

## Europe's Railways: Continuous Growth, Changing Structure

### Market volume EUR 7.5 billion – New study from SCI Verkehr GmbH

(23.01.2008) Manufacturers and service providers for railways in Europe are operating in a EUR 7.4 billion market, which is going to grow at an average of 3% until 2012. This is the central conclusion of the new Multi Client Study “European Markets for Track Systems 2007–2012”, presented by SCI Verkehr GmbH, Cologne.

The railway infrastructure sector is consistent in some respects: two-thirds of the market are accounted for by investments in renewing and maintaining existing networks. Currently only around 70% of the EUR 10.5 billion overall market is accessible, and will remain so in future. The shares in the market of the various products will also only see slight changes. The five largest national markets for track systems will still be found in Western Europe in 2012, with Germany leading the way. The leading markets in Eastern Europe are currently Poland, Turkey and the Czech Republic.

The most change will be seen when it comes to the structure of competition. As demonstrated by the sale of Pfeleiderer track systems (today operating under the name RAIL.ONE) to Axa Private Equity and the merger of concrete sleeper manufacturers Consolis and Sateba into Industri Kapital (both 2006), the sector is increasingly drawing the interest of professional financial investors. The technological leaders in each product segment can be found in Western Europe. In addition to expansion programmes underway in Italy and Spain, there are lucrative projects in Northern and Eastern Europe, where some countries are intensifying the refurbishment of their conventional networks and high-speed transport. The price-performance ratio is becoming ever more important: “Sustainable and effective projects are replacing national prestige projects”, summarises Maria Leenen, CEO of SCI Verkehr GmbH.

The largest product market is for sleepers at a total of EUR 2.1 billion, followed by rails at EUR 1.8 billion. The most interesting development can be seen in the EUR 360 million market for slab tracks and ballastless tracks: the market share of high-speed transport will double on today's value by 2012.

In this study, the consultancy company specialising in railway technology and logistics analyses the current size and structure of the markets for rails, points and crossings, sleepers, slab track/ballastless track and ballast for all 36 countries between the Atlantic coast and Russian border and works out forecasts for the next five years. The results are split into high-speed transport, conventional railway, metro and light rail transit as well as differentiated by product supply, installation at the construction site and the associated planning procedures, in order to give the largest possible number of players an orientation in the market.

The publication can be ordered under: [www.sci.de](http://www.sci.de)