

FOR IMMEDIATE RELEASE MARCH 2009

Domestic Heating Market - UK 2009-2013

New AMA report provides a major review of this significant market

"Current forecasts indicate that in the short term, the domestic heating market will remain depressed, reflecting the impact of the current economic recession. In 2010, the market for domestic heating products is estimated to be £1.28 billion at MSP. However, in the medium to longer term, the domestic heating market is expected to experience a return to growth, and by 2013, the market value is forecast to be around £1.4 billion at MSP, which would represent an increase of around 7-8% compared to the market size in 2009."

A brief summary of the report is included on the following page.

Priced at £650, the report is currently available from AMA Research Ltd,
Telephone 01242 235724 or e-mail at sales@amaresearch.com.

Editors Note:

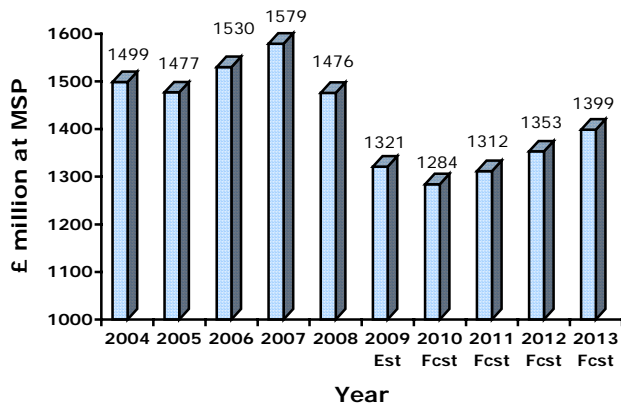
Attached is a summary of the report. Please use brief extracts if you wish, **but we would request that references to company market shares are not published without our prior permission.**

If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Keith Taylor or Chris Moore on (01242) 235724.

Please include our web address and telephone number on any review printed, it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

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**UK Domestic Heating Market by Value (£m MSP)
2004-2013**

The domestic heating market has experienced a variable rate of growth over the last few years, principally influenced by legislative measures concerning the compulsory installation of high efficiency condensing boilers. The market is now essentially mature but still offers further growth potential through product innovation to improve thermal performance, energy-efficiency and control/flexibility.

The market has an estimated value of around £1.3 billion at Manufacturer Selling Prices (MSP) in 2009. This represents a decrease of around 11% when compared to the market size in 2008 and reflects the impact of the current UK economic recession on the building and home improvement markets.

Current forecasts indicate that in the short term, the domestic heating market will remain depressed, reflecting the impact of the current economic recession. In 2010, the market for domestic heating products is estimated to be £1.28 billion at MSP. However, in the medium to longer term, the domestic heating market is expected to experience a return to growth, and by 2013, the market value is forecast to be around £1.4 billion at MSP, which would represent an increase of around 7-8% compared to the market size in 2009.

In 2009, the market for domestic central heating products can be broken down into three key sectors: refurbishment (77%), first time installations (14%) and new build (9%). A major area of support for the market is expected to come from the domestic refurbishment sector. With rising fuel prices and new legislative measures, householders are now more aware of energy efficiency and the environmental impact of energy using products, such as those used in domestic heating systems.

Electricity as a source of fuel is growing in popularity. Electric systems now account for around 12% of the total UK domestic heating market, reflecting growth in the number of flats and apartments. In the space heating sector, electric fires now account for around 46% of the total fuel effect fires market.

Combination condensing boilers have become the UK's best selling type of boiler, accounting for around 70% of sales. However, there is increasing awareness of the limitations of combination boilers, particularly concerning low flow rates when hot water demand is high. As a result, the market share of system boilers - that currently represent around 7% of market - is growing steadily and this growth is expected to continue.

The majority of central and water heating products are distributed via the trade channels such as builders/plumbers merchants, electrical wholesalers and specialist heating distributors. However, replacement and retrofit products are often distributed via the DIY multiples. Around 70% of space heating products are distributed via the retail channels. These include electrical multiples, specialist independents, DIY multiples, department stores and other retail outlets.

The future performance of the UK domestic heating market is likely to be influenced by overall trends in house building, home improvement, fuel prices, energy efficiency legislation, renewable technologies, levels of personal disposable income, patterns of hot water consumption and niche market drivers such as the self build and conservatory markets.

AMA Research's report "**Domestic Heating Market – UK 2009-2013**" is available in hard copy or electronic format for £650 and can be ordered online at www.amaresearch.co.uk or by calling 01242 235724.