

NEWS

HEALTHIER ITALIAN CONSTRUCTION SECTOR

The resumption of public works in Italy is driving investment and growth in the country's construction sector, according to the latest SaMoTer-Prometeia Outlook.

While the overall value of Italy's construction industry in 2018 came to €139 billion, an increase of 3.5% is expected by the end of 2019 (+€4.8bn) followed in 2020 by a further 2.4% (+€3.3bn).



A healthier Italian construction sector is good news for aggregates producers. Pictured is a CASE CX370D crawler excavator at work in an Italian quarry

The SaMoTer-Prometeia Outlook survey analyses the performance of the Italian construction sector every quarter and is a tool that SaMoTer - the international construction equipment trade fair - provides companies to help them interpret market developments. The next edition of SaMoTer is being staged at Veronafiere in Verona 21-25 March 2020.

The October 2019 edition of the SaMoTer-Prometeia Outlook survey suggests that investments in the Italian construction sector followed a variable trend in the first half of 2019. Strong growth in the first quarter was followed by a slight downturn in the following three months, although the trend for investments was still positive (+3.2% in the second quarter).

Terex Materials Processing sales rise

Terex Materials Processing (Terex MP) had another impressive quarter in Q3 2019 with sales of €305.42mn (US\$339mn) - an increase of 8% on the same period of last year.

A Terex Corporation business segment that includes the brands Terex Finlay, Powerscreen, Terex MPS, EvoQuip, Terex Washing Systems, Terex Ecotec, Fuchs, CBI, Terex Bid-Well, Terex Advance and Franna Pick & Carry Cranes, Terex MP's trading growth was said to be driven by global demand for its broad range of products and services. These include crushing and screening machines, material handlers, cement mixer trucks, and pick and carry equipment. Global Terex MP backlog in Q3 2019 totalled €237.84mn (\$264mn) and bookings in the quarter were €212.62mn (\$236mn).

Kieran Hegarty, president of Terex MP, said: "We had an excellent quarter in Materials Processing, thanks to strong operational execution across our businesses. Looking ahead, our bookings and backlog levels are



Kieran Hegarty, president of Terex Materials Processing (Terex MP), addresses the audience at the opening of Terex's new Campsie facility

pointing to softening demand in our global end markets. Throughout the cycle, we will continue to invest in product and service innovation and geographic expansion that will enable us to serve more customers globally."

Hegarty added that Terex MP's manufacturing capacity investments in Northern Ireland and India "remain on track". He continued: "These facilities will enable even more growth in the

expanding Environmental sector and position us to continue to grow in India and the broader Asian markets as customers adopt our mobile processing technology. I am encouraged by our consistently strong execution and long-term prospects for growth across our MP businesses."

Terex Corporation, as a whole, posted sales of €900.94mn \$1bn for the quarter, down 6.8% compared to the third quarter of 2018.

SigmaRoc buys Belgian aggregates company

Buy-and-build construction aggregates provider SigmaRoc has announced plans to acquire aggregates company CDH Développement for a total of €45mn. UK-based SigmaRoc said in a statement that CDH Développement is the holding company of Carrières du Hainaut SCA and CDH International SCA, the Belgian blue limestone ("bluestone") and aggregates business.

Founded in 1888, CDH is Europe's largest bluestone quarry, with a 50% global market share. It is also a major aggregates quarry, producing 1.5mn - 2mn tonnes per year.

The site has 150 years of reserves remaining and 352ha of freehold land and minerals (subject to current consultation



regarding an extension).

SigmaRoc said that CDH is situated in a prime location and has infrastructure to deliver products into Brussels as well as into neighbouring countries. Currently 27% of revenue is generated internationally through more than 40 global partners. CDH has a diverse customer base, with less than 3% of revenue

being generated from its largest bluestone customer in 2018.

In a statement SigmaRoc commented: "Due to its high quality and distinctive characteristics, Bluestone is a Global Heritage Resource and a highly prized product that travels worldwide (unlike most aggregates). Bluestone can be used in residential, commercial and infrastructure projects, as well as for architectural and cosmetic applications."

Max Vermorken, CEO of SigmaRoc, said: "This acquisition, which is consistent with our strategy of growth, provides us with an exciting opportunity to substantially strengthen our existing presence in Belgium, one of the highest infrastructure densities in the EU."