtration technology. The company employs over 98,000 employees worldwide. Founded in Osaka in 1924, it is the only manufacturer in the world that develops and manufactures heating, ventilation, air conditioning, and refrigeration equipment, as well as compressors and refrigerants in-house. Daikin was named one of the world's top 100 most innovative companies by Clarivate (UK) and LexisNexis (USA), recognized for its leadership in technology research and intellectual property patents. For its fiscal year 2023 Daikin reported a record sales result of € 28 billion sales (1 April 2023 – 31 March 2024).

Read more on www.daikin.eu and www.daikin.com.

Media Contacts Daikin Europe N.V.

Sofie Sap – T.: +32 472 580482 Mail: sap.s@daikineurope.com

Daisuke Kakinaga – T.: +32 465 462321 Mail: kakinaga.d@bvl.daikineurope.com

