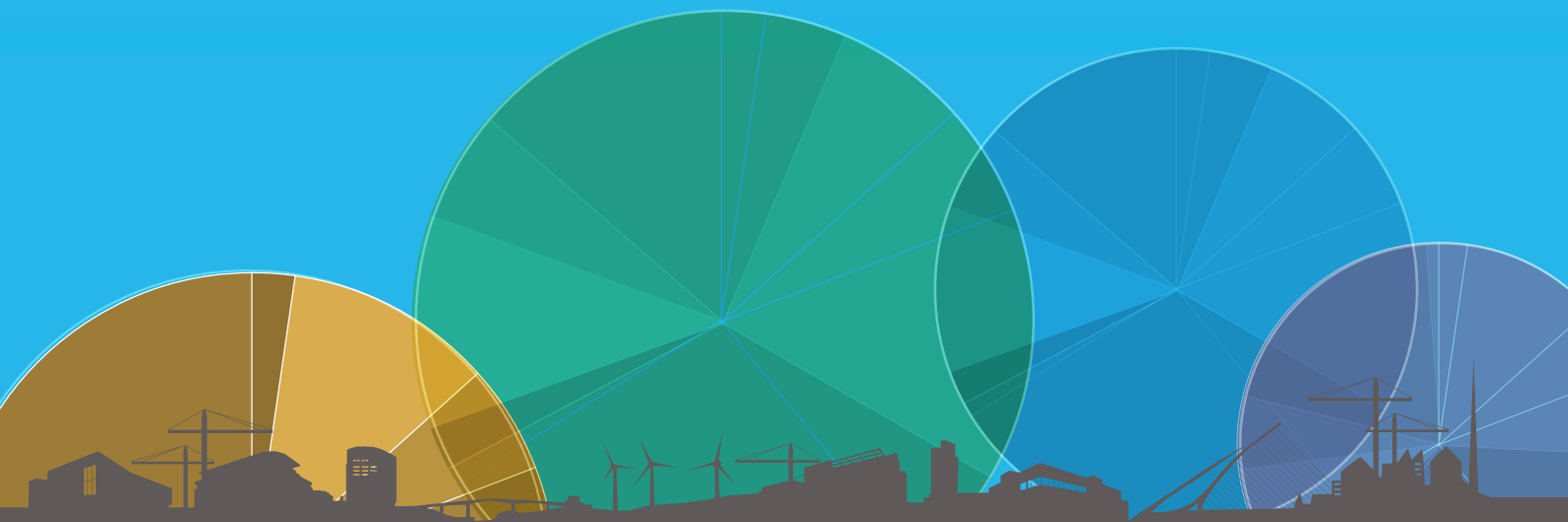


BUILDING INFORMATION INDEX

Q1/Q2 2015

A detailed analysis of recent trends
in the Irish construction industry



Welcome to the second volume
of the Building Information
Index brought to you by
Building Information Ireland
www.buildinginfo.ie.

As the construction industry continues to stabilise, the aim of this quarterly index is to provide the construction industry with reliable and consistent data on the regional aspects to recovery, the sectors which are recovering quickest and how the recovery is being funded.

In this volume we measure the levels of activity in the construction industry for the first two quarters of 2015 and compare them with the same period in 2014. Our analysis takes a close look at the construction industry broken down by region, funding source and sectors; Residential, Commercial & Retail, Medical, Education, Agriculture, Industrial and Social.

The Building Information Index is measured by factors that correlate with the phases in a construction project. The first is project Commencements which relate to projects that are in progress on-site and where construction activity has started. The second is Applications which are a real time barometer of sentiment in the construction sector and relate to all projects that have applied for planning permission in Q1 and Q2. Thirdly we look at projects that have been granted permission. This shows projects that are further along in the cycle, and being approved, they show more short term potential in the market.

Value of Construction Project Commencements grows by +41% in first half of 2015

The value of construction project Commencements in the first six months of 2015 has grown by +41% when compared to the same period of 2014. While the Q1 year on year comparison showed a fall in activity, a strong Q2 2015 brings the total half year Commencements to €2.75bn compared to €1.95bn in 2014. Three sectors registered modest decreases, Agriculture (-12%), Education (-37%) and Medical (-6%). Commercial and Retail recorded strong growth with Commencements up +141% (to €624m) on 2014 figures. Industrial also was up +58% to €191m. Residential, the largest and most significant sector show growth of +44% year on year with the value of Commencements in the first 6 months of 2015 at €1.43bn.

Value of Applications up +27%

The value of construction project Applications also show consistent growth of +27%. The value in 2015 stands at over €7bn, compared to just over €5.5bn in the first six months of 2014. All sectors with the exception of Social have recorded increases in Applications with the largest jump percentage wise in Industrial (€631m) up +143% on 2014. Volume wise again Residential is the largest sector, with the largest growth rate, up +41% on 2014 with total Applications of €3.76bn in 2015 compared with €2.67bn in the first six months of 2014.



Danny O'Shea
CEO

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THE BIG PICTURE

Regional Applications

The Building Information Index breaks out Planning Applications into four regions: Dublin, Leinster, Munster and Connacht / Ulster.

The Q2 index shows an overall +27% National increase in the value of new Applications submitted during the first 6 months of 2015. In contrast to Q1 figures, Dublin (€2.98bn) now represents the region with highest value of new Applications submitted up +45% over last year. Leinster (€2.1bn) sees a sharp increase of +65% and Connacht / Ulster (€743m) is marginally up by +2% over same period last year. It is interesting to see a -18% fall in Munster (€1.2bn).

Funding source Q1/Q2 2015

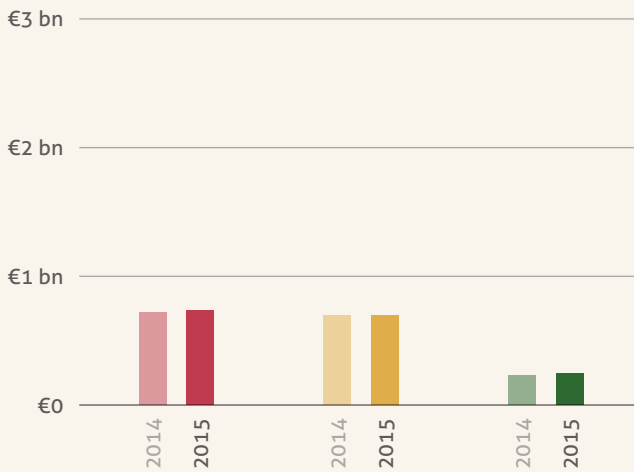


Q1/Q2 2015
92% Private
8% Public



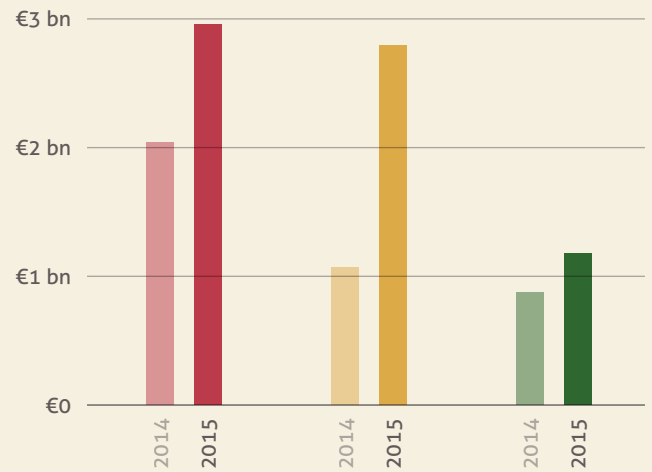
Connacht/Ulster

| Applications | Grants | Commencements |
|--------------|--------|---------------|
| €743 m | €703 m | €247 m |
| +2% | 0% | +8% |



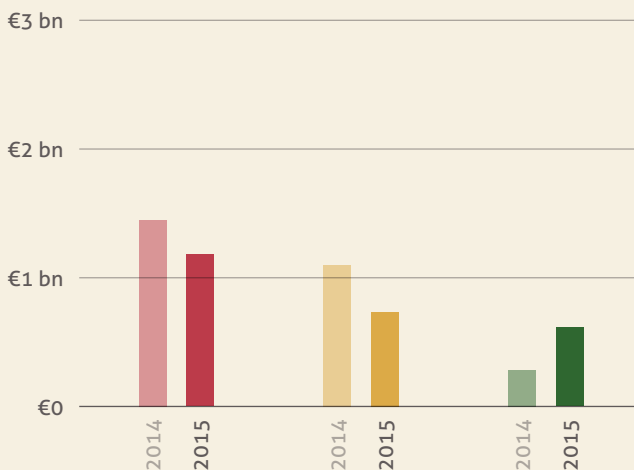
Dublin

| Applications | Grants | Commencements |
|--------------|----------|---------------|
| €2.98 bn | €2.82 bn | €1.19 bn |
| +45% | +162% | +34% |



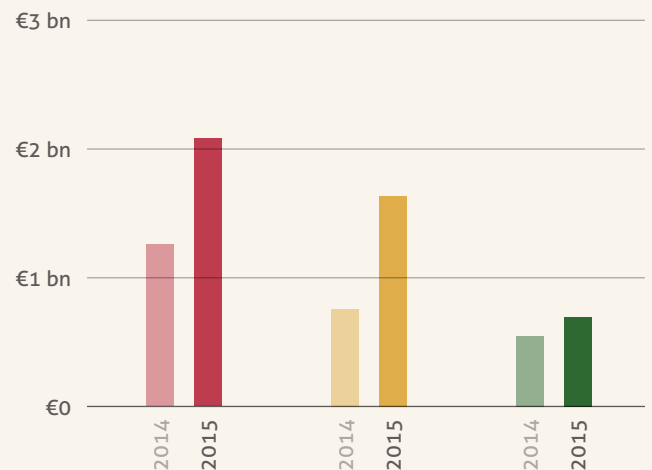
Munster

| Applications | Grants | Commencements |
|--------------|--------|---------------|
| €1.20 bn | €740 m | €619 m |
| -18% | -33% | +116% |



Leinster

| Applications | Grants | Commencements |
|--------------|----------|---------------|
| €2.10 bn | €1.65 bn | €702 m |
| +65% | +117% | +27% |

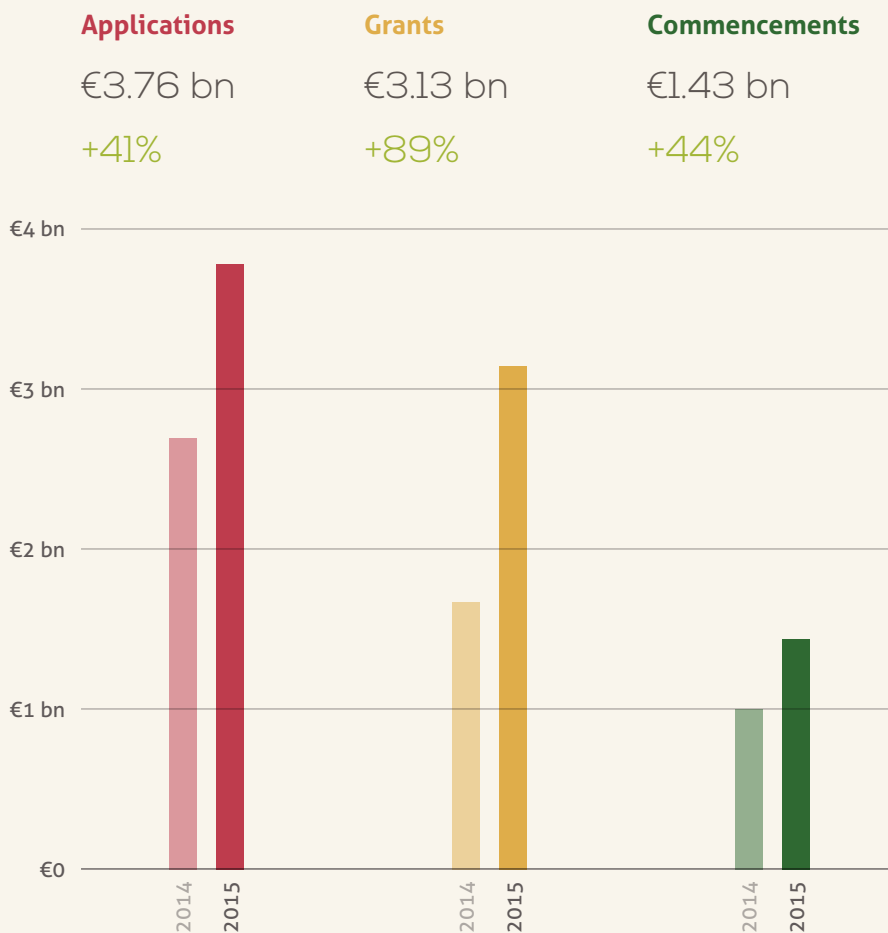


RESIDENTIAL



The sector has seen an increase across all 3 key measurements. A steady increase in value of Applications and Commencements is backed up with a significant increase in projects Granted.

Funding trend comparison Q1/Q2 2014 - Q1/Q2 2015



The value of Applications recorded during the first 6 months of this year has increased by +41% to €3.76bn when compared to the same period in 2014. The level of Residential Developments Granted has increased +89% to €3.13bn with Residential Development Commencements up +44% to €1.43bn.

Regionally, Applications and Granted Permissions have increased in Dublin and Leinster with decreases shown in both metrics in Munster and Connacht / Ulster.

In contrast to Q1 figures, increases in Residential Development Commencements have been recorded in all 4 regions. Leinster (+66%) leads the way with Munster (+61%) next followed by Connacht / Ulster (+30%) and Dublin (+25%).

Despite a small drop in duration, Residential projects still require the longest average time to go from Application to Commencement.

Average time from application to commencement

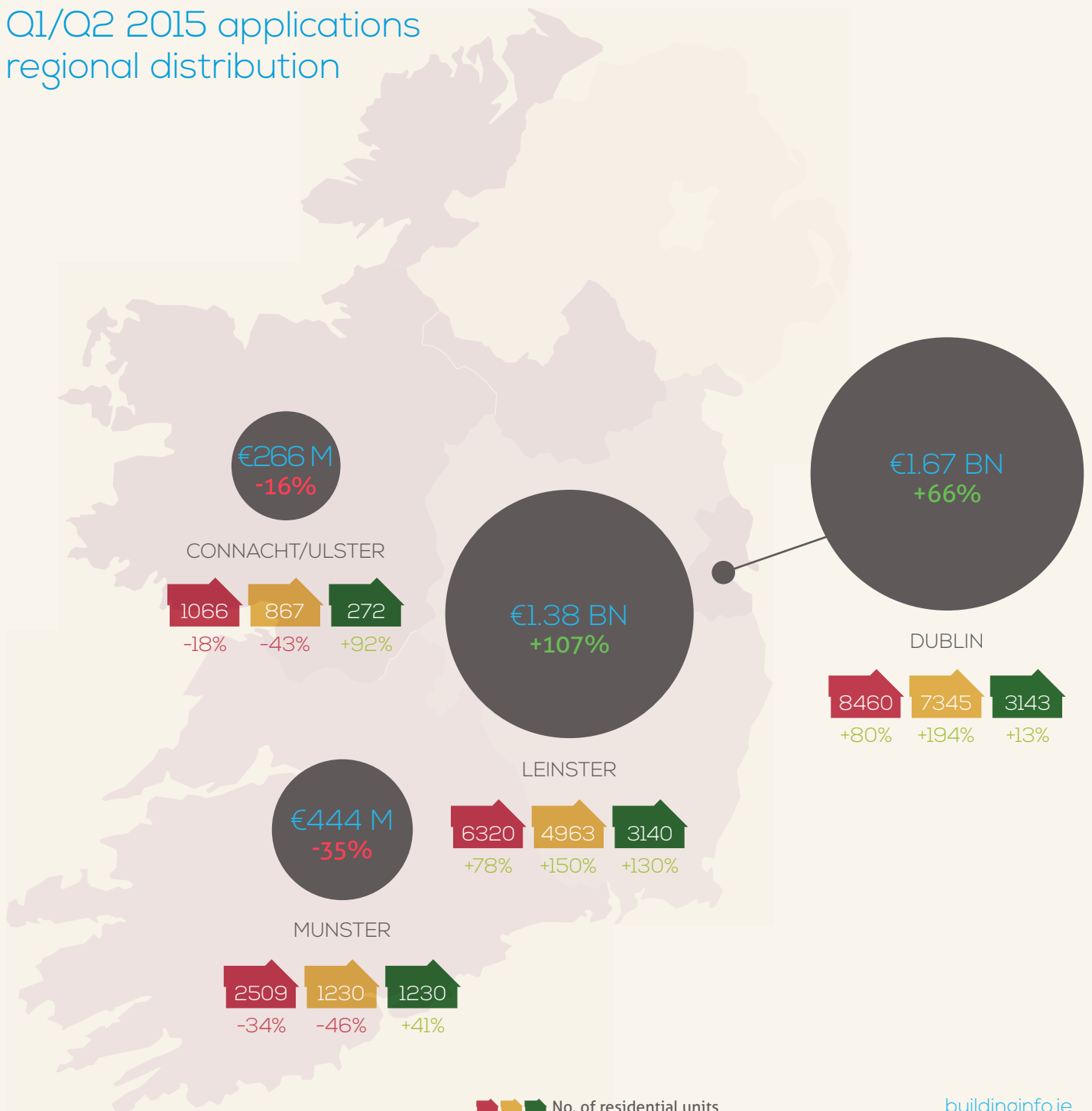


SECTOR OUTLOOK

The continued increase in Applications and Granted Permissions backed up by strong demand in the sector suggests a positive outlook. Although Commencements have increased too, the slow Application to Commencement duration is holding the sector back.



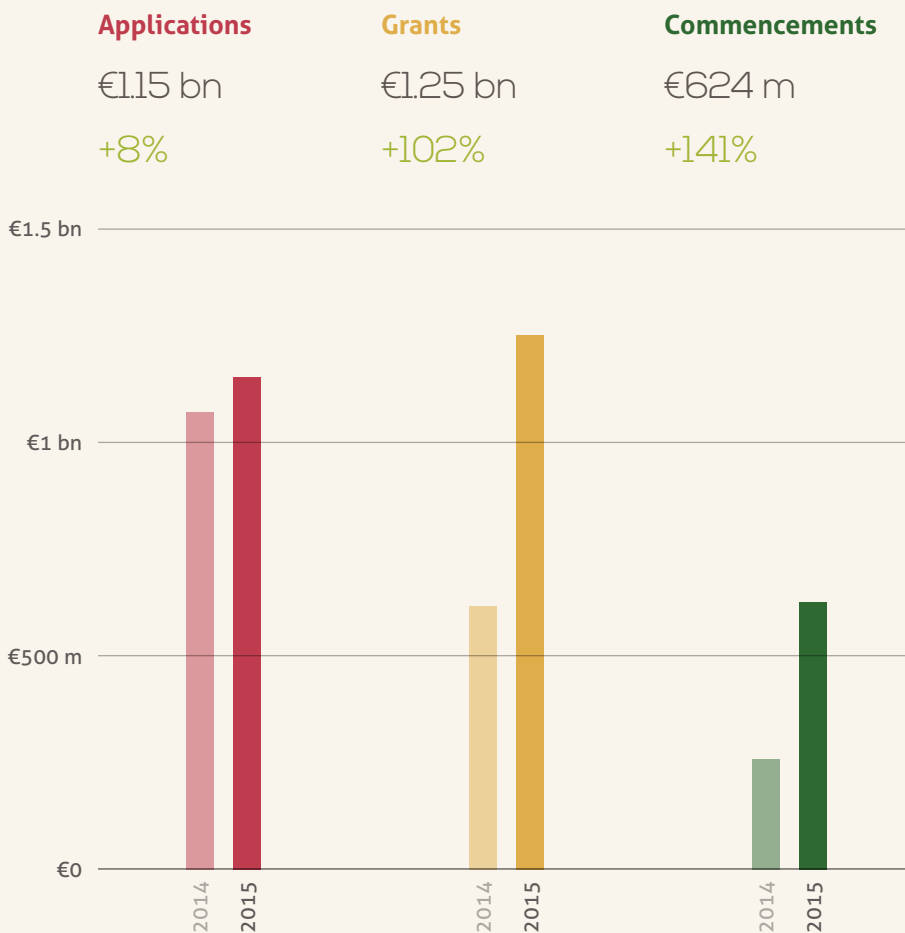
Q1/Q2 2015 applications regional distribution



COMMERCIAL & RETAIL

The first 6 months of 2015 has seen increases in the Commercial & Retail sector across new Project Applications, Granted Permissions and Commencements when compared to the same period in 2014.

Funding trend comparison Q1/Q2 2014 - Q1/Q2 2015



The value of Applications grew nationally by +8% to €1.15bn when compared to 2014. Granted Permissions increased +102% to €1.25bn and Commencements saw a +141% increase to €624m during the same period.

Regionally growth in Applications is seen in Leinster up +83% to €142m and Dublin up +30% to €740m. However, falls of -41% in Munster to €149m and -30% Connacht / Ulster to €116m complete the national Applications figures.

An increase in the value of Commencements in the Commercial & Retail sector is seen across all regions when compared to 2014. Maintaining its status during Q1 Munster saw a growth rate of +442% followed by Dublin at +149%, Leinster at +69% and Connacht / Ulster at +25% when compared to the first 6 months of 2014.

Average time from application to commencement



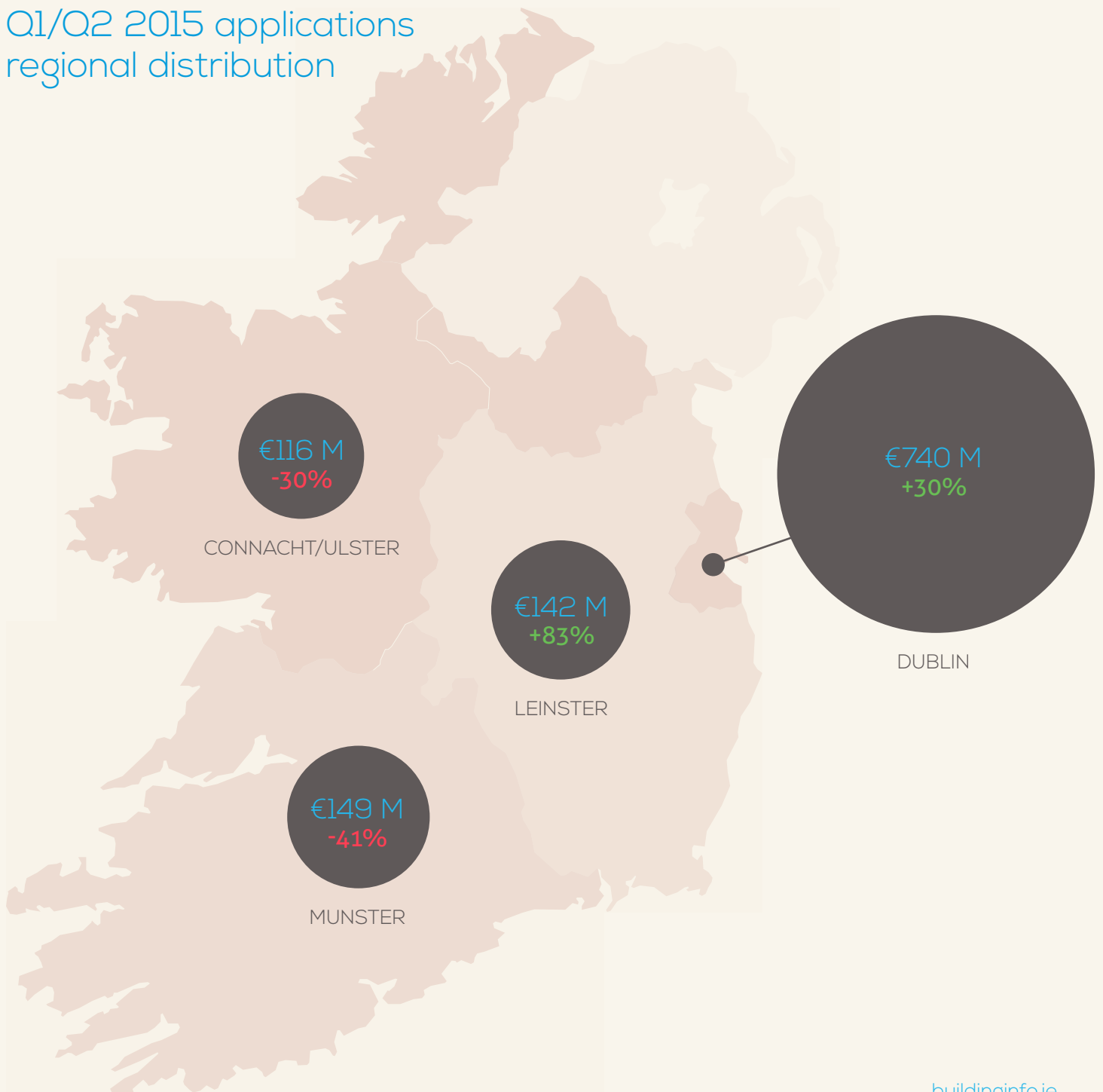
The Commercial & Retail sector includes projects such as offices, shops, hotels, bars & restaurants

SECTOR OUTLOOK

As indicated in Q1 figures and backed up by Q2 we expect to see continued growth in the Commercial & Retail sector. There continues to be no obvious delays to developments Commencing and Application to Commencement durations remain one of the Industry's lowest.



Q1/Q2 2015 applications regional distribution

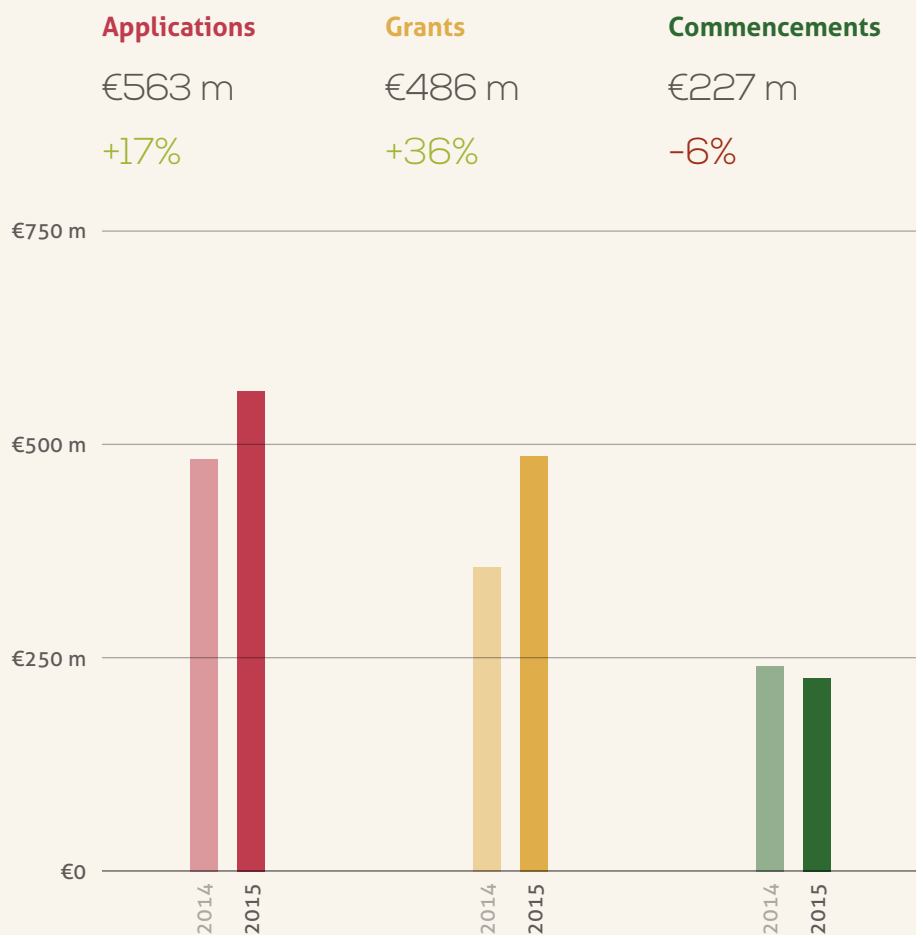


MEDICAL



The Medical sector has seen a continued increase in the value of new Applications and Granted Permissions during the first 6 months of 2015. However, Commencements have decreased compared to the same period last year.

Funding trend comparison Q1/Q2 2014 - Q1/Q2 2015



The value of Applications in the Medical sector has increased +17% to €563m during the first 2 quarters of this year when compared to the same period in 2014. The value of Granted Permissions now stand at +36% higher than last year at €486m. Commencement values show a small decrease of -6% at €227m.

On a regional basis Leinster shows a +85% increase in the value of Applications followed by a +38% increase in Dublin, however falls of -19% in the value of Applications in Munster and -34% in Connacht / Ulster have been recorded when compared to 2014.

Despite increases in the value of Commencements in 3 regions, Leinster (+2%), Munster (+36%), Connacht / Ulster (+69%) the decrease of -41% in Dublin sees the value of Commencements drop -6% nationally by comparison to the first 6 months of 2015.

Average time from application to commencement

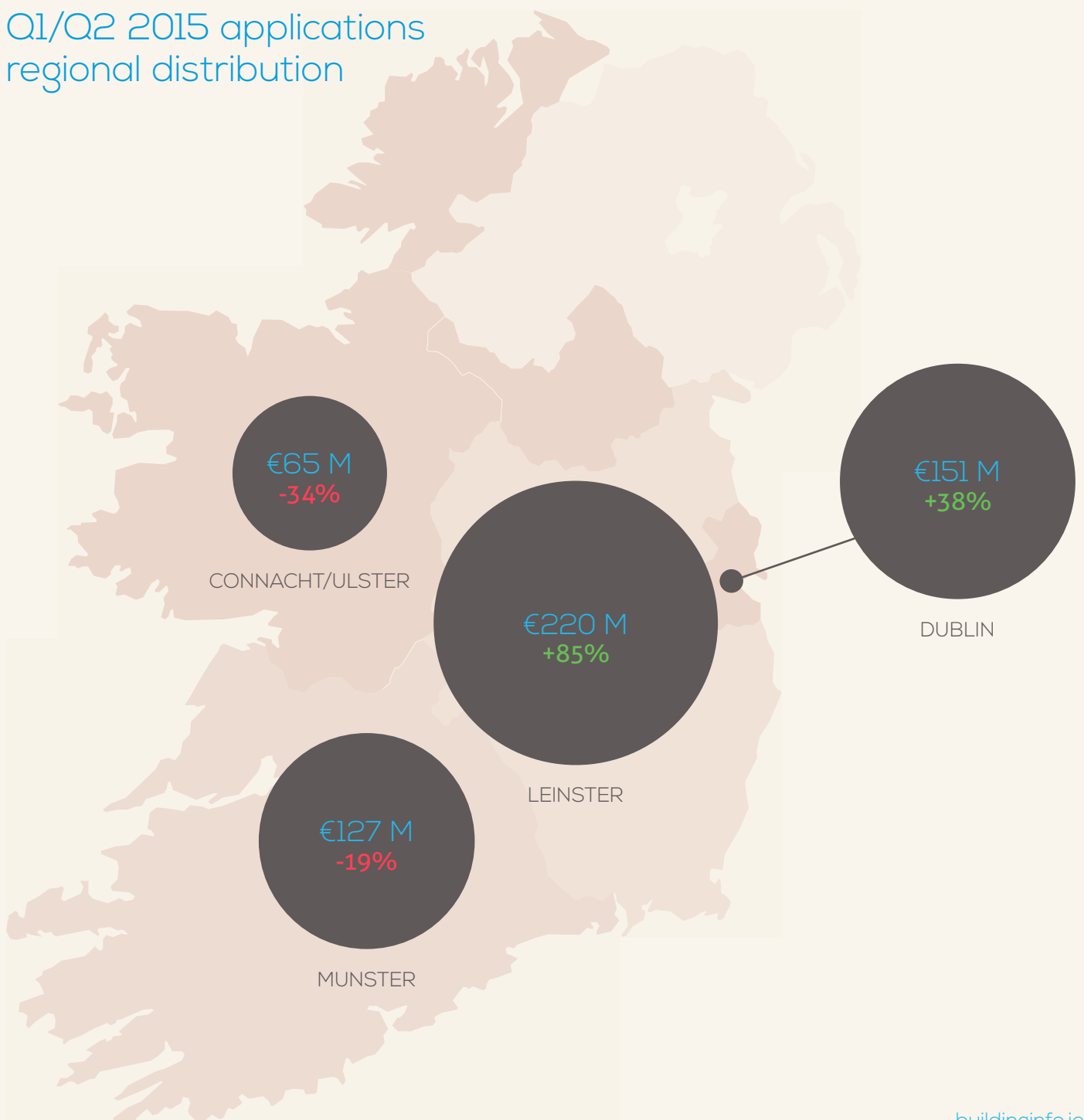


SECTOR OUTLOOK

No significant change is expected in the Medical sector in the medium term. New Applications have increased +17%, however Commencements have fallen slightly. Large projects such as the recently submitted Application for the National Children's Hospital may influence the outlook for this sector in 2016.



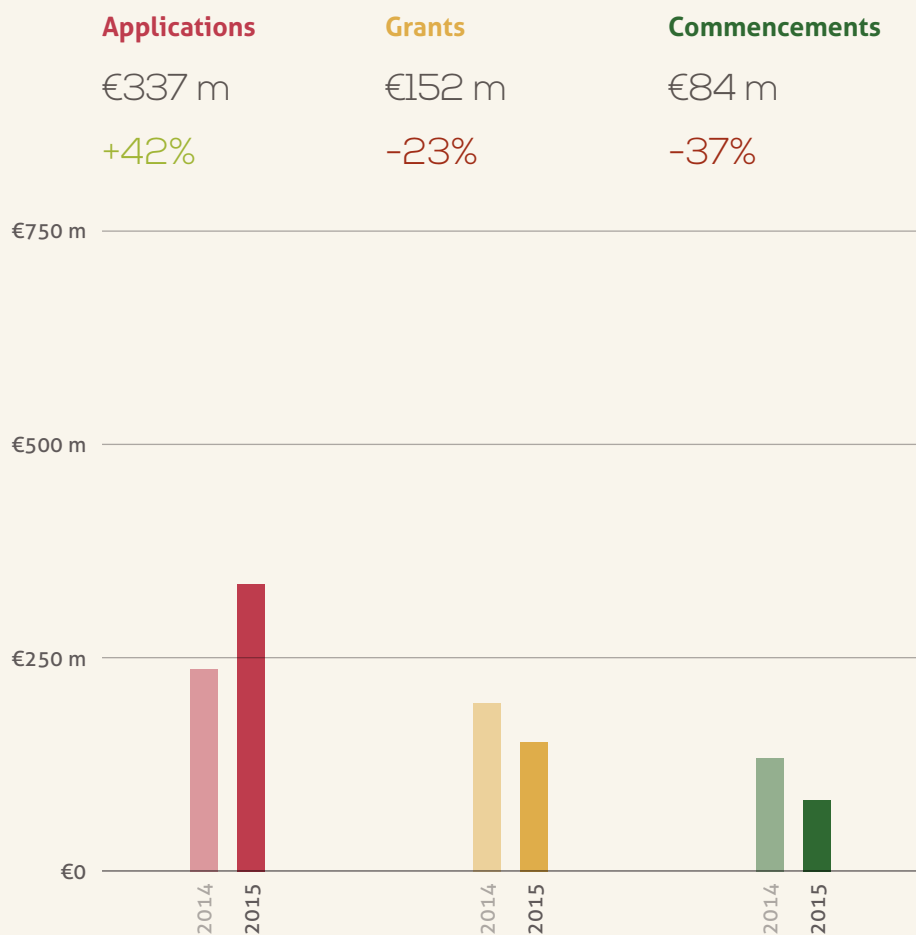
Q1/Q2 2015 applications regional distribution



EDUCATION

An increase in the value of Applications in Q2 sees the Education sector compare well against 2014. Decreases are recorded in the value of Granted Permissions and Commencements when compared to Q1 & Q2 2014.

Funding trend comparison Q1/Q2 2014 - Q1/Q2 2015



The value of new Applications submitted has increased nationally +42% to €337m when compared to the first 6 months of 2014. Granted Permissions have decreased by -23% to €152m and the value of Education projects Commenced has also fallen by -37% to €84m over the same period in 2014.

Regionally Dublin sees the most significant increase in the value of Applications up +192% followed by a +39% increase in Munster and +26% in Connacht / Ulster when compared to 2014. Leinster sees a decrease of -46% over the same period.

The value of Education project Commencements has fallen nationally by -37% to €84m. Dublin (-59%) sees the sharpest fall followed by Munster (-54%) and Leinster (-24%). The value of Commencements in Connacht / Ulster grew by +7% when compared to the first 6 months of 2014.

Average time from application to commencement



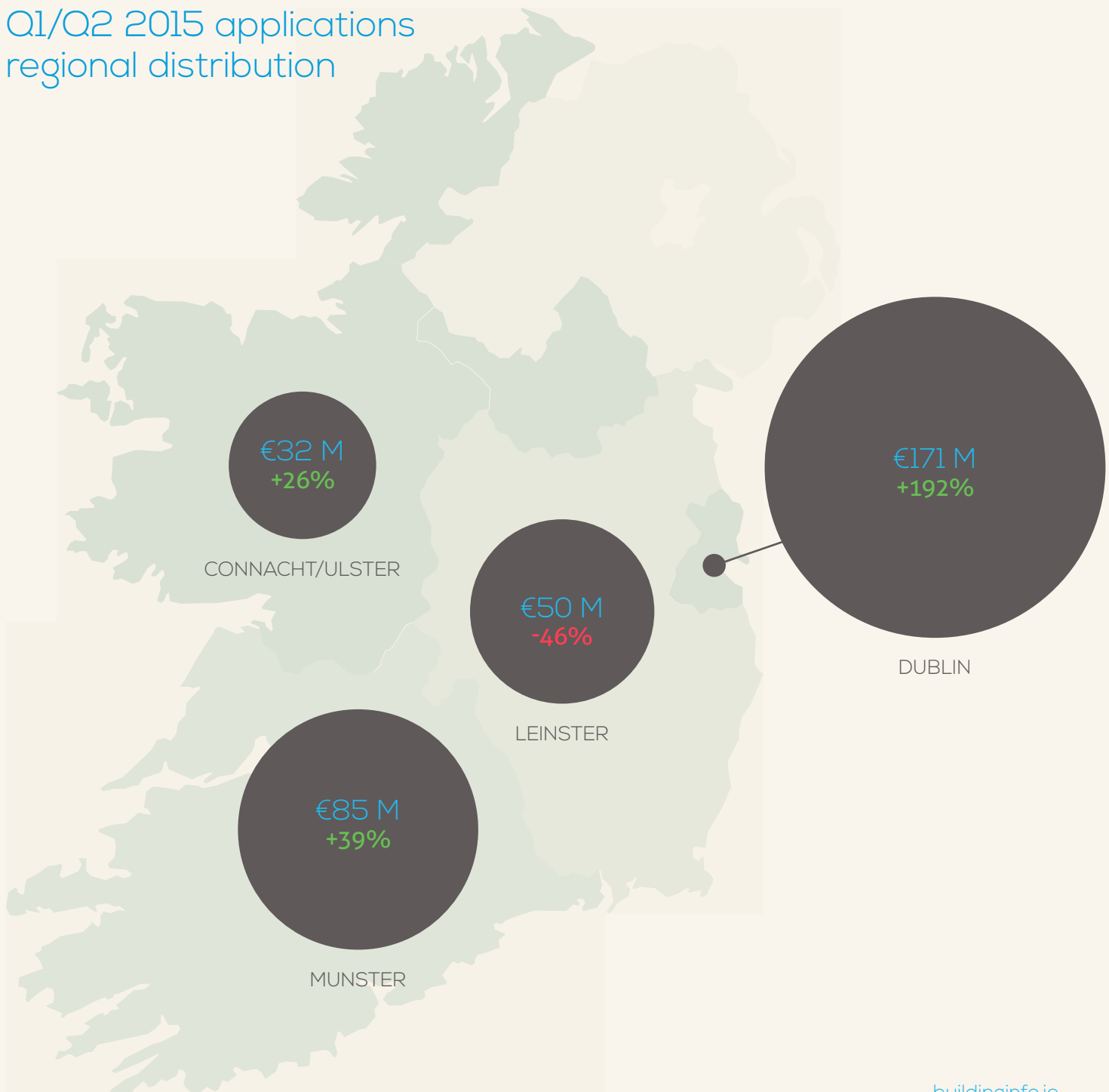
The Education sector includes projects such as universities, schools & pre schools

SECTOR OUTLOOK

An increase in the value of new Applications sees the outlook for the Education sector rise from negative to neutral. Continuing to have one of the quickest Application to Commencement turnaround times the Education sector has the ability to change quickly.



Q1/Q2 2015 applications regional distribution



AGRICULTURE



New Applications and Granted Permissions have increased in the Agriculture sector during the first 6 months of this year compared to 2014, however project Commencements have decreased.

Funding trend comparison Q1/Q2 2014 - Q1/Q2 2015



The value of new Applications in the Agriculture sector increased +55% to €270m in the first 2 quarters of this year. Granted Permissions also grew by +48% to €169m during the same period. Agriculture project Commencements fell by -12% to €50m compared to 2014.

A significant increase in the value of Applications was seen in all regions with Connacht / Ulster up +86%, Leinster up +43% and Munster up +52%.

Nationally the value of Agriculture project Commencements fell by -12% to €50m. Leinster saw the biggest fall in value terms dropping by -65% and Munster also down by -18% to €18m. Interestingly Connacht / Ulster grew by 101% to €24m when compared to the first 6 months of 2014.

Average time from application to commencement

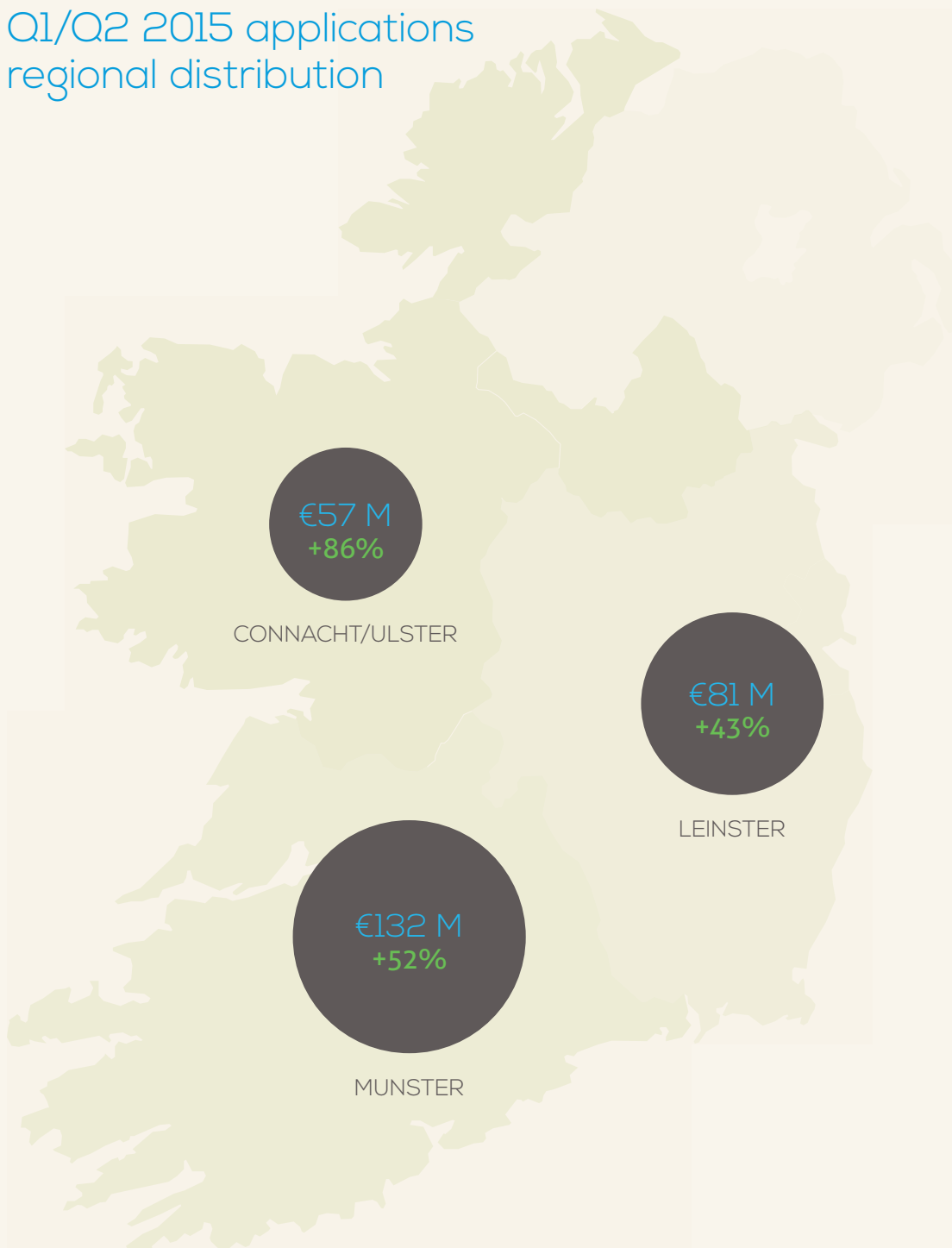


SECTOR OUTLOOK

Following from Q1 figures the outlook for the Agriculture sector remains strong when combined with Q2 analysis. The increase in new Applications and Granted Permissions coupled with the shortest Application to Commencement duration points to a positive outlook.



Q1/Q2 2015 applications regional distribution



INDUSTRIAL



The Industrial sector maintains its strong performance since the beginning of the year with increases in value of new Applications, Granted Permissions and Commencements when compared to the first 6 months of 2014.

Funding trend comparison Q1/Q2 2014 - Q1/Q2 2015



The value of new Applications increased nationally by +143% to €631m. Despite a fall in Q1, Granted Permissions are now +8% up on the first 6 months of 2014. Commencements have also increased by +58% to €191m when compared to the same period last year.

At a regional level we see increases in the value of Applications in all areas. Connacht / Ulster saw an increase of +336%, Munster +123%, Dublin +113% and Leinster increasing by +112% when compared to the same period in 2014.

Nationally Industrial Commencements have increased +58% to €191m when compared to the same period in 2014. Interestingly despite a decrease in Commencements in Dublin (-10%), Leinster (-68%) and Connacht / Ulster (-36%) the large increase in Munster to €130m lifts the national average.

Average time from application to commencement



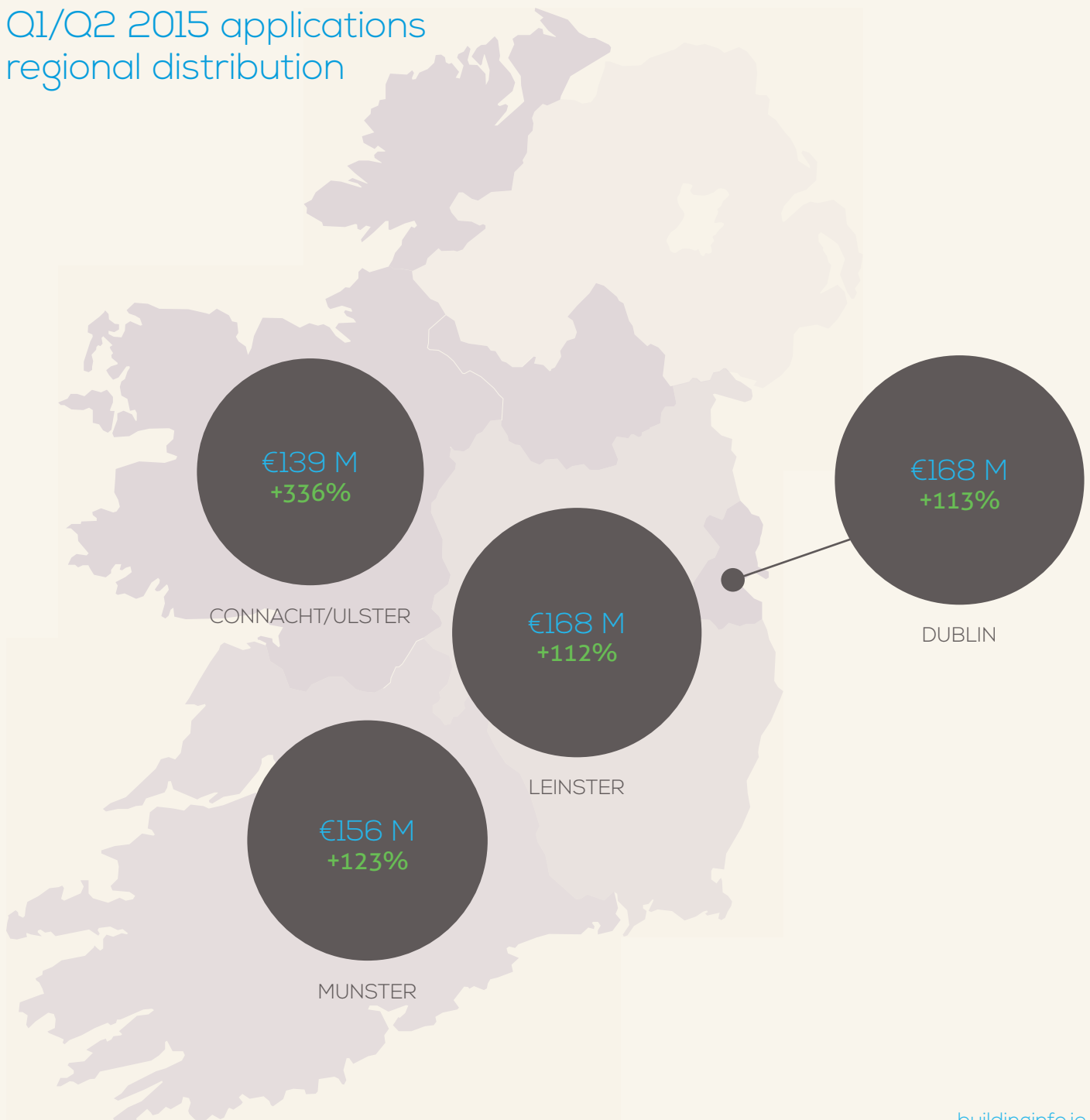
The Industrial sector includes projects such as factories, warehouses & industrial units

SECTOR OUTLOOK

A significant increase in the value of Applications, Granted Permissions and Commencements during the first 6 months of 2014, coupled with the shorter than average Application to Commencement duration, sees the outlook for the Industrial sector move to positive.



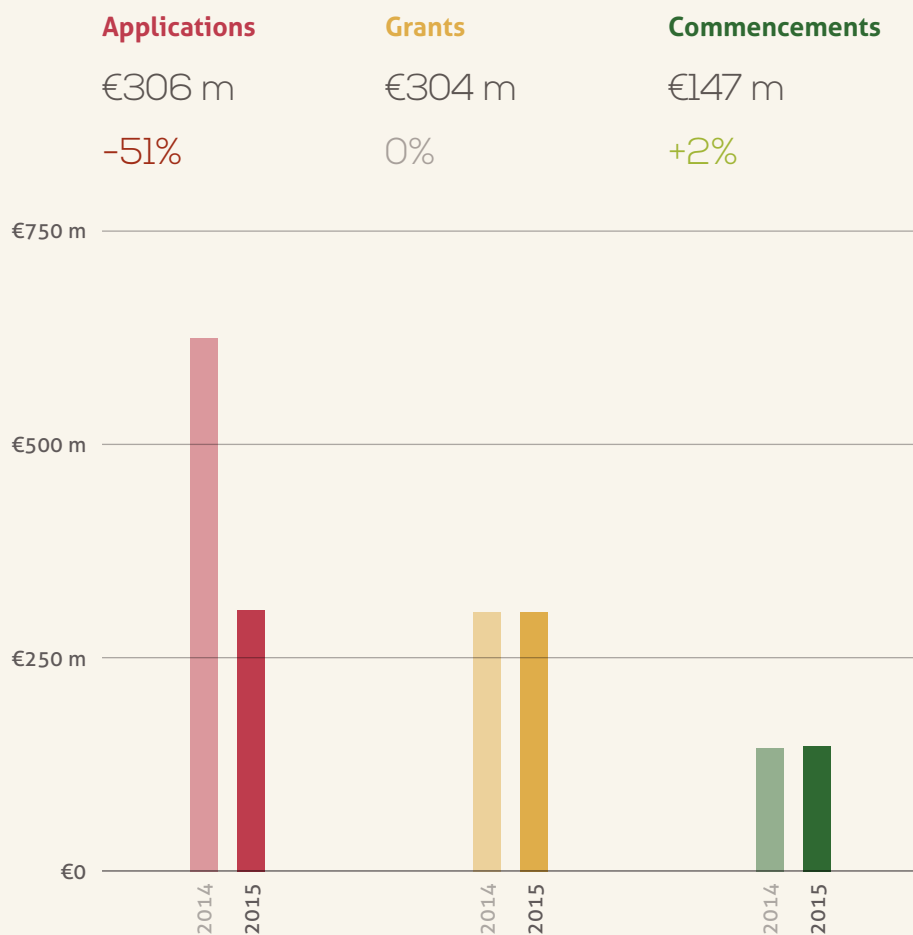
Q1/Q2 2015 applications regional distribution



SOCIAL

The Social sector continues to see a significant decrease in the value of Applications, static levels of Granted Permissions and only minor increase in Commencements when compared to the first 6 months of 2014.

Funding trend comparison Q1/Q2 2014 - Q1/Q2 2015



The value of Applications in the Social sector has decreased by -51% to €306m when compared to the same period in 2014. Granted Permissions see no increase in value at €304m with Commencements marginally increasing by +2% to €147m nationally when compared to Q1/Q2 2014 figures.

At a regional level the value of Applications fell -67% in Dublin, -65% in Leinster, and -34% in Munster with Connacht / Ulster the only region to show an increase at +12% (€68m).

A +29% increase in Social projects Commenced in Dublin and a +152% increase in Munster accounts for the marginal (+2%) increase in Commencement values nationally. Social sector Commencements decreased in value by -73% in Leinster and by -86% in Connacht / Ulster when compared to Q1/Q2 2014.

Average time from application to commencement

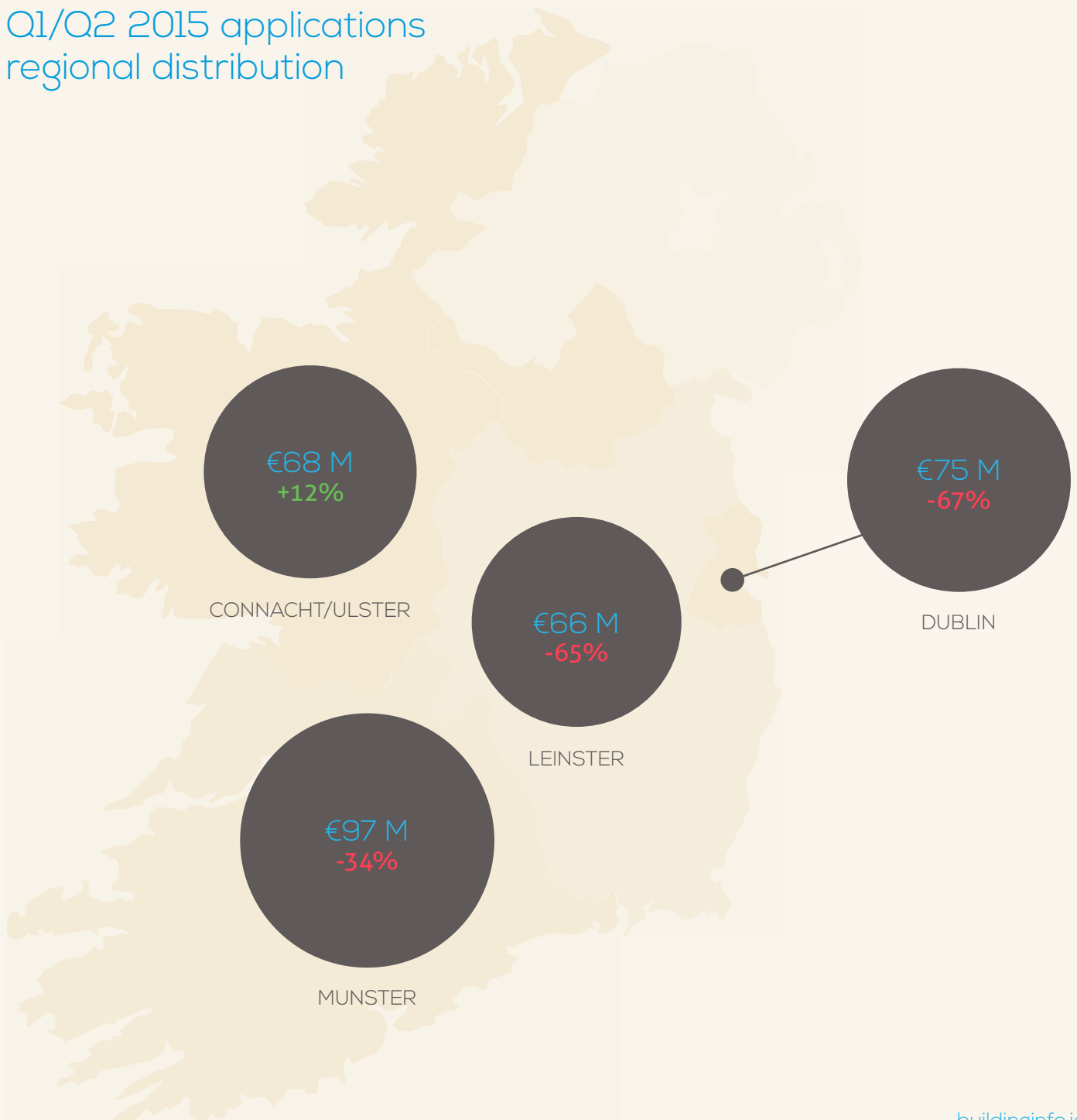


SECTOR OUTLOOK

The large decrease in the value of new Applications together with static Granted Permissions and Commencements points to a negative outlook for the Social sector.



Q1/Q2 2015 applications regional distribution



For full details on all projects aggregated to produce The Building Information Index visit www.BuildingInfo.ie and register for our free access all areas trial.



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Methodology: www.buildinginfo.ie measures the actual (estimated) monetary value of every construction project per sector. The data contained in the Building Information Index is aggregated by Building Information from real time planning and project information. Projects with a value of less than €200k were omitted from this index.

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