EAE

European Association for
External thermal insulation composite systems

3rd European ETICS Forum

Auditorium Testori, Milan

12 October 2015

European Association for External thermal insulation composite systems

The construction & ETICS MARKET news & information

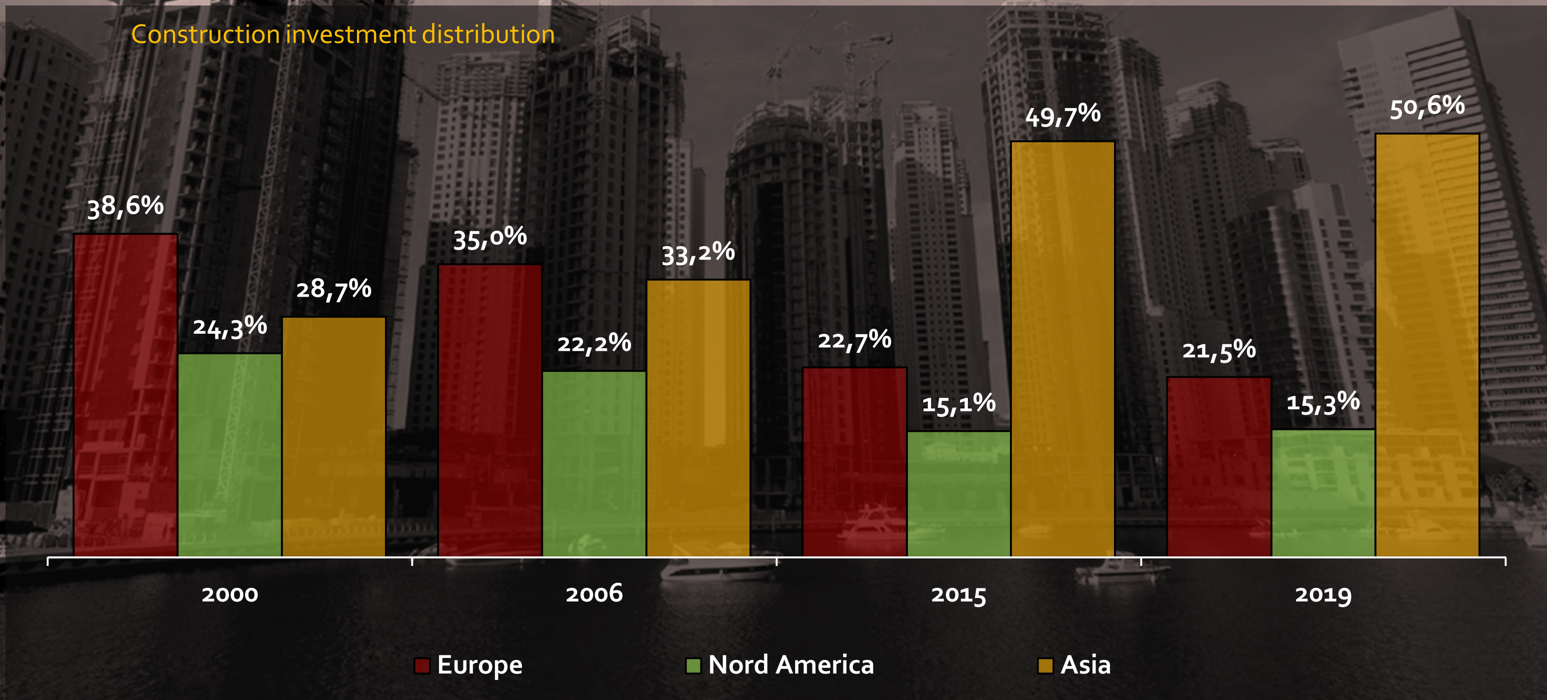
Francesco Toso
Cresme

Construction output in the world 2015

A brand new world geography

Global Market
6.879 billions of €

50% is today localized in Asia



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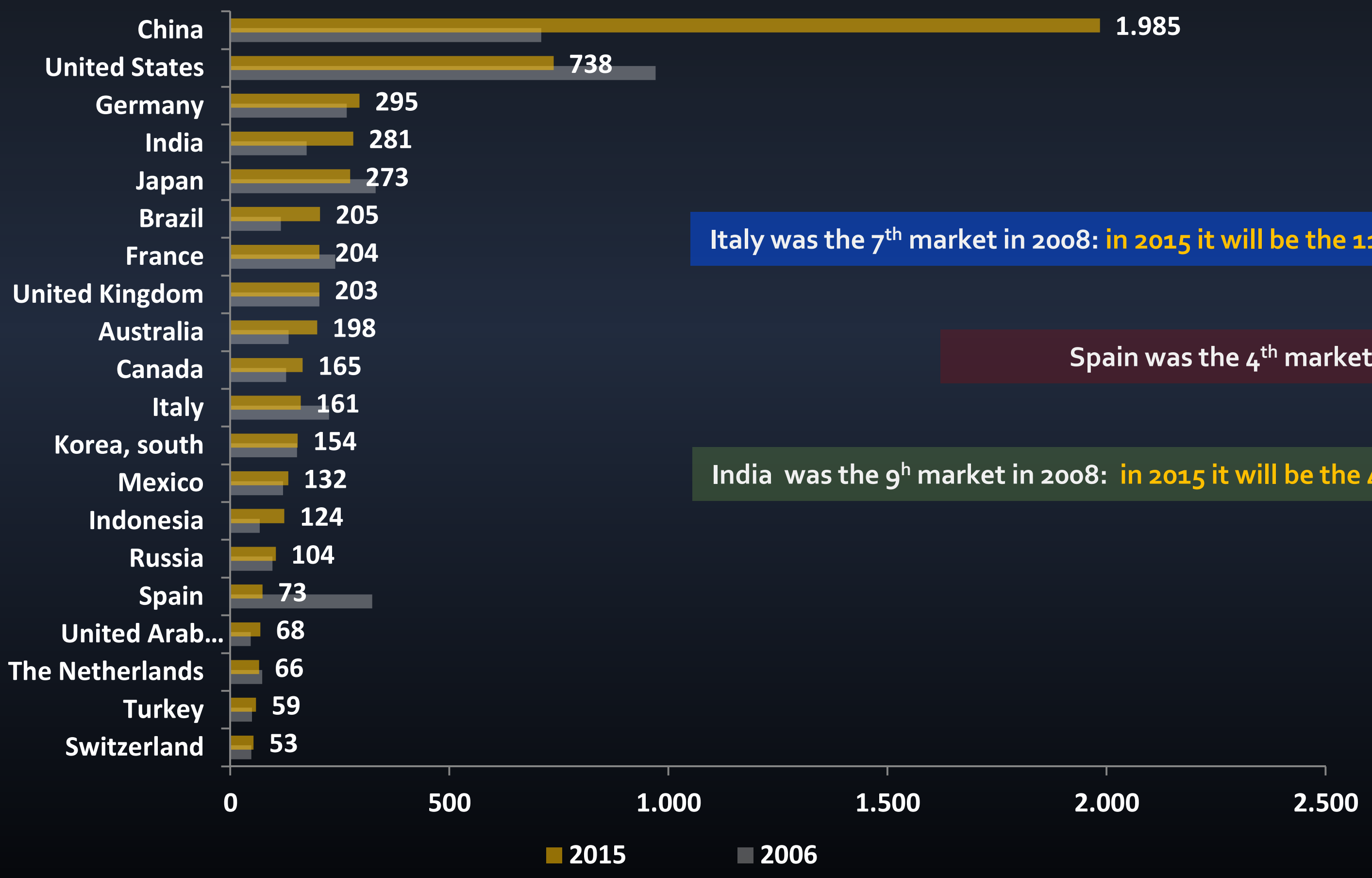
First 20 (construction investments 2015)



Italy was the 7th market in 2008: in 2015 it will be the 11th

Spain was the 4th market in 2006: in 2015 it will be the 16th

India was the 9h market in 2008: in 2015 it will be the 4th

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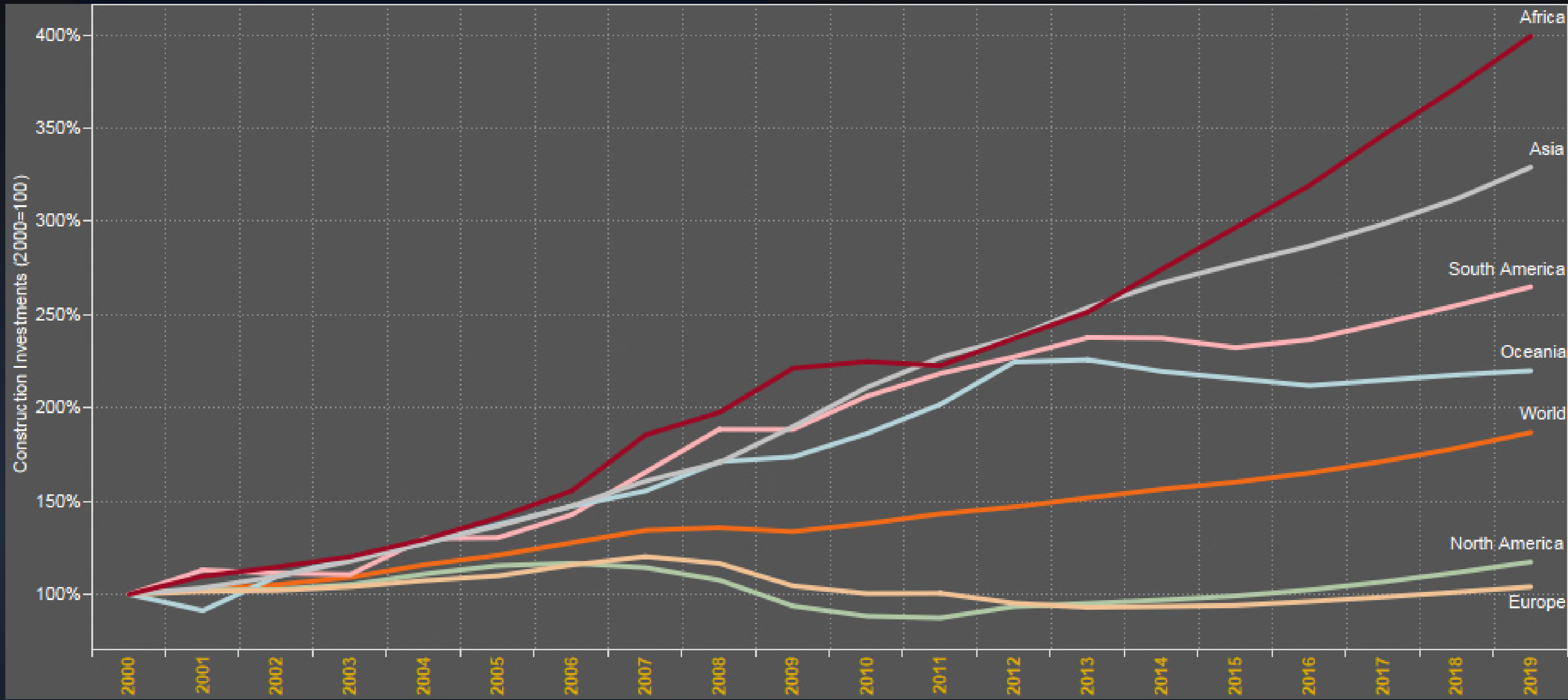
global trend



	2014	2015	2016	2017	2018	2019	2015-2019
Asia	5,2%	3,8%	3,5%	4,1%	4,6%	5,4%	4,3%
Europe	0,5%	0,6%	2,2%	2,5%	2,7%	2,8%	2,2%
North America	1,9%	2,2%	3,3%	4,2%	4,7%	5,0%	3,9%
South America	-0,1%	-2,1%	1,9%	3,8%	3,9%	3,9%	2,2%
Oceania	2,8%	-1,7%	-1,8%	1,4%	1,3%	1,0%	0,0%
Africa	9,1%	8,1%	7,6%	8,5%	7,4%	7,4%	7,8%
World	3,1%	2,4%	3,0%	3,8%	4,1%	4,6%	3,6%

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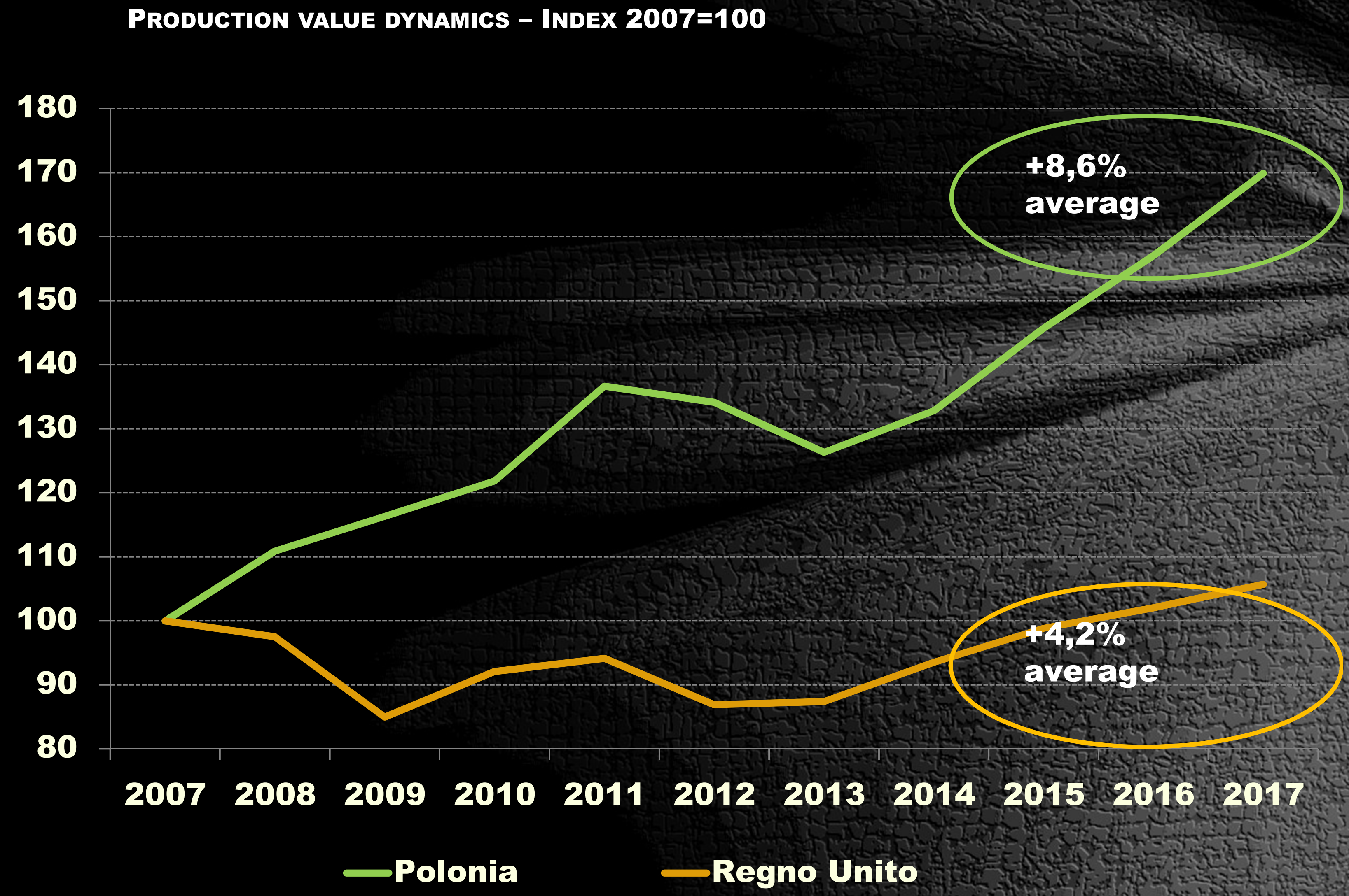
National markets

	Average 2009/2013	2014	2015	2016	2017	2018	2019	Average 2015/2019
EU-15	-5,1%	0,9%	1,6%	2,3%	2,4%	2,6%	2,7%	2,3%
Germany	0,9%	2,8%	0,9%	0,9%	0,0%	0,0%	0,0%	0,4%
France	-2,2%	-4,2%	-0,9%	2,5%	2,6%	2,7%	2,7%	1,9%
United Kingdom	-2,1%	7,1%	5,7%	3,2%	3,6%	3,8%	3,9%	4,0%
Italy	-5,3%	-2,2%	0,3%	2,5%	2,8%	3,0%	3,1%	2,3%
Spain	-22,5%	-1,8%	2,5%	4,0%	5,5%	6,6%	7,2%	5,1%
United States	-3,5%	2,2%	2,0%	3,2%	4,3%	5,1%	5,8%	4,1%
Japan	0,5%	-6,2%	-2,7%	-4,2%	-2,6%	-2,8%	-2,5%	-3,0%
Canada	4,1%	0,8%	2,1%	3,4%	3,3%	3,2%	3,1%	3,0%
China	14,0%	7,4%	3,4%	3,4%	4,3%	5,1%	6,5%	4,6%
India	4,3%	3,5%	8,4%	7,9%	7,5%	7,1%	7,2%	7,6%
Indonesia	6,8%	6,5%	6,1%	6,2%	6,6%	6,7%	6,8%	6,5%
Korea, south	-0,2%	3,7%	0,1%	1,1%	1,0%	1,0%	1,0%	0,8%
Mexico	-0,9%	2,0%	3,5%	3,9%	4,4%	4,5%	3,4%	4,0%
Argentina	2,4%	1,4%	-1,2%	-0,8%	0,0%	0,0%	0,4%	-0,3%
Brazil	5,7%	-2,8%	-3,3%	1,5%	4,3%	4,3%	3,9%	2,1%
Australia	6,3%	-3,5%	-2,6%	-2,4%	1,1%	1,1%	0,7%	-0,4%
Russia	-0,4%	-3,3%	-13,4%	-2,3%	-0,6%	0,5%	0,5%	-3,1%
South Africa	0,2%	8,3%	5,1%	7,4%	8,2%	3,0%	3,1%	5,4%
Saudi Arabia	4,6%	3,5%	7,8%	0,5%	0,5%	1,2%	2,3%	2,5%
UAE	-1,9%	13,1%	2,5%	7,2%	6,7%	6,9%	3,7%	5,4%

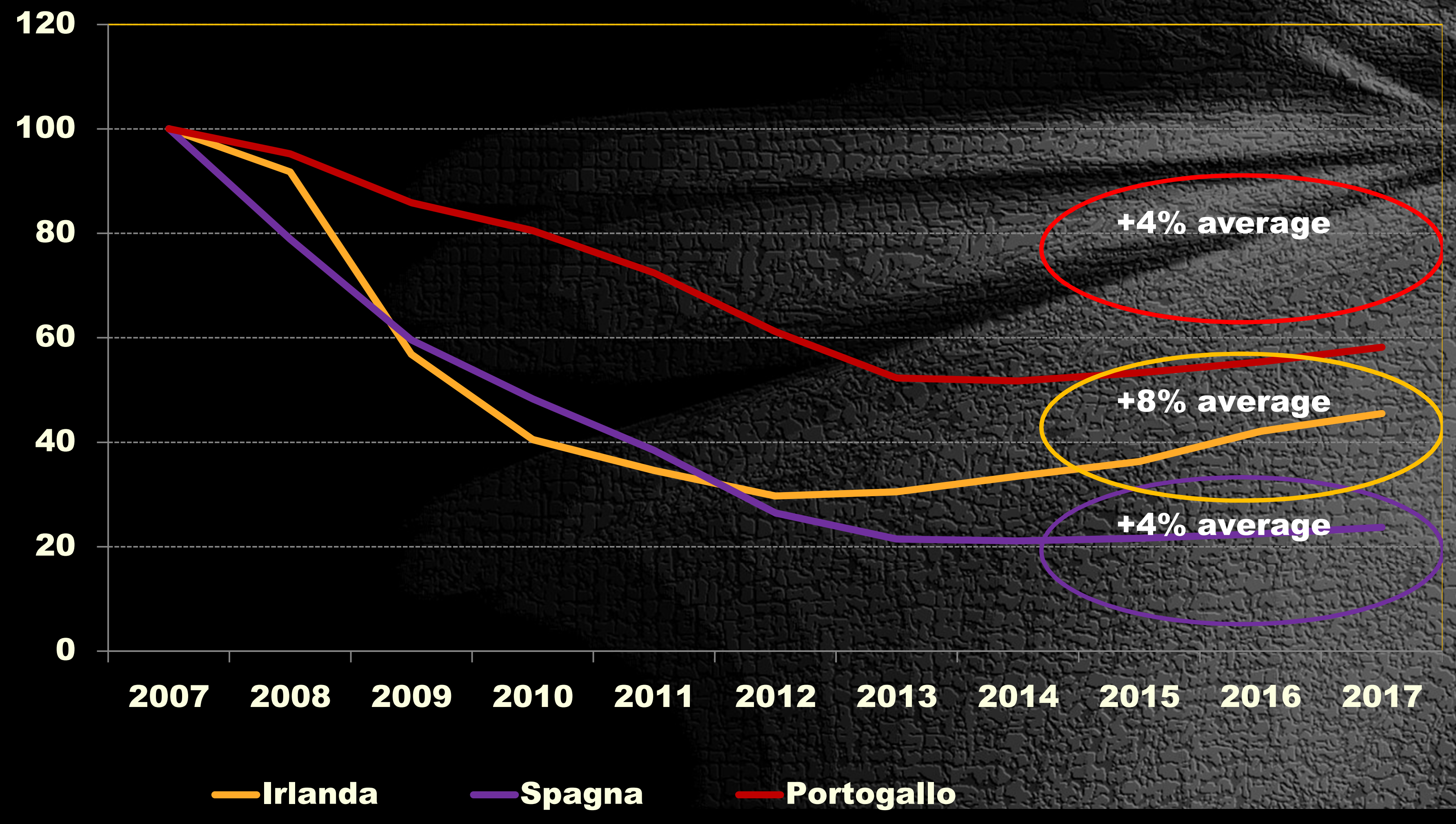
Europe Outlook

Poland and UK: High levels and growth

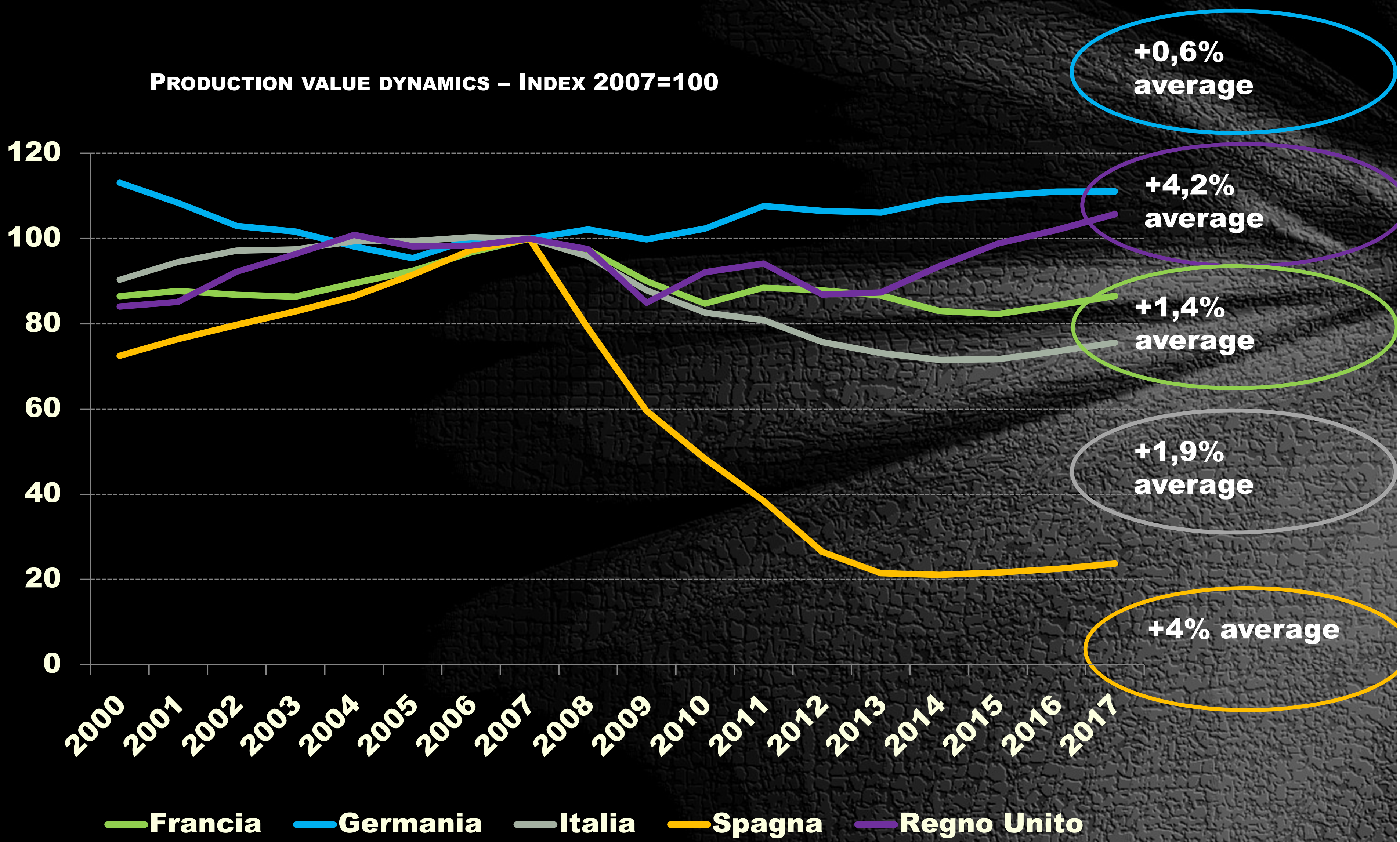


From the crisis to the recovery: Markets speeding up, Ireland, Spain, Portugal

Production value dynamics – Index 2007=100



The big fives compared



Construction Output EUROCONSTRUCT countries

Sector size and composition
2015
(billions of euro at 2014 prices)

TOTAL CONSTRUCTION OUPUT
1.366 100%

NEW
668 48.9%

- 252 Residential 18.4%
- 227 Non-Residential 16.6%
- 190 Civil engineering 13.9%

RENOVATION
683 51.1%

- 373 Residential 27,3%
- 210 Non-Residential 15.4%
- 115 Civil engineering 8.4%

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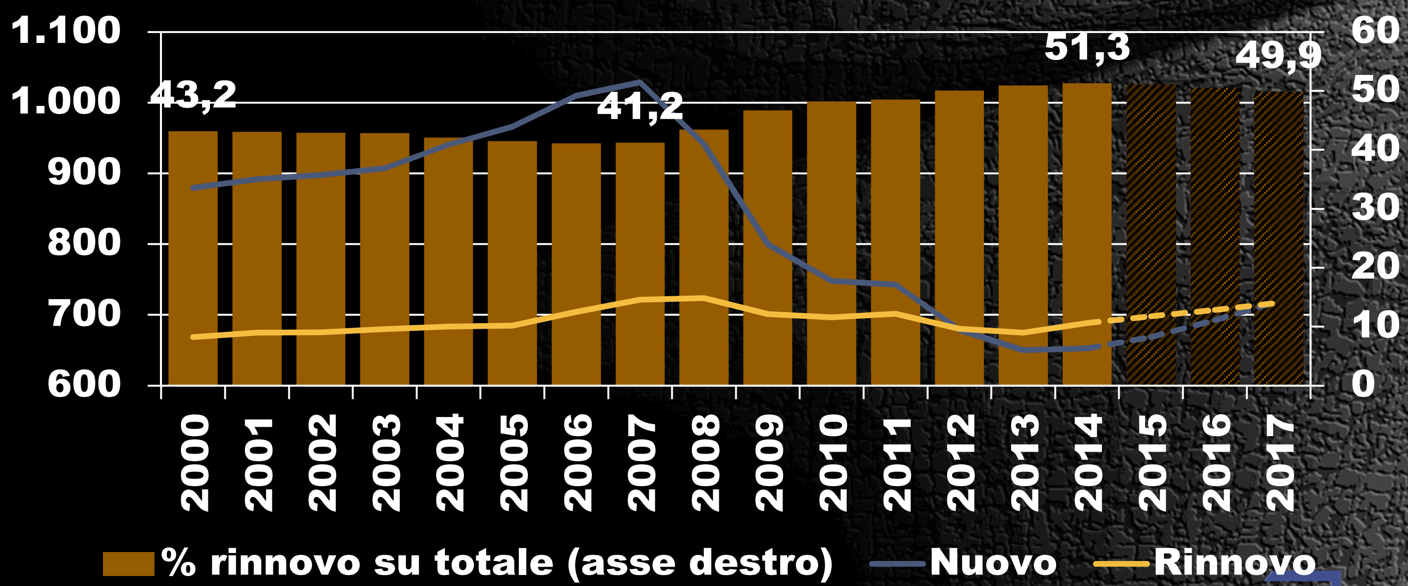
EUROCONSTRUCT

Renewal and maintenance compared to new production

Renewal investment and new production dynamics (Euroconstruct)

	Total growth (%)		Annual growth rates			
	2007-2000	2013-2007	2014	2015	2016	2017
New	17,0%	-36,9%	0,4%	2,4%	3,6%	3,8%
Renewal	8,0%	-6,5%	2,0%	1,4%	1,3%	1,4%
Total	13,1%	-24,3%	1,2%	1,9%	2,4%	2,6%

Production value growth by typology



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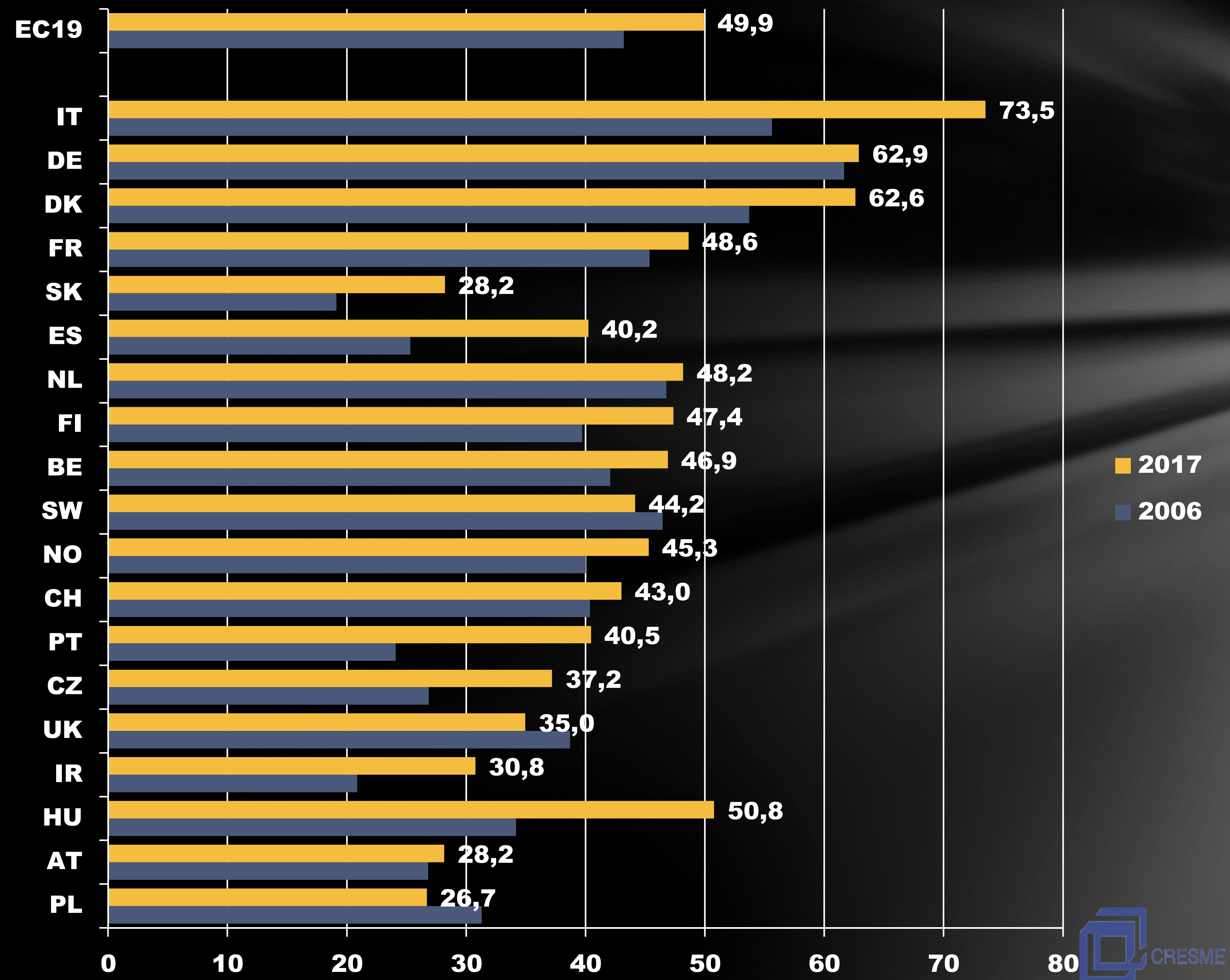
EUROCONSTRUCT

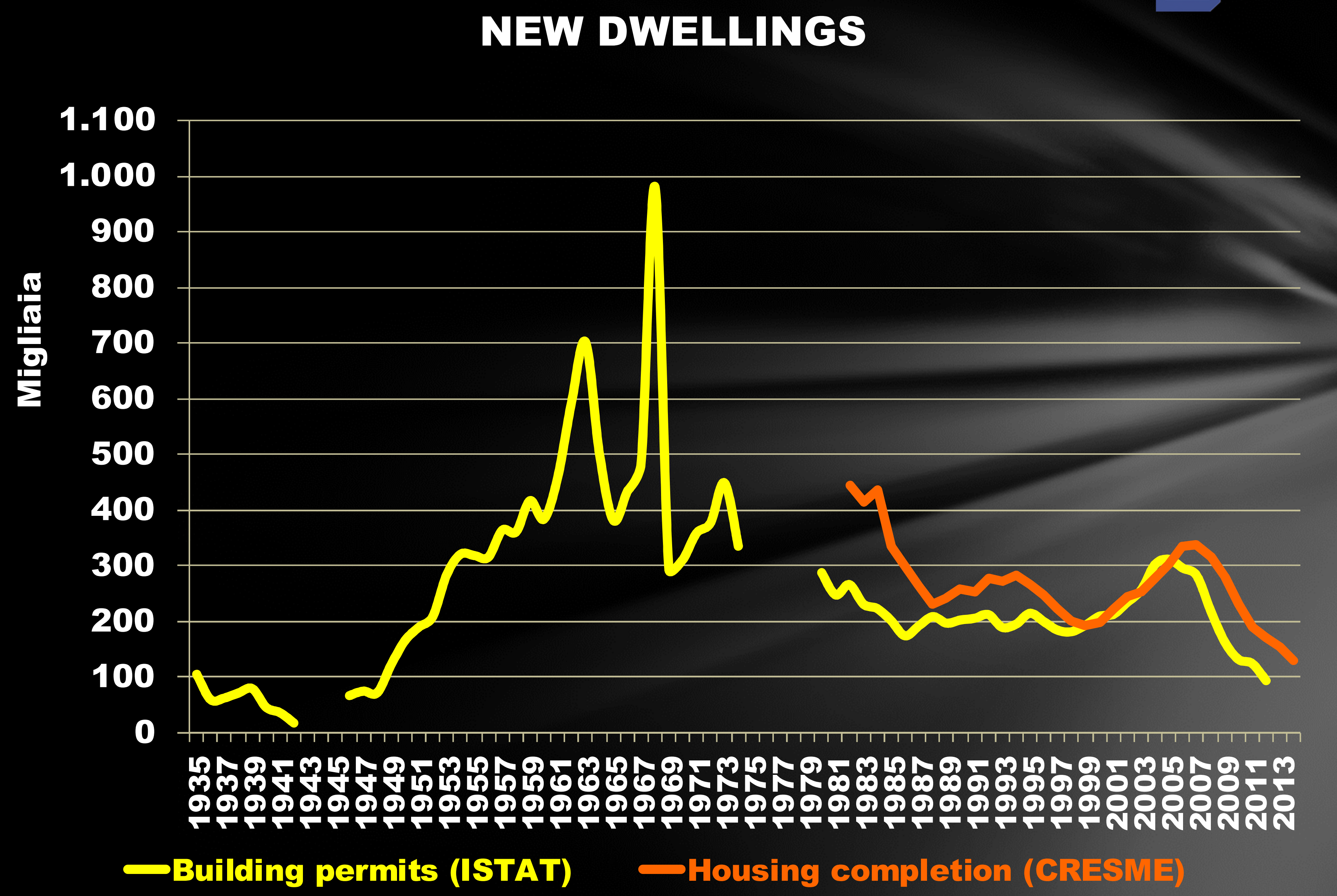
REPAIR & MAINTENANCE OUTPUT* IN EUROPE FOR COUNTRY

(% ON TOTAL NATIONAL SECTOR) *without renwable energies sources



ITALY

Slowing down of new households and the needs of land use control



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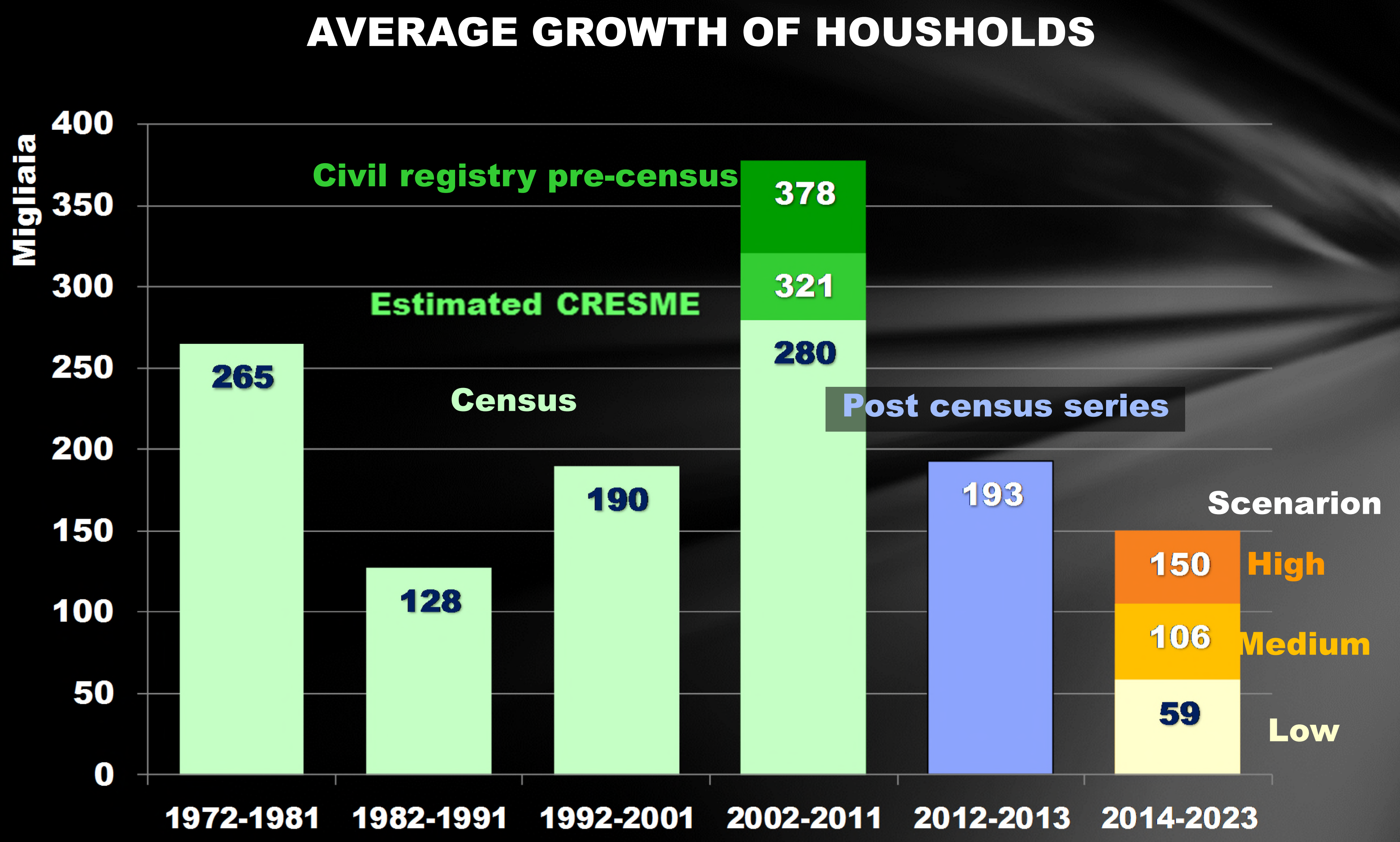

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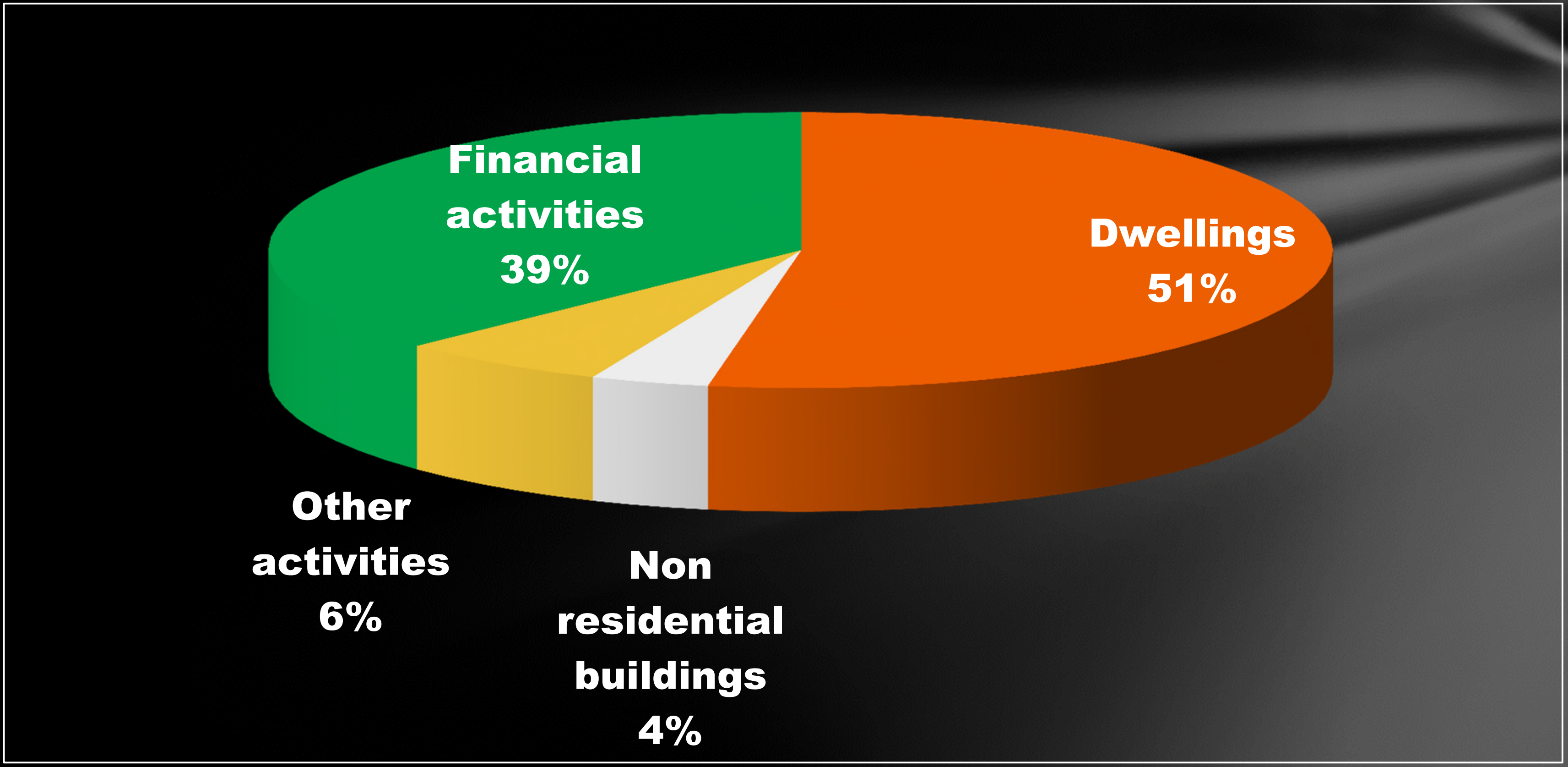
Dwellings in building with more than 40 years

	Today	Within 10 years
Metropolitan cities	79,2%	88,2%
Principal cities	70,7%	81,7%
Italy	60,6%	71,6%

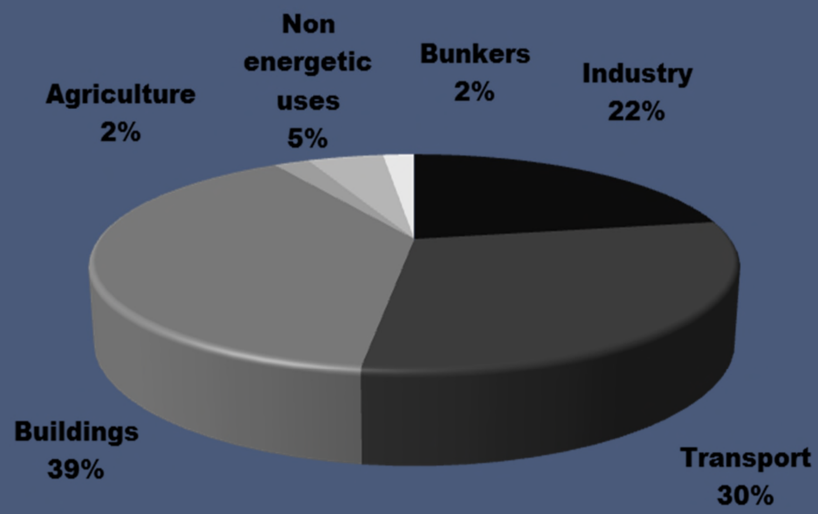
WEALTH COMPOSITION OF ITALIAN FAMILIES
(Bank of Italy) - (composition % of activities)



Energy balance in Italy – 2013

-1,0% over 2012
-6,1% over 2000
+19,7% over 1981

TOTAL ENERGY USES
126,6 MTep



Buildings & domestic uses 50 MTep (39%)	+5,6% over 2012 +24,7% over 2000 +54,9% over 1981
Transport 38 MTep (30%)	-1,9% over 2012 -8,9% over 2000 +55,6% over 1981
Industry 28 MTep (22%)	-6,7% over 2012 -29,9% over 2000 -21,4% over 1981
Agriculture 3 MTep (2%)	-1,4% over 2012 -15,2% over 2000 +15,8% over 1981
Other 8 MTep (7%)	-11,7% over 2012 -18,2% over 2000 -26,4% over 1981

Incentives for photovoltaic plants had the result to push our country at the World top rank in terms of installed power. However, they had the result to create a fast speculative growing sector that culminated with a bubble burst at the end of the incentives

INVESTMENTS IN RENEWABLE ENERGY PLANTS FER (millions of euro, current values)

	Current millions				Real growth (constant prices)			
	FER	Photovoltaic	Eolic	Biofuel	FER	Photovoltaic	Eolic	Biofuel
2007	1.890	502	1.048	340	190,0	642,4	189,0	39,5
2008	4.141	2.154	1.071	916	143,0	382,7	-1,4	159,6
2009	7.758	4.042	1.768	1.949	101,5	112,5	62,9	110,1
2010	32.127	29.538	1.191	1.399	462,6	743,5	-34,1	-29,8
2011	26.467	23.020	1.459	1.988	-4,5	-6,0	17,1	35,9
2012	16.027	10.387	1.538	4.102	-32,4	-38,1	1,9	100,0
2013	7.692	3.874	661	3.157	-49,7	-52,4	-58,0	-22,6
2014	7.966	3.702	950	3.314	9,0	8,2	45,4	5,6
Total	104.068	77.219	9.686	17.165				

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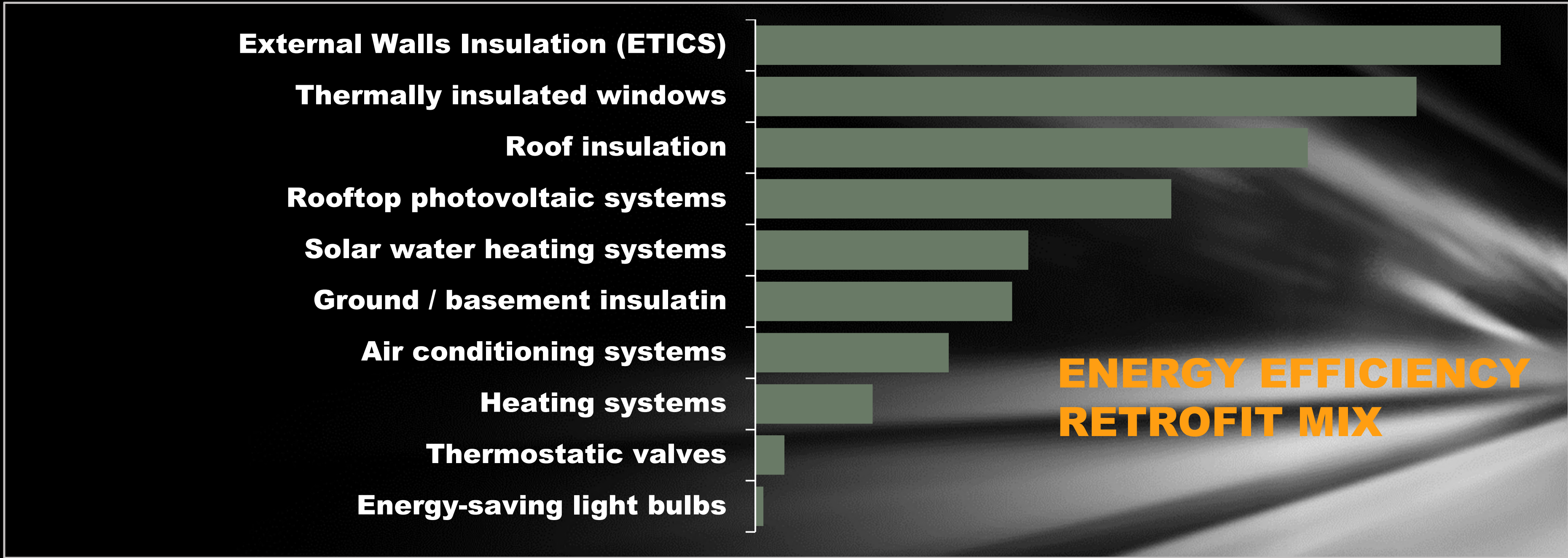
RESIDENTIAL BUILDINGS



RETROFIT COSTS

	Investments (Mln. €)
ITALY	110.563
- Zones ABC	26.456
- Zone D	26.037
- Zones EF	58.071

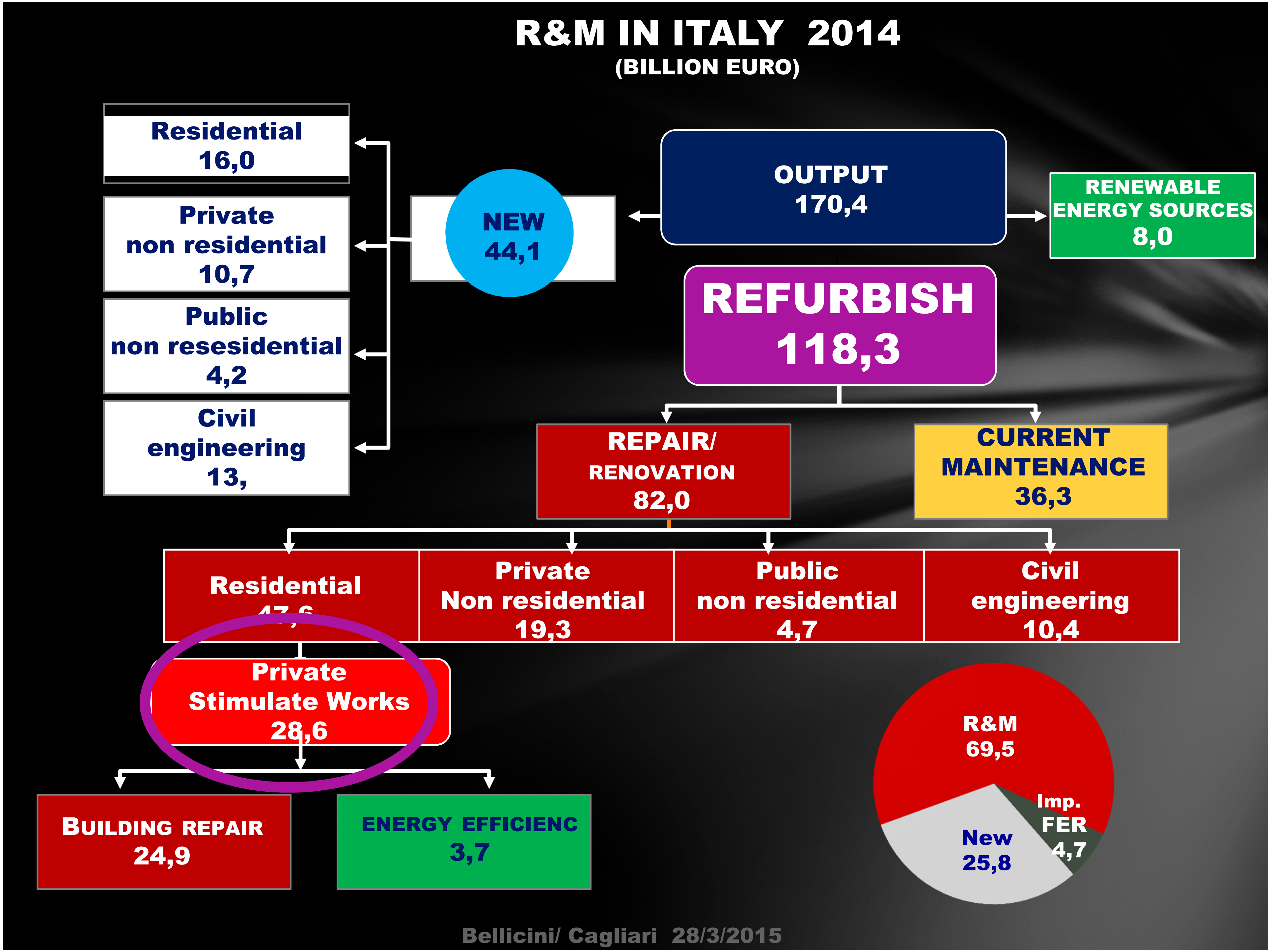
Renovation study

The recover and renewal politics has produced a fertile ground for business specialization. In fact, it is mainly made by finishing and plants, Moreover, this politics had been among the most virtuous in terms of budget policies (in short, a good allocation)

1998-2014

	Building recovery (41%-36%-50%)			Energy efficiency improvements (55%-65%)		
	Number of applications	Total amount (millions€)	Amount deduced (millions€)	Number of applications	Total amount (millions€)	Amount deduced (millions€)
TOTALE	**8.868.124**	**157.734**	**65.663**	**2.243.156**	**25.852**	**14.828**

CRESME


R&M IN ITALY 2014
(BILLION EURO)
Residential 16,0
Private non residential 10,7
Public non resesidential 4,2
Civil engineering 13,
NEW 44,1
OUTPUT 170,4
RENEWABLE ENERGY SOURCES 8,0
REFURBISH 118,3
REPAIR/ RENOVATION 82,0
CURRENT MAINTENANCE 36,3
Residential
Private Non residential 19,3
Public non residential 4,7
Civil engineering 10,4
Private Stimulate Works 28,6
BUILDING REPAIR 24,9
ENERGY EFFICIENC 3,7
R&M 69,5
Imp. FER 4,7
New 25,8
Bellicini/ Cagliari 28/3/2015

EXTERNAL WALLS (gross total surface)

TOTAL CONSTRUCTION SECTOR - Italy (annual average)

('000 sm)

	2008-2011		2012-2013		2014-2018	
ITALY	**64.678**	**100%**	**45.336**	**100%**	**44.783**	**100%**
thereof:						
Coat Plaster	24.392	37,7%	15.129	33,3%	12.176	27,2%
ETICS	**18.417**	**28,5%**	**17.953**	**39,6%**	**21.324**	**47,7%**
Facing bricks	4.414	6,8%	2.533	5,6%	2.159	4,8%
Rainscreen system	1.293	2,0%	1.306	2,9%	1.685	3,7%
Others (1)	16.162	25,0%	8.415	18,6%	7.439	16,6%

(1): natural stones, glass, curtain wall, concrete boards, etc.

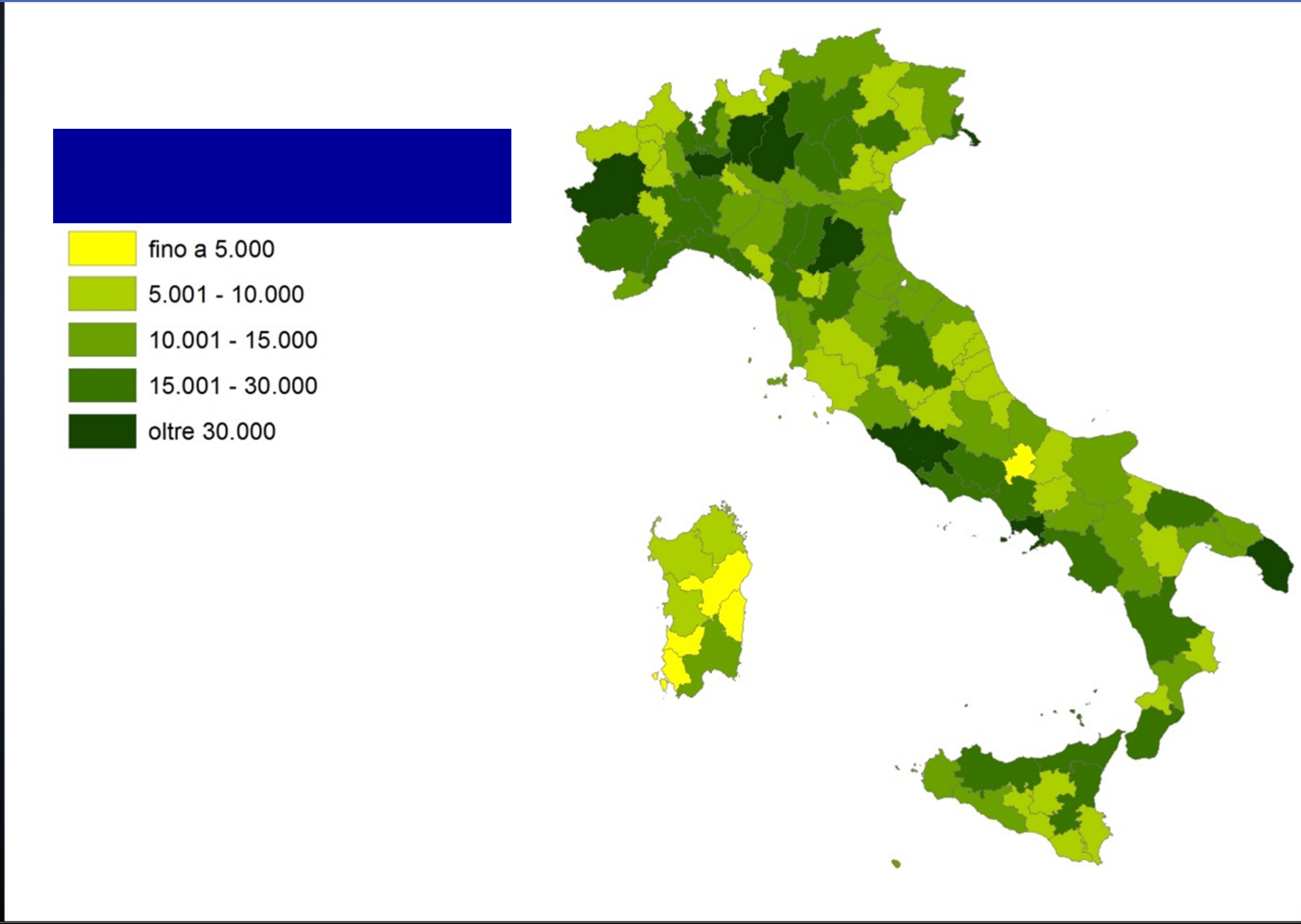
Renovation study

HOUSING STOCK
2014

DWELLINGS 30.467.300	BUILDINGS 11.825.900
RATE OF ACTION 2014 5,5%	RATE OF ACTION 2014 5,1%
TOTAL INVESTMENT 2014 24,2 MLD €	TOTAL INVESTMENT 2014 20,8 MLD €
AVERAGE INVESTMENT 2014 14.500 €	AVERAGE INVESTMENT 2014 34.700 €

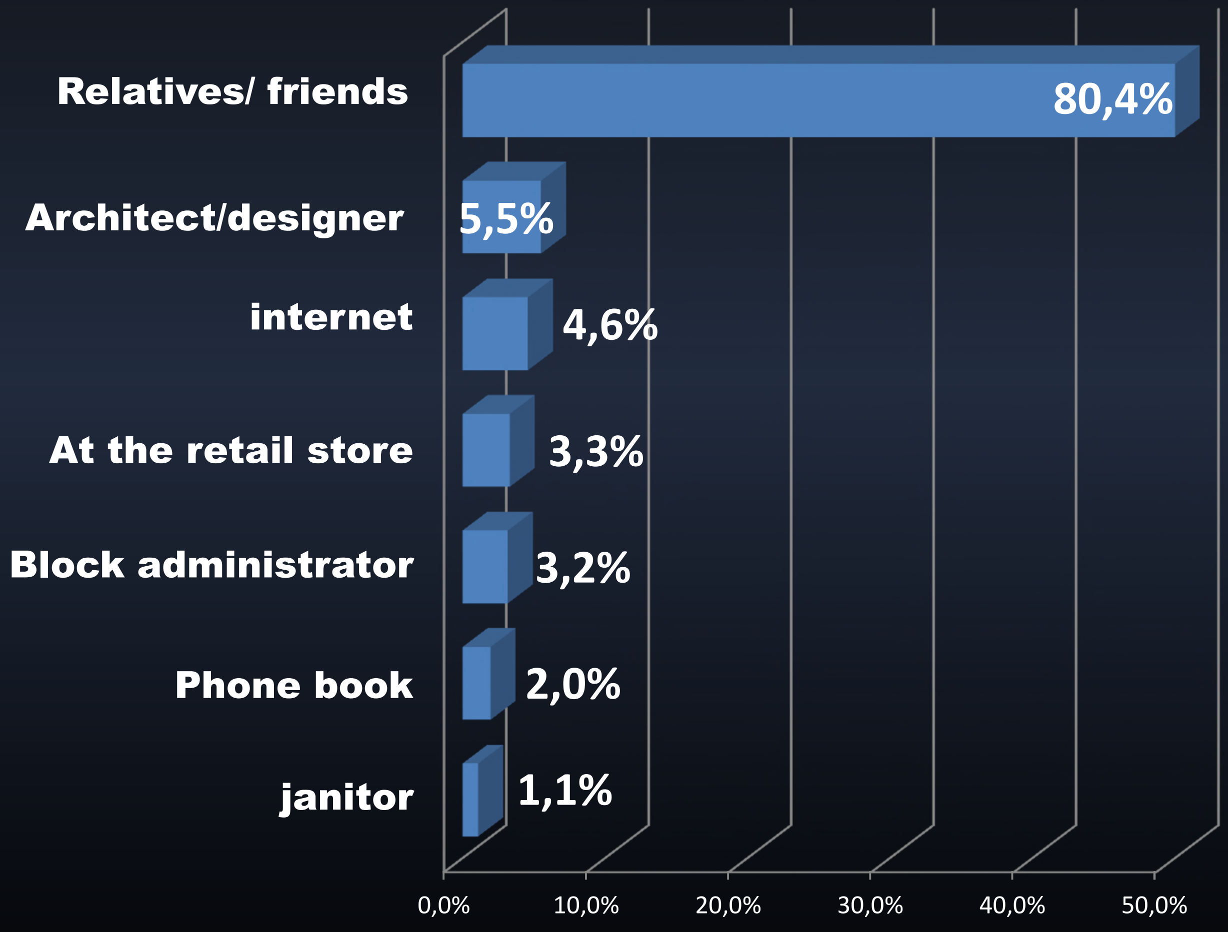
Renovation study

Refurbished dwellings

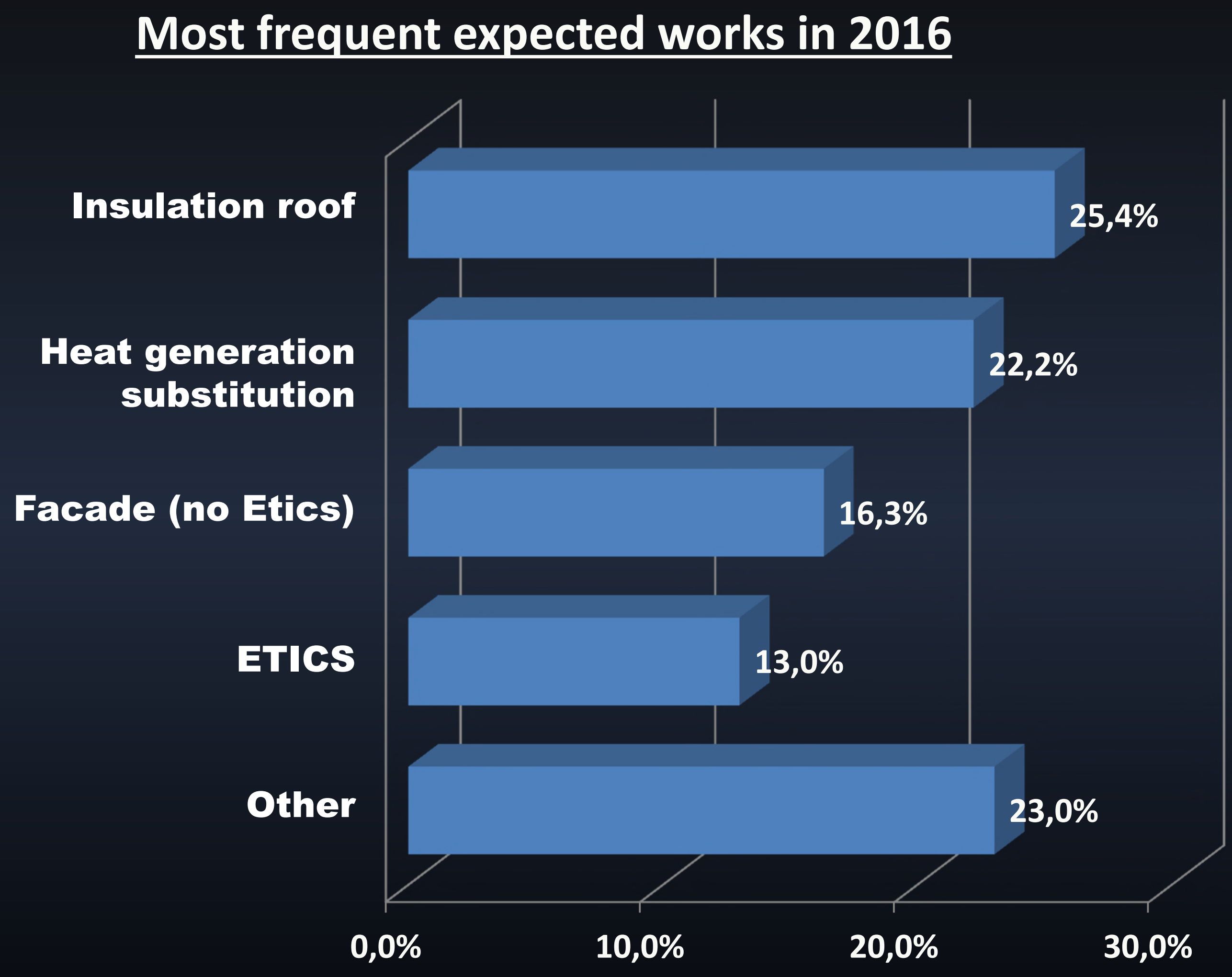


Renovation study – household survey

«How did you find the company who carried the work?»

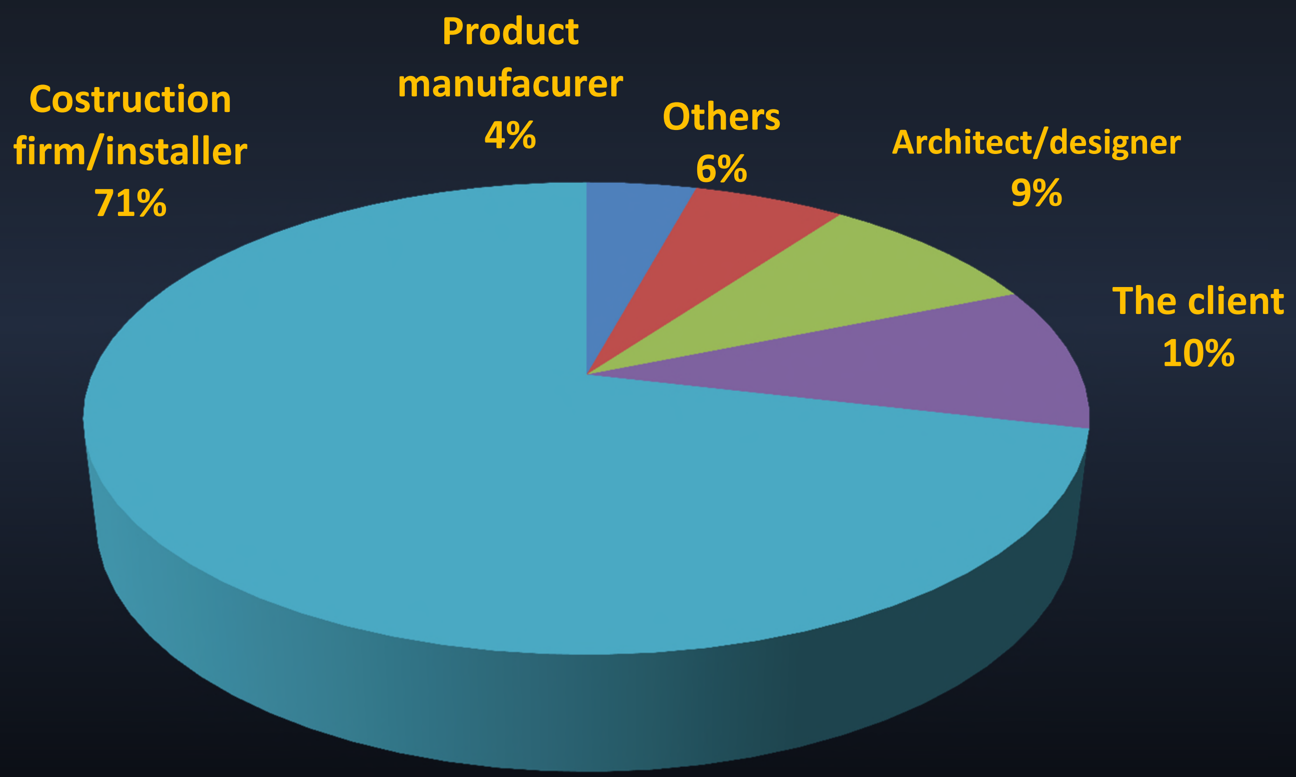


Renovation study – block administrator survey

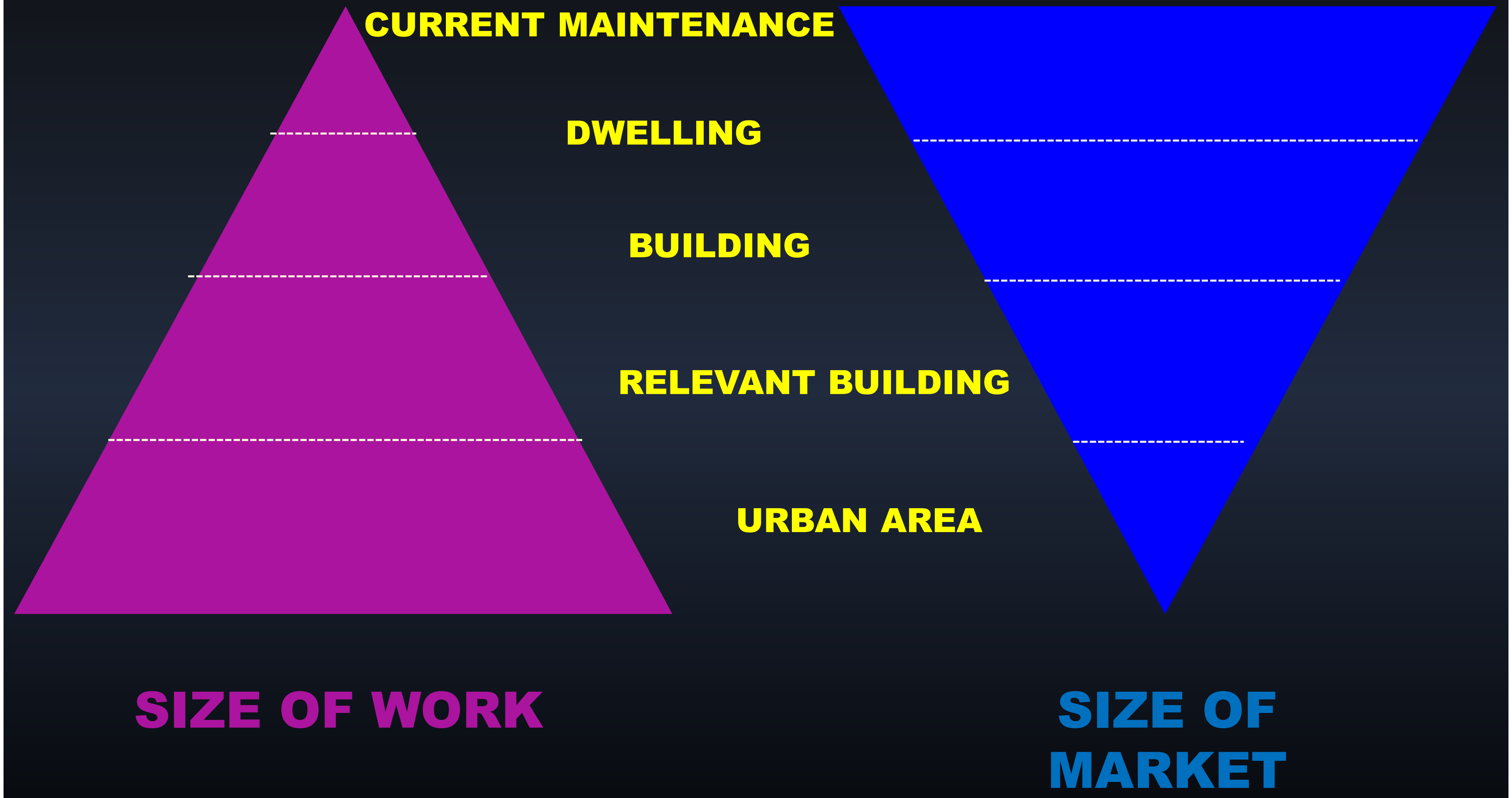


Renovation study – household survey

"From where does the dissatisfaction come?"



THE DOUBLE PYRAMID OF R&M



HOW TO DEVELOP A NEW MODEL OF INDUSTRIAL SUPPLY ABLE TO REORGANIZE THE MICRO DEMAND ?