

Daikin Europe reports 20 % turnover growth due to high demand for low-carbon heating and cooling solutions

Daikin Europe N.V. has announced its financial group results for fiscal year 2022, ending 31 March 2023. Driven by the strong demand for low-carbon heating and cooling solutions, Daikin reports **turnover growth of 20% in EMEA**, which now amounts to **5.2 billion euros, the company's best result ever**. As a subsidiary, Daikin Central Europe with its headquarters in Vienna, contributed significantly to this success with record sales in 16 markets in the CE region.

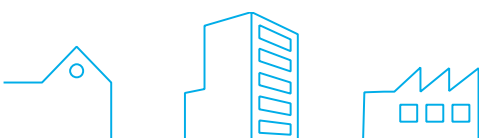
Vienna, Brussels, May 2023 – Daikin Europe is market leader in the air conditioning, heating, ventilation, and refrigeration (HVAC&R) business in Europe, the Middle East, and Africa (EMEA). “In fiscal year 2022, we report significant sales growth overall in EMEA, exceeding the ambitious targets of our 5-year strategic Fusion25 plan. Our low-carbon heating and cooling innovations developed in and for EMEA contribute to the region’s energy transition,” says **Masatsugu Minaka, Chairman of the Board of Daikin Europe N.V. and Senior Executive Officer, Daikin Industries Ltd.**

“Despite ongoing global challenges, including persistent components shortages, supply chain disruptions, the energy crisis in Europe with record high gas prices, high inflation, and lower buying power we were able to continue our growth trajectory in the CE region successfully,” says **Carl Lievens, Managing Director of Daikin Central Europe, based in Vienna.**

Reinforced market leader position

In the residential segment, **Daikin reinforced its market-leading position**. Demand for heat pump heating in the European market grew faster than ever – over 40 % compared to 2021, a consequence of the EU measures to decarbonize Europe’s building stock and accelerate independence from fossil fuels. Thanks to **investments in European production capacity**, Daikin gained additional market share faster than its competition.

- Sales growth in the **residential heating segment** was driven primarily by Daikin’s air-to-water heat pump heating systems (Daikin Altherma). These have been popular in new residential buildings for many years and have now also entered the renovation market as a full-fledged alternative for all types of fossil fuel heating systems.



- Another reason is the increasing popularity of using Daikin's residential air conditioning split systems as energy-efficient heating solutions. These units are air-to-air heat pumps that provide both cooling and heating.

“With the increasing demand for heat pumps, our supply and manufacturing organization was able to increase production output beyond initial plans, despite difficult and irregular component sourcing. As a result, we achieved more than **150 % turnover growth in the heat pump heating** segment compared to the previous fiscal year,” explains **Takayuki Kamekawa, Vice-President Sales of Daikin Europe**.

In the **commercial segment**, the European post-Covid market still showed instability in retail and hospitality industry investments. Daikin's strongest asset proved to be the well-positioned line-up for **light commercial applications** such as small data centers and warehousing, and good availability of **large commercial VRV ranges**.

In the **refrigeration segment**, low demand from food retail chains had a negative impact on the results of Daikin Europe's subsidiary AHT. Key actions have been taken to mitigate this effect moving forward by developing differentiated and integrated offerings.

Daikin also continued to strengthen its **service capacities**. In 2022, its Italian subsidiary acquired Landi S.p.A, a technical service provider, welcoming 50 new colleagues in the Lombardy region of Italy.

Investing in new factories and existing manufacturing sites

In 2022, Daikin Europe continued to invest in Europe and the EMEA region in line with **its proximity strategy**. Daikin sees this strategic direction as an important reason why it can ward off the most adverse effects of global supply chain issues. In the previous year, Daikin Europe announced:

- **Investments of over 90+ million-euro to expand operations in its heat pump factories in Belgium, Germany, Czech Republic, and Turkey.**
- An investment of **300 million euros in a new factory for residential heat pump units in Poland**. On track for completion in April 2024, the new factory will start operations in July 2024.
- The opening of its first factory in the Kingdom of Saudi Arabia, Daikin Europe's **second factory in the Middle East after Dubai**. It manufactures air handling units and



energy-efficient equipment essential for large-scale air conditioning solutions.

“Our strategy to prioritize R&D and manufacturing of low-carbon HVAC&R innovations close to the markets we serve is clearly the right direction,” says **Wim De Schacht, Vice-President Service & Solutions and Corporate Affairs of Daikin Europe N.V.**

Growing Daikin workforce

The strong growth in 2022 exceeds the ambitions set out in Daikin Europe’s five-year strategic Fusion25 plan. To keep pace with its ambitious growth trajectory, the Daikin Europe group welcomed **over 1,200 new employees** throughout its EMEA organization last fiscal year, thus growing its workforce by approximately 10 %. The company continues to strengthen all its functions and plans to recruit 7,000 people before 2030, nearly doubling its current talent pool from 13,710 to 20,000 employees in EMEA.

Daikin Central Europe, based in Vienna, is a **fast-growing region of 16 markets**. In 2022, the workforce numbered 700 employees and in 2023 around 250 new positions will be filled. “This also means that we have to transform the organization. In doing so, we follow the people-centered management approach and are currently investing in initiatives such as leadership development for executives on various levels and in various functions with a tailor-made **Daikin Central Europe Leadership Curriculum**. With the **Daikin Service Games 2023** we spark the interest of young and experienced professionals for a promising career as service technicians in our future-oriented industry,” notes **Lievens** who is also a certified systemic transformation manager.

Upcoming 50th anniversary: decade-long consecutive growth in EMEA

“In October 2023, the Daikin Europe group will be celebrating its 50th anniversary. As a market leader we have always acted on our responsibility to put the needs of our communities, customers and employees first. We are proud that this approach has resulted in decade-long consecutive growth in EMEA,” concludes **Toshitaka Tsubouchi, President of Daikin Europe**.

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About

Daikin Europe N.V.

Daikin Europe is a subsidiary of the global group Daikin Industries Ltd. and the leading provider of heating, cooling, ventilation, air purification and refrigeration (HVAC&R) technology. Daikin designs, manufactures, and brings to market a broad portfolio of products, maintenance services as well as turnkey solutions for residential, commercial, and industrial purposes in Europe, Middle East, and Africa. To date Daikin Europe has over 13,700 employees across more than 57 consolidated subsidiaries. It has 14 manufacturing facilities based in Belgium, the Czech Republic, Germany, Italy, Spain, Austria, the United Kingdom, Turkey, the United Arab Emirates, and the Kingdom of Saudi Arabia. The headquarters of the Daikin Europe group are in Ostend, Belgium. The company was established in 1972, production in Europe started in 1973.

Innovating for sustainable heating, cooling, ventilation, and refrigeration

Daikin Europe has 50 years of experience in innovative and energy-efficient heat pump systems. The group not only brings products to market, but equally offers maintenance and turnkey solutions.

In the **residential segment**, the group is well known for the Daikin Altherma hydronic heat pumps which Daikin first brought to market in 2006. Daikin Altherma heat pumps provide heating and domestic hot water and are designed and manufactured in Europe.

In the **commercial segment**, Daikin's VRV (Variable Refrigerant Volume) has been at the forefront of innovation since its launch in 1984. Daikin VRV is a modular cooling and heating system that distributes refrigerant from the outdoor unit to multiple indoor units, providing superior energy efficiency and comfort in large building applications with multiple zones to be controlled individually, such as hotels, offices, and hospitals.

In recent years, Daikin Europe has reinforced its **refrigeration product portfolio** and added **total solutions** for a sustainable cold chain to its lines of business. It is home to the refrigeration brands Zanotti, Hubbard, Tewis, and AHT, following a series of acquisitions between 2016 and 2018.

Daikin Industries Ltd.

Daikin Industries was founded in 1924, in Osaka, Japan. The global group employs over 96,000 people worldwide and is the market leader for heat pump and air conditioning systems, as well as air filtration. It is the only manufacturer in the world that develops and manufactures heating, ventilation, air conditioning and refrigeration equipment as well as refrigerants in-house. The company achieved € 28.2 billion sales turnover in fiscal year 2022 (1 April 2022 – 31 March 2023).

Daikin Airconditioning Central Europe

Daikin Airconditioning Central Europe was founded in 1999 with headquarters in Vienna, Austria, as a subsidiary of Daikin Europe N.V. The company's portfolio comprises products and solutions for heating, cooling, ventilation, air purification and refrigeration. More than 700 employees and 2,500 partners are responsible for sales and service activities in 16 countries in Central and Eastern Europe (Austria, Albania, Bosnia Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Kosovo, Montenegro, Moldova, North Macedonia, Poland, Romania, Serbia, Slovakia, and Slovenia). With Your Daikin World at the Vienna headquarters, the HVAC-R industry and the construction sector have access to a modern experience center for co-creating tailor-made solutions for hotels, retail, offices, and large commercial applications. It also includes one out of nine training centers in the region of Daikin Central Europe.



Find out more

www.daikin.eu

www.daikin.com

[About | Daikin \(daikin-ce.com\)](http://daikin-ce.com)

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