

STONEX CANADA 2017



BUILDINGS, DESIGN & REAL ESTATE

EVENTS PORTFOLIO

MARKET INSIGHTS

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informa
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OVERVIEW

Stone is the world's original building and memorial material. It has been used for thousands of years and most of the oldest, remaining structures in the world are made from stone. Stone continues to be used in and on new structures. Its natural beauty and enduring quality is highly preferred.

Many economies have emerged from the global economic recession and the use of natural stone is resurging, continuing the trend and desire for natural stone begun centuries ago.

Stone consumption in Canada continues to grow in spite of the higher cost. The stone look continues to be popular and is expected to be around for a while.

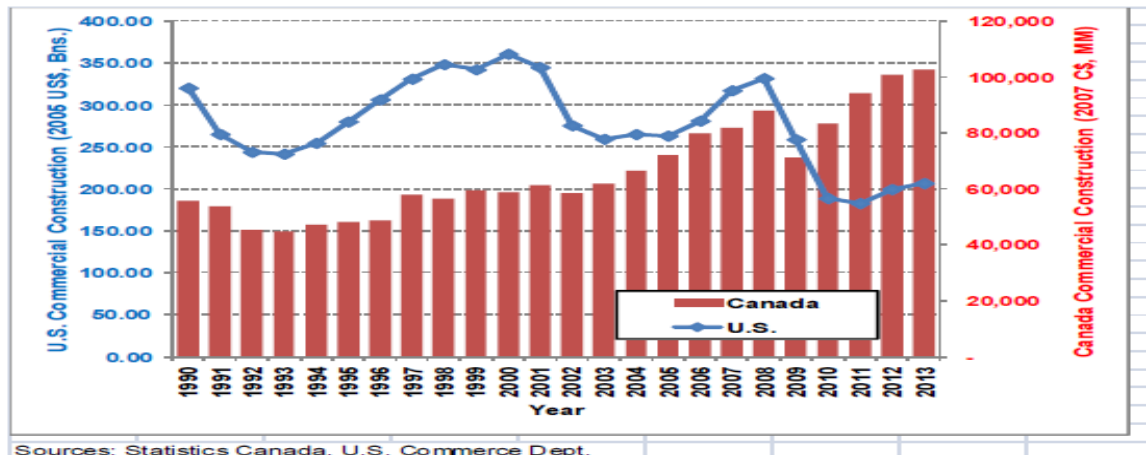
With the growth of Canada construction and real estate sector, the market had noticed in the last few years increased demand of natural stones and it related products. With estimated of CAD \$400,000,000 of stone products imports showing remarkable increase of 40% from 2012, this only proves that market is ready for new era of stone consumption both in the residential and the commercial sectors.

Canada Market Overview

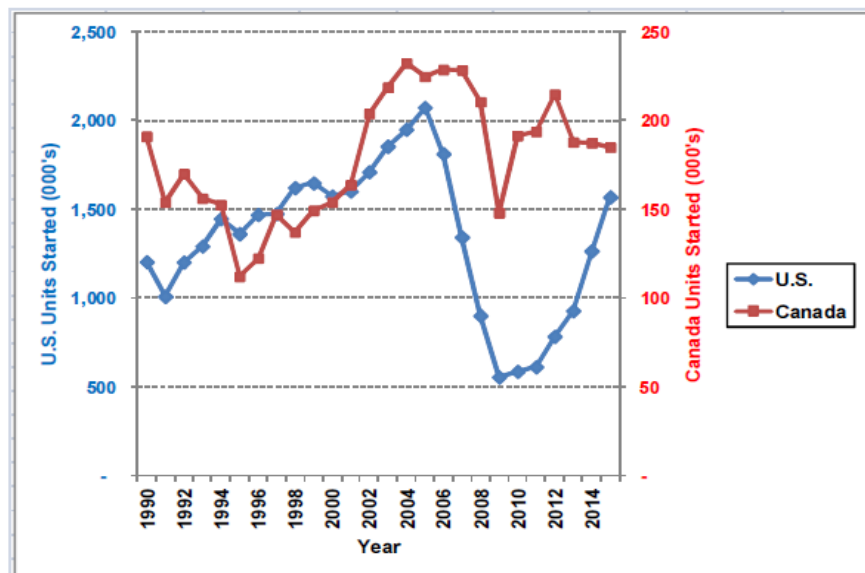
Market Facts

- Canada Market Value for flooring related products estimated approximately CAD \$ 2.3 billion (Not an accurate statistics. More research is needed)
- Canada had increased in the last 5 years its imports for Natural Stone and related products by 40% which totaled in 2014 over CAD\$ 400,000,000/-
- No Canada domestic ceramic tile producers.
- U.S. under-serves Canada ceramic tile market.
- Canada flooring market stronger per-capita than U.S. market.
- U.S. economic recovery means Canada economic growth.
- Canada is more heavily residential than the U.S.
- Ceramic Tile gaining popularity, especially with growth of under-floor heating
- The graphs and the statistics shown on the following slides will demonstrate the market value and its potentials (*Source: Statistic Canada*)

Real Non-Residential Construction Investment- Structures



U.S. & Canada Housing Units Started



Typical US Housing Starts= 1.4 million units per year

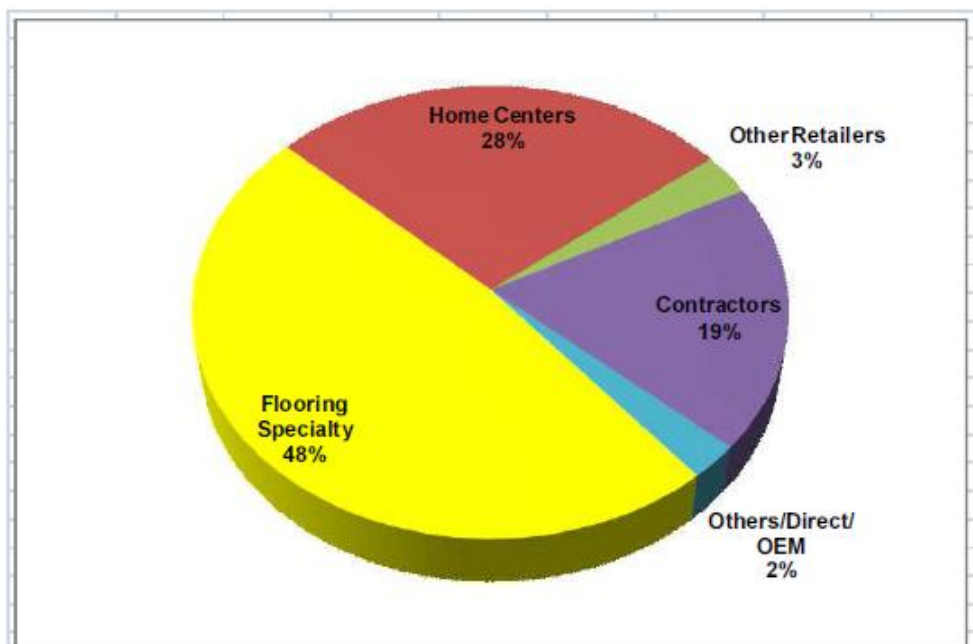
Typical Canada Housing Starts= 185,000 units per year

Source: Canada Mortgage & Housing Corp.

Canada buys lower-cost flooring & buys it more often than the U.S.

Flooring Product Category	Unit of Measure	U.S.	Canada	Canada % of U.S.
		(\$ in US\$)	(\$ in C\$)	
Ceramic Tile	\$, MM @ msp	2,545	319	13%
Wood Flooring	\$, MM @ msp	1,921	423	22%
Resilient Flooring	\$, MM @ msp	1,969	284	14%
Laminate Flooring	\$, MM @ msp	1,056	187	18%
Carpet & Rugs	\$, MM @ msp	8,399	824	10%
Total Flooring	\$, MM @ msp	15,890	2,037	13%
Sources:		US FLOORReport	Canada FLOORReport	
Note: Currency exchange rate in 2013: C\$ 0.97= US\$1.00				

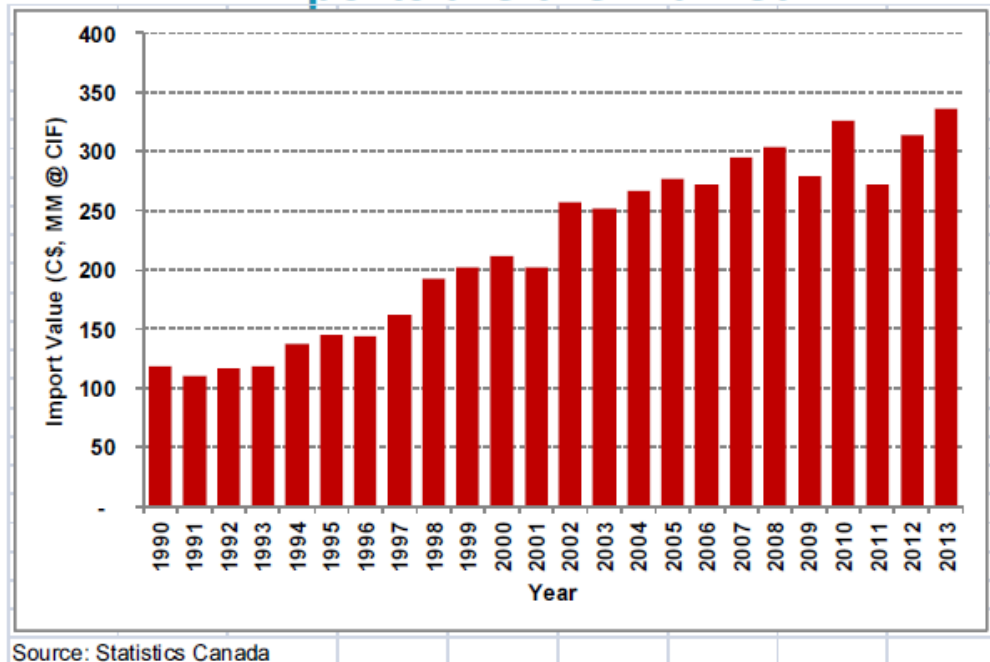
Canada Market Channels- 2013



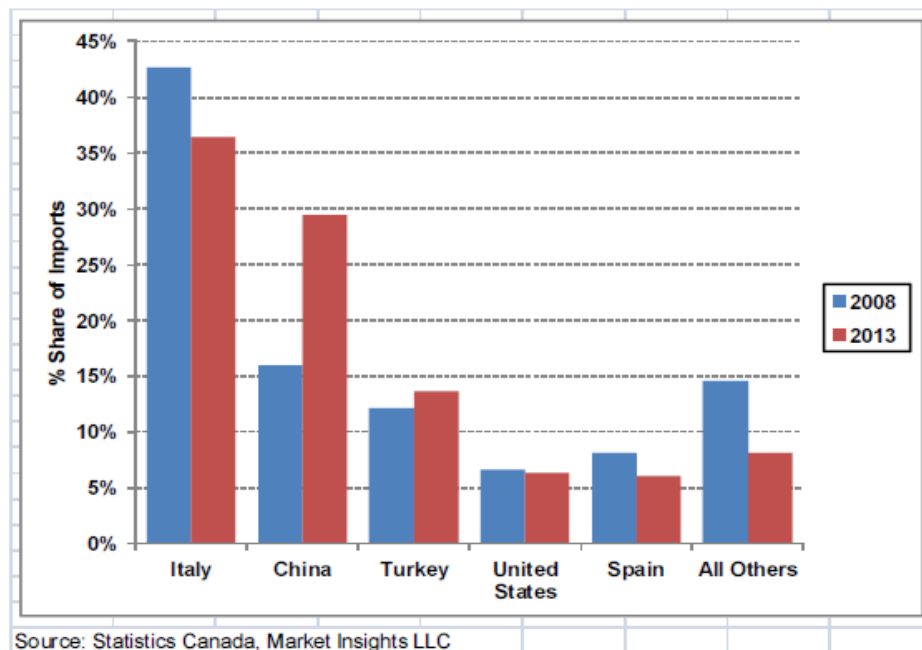
Source: Canada FLOORReport- 2014 Edition (Market Insights LLC)

Canadian Imports of Ceramic Tile

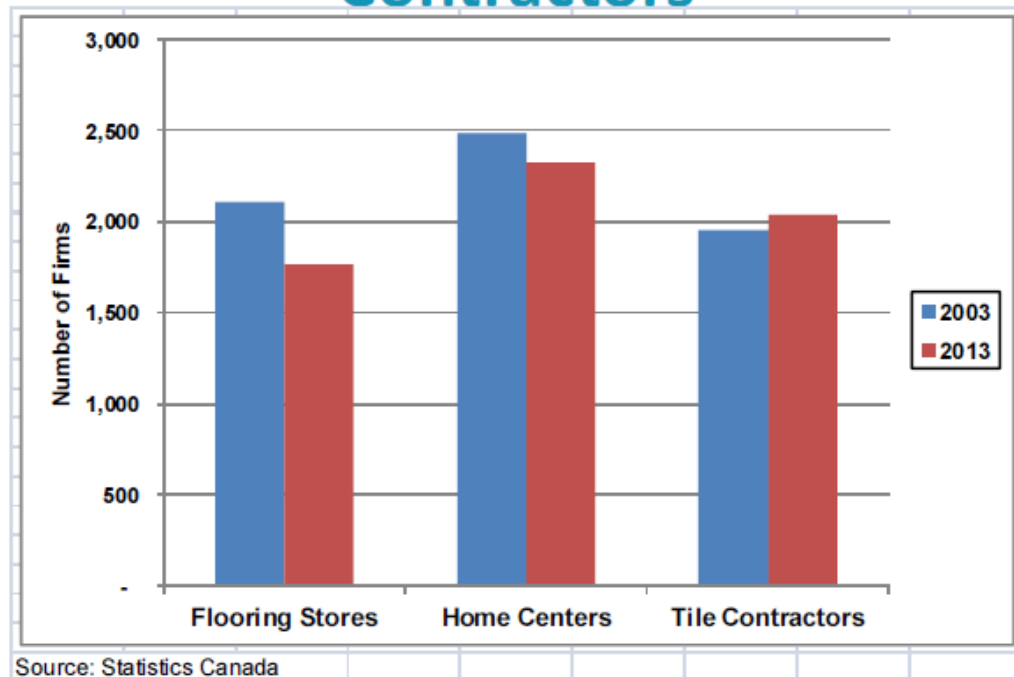
Imports are the market



Ceramic Tile Imports to Canada



Number of Canada Retailers & Tile Contractors



Major Canada Home Centers

Retailer	Stores	Flooring Sales
	(@12/31/13)	(C\$, MM)
The Home Depot (US)	180	299
Rona (Can.)	290	216
Lowes (US)	34	55
Kent Home Improv. (Can.)	40	30

Source: *Canada FLOORReport- 2014 Edition* (Market Insights LLC)

Canadian Trade Balances

HS 68 - Articles of Stone, Plaster, Cement, Asbestos, Mica or Similar

Materials

Canada

All Countries

(Total)

Latest 5 years

Value in Millions of Canadian Dollars

Year/type	2011	2012	2013	2014	2015	% Change from 2011-15
Total Exports	\$956.59	\$1,011.95	\$1,062.58	\$1,164.97	\$1,333.20	39.37%
Total Imports	\$1,521.89	\$1,693.12	\$1,747.89	\$1,889.37	\$2,099.48	37.95%
Trade Balance	-\$565.30	-\$681.17	-\$685.31	-\$724.40	-\$766.28	35.55%

Spain: Total imports 17555067 16191431 18384494 24631805

STONEX CANADA - Profile

Exhibitors and Sponsors Profile:

- Natural & Artificial Stone, Marble and Ceramics
- Finished stone building products & coverings for interior, facades and exterior use
- Marble/Granite Blocks, Tiles & Slabs
- Cleaning & Restoration Products for all type of stones
- Consumables including Adhesives, Sealants, and Grouts
- Tools for Cutting, Polishing & Handling
- Marble Blocks, Tiles & Slabs
- Marble Finished Products
- Lead & Slate Roofing
- Stone & Reconstituted Stone Products
- Stone Furniture
- Machinery, Plant and Tools for the Stone Industry such as CNC Machinery for Marble, Granite & Stone, Transport & hoisting systems, Packaging, anchoring & fixing, conveying, Maintenance, conservation & restoration of natural stone, Diamond tools, Surface finishing machinery.

Visitor's Profile:

- Architects /Interior Designers/Surveyors, Developers /Stonemasons
- Wholesalers / Importers /Kitchen / Bathroom / Tile / Fireplace Retailers / Builders Merchants/Quarry Operators
- Home builders & Private developers
- Monumental Masons / Wholesalers
- Machinery / Tool Manufacturers / Suppliers
- Conservators / Heritage Managers
- Sculptors / Artists
- Geologists, Consultants, Education / Training etc.
- Machinery and technologies for marble and granite/Hire of marble processing machinery
- Producers of marble materials
- Construction and Contracting Companies

- Building Audit Companies
- Building Material Wholesalers, Retailers and Distributors Shopping Malls and Business Centers Research institutes and Universities involved in the marble sector.