

CE Europe and SE Europe:

Bulgaria, Croatia, Czech Rep, Estonia, Hungary, Latvia,
Lithuania, Poland, Romania, Serbia, Slovakia, Turkey

The Plastic Production Sector



A FRD Center
Market Entry Services
analysis



Introduction

This presentation is produced by **FRD Center** – www.frdcenter.ro - one of the pioneer privately owned independent *market entry consulting and M&A advisory firms* in Romania.

Since 2000, FRD Center offers tailor-made market research and intelligence, B2B matchmaking and M&A consulting services to foreign organisations interested to enter Romania and the emerging markets in Europe as exporters, consultants, investors or joint-ventures, to relocate their operations, or to source in CE, SE and Eastern Europe.

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As part of the CSR activity, FRD Center endorses the
Sibiu International Theatre Festival SibFest FITS - www.sibfest.ro

The Sibiu International Theatre Festival is the most complex festival in Romania. Internationally, it has become the most important performing arts festival in Europe, judging by its ampleness, dimension, and quality of events, before Edinburgh International Festival (Great Britain) and Avignon Festival (France)



CE and SE Europe Region



EU member states:

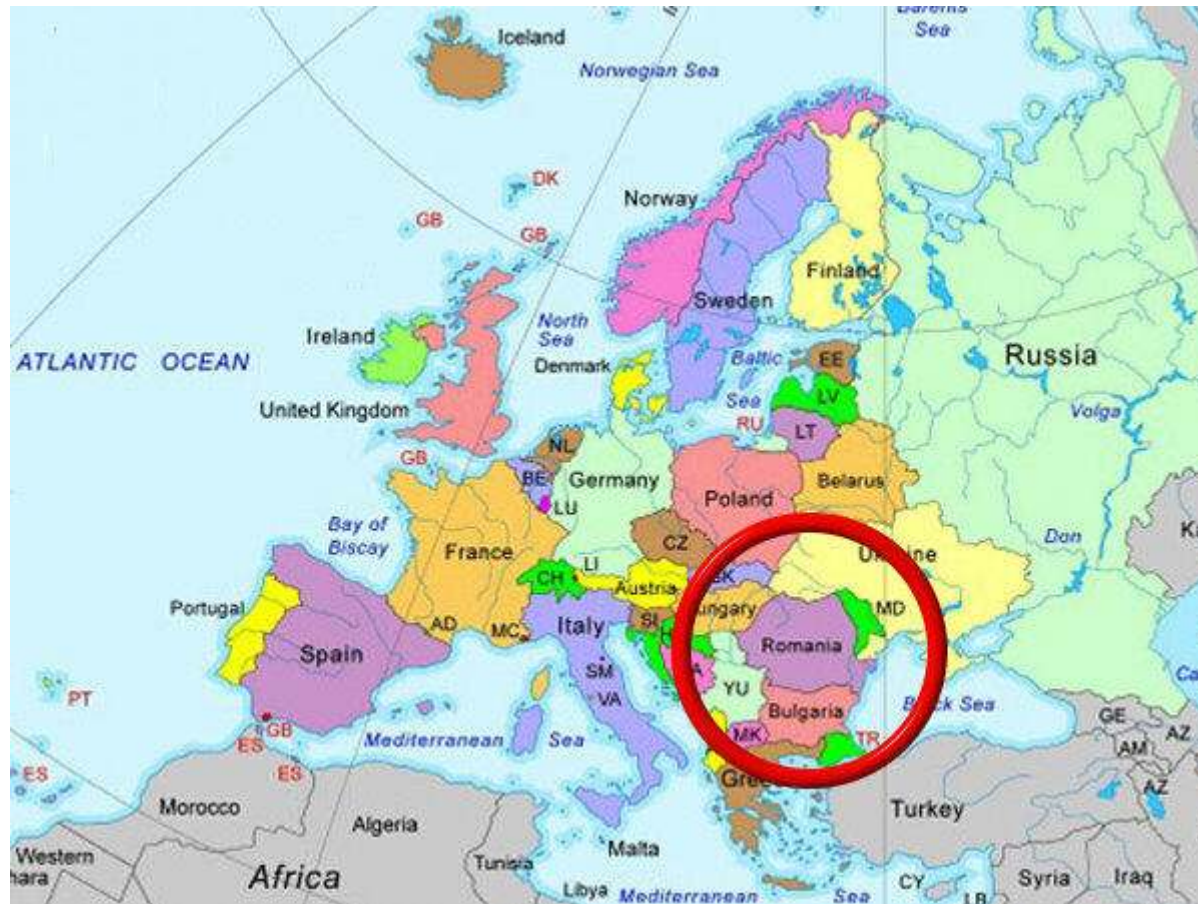
**Bulgaria, Croatia, Czech Rep,
Estonia, Hungary, Latvia, Lithuania,
Poland, Romania, Slovakia**

Non-EU member states:

Serbia, Turkey, Ukraine



Romania in Europe



The Romanian Plastic Production Sector

Romania is the most dynamic large market in Europe, presenting numerous business and investment opportunities for foreign companies.

Plastic production has a long tradition in Romania. The plastic and rubber manufacturing market in Romania is expected to grow at a CAGR of almost 5% by 2020. The recent boom in the **Romanian manufacturing sector** will be a critical factor leading to the growth of this market, attracting increasing investments in plastics and other manufacturing firms in recent years.

In 2016, Romania produced **Rigid tubes, pipes and hoses** of polymers of ethylene worth of over 32 mEUR and Rigid tubes, pipes and hoses of polymers of vinyl chloride worth of over 36 mEUR.

According to a FRD Center analysis, the production of **Plastic carboys, bottles, flasks** and similar articles for the conveyance or packing of goods, of a capacity ≤ 2 litres in Romania in 2016 was 6% higher than in 2015, reaching a value of over 93 mEUR.

Romanian Plastic Manufacturers examples

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Some of the producers of plastic foil and polyethylene-based packaging products active in Romania include:

Foliraf

Moviplast

Poly Bag

Rogamplast

For Ever

Airflex

Plastinvest

Plastica

Stifani

Salex

Romfilms

Romcarbon

Royal Prod Activ

Egerom



Since 1994



Czech Republic in Europe



The Czech Plastic Production Sector

The **Czech Republic** has a highly diverse economy that ranks 8th in the 2015 Economic complexity index. The industry sector accounts for 37.5% of the economy. In H1 2017, the Czech GDP grew by 4.7% y-t-y, the third fastest in Europe.

The economic results of the **manufacture of rubber and plastic products** in the Czech Republic have been above the average of the manufacturing sectors for many years. After the automotive industry, the chemical industry is the second most important manufacturing industry division in the Czech Republic in terms of revenues. In 2015, these reached CZK 561 bn, and the chemical sector employed about 120,000 people.

In 2016, Czech Republic produced **Rigid tubes, pipes and hoses of polymers** of ethylene worth almost 44 mEUR and Plastic boxes, cases, crates and similar articles for the conveyance or packing of goods worth of over 61 mEUR.

Czech Plastic Manufacturers examples

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Hungary in Europe



The Hungarian Plastic Production Sector

In **Hungary**, the plastic industry consists of plastic raw materials production and plastic processing. Producers make plastic raw materials, while processors use plastic raw materials to manufacture end-products such as tubes, pipes, hoses, floor covers, plates, sheets, films, boxes, bags, and household articles.

Polypropylene (PP) and polyethylene (PE) films are both used in the packaging industry.

With over 400 processors operating in the market, the overall **Hungarian plastics** market is estimated to be around 2% of the European total. Injection moulding and film extrusion are the dominant processes in the Hungarian plastics industry, accounting for over 50% of polymer demand

In 2016, Hungary produced **Plastic carboys, bottles, flasks** and similar articles for the conveyance or packing of goods, of a capacity ≤ 2 litres worth almost 136 mEUR. The **Hungarian plastics industry** is expected to continue to grow in 2017-2020.



Hungarian Plastic Manufacturers examples



Some of the producers of **plastic products** active in Hungary include:

AGROFOL

ALBIS Plastic

EVERPLAST ZRT.

Ferpol

GRABOPLAST

Jász-Plasztik Kft.

KAPOSPLAST

MBT Polymers

ONGROPACK

Plastic-Form

RESINEX

Tanplast

Thege Plastic

Ultrapolymers Kft.





Lithuania in Europe



The Lithuanian Plastic Production Sector

Tubes, pipes and fittings – **8 039 t**

Bottles – **3, 490 Billion**

Polystyrene – **1 370,36 m3**

Sacks, bags – **62 604 t**

Doors and windows – **464 230 unit**

Polyurethane – **19 510 t**

€ **753 M EUROS** turnover

👤 **>8000** employees

🏢 **378** companies

↕ **66%** export

Injection moulding

Extrusion

Blowing

Design

Tooling

Prototyping

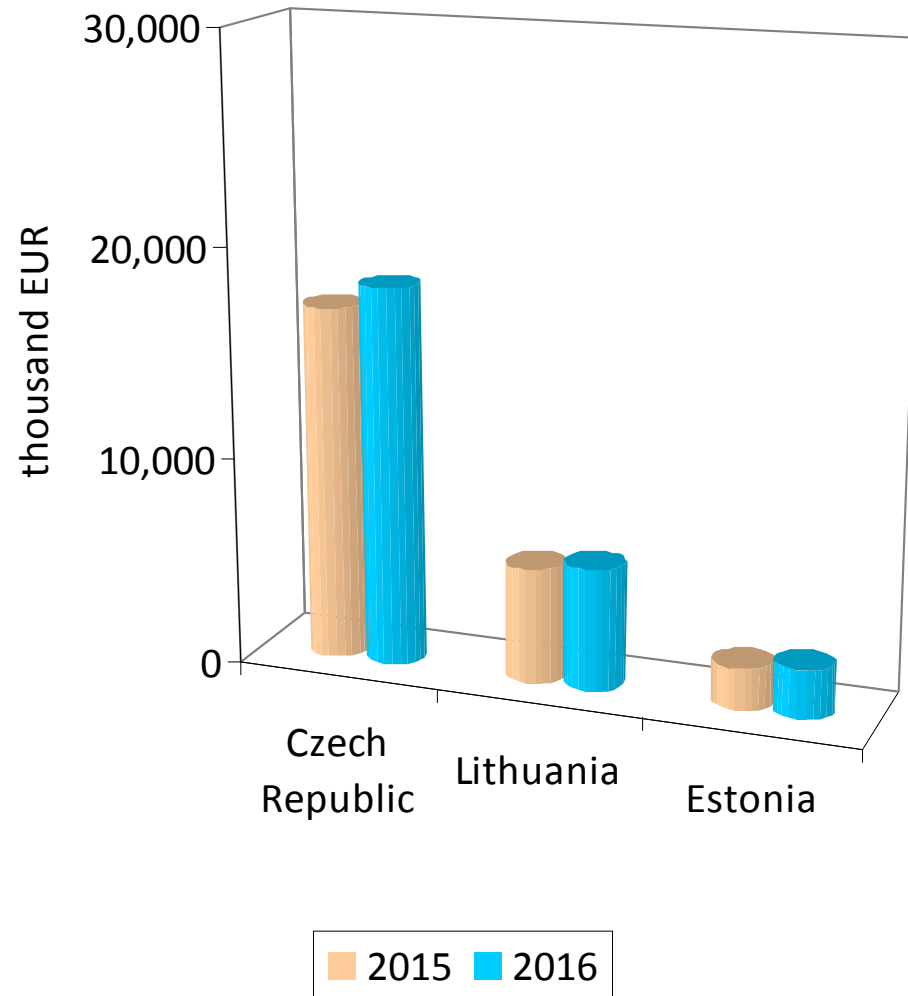
Thermoforming

Subcontracting

Source: Lithuanian Plastic Cluster



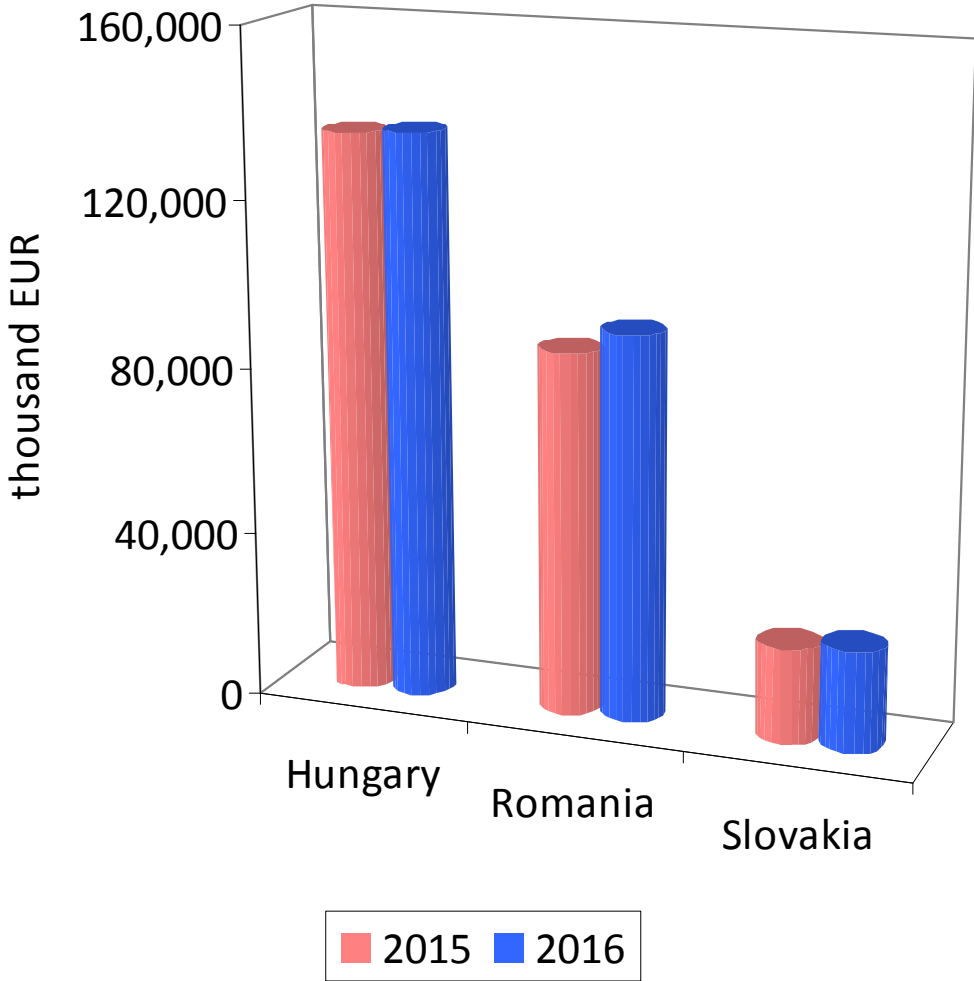
Comparative analysis of the production of rigid tubes, pipes and hoses of polymers of vinyl chloride



Source: Eurostat, FRD Center

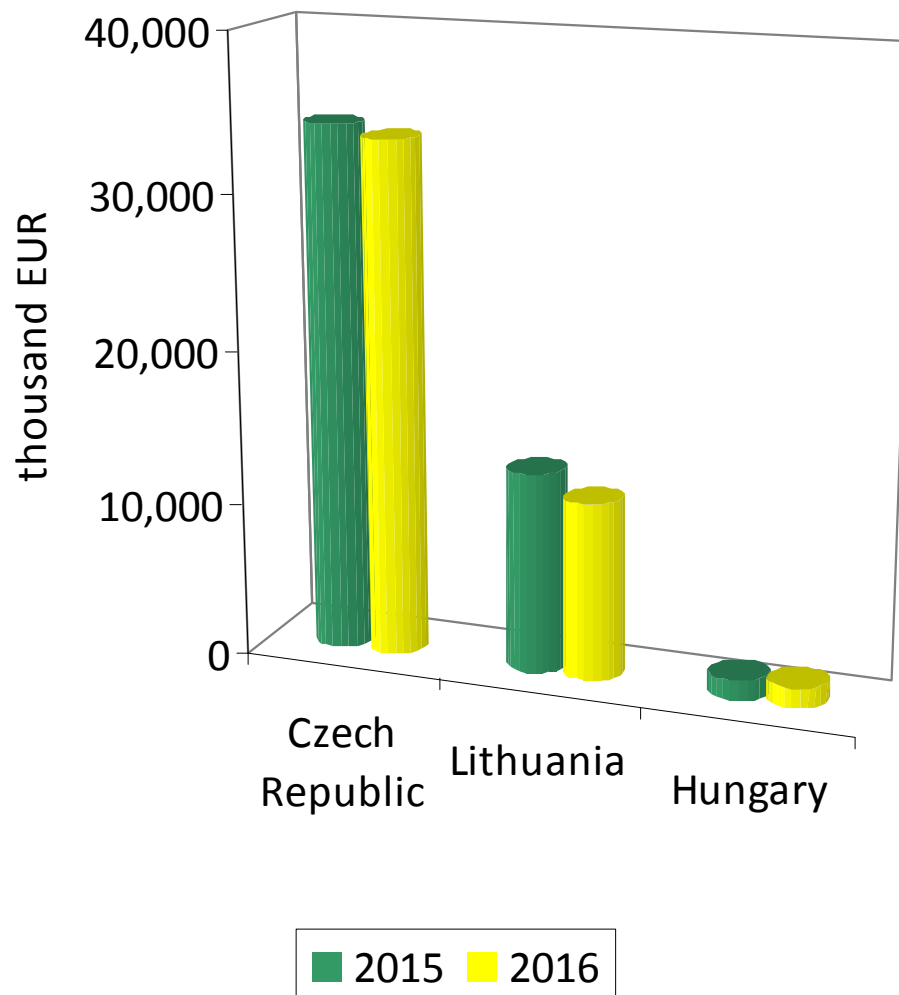


Comparative analysis of the production of plastic carboys, bottles, flasks and similar articles for the conveyance or packing of goods, of a capacity ≤ 2 litres



Source: Eurostat, FRD Center

Comparative analysis of the production of sacks and bags, of polyethylene or polypropylene strip, used for packing goods (excluding knitted or crocheted)



Source: Eurostat, FRD Center

Plastic Sector News - CE and SE Europe

HUNGARY

Karsai Alba to invest EUR 1m in expansion

The plastic packaging manufacturer Karsai Alba has announced in June 2017 investments of nearly EUR 1m in order to expand the capacity of its plants in Hungary. Karsai Alba, part of the Hungarian plastics converting group Karsai Holding, is a specialist moulder of rigid containers and closures for the cosmetics, pharmaceuticals and food sectors. Karsai Alba records an annual turnover of EUR 6.8m and has approximately 170 employees.

ROMANIA

Alpla Austria has acquired Star East PET in Romania. The Austrian plastic packaging company Alpla has acquired a 100% stake in the Romanian company Star East PET at the beginning of 2017. Based in Brasov (Centre Romania), Star East PET is specialised in the production of PET preforms for drinks, food and non-food products.

The acquisition expands Alpla's production capacities in Eastern Europe.

CZECH REPUBLIC

Fatra invested in five Negri Bossi Vector machines - The plastic processing company Fatra has completed in July 2017 investments in five Negri Bossi Vector machines installed at its production plants in the Czech Republic. Fatra has recorded a turnover of EUR 142m in 2016, with more than 75% of its production headed for international markets. Materials processed by Fatra include PVC-P, PVC-U, LDPE, LLDPE, HDPE, EVA, PP, PET and ABS.

Plastic Sector News - CE and SE Europe

SLOVAKIA & UKRAINE

Nordic plastics film specialist Rani Plast Group has formed a new independent company, Tatrafan, including the group's jointly owned flexible packaging operations in Eastern Europe.

This new spin-off business comprises the joint venture bioriented polypropylene (BOPP) packaging film and conversion operations in Slovakia and the Ukraine.

Further investment is promised for the Slovak site where output is set to grow.

ROMANIA

Only two days after rebranding as Novares, the French automotive parts supplier formerly known as Mecaplast_key Plastics has opened a new production plant in Mioveni, Romania.

BULGARIA

Extrapack OOD plans to construct a fourth production plant and to expand an existing unit in Bulgaria.

Founded in 1995, Extrapack OOD is an extruder of films and converter of plastic and paper bags based in Bulgaria.

Extrapack also makes polypropylene spunbond nonwovens, used along with paper and textile materials to produce a huge range of bags which are printed in house. The company currently recycles up to 150 tonnes of plastics waste per month. The Bulgarian company is a national leader in flexible packaging and operates a number of blown polyethylene film extrusion lines.

Extrapack exports around 65% of its output to markets in Western Europe.



Market entry consulting services

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Our market entry services include:

- *market research, market opportunity analysis / assessment, business intelligence*
- *B2B matchmaking, business partner search & selection, product presentation*
- *competitor analysis; company analysis*
- *background checks: Individual, Company*
- *business development*
- *identification, selection, profiling of M&A / investment targets, deal origination*
- *identification of best routes to the market, market barriers*

For tailored Market Research, B2B Matchmaking with local players in the sector, Deal Origination and M&A assistance feel free to contact

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