# *The Parquet Industry*

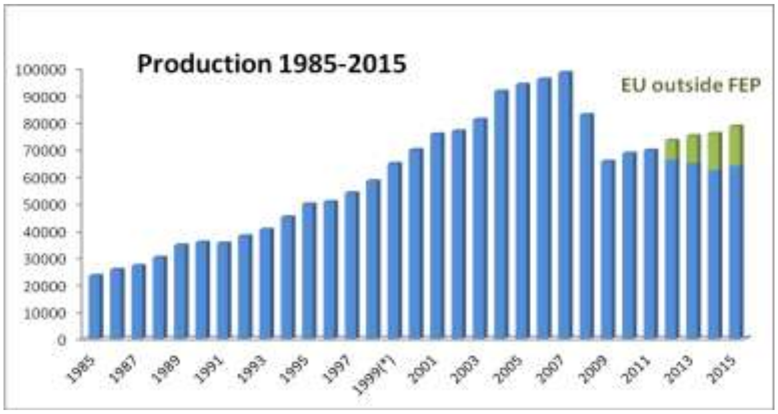
## 2015 – Facing the Future with Optimism

Confirming the January forecast of the FEP (European Federation of the Parquet Industry) issued at the start of the DOMOTEX fair in Hannover, the consolidated data provided by member companies and affiliated national associations indicates that the global European market experienced a slight growth of 0.5% in 2015. Though the results show some variation from country to country.

| | FEP Countries (***) | | EU - outside FEP(**) | Total | |
|---|---|---|---|---|---|
| | 000 m² | + / - % | 000 m² | Total | + / - % Total |
| *1990* | *35.634* | *3,09%* | | *35.634* | |
| *1991* | *35.294* | *-0,95%* | | *35.294* | |
| *1992* | *37.977* | *7,60%* | | *37.977* | |
| *1993* | *40.396* | *6,37%* | | *40.396* | |
| *1994* | *44.972* | *11,33%* | | *44.972* | |
| *1995* | *49.798* | *10,73%* | | *49.798* | |
| *1996* | *50.578* | *1,57%* | | *50.578* | |
| *1997* | *53.836* | *6,44%* | | *53.836* | |
| *1998* | *58.308* | *8,31%* | | *58.308* | |
| *1999(*)* | *64.774* | *11,09%* | | *64.774* | |
| 2000 | 69.812 | *7,78%* | | 69.812 | |
| 2001 | 75.621 | *8,32%* | | 75.621 | |
| 2002 | 76.741 | *1,48%* | | 76.741 | |
| 2003 | 81.039 | *5,60%* | | 81.039 | |
| 2004 | 91.453 | *12,85%* | | 91.453 | |
| 2005 | 93.977 | *2,76%* | | 93.977 | |
| 2006 | 95.911 | *2,06%* | | 95.911 | |
| 2007 | 98.334 | *2,53%* | | 98.334 | |
| 2008 | 82.724 | *-15,87%* | | 82.724 | |
| 2009 | 65.522 | *-20,79%* | | 65.522 | |
| 2010 | 68.500 | *4,54%* | | 68.500 | |
| 2011 | 69.630 | *1,65%* | | 69.630 | |
| 2012 | 66.266 | *-4,83%* | 7.000 | 73.266 | |
| 2013 | 65.027 | *-1,87%* | 10.000 | 75.027 | 2,40% |
| 2014 | 62.357 | *-4,11%* | 13.500 | 75.857 | 1,11% |
| 2015 | 63.982 | 2,61% | 14.600 | 78.582 | 3,59% |

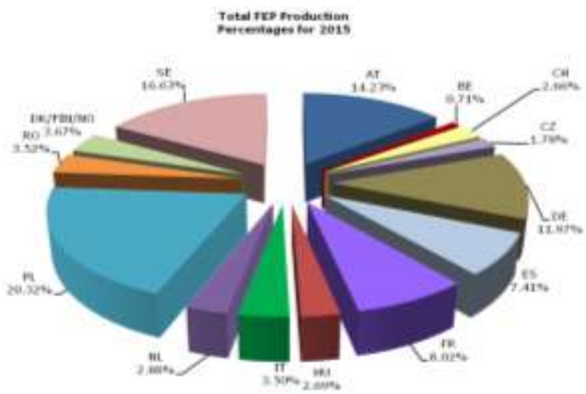
Compared to 2014, the overall consumption figures in 2015 point to an increase by 0,48%. As far as production is concerned, the trend already witnessed in the previous years, namely the strategic choices made by several producing companies to relocate their production in European countries outside the FEP territory, was once again confirmed and reinforced. The production in FEP territory upturned by 2,61% to almost 64 millions square meters, while the European production outside FEP countries is at an estimated 14,6 millions square meters.

The total production in FEP territory rose by 2,61% to a volume of 63.982.220 m². Taking into account the total production in Europe (FEP countries + EU outside FEP) implies that production in 2015 rose by 3,59% and exceeded 78,5 million m².



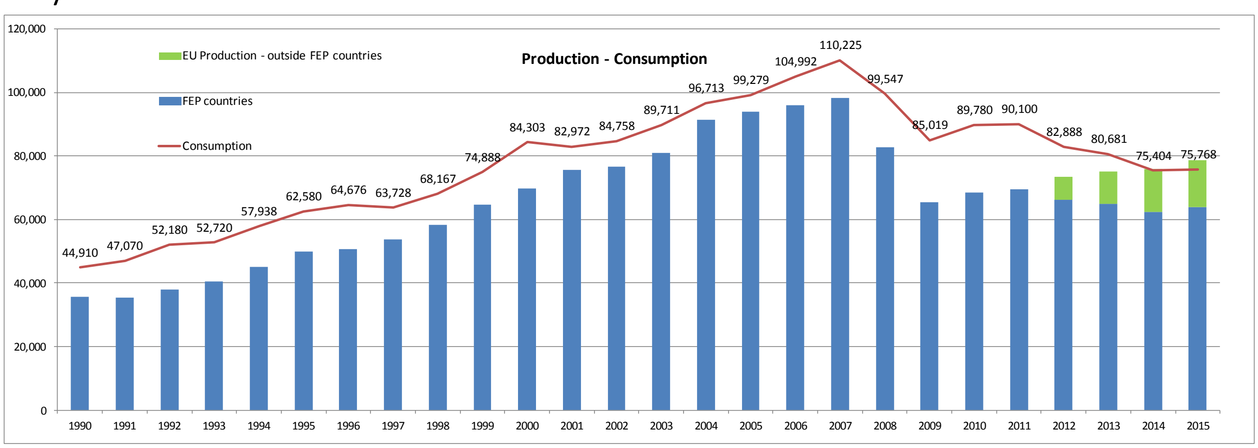
Consumption in the FEP area improved by 0,48%, to a level of 75.768.490 m². It is important to note that maritime pine and softwood are no more considered in French estimations of parquet consumption and production, time series have been revised accordingly.

The 2015 total parquet production per type remains similar to the picture already presented from 2010 onwards, whereby multilayer comes in first with 79% (compared to 76% in 2014), being followed by solid (including lamparquet) with 19% (compared to 22%) and mosaic at 2% of the total cake.

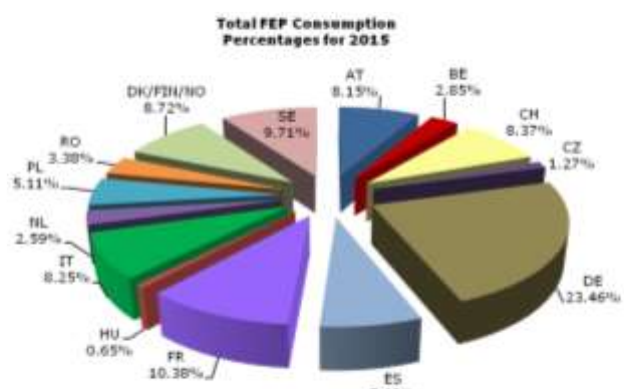



In absolute production figures by country, Poland maintains its top position at 20,32% despite a slight decrease in production. Sweden consolidates its second place on the podium with 16,63%. It is followed by Austria at 14,23%, which took the last position on the podium from Germany.

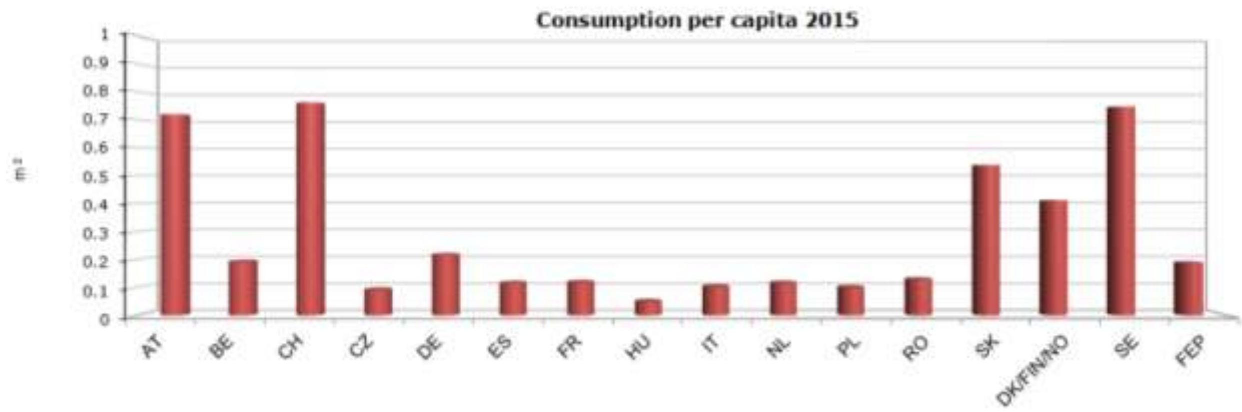
Consumption in the FEP area rose by 0,48% to reach 75.768.490 m² compared to 75.404.400 $m^2$ the year before.




In terms of consumption per country, Germany maintains its first position with 23,46% and is still followed by France at 10,38%. Sweden completes the podium with 9,71% and is followed by the Nordic Cluster at 8,72%. Italy with 8,25% was not able to keep its fifth position taken by Switzerland (8,37%).

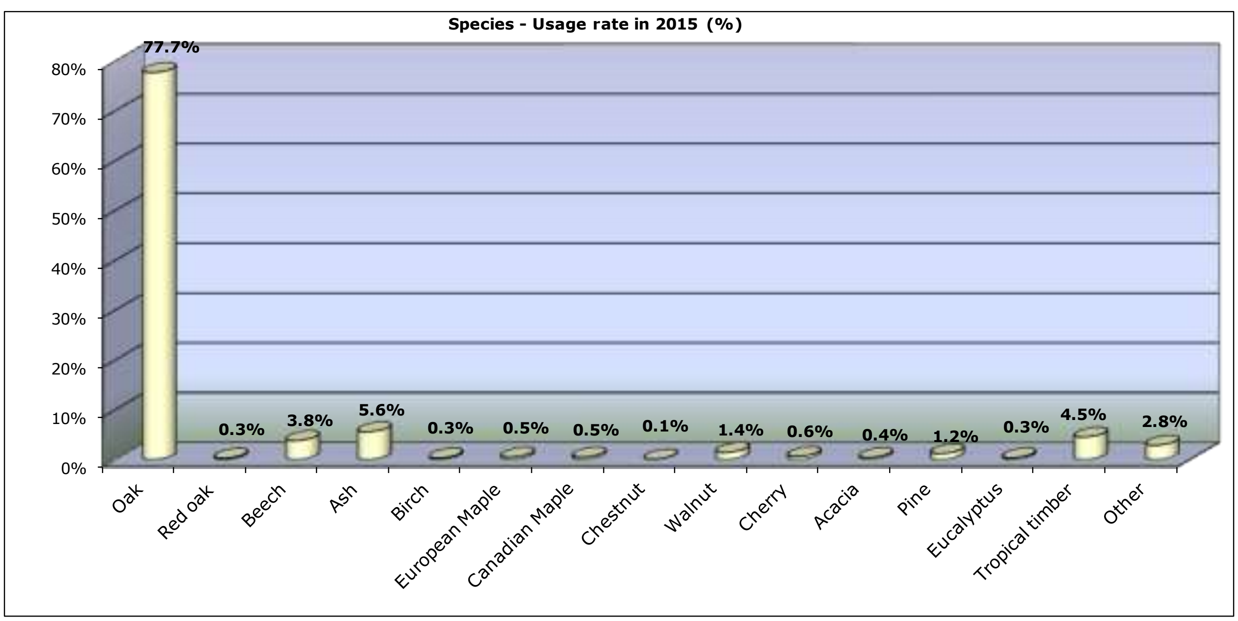


The per capita parquet consumption remains the highest in Switzerland (0,76 m²), followed by Sweden at 0,75 m² and Austria (0,72). In the total FEP area, the consumption per inhabitant remains stable at 0,19 m² in 2015.




## Use of wood species

The usage of wood species in 2015 as shown on the above graph indicates that oak is advancing further and reaches 77,7%. Tropical wood species use stabilised at 4,5%. Ash and beech remain the two other most common chosen species with 5,6% and 3,8% respectively.



# Outlook for 2016 & 2017

After several years of hardship for the European Parquet Producers and the overall negative developments in both consumption and production, the sky has somewhat cleared up in 2015 positively impacting the global result. The EU economic indicators point towards a continuation of a slightly positive trend and the generally encouraging reports received from a majority of FEP member countries after the first quarter of the current year fuel the hope for better times ahead.

Two additional factors seem to be of crucial importance in the given context:
- the raw material supply situation (especially for oak);
- the degree of success in "lifting" parquet to the level of being an indispensable product in interior decoration and thereby moving it to the earlier stages in the consumers' decision process.

From previous detailed Marketing surveys that FEP has conducted we know that parquet has a very high desirability coefficient. It is sustainable, made from a renewable raw material and should be valued as a long-term investment. Focused consumer education seems to be a sine-qua-none on the road to success.

*European Federation of the Parquet Industry*
*Fédération Européenne de l'Industrie du Parquet*
*Föderation der Europäischen Parkett-Industrie*

T: +32 2 556.25.87
F: +32 2 287 08.75
E: info@parquet.net
W: www.parquet.net - www.realwood.eu