# Plywood production and consumption

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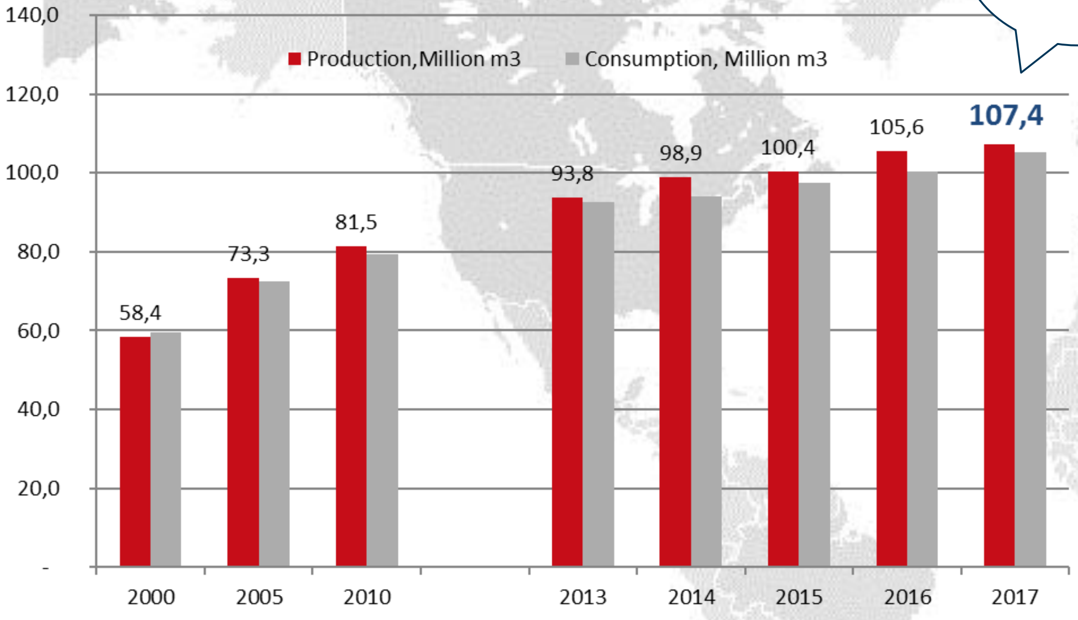
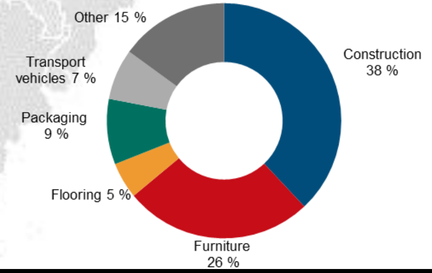
**Plywood production and consumption** (Million m³)

+85% from year 2000



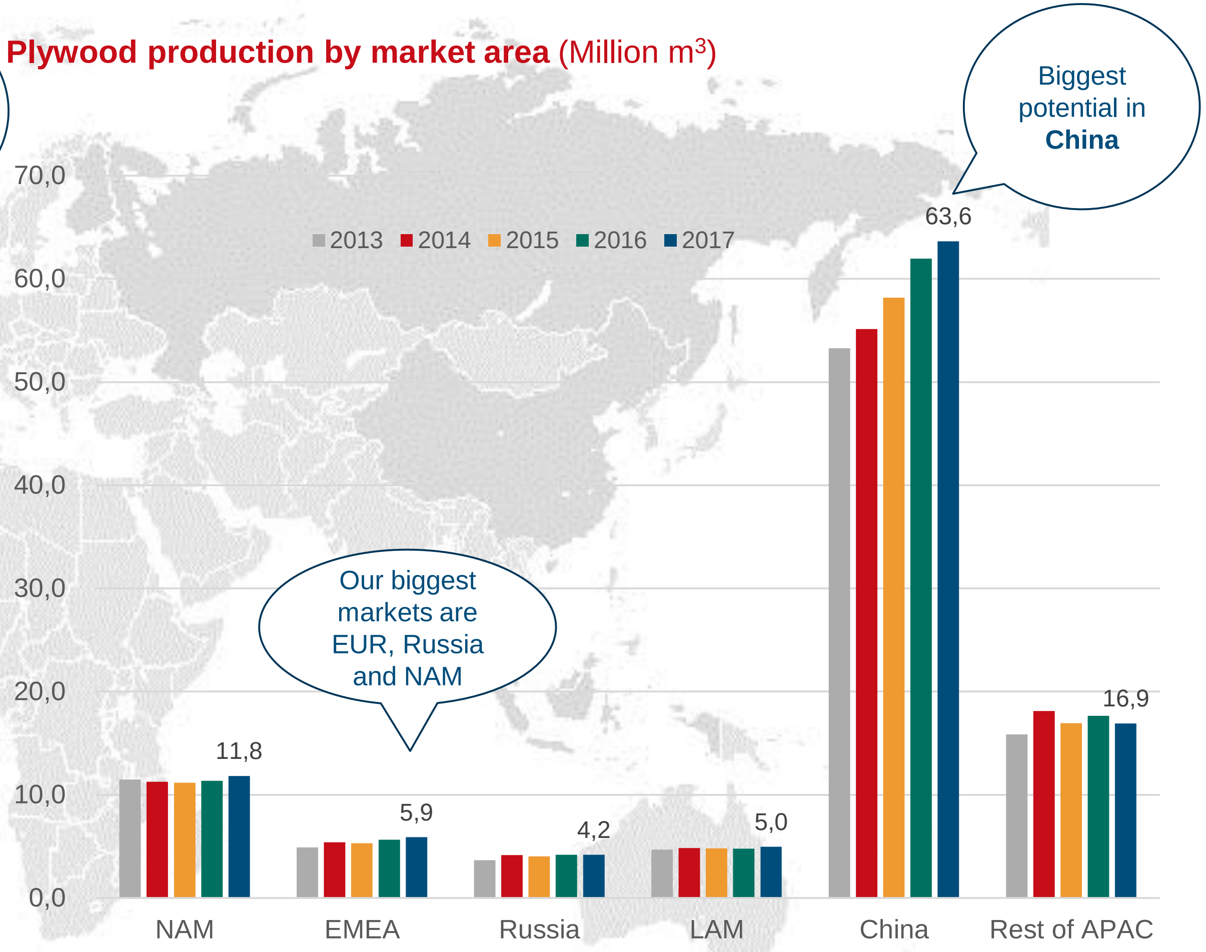

| Year | Production | Consumption |
|---|---|---|
| | million m³ | |
| 2000 | 58,4 | 59,6 |
| 2005 | 73,3 | 72,5 |
| 2010 | 81,5 | 79,4 |
| 2015 | 100,4 | 97,5 |
| 2017 | 107,4 | 105,2 |

**Plywood consumption by end-use category**



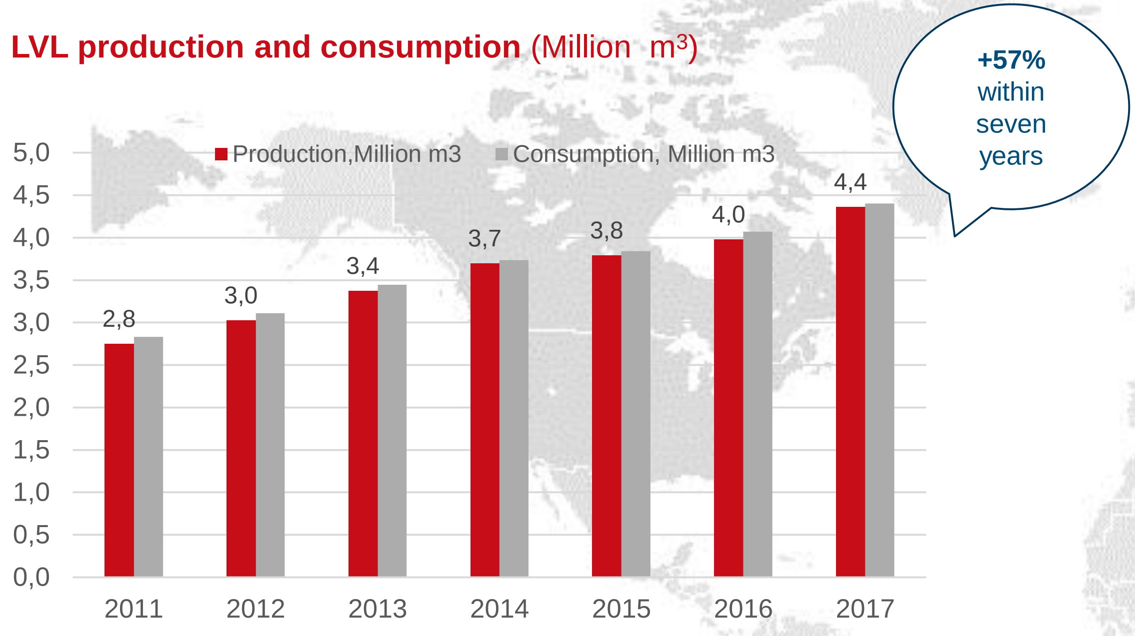

*Source: Indufor*

**Plywood production by market area** (Million m³)



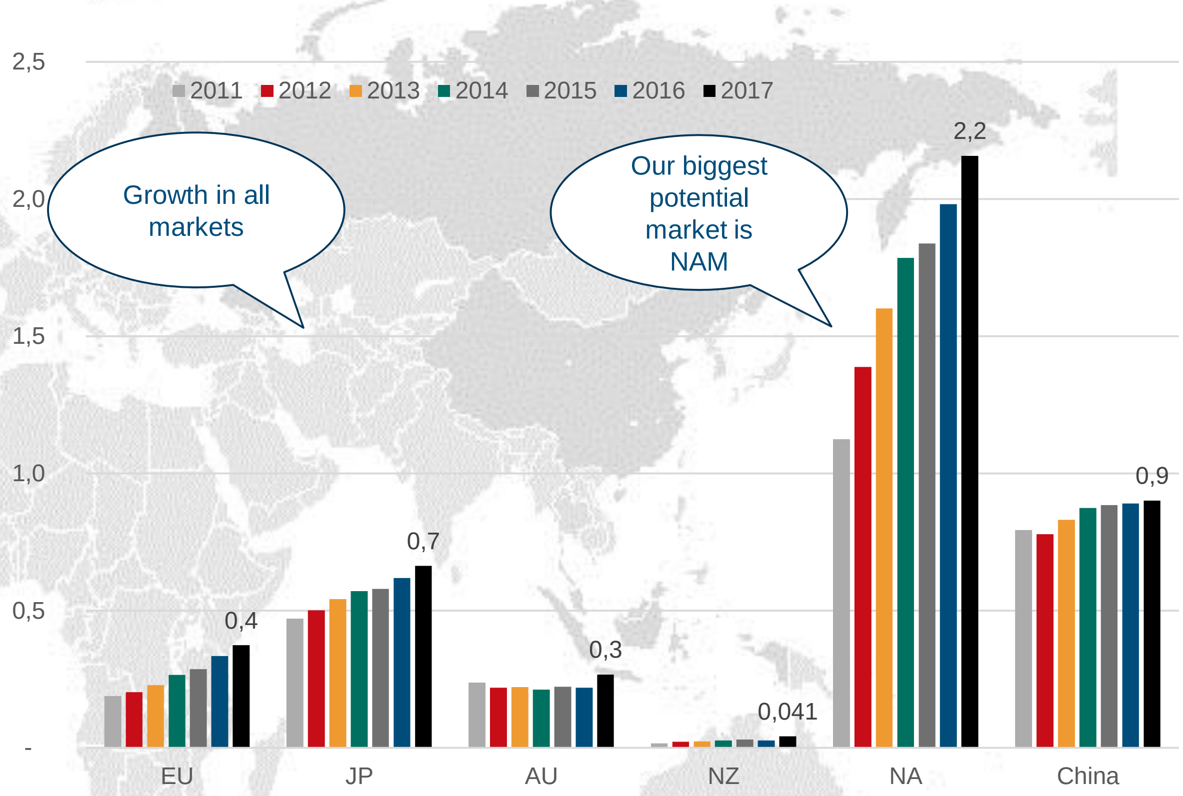
# LVL Production and consumption

**LVL production and consumption** (Million m³)




| Year | Production | Consumption |
|---|---|---|
| | 1 000 m³ | |
| 2005 | 2 975 | 2 687 |
| 2010 | 1 605 | 1 534 |
| 2015 | 3 791 | 3 840 |
| 2017 | 4 362 | 4 403 |

**LVL production by market area** (Million m³)

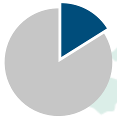



Source: Raute, NAM data FEA

RAUTE

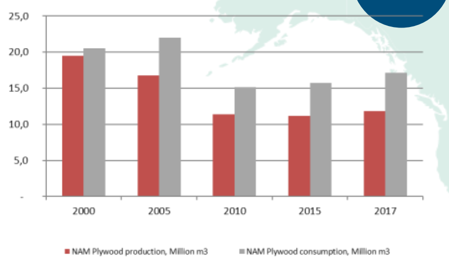
# Market areas

## North America



- Replacement investments and modernizations

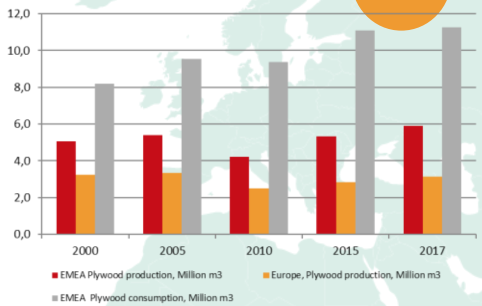
11%



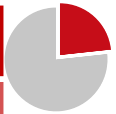

## Europe

- Developing existing capacity

3%

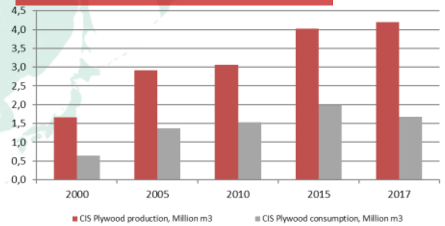



## Russia

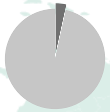


- Development of production technology
- Exploiting wood resources
- Export products

4%

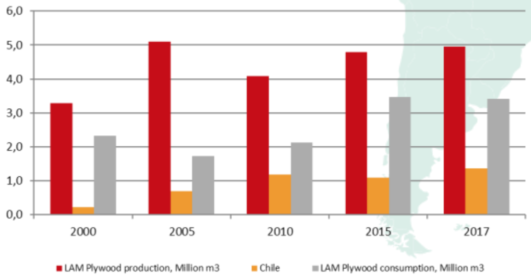



## South America



- Plantation wood resources

5%

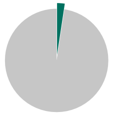



## Africa

2%

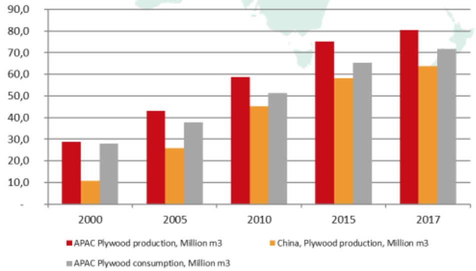
- Local wood reprocessing

## Asia-Pacific area



- Plantation wood resources
- Increased quality requirements and industrialization in China

75%

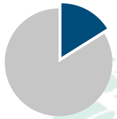



% Market area's share of Raute's order intake in 2015-2017

Plywood production by market area in 2017

# Focus on emerging markets

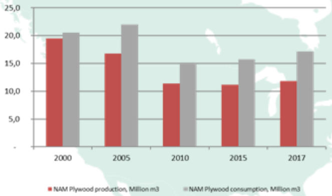
## North America



11%

The world's largest LVL producing area and the world's second largest plywood manufacturing area. Economy is growing. Construction remains at a low level.

Investments focus on modernization projects to boost efficiency and replacement investments.



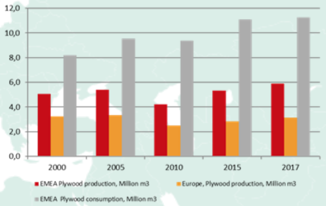
To strengthen its position through automation expertise.
► Comprehensive strategic investments of customer industries and technology services.

## Europe and Africa

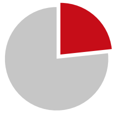
5%

Developed market with a generally high level of production technology.

The biggest operator. The objective is to maintain the leading position and to deepen cooperation with customers in order to boost their production processes in the long term.
►Production efficiency and quality improvements, service business.



## Russia

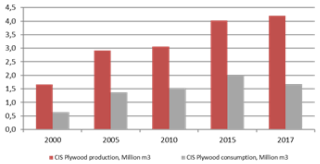


4%

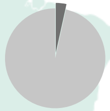
Large raw material reserves, developing economy in the long term.

Excellent competitiveness in export markets.

The market leader
► Extensive forest resources and developing economy. Technology services.



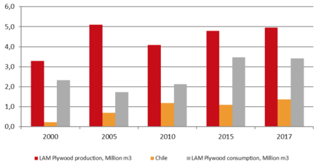
## South America



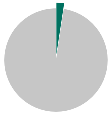
5%

One of the biggest and most potential growth areas in plywood production

Strong position in Chile and deliveries to Brazil.
► Structure of local forest industry, abundant plantation wood resources and investments in products with a high value added.



## China

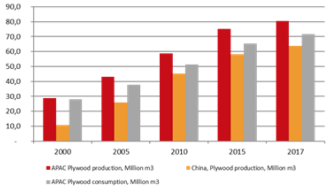


59%

The world's largest producer of plywood.

Production mostly based on manual labor, simple tehchology and local machine suppliers.

To become a significant operator.
► Higher quality requirements.



## Rest of Asia-Pacific area

16%

Strong shift from natural forests to plantations

The strength: Processing of raw material from small-diameter plantation trees.
► New growth of plywood production enabled by plantation forests.

Market area's share of Raute's order intake in 2015-2017

% Plywood production by market area in 2017

Raute's position

► Growth potential