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Precast Concrete Building Products Market UK 2009-2013

New AMA report provides a major review of the UK Market for Precast
Concrete Building Products

"The UK market for precast concrete products has been difficult in 2008 and prospects for 2009 are not good given the influence of housebuilding on the sector. Non-residential applications in education, health and infrastructure offer some opportunities for suppliers, with the Olympics construction programme a particularly strong sector. Medium term prospects are more optimistic as housebuilding should recover to meet underlying demand, while the growing emphasis on offsite production will have a mixed effect on precast suppliers."

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.**

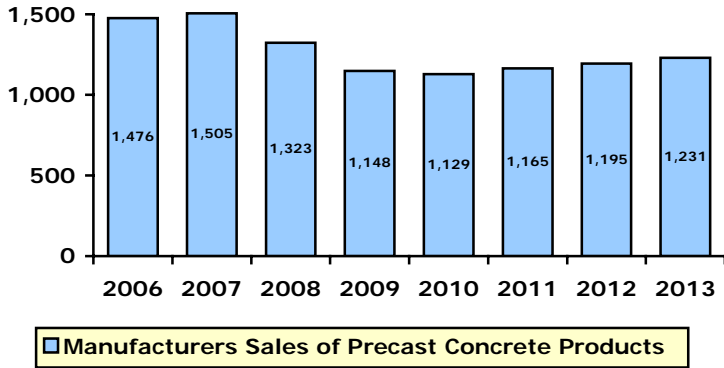
If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Chris Moore or Andrew Hartley on (01242) 235724.

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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PRECAST CONCRETE BUILDING PRODUCTS MARKET - UK 2009-2013

UK Manufacturers Sales of Precast Concrete Building Products by Value (£ Million MSP) 2006 -2013



While the total market for precast concrete products is estimated at over £2 billion in 2008, this figure includes sales from products outside the scope of this report.

Within AMA's report, the market is valued at around **£1.3 billion**. This report identifies and quantifies specific products within the broad categories of precast concrete production and includes dense, lightweight and aerated concrete blocks, precast concrete tiles (excluding flagstones), precast cladding and structural products for residential, commercial and industrial buildings and precast concrete for building or civil engineering.

As the table above illustrates, the precast industry is currently experiencing the effects of a severe decline in new housebuilding, which is impacting heavily on some manufacturers. For precast manufacturers who are heavily dependent on new housebuilding, a decline in sales of between 20%-30% since Q1 2008 is not uncommon. However, many companies supplying to sectors such as education, health and prisons have achieved an increase in sales in 2008, which has meant that the overall decline in the precast industry is estimated at around 15% in 2008.

Precast structural products, including flooring, stairs, balconies, pods, crosswall panels, foundations etc are a strong growth sector, reflecting the switch to offsite production. Together with pipes, this sector is worth around £700m and while short term prospects are not good, recovery in the market is anticipated in the medium term.

Opportunities for precast concrete products in the short and medium term are likely to come increasingly from the non domestic sectors, although the affordable housing sector will offer some opportunities in an otherwise depressed housing market. Pre-cast block producers will be one of the worst affected by the current downturn in the housing market due to their high level of dependence on housebuilding where output will almost certainly continue to decline in 2009. In addition, if the share of the housebuilding market taken by multi-storey apartments continues to increase, this could constrain further demand for foundation blocks and concrete roof tiles, although this expanding market could provide growth opportunities in other products for manufacturers and suppliers

Overall **non-domestic output** is currently forecast to decline by around 11% between 2008-10, though this figure reflects major variations in sector performance. In the medium-term, total non-domestic output is expected to begin a modest recovery in 2011, with moderate annual rates of growth currently forecast to 2013. The key sectors which are likely to experience significant decline are offices, industrial and retail, though these will be partially offset by anticipated growth in education, infrastructure and health – though these 'growth' sectors are dependent on funding streams from Government and PFI sources being maintained. The Olympic Games development programme offers some light in the current gloom for precast concrete products such as cladding, flooring etc.

AMA Research's report "**Precast Concrete Building Products 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.