

Review of World Investment Casting Markets

Ronald B Williams
The Blayson Group Ltd

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Introduction

- Knowledge of our markets and the performance of investment casting as an industry is essential
- The review of global markets gives an understanding of the changes and trends
- Assists the industry in forming a view of how investment casting will fare in the future
- Some changes to the way the information is presented from last World Conference
 - Reflects greater knowledge of the markets
 - Gives a more accurate picture
 - Some variation in figures occurs due to fluctuations in exchange rates and in some cases revision of statistics

Acknowledgements

The data used for this presentation has been provided by the following organisations, whose help and contribution is gratefully appreciated :

ICI (Investment Casting Institute - United States)

CAEF (Casting Association of European Foundries)

CFA (China Foundry Association)

JFS (Japan Foundry Society)

EICF (European Investment Casting Federation)

cmf (Cast Metals Federation, UK)

Individual contributors

The information given is based on official figures together with best estimates where statistics are not available. No legal responsibility is accepted for information, advice given or opinions expressed.

Agenda

World Market Overview - Ron Williams

➤ N America

- Doug Kovatch

➤ Asia

- Japan/Taiwan/Korea – Junichi Takeuchi
- China - Zhigang Lu
- India - Kishan Gohil

➤ Europe

- Western Europe - Richard Hirst
- Central/Eastern Europe - Milan Horaček

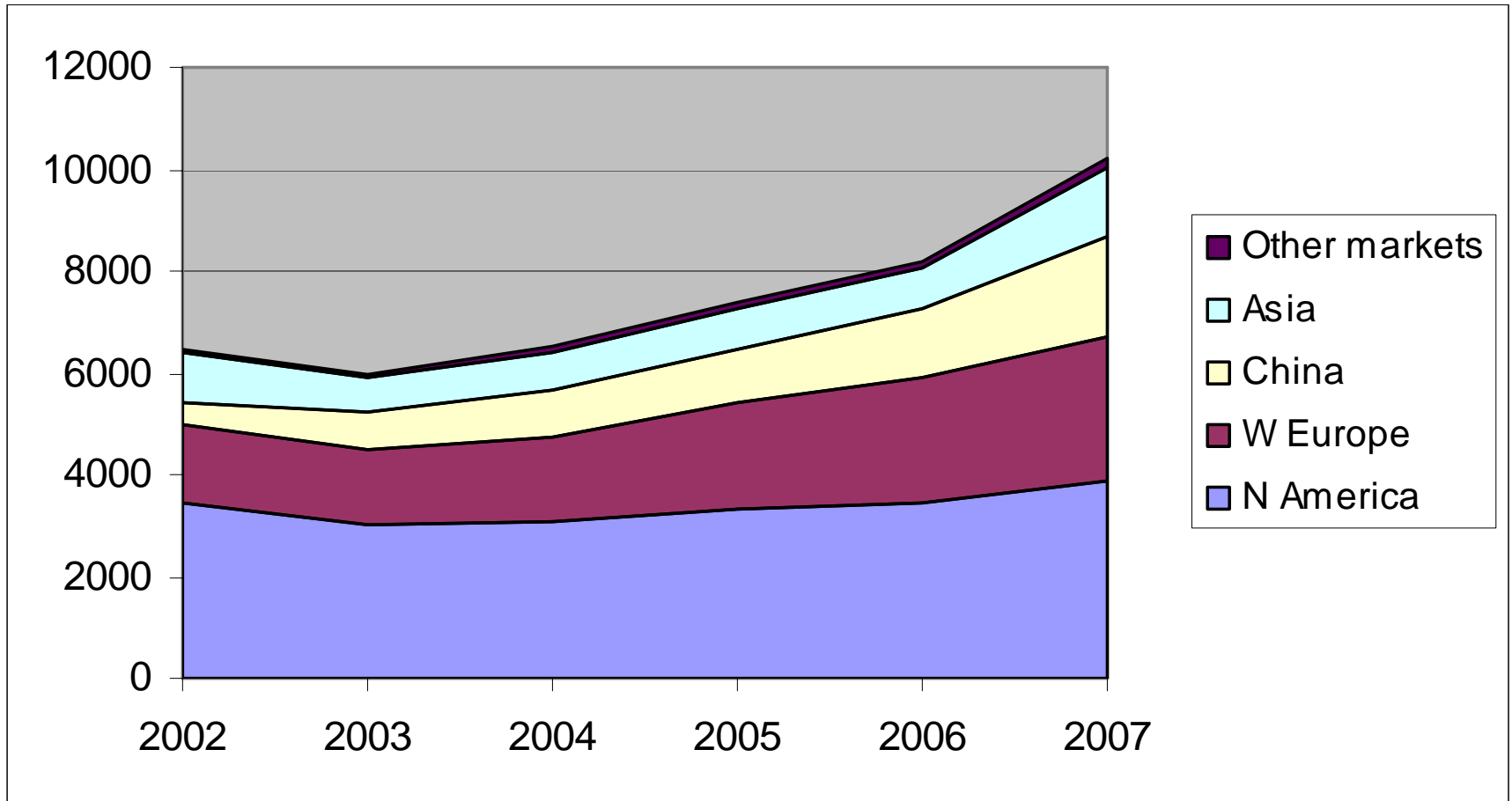
➤ Summary, Questions & Discussion

Global Investment Casting Sales – 2007

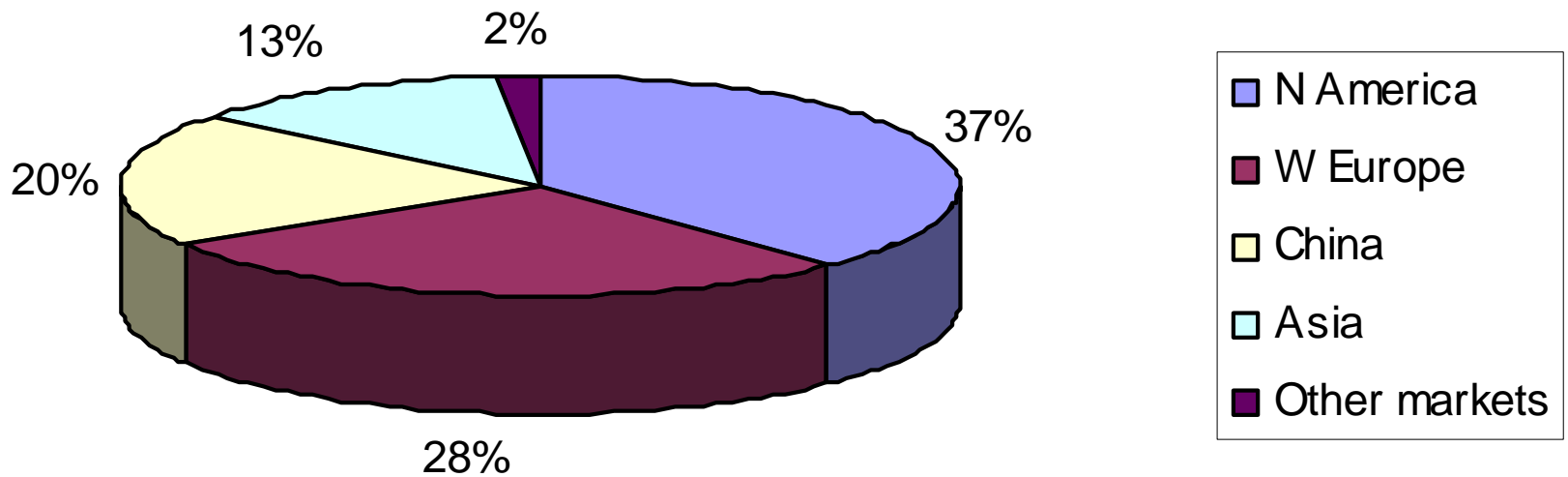
- 2007 total identified World sales US\$10.2 Billion
 - + 24% v 2006
 - Partly due to revised Asian statistics (India added)
 - High metal costs contributing
 - Mainly due to increased sales
- N America remains the largest single producer
 - 37% World total
- China's figures amended to only show statistics from 'Category 1' investment casting foundries
 - Gives more realistic comparison
- Total Asian sales now 33% World total

World Sales by Region 2002 – 2007

US\$M

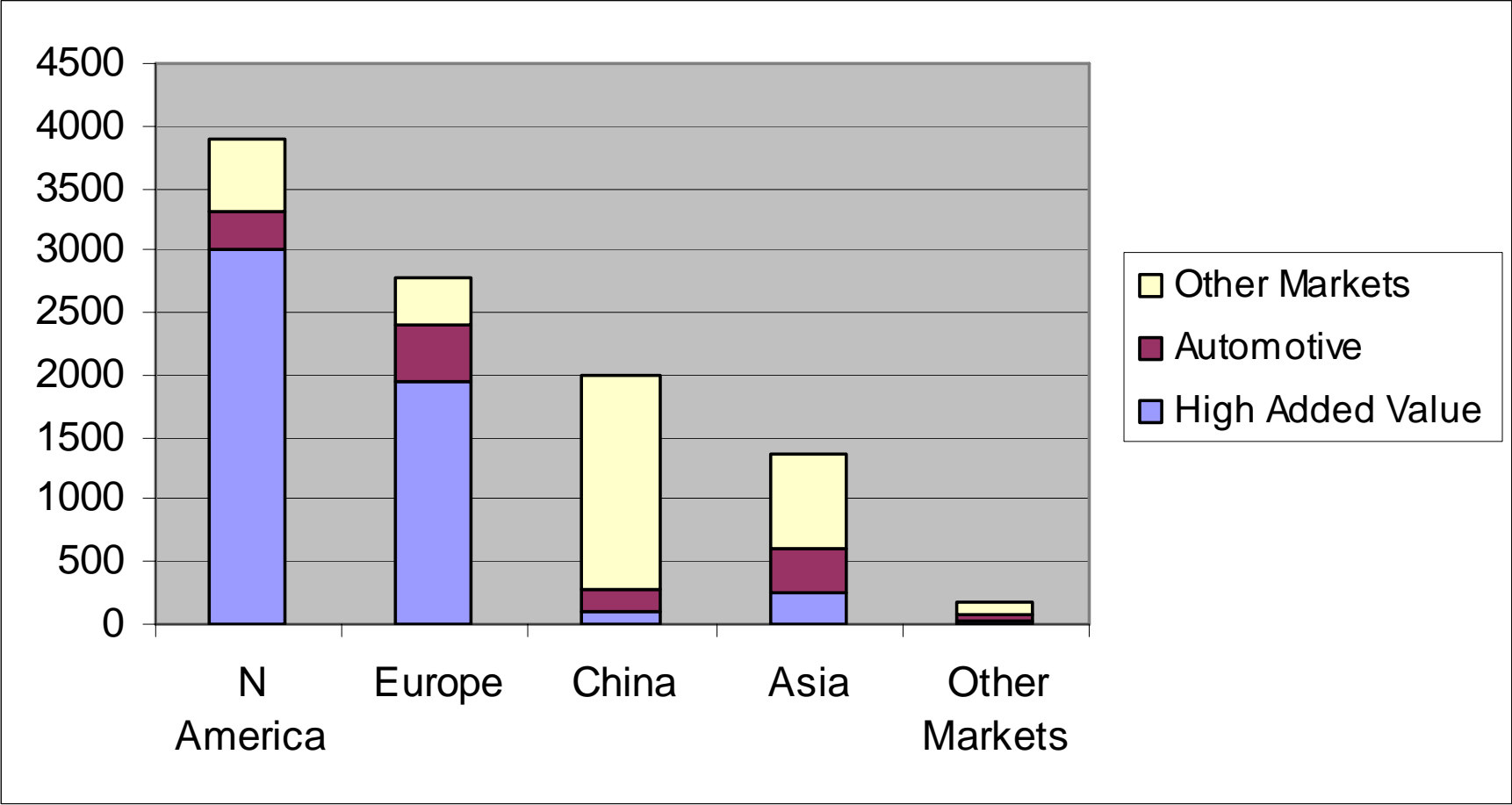


World Sales by Region 2007

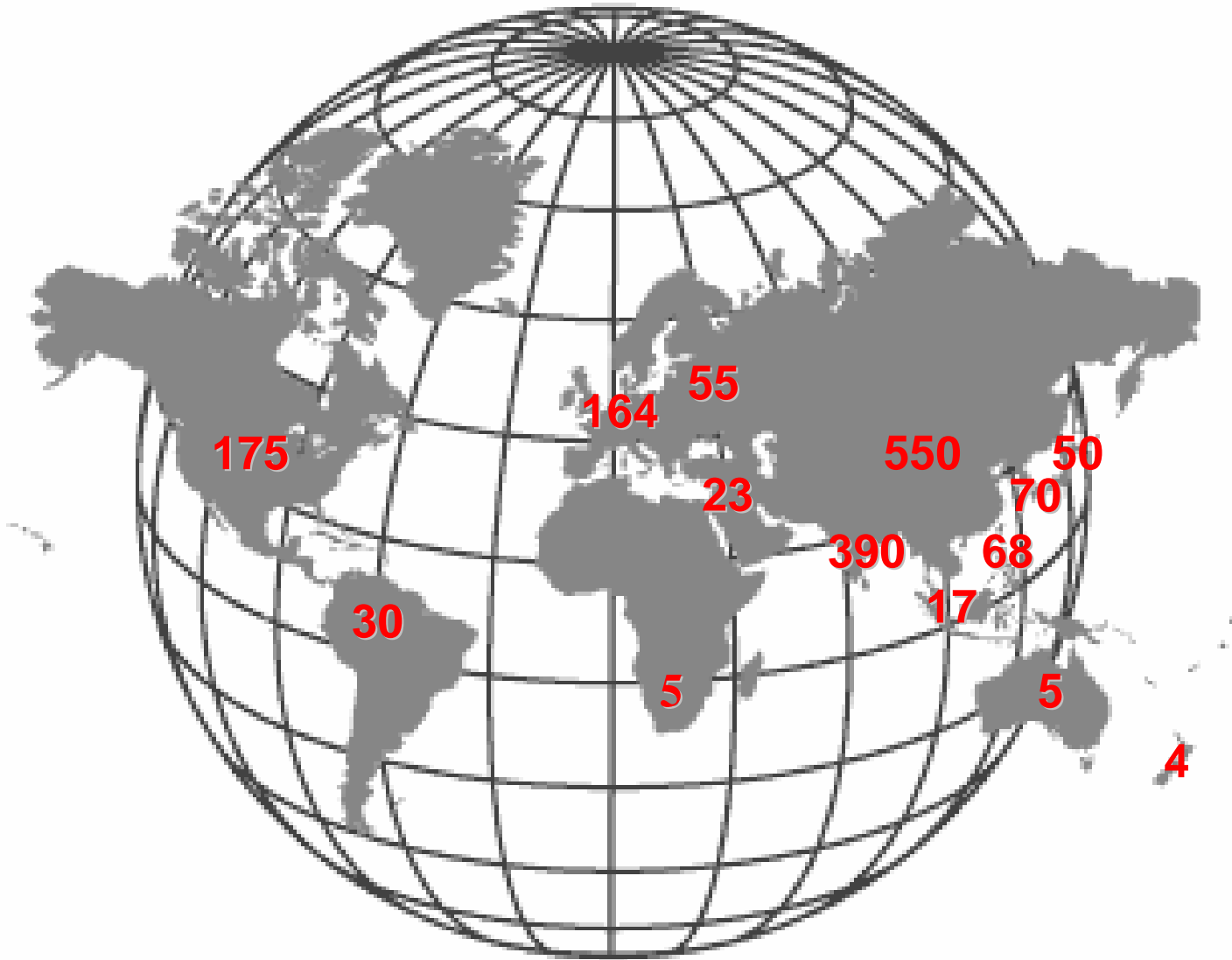


Sales by Market Sector 2007

US\$M

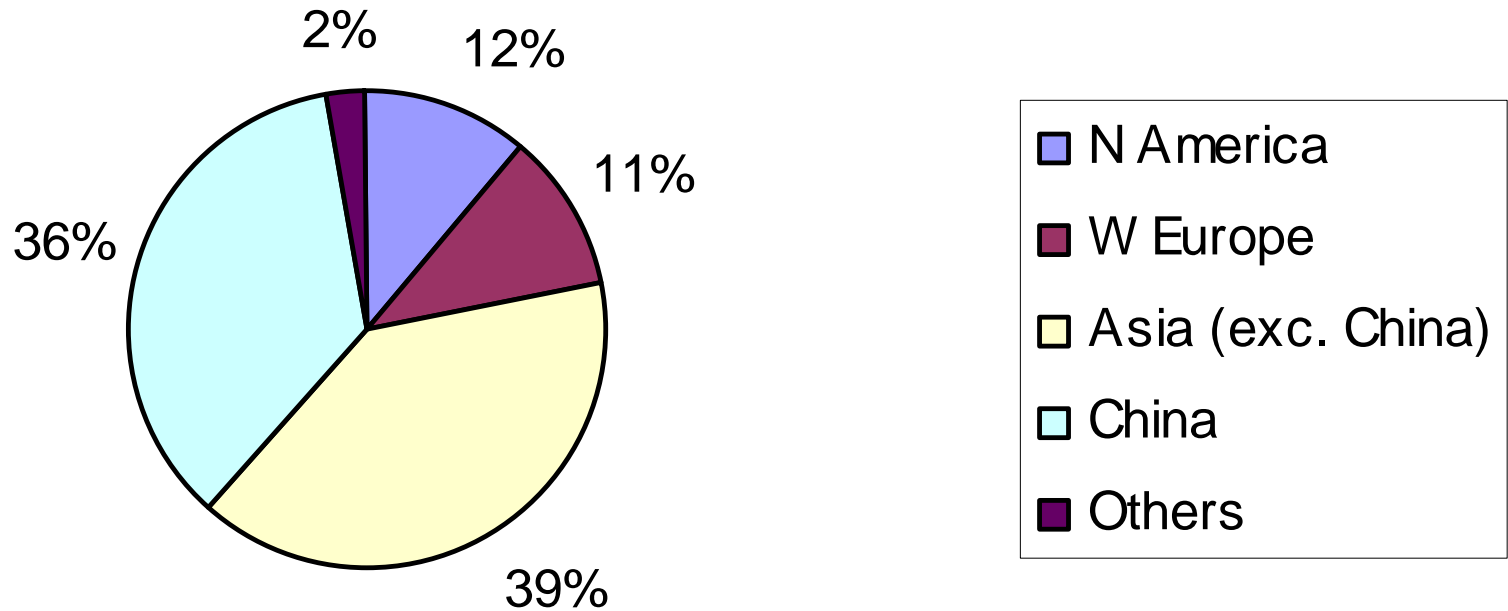


Distribution of Investment Casting Foundries



% Distribution of Foundries

Total Identified 1600



Challenges for 2008 onwards

- Oil
 - Price volatile, record highs during 2008
- Raw materials
 - Increased prices driven by oil and supply issues
- Metals
 - Shortages
- Energy
 - Soaring costs
- Global Credit Crunch
 - Reduced spending power
 - Inflationary pressures

Summary

- World market now achieved US\$10 Billion
- World recession could threaten growth
- High and increasing cost of all industrial materials impacting on industry
- High Added Value sector appears set to maintain strong sales trend

Finally

- Important to maintain accurate view of the World of investment casting
 - Continued input critical
 - Data needed for S America & Russia