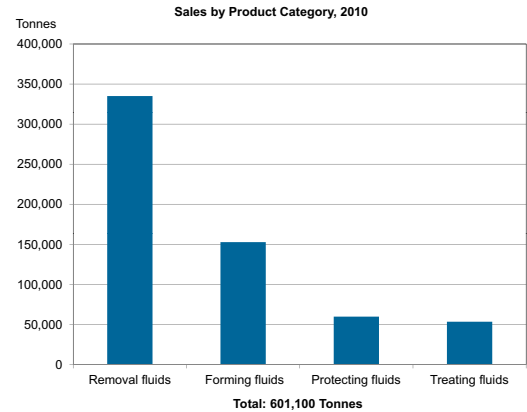


Metalworking Fluids Global Series 2010: Europe Market Analysis and Opportunities

Fact Sheet

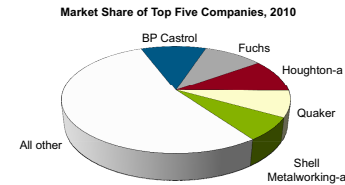
The Market

Total consumption of metalworking fluids in Europe, including Russia, is estimated at 601,100 tonnes, valued at around EUR 1,250 million in 2010. In Europe, removal fluid is the largest category of metalworking fluids, with just under 60% of the market.



Companies

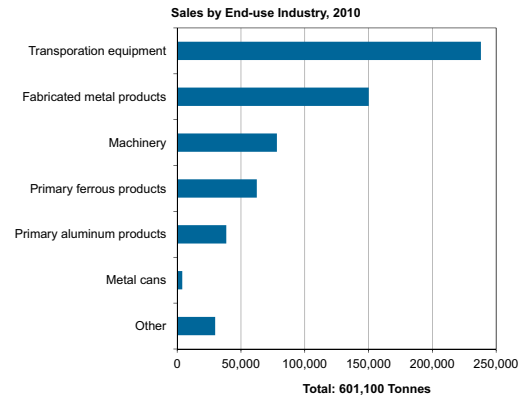
Sales of branded metalworking fluids in Europe are dominated by five companies, each with estimated sales of more than 40,000 tonnes in 2010. Together, these suppliers account for close to 46% of the total European supply, including Russia. BPCastrol and Fuchs are the leading suppliers by volume, but because of their different product mixes, BPCastrol is the leading supplier by value.



a- As Houghton's acquisition of Shell's Metalworking fluids business was not completed in 2010, the two are shown as separate suppliers.

End-use Industry

The end-use industries for metalworking fluids are highly fragmented, with more than 140,000 metalworking establishments with at least 10 employees in the 27 European Union (EU-27) countries alone, and a total of around 650,000 establishments if the smaller ones are included as well. Of the seven end-use industries detailed in this study, the transportation equipment industry is the leading consumer of metalworking fluids in Europe in 2010, accounting for an estimated 40% of the total market.



Outlook

The metalworking fluids market will experience growth as various country markets recover from the recession and achieve "pre-recession" position. As a result, consumption of metalworking fluids by the European industry, including Russia, is forecast to reach 640,110 tonnes, valued at EUR 1,331 million by 2015. This represents an average annual growth rate of 1.3% between 2010 and 2015. All the fluid categories are expected to exhibit growth.

