

PRESS RELEASE FEP

The Board of Directors of the European Federation of the Parquet Industry met on 24 April 2013 and discussed amongst others both the parquet situation and recent economic indicators on the European market.

Though it is yet too early to give a reliable forecast for the current year, the information provided by the individual country representatives indicates that the European parquet producers continue to face important challenges and variations at country level in a market that still does not show the signs of the recovery announced and expected by the European authorities. FEP however stresses the merits of its members in keeping their business well alive in these difficult times, by finding ways to adapt to an ever changing environment and respond to the needs and expectations of the customers, with the most creative and innovative solutions.

A brief per country recap is provided in the table below.

Market overview

Austria 	The harsh winter conditions in Austria had an impact on the parquet consumption, which went slightly down in the first quarter of 2013.
Belgium 	2012 saw a stabilization on the parquet consumption side, whereas production is expected to increase by a comfortable margin. The first quarter of 2013 seems to be following the same direction.
Denmark 	Parquet sales are flattening out. Construction output is expected to continue to grow in 2013 though at a low rate (2.2%), staying below pre-crisis levels. While all segments are forecast to increase moderately, new residential construction shall remain weak in 2013 reflecting subdued house price developments.
Finland 	The consumption of parquet decreased significantly on a y/y basis to reach -10%. Unemployment is around 8.5%.
France 	The first quarter of 2013 showed a decrease of 15% in parquet sales. Solid parquet is a little less affected and manages to perform better than multilayer. Production is adapting accordingly. Unemployment reached 10% and is still growing.
Germany 	Parquet sales in Q1/2013 remained flat in general, with the exception of wide planks which continue to grow. The construction sector performs well with an increase in building permits.
Italy 	The situation in Italy has been characterized by political uncertainties in the last few months, which translated into a difficult economic situation. However, things are expected to get better now that a government has been formed. The parquet market lost close to 20% in sales in Q1/2013, but should also follow the post political crisis stabilization path.

<p>Netherlands</p> 	<p>The negative trend witnessed at the end of 2012 is continuing. Consumption contracted by 10% compared to Q1/2012. The renovation market is more promising but this is evidently not the solution for parquet producers who need m² sales. Production is growing, but the major part goes to exports (+/- 60-65%), predominantly the 2-layer products.</p>
<p>Norway</p> 	<p>The parquet market is slowing down but still growing compared to last year. The building market remained flat. Unemployment is estimated to be between 2 and 3% at the moment.</p>
<p>Spain</p> 	<p>Parquet production is estimated to be flat, but sales went down in the first quarter of 2012 by 5 to 10% compared to last year. The shift observed in other countries towards wide planks is also witnessed in Spain. Unemployment remains a major concern with 25% of the population out of job, and a worrying 50% among the younger generation.</p>
<p>Sweden</p> 	<p>Parquet consumption is slightly down in Q1/2013, after a fairly flat Q1 in 2012. This tendency is actually valid for the entire economy, which is slowing down.</p>
<p>Switzerland</p> 	<p>The mood in Switzerland remains sound. Parquet sales are more or less stable in Q1/2013. Wide planks are in vogue as well. The construction market is picking up after the winter, which is also reflected in the increasing number of building permits. One hopes that the economy can stabilize at last year's level.</p>

FEP, Brussels, April 2013

For more information, please contact FEP (E. Varga) at +32 2 556 25 87 or via info@parquet.net.