

PWC Property Conference 2008

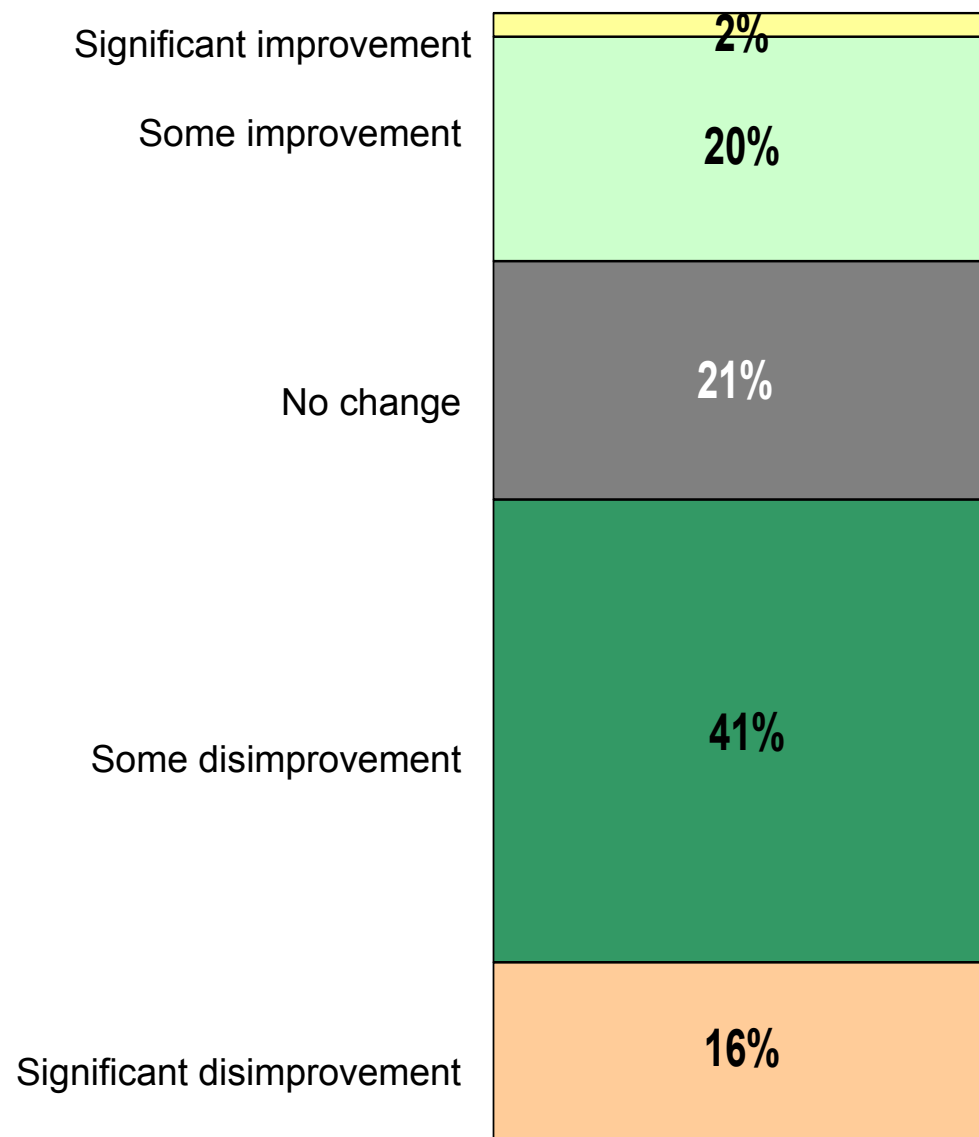
Survey Results Presented By



January 2008

Business Climate for 2008

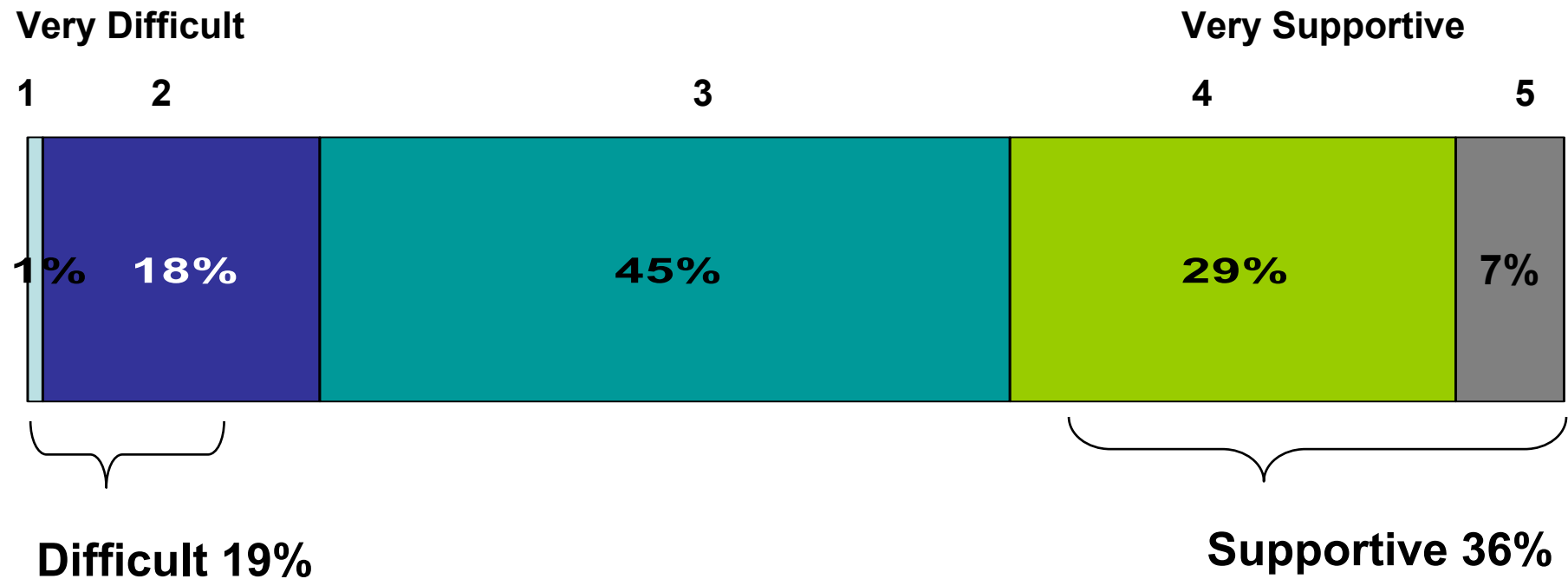
Base: All Respondents N= 100



Relative to 2007, how do you see the overall business climate in Ireland changing for 2008?

Ireland as a Place to Do Business Now...

Base: All Respondents N=100

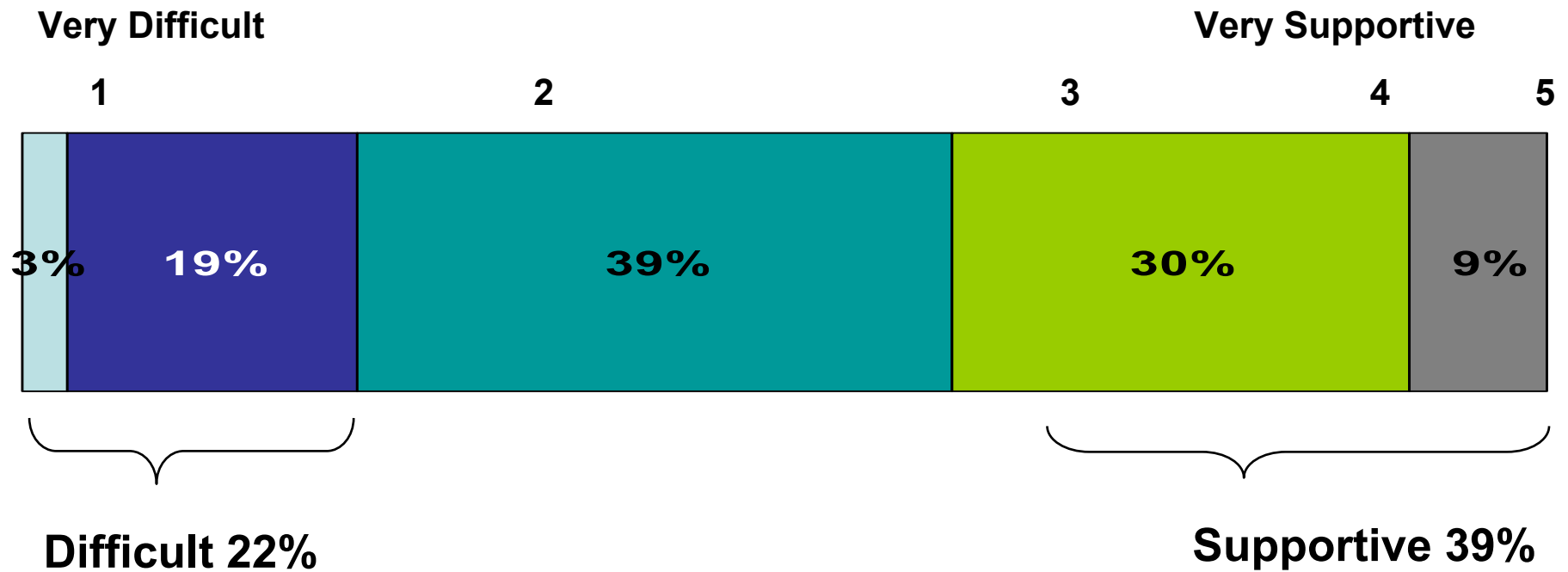


Average Score: 3.5

On a scale of 1 to 5 (where 1 = very difficult and 5 = very supportive) how would you rate Ireland as a place to do business now?

...And as a Place to Do Business in the Future

Base: All Respondents N= 100

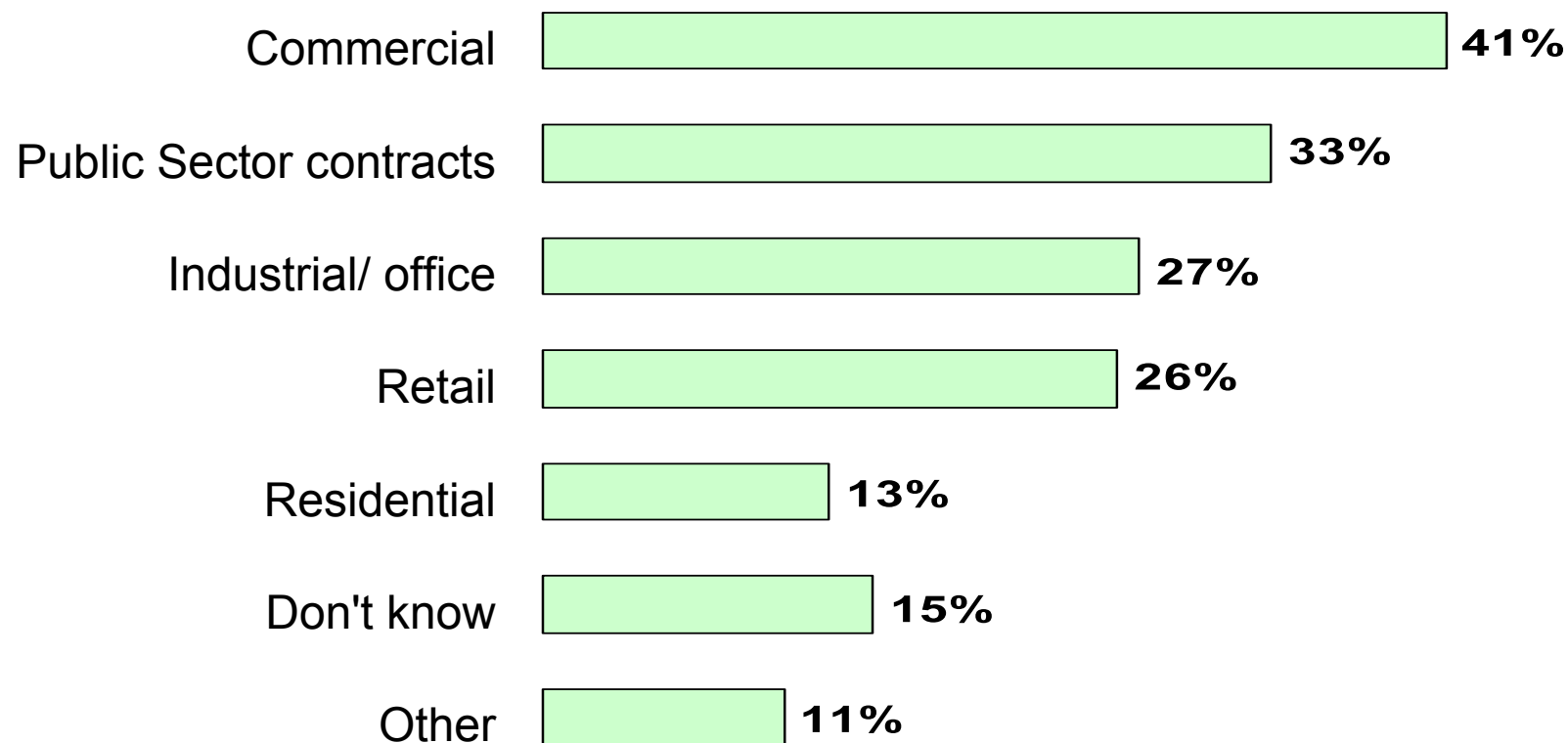


Average Score: 3.2

And on a scale of 1 to 5 (again where 1 = very difficult and 5 = very supportive) how would you rate Ireland as a place to do business in the future?

Projected Increase in Business Activities for 2008

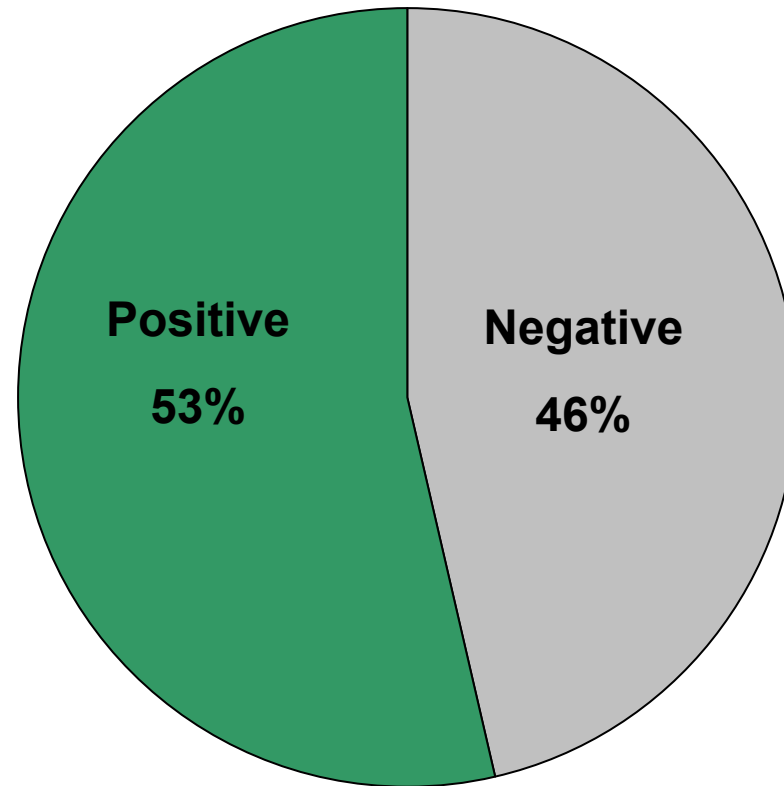
Base: All Respondents N=100



As far as your Irish operations are concerned, in which areas do you see an increase in activity in 2008?

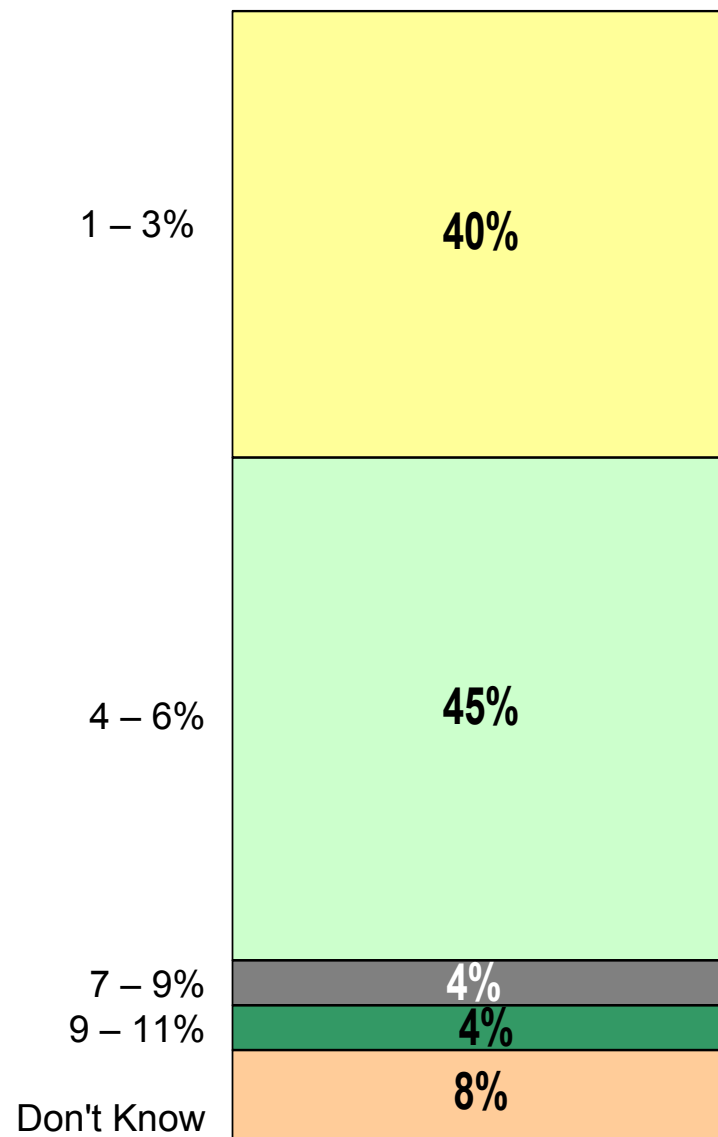
Projections for Irish Commercial Property Values in 2008

Base: All Respondents N= 100



Positive Growth Predictions for Commercial Property

Base: All Respondents who predict positive growth N= 53

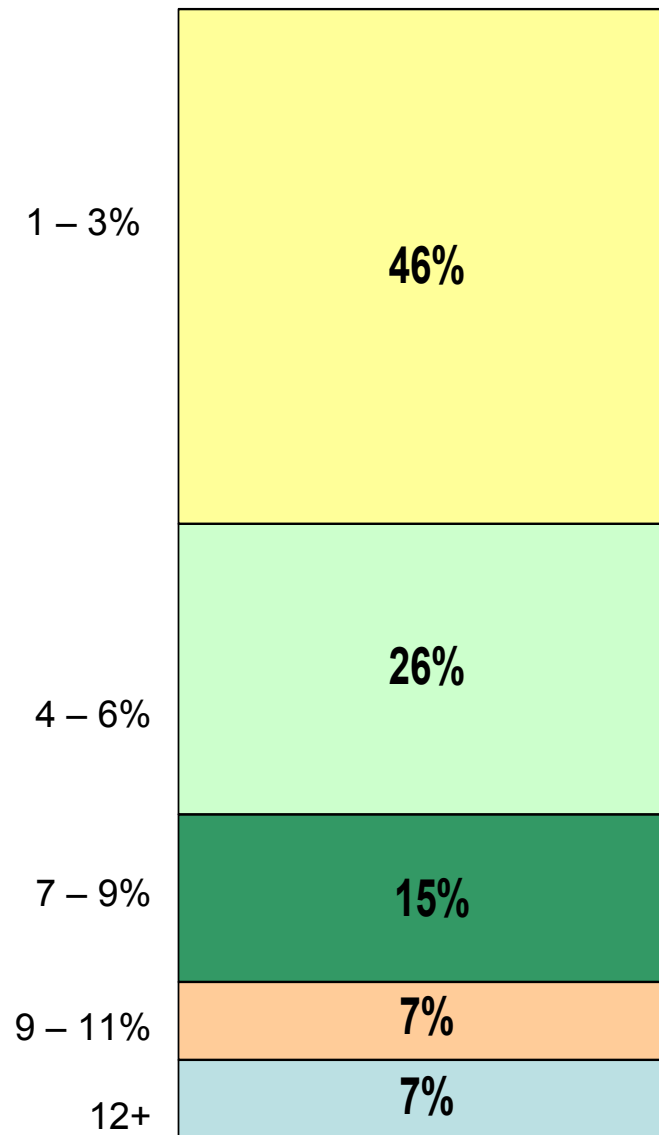


7

You say that you expect there to be positive growth in Irish commercial property values in 2008. By what percentage do you think values will grow?

Negative Growth Predictions for Commercial Property

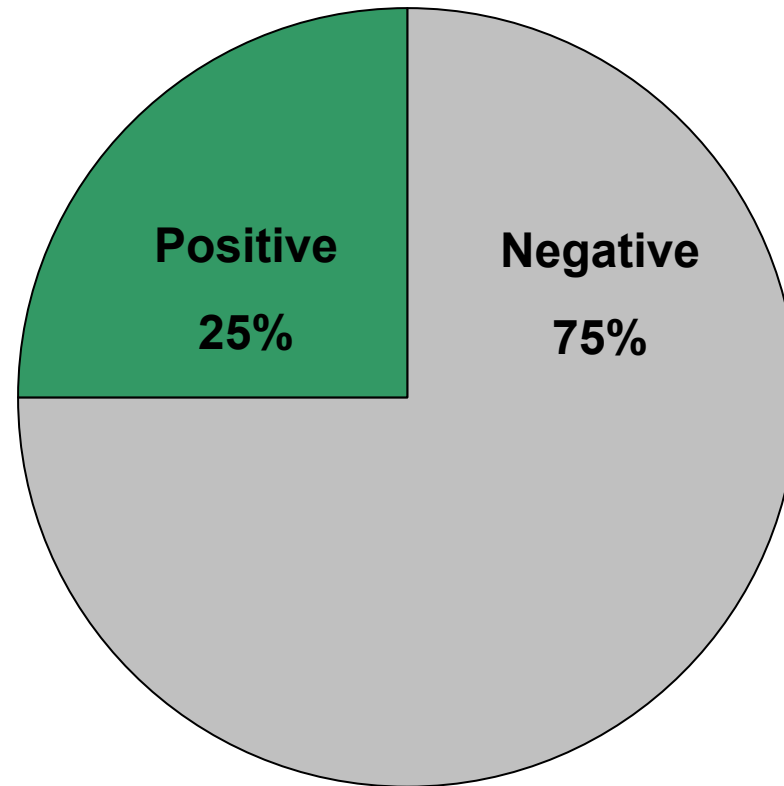
Base: All Respondents who predict negative growth N= 46



You say that you expect there to be positive growth in Irish commercial property values in 2008. By what percentage do you think values will grow?

Projections for Irish Residential Property Values in 2008

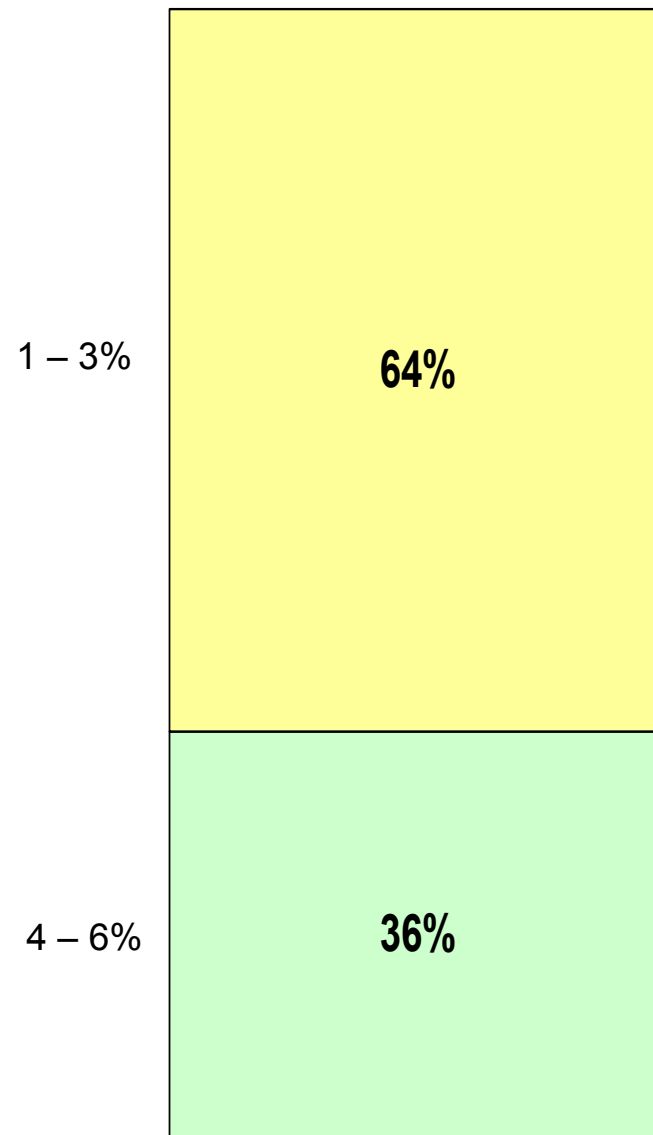
Base: All Respondents N= 100



Do you think that there will be positive or negative growth in Irish residential property values in 2008?

Positive Growth Predictions for Residential Property

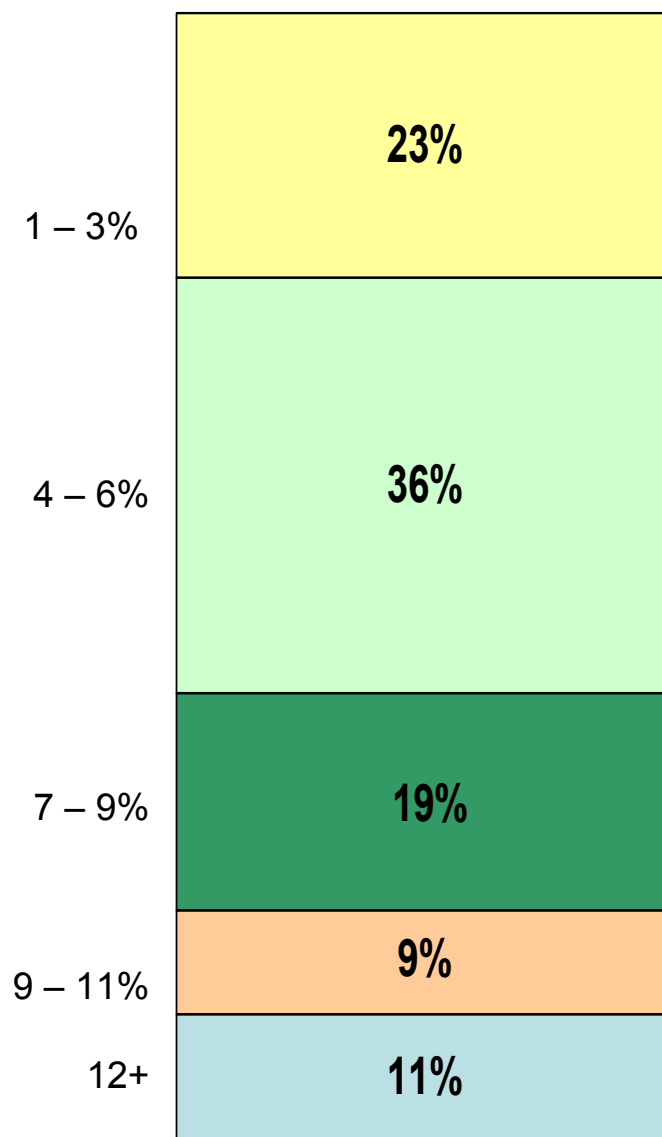
Base: All Respondents who predict positive growth N= 25



You say that you expect there to be positive growth in Irish residential property values in 2008. By what percentage do you think values will grow?

Negative Growth Predictions for Residential Property

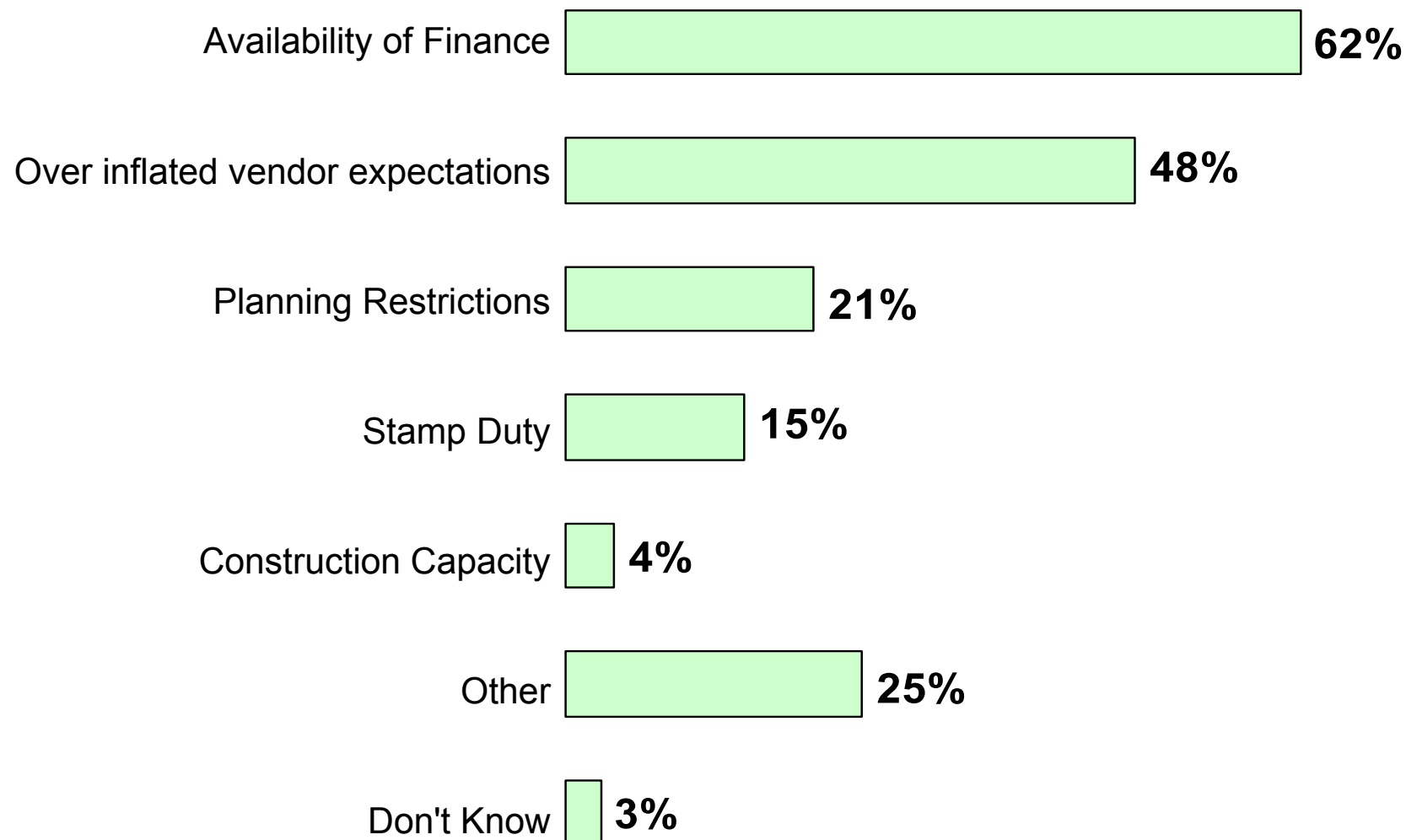
Base: All Respondents who predict negative growth N= 75



You say that you expect there to be negative growth in Irish residential property values in 2008. By what percentage do you think values will decline?

Constraining Factors for Future Growth in Property Market

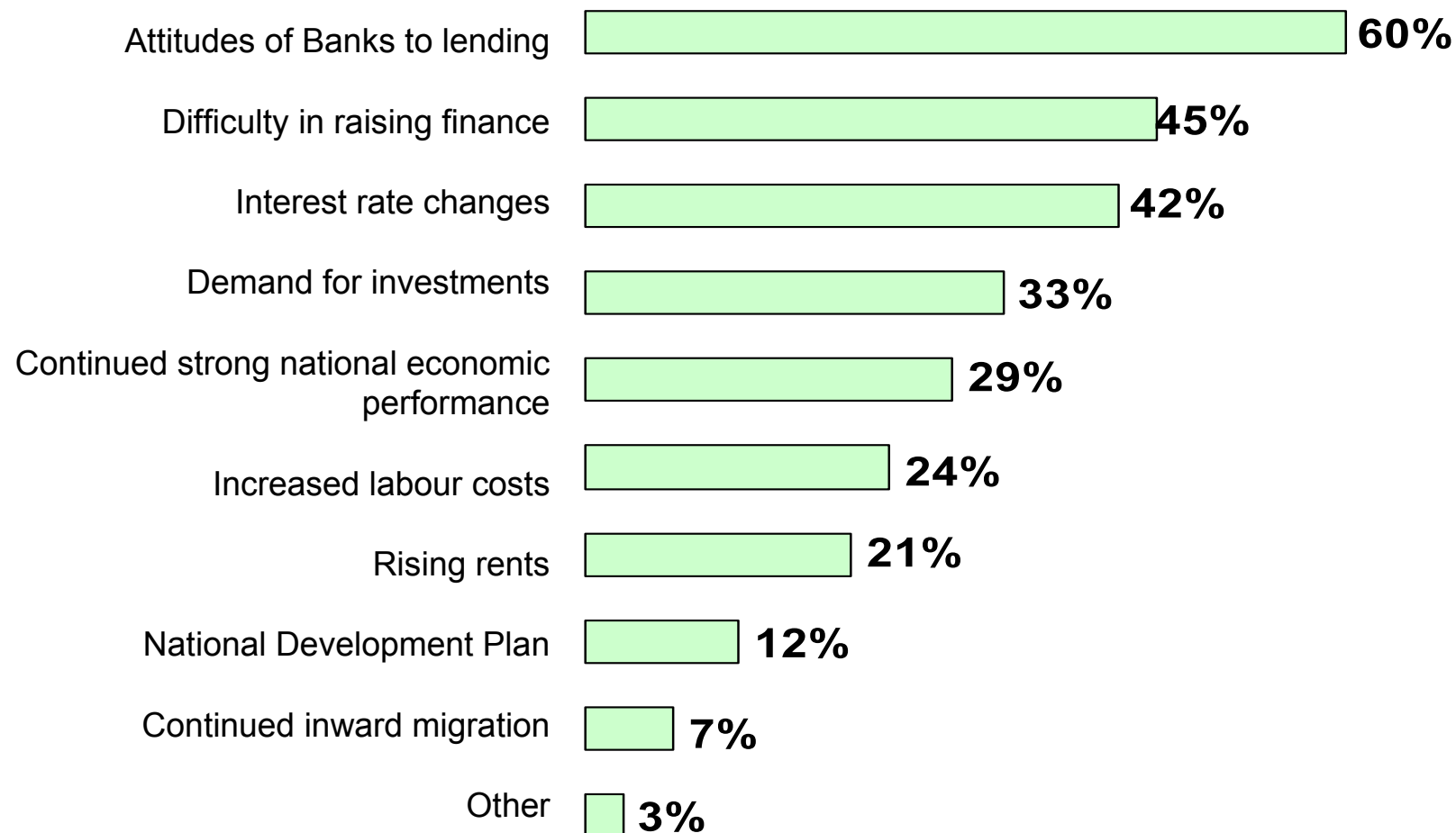
Base: All Respondents N= 100



Which of the following do you consider to be the main constraining factors for future growth in the Irish property market in 2008?

Factors Influencing Commercial Property Market

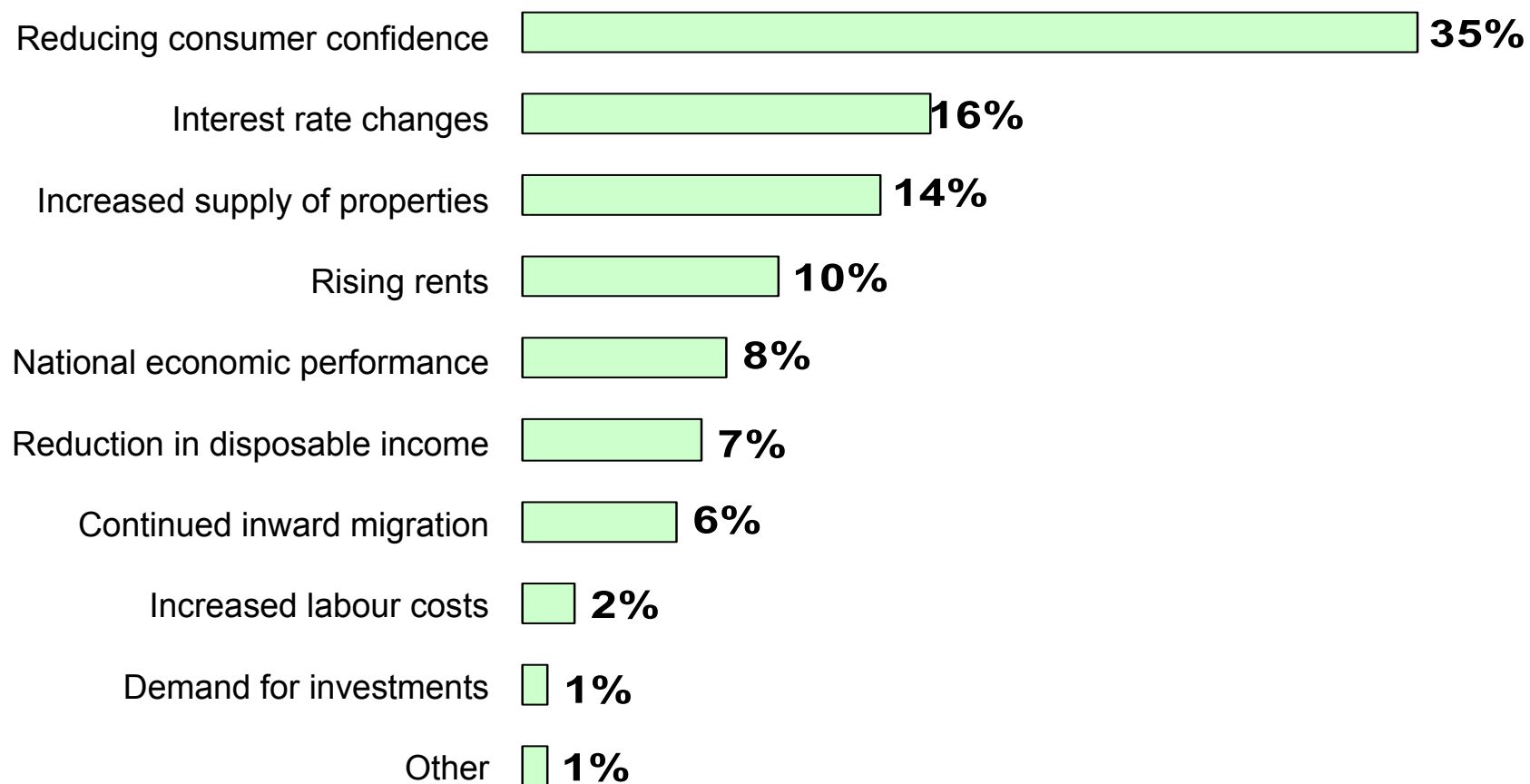
Base: All Respondents N=100



Can you choose the most important factors that will influence the Irish commercial property market in 2008?

Factors Influencing Residential Property Market

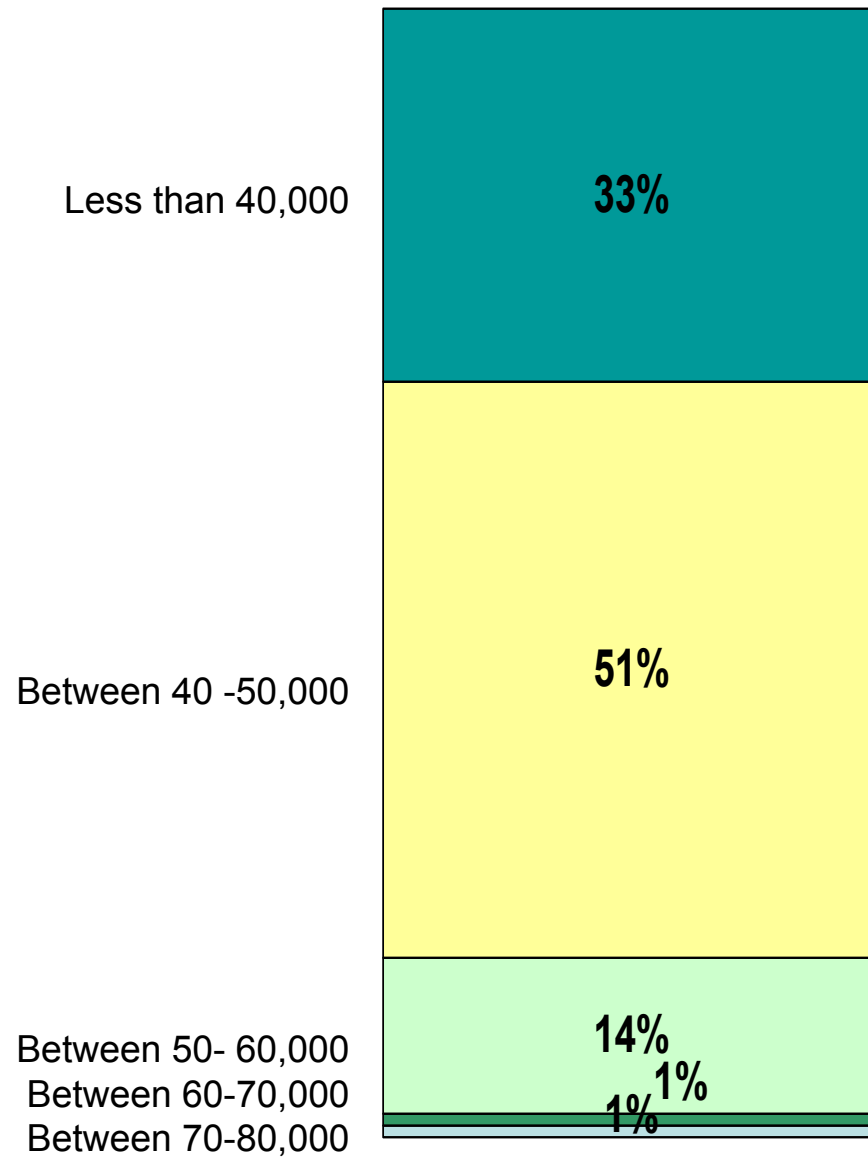
Base: All Respondents N=100



And can you also choose the most important factor that will influence the Irish residential property market in 2008?

Projected Number of Residential Units Built in 2008

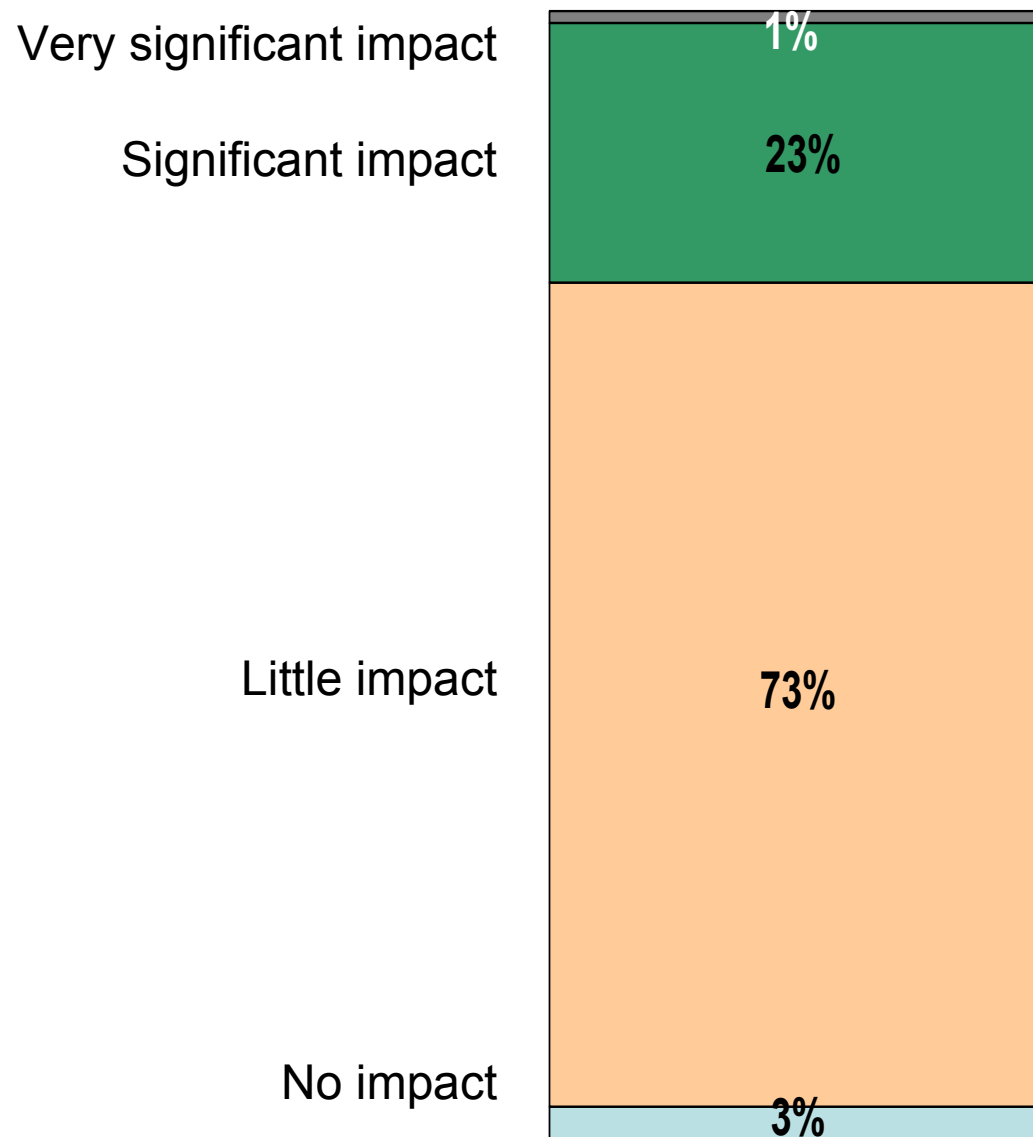
Base: All Respondents N= 100



How many residential units do you expect to be completed in Ireland in 2008?

Impact of Stamp Duty Reform on Residential Activity 2008

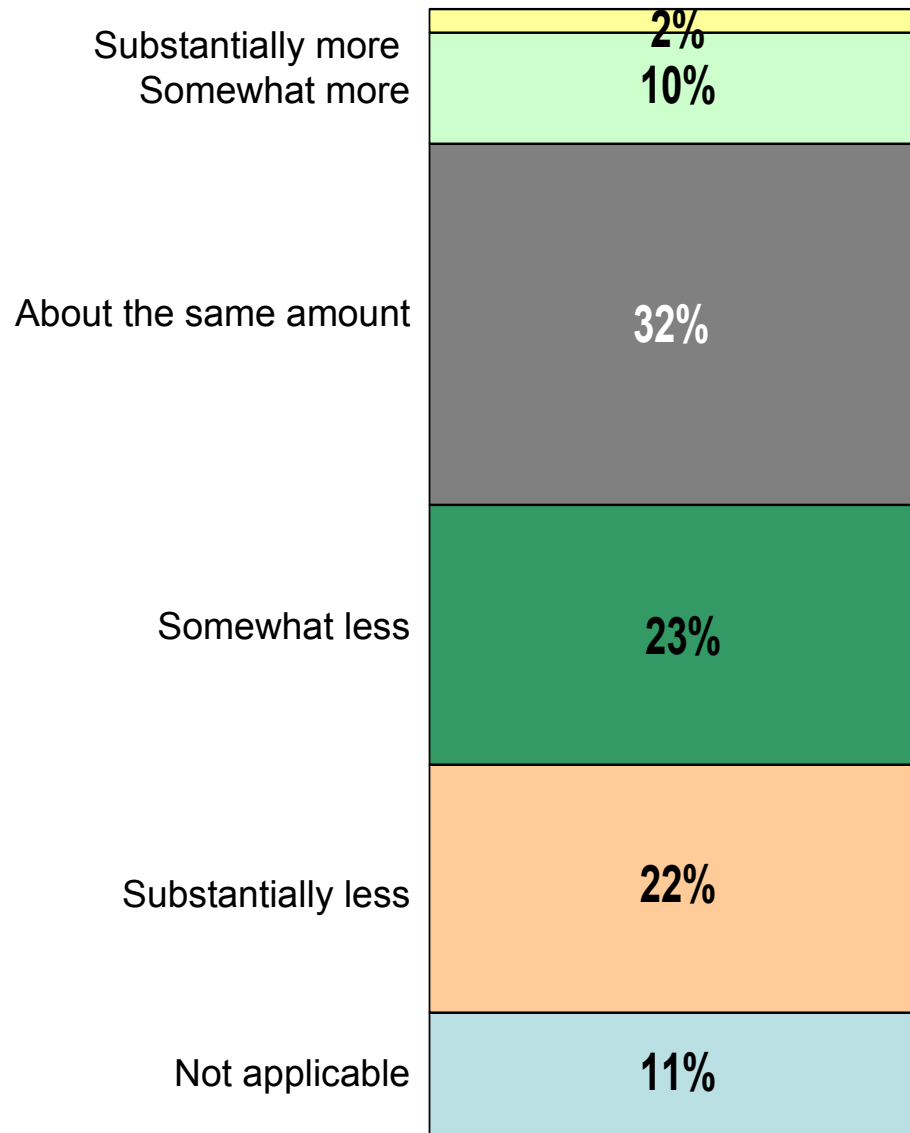
Base: All Respondents N= 100



In your opinion, how significant an impact will the stamp duty changes in the recent Budget have on residential development activity in 2008?

Projected Investment in Property for 2008

Base: All Respondents N= 100



In 2008, do you expect to invest more, the same or less in property as an asset category than you did in 2007?

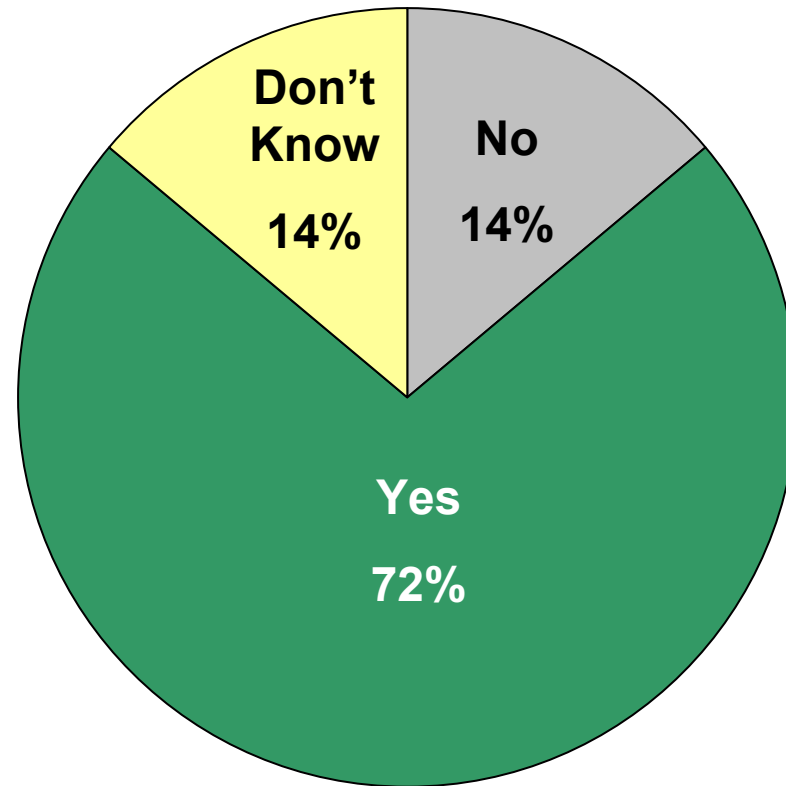
Attitudes Toward Current Property Market Conditions

Base: All Respondents N= 100

	Agree	Neither agree nor disagree	Disagree
The reduction in interest rates is critical to the recovery of the property market in 2008	86%	9%	5%
There are far better opportunities in the overseas property market than in the Irish property market.	87%	14%	9%
Stamp Duty plays a key role in driving property investment abroad.	61%	18%	21%
Property represents the best opportunity for investment in 2008 (compared to shares or bonds).	56%	20%	24%
The planning process in Ireland hinders investment.	67%	20%	13%
Property will present better investment opportunities in 2008 than equities.	53%	22%	25%

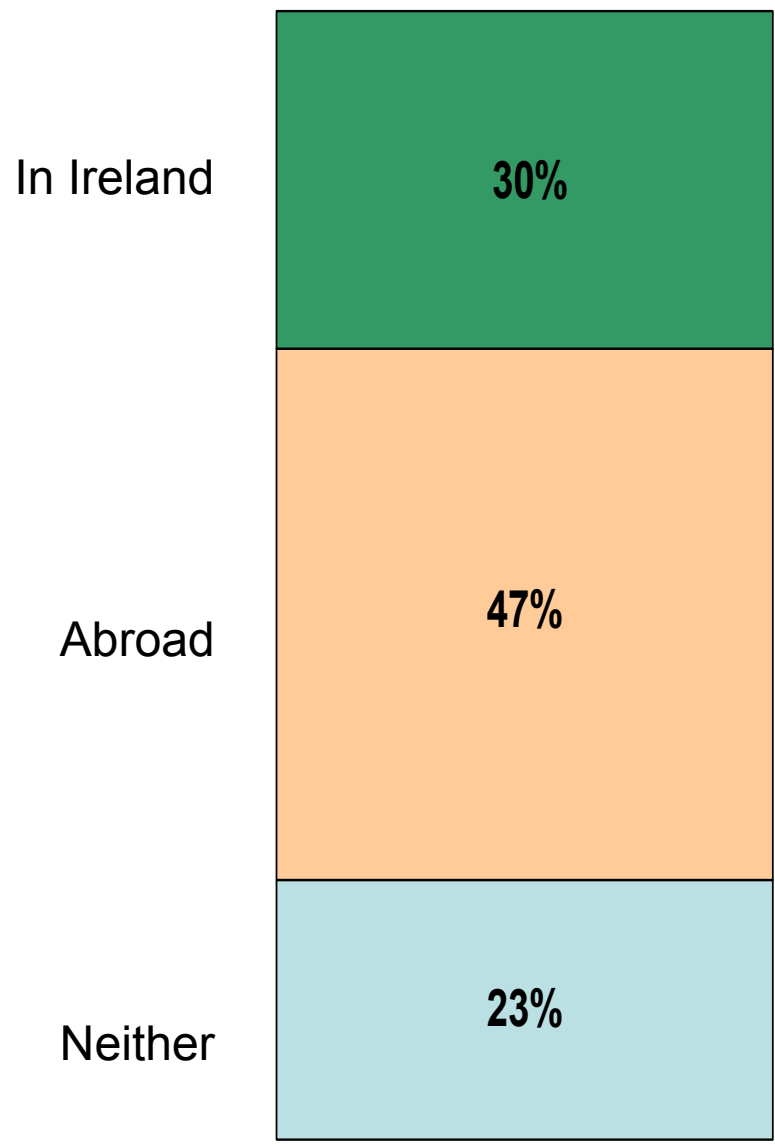
Dublin Docklands Development Model

Base: All Respondents N= 100



Property Investment Intentions for 2008

Base: All Respondents N= 100



In 2008, would you be more prepared to invest in Property Assets...

Overseas Property Investment 2008

Base: All Respondents N= 100



India

54%



UK

49%



USA

42%



Poland

42%



China

39%

Overseas Property Development 2008

Base: All Respondents N= 100



China

47%



Poland

45%



UK

42%



India

40%



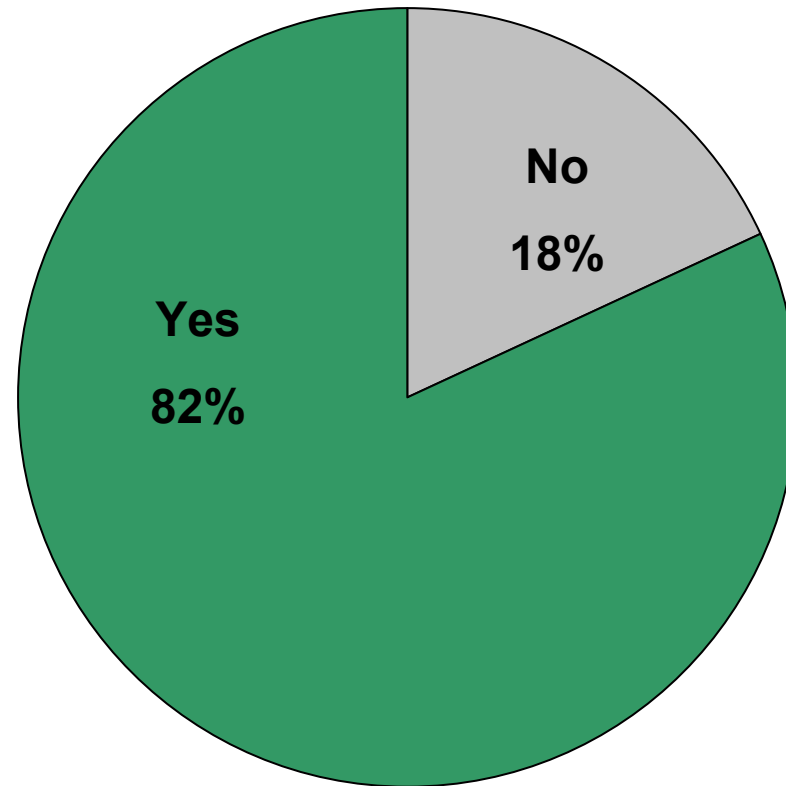
Northern Ireland

39%

And of the list below, please pick the top five locations for overseas property development in 2008?

Green Issues

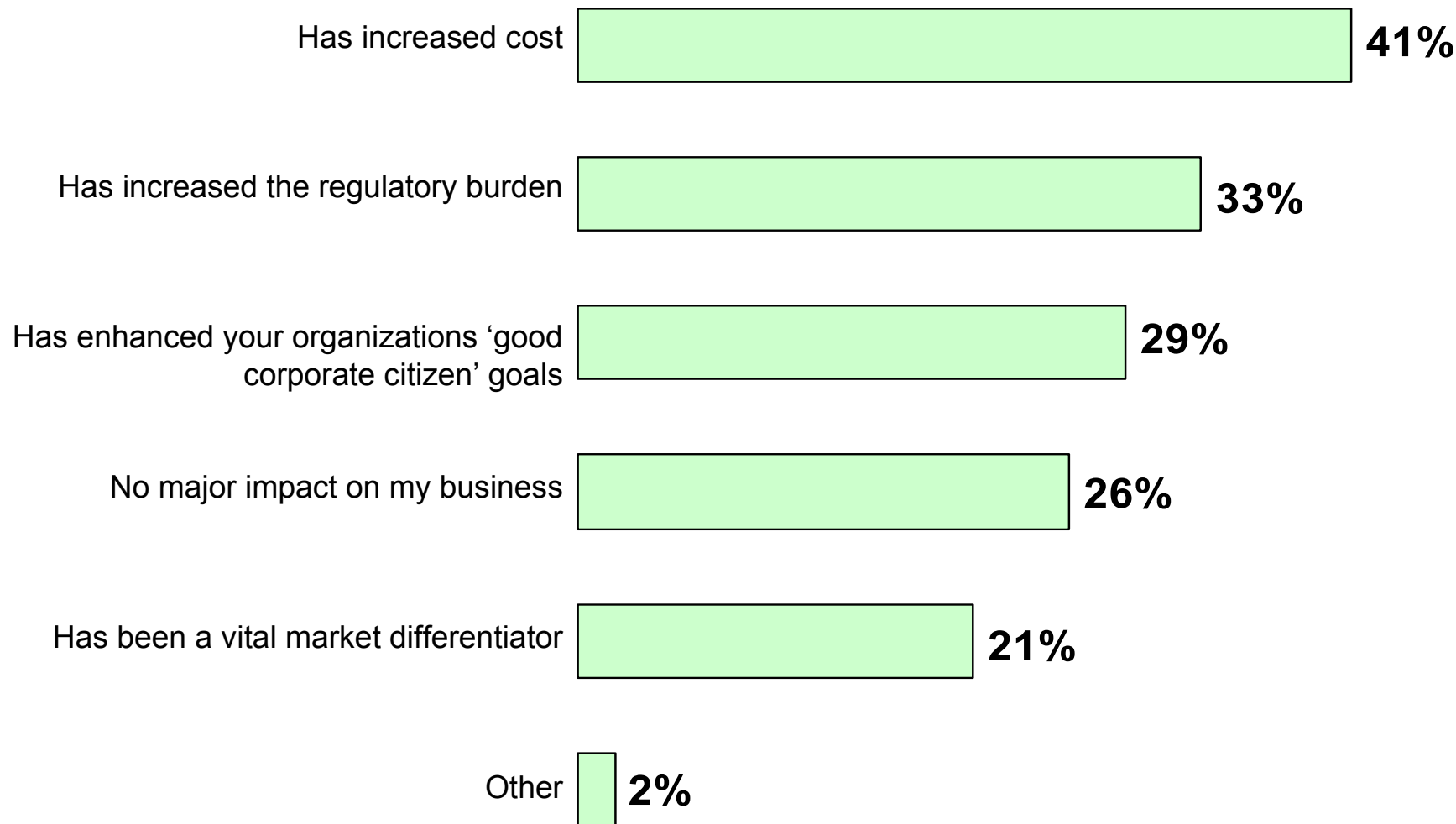
Base: All Respondents N= 100



Have green issues moved up the agenda in your business?

Impact of Increased Importance of 'Green Issues' on Business

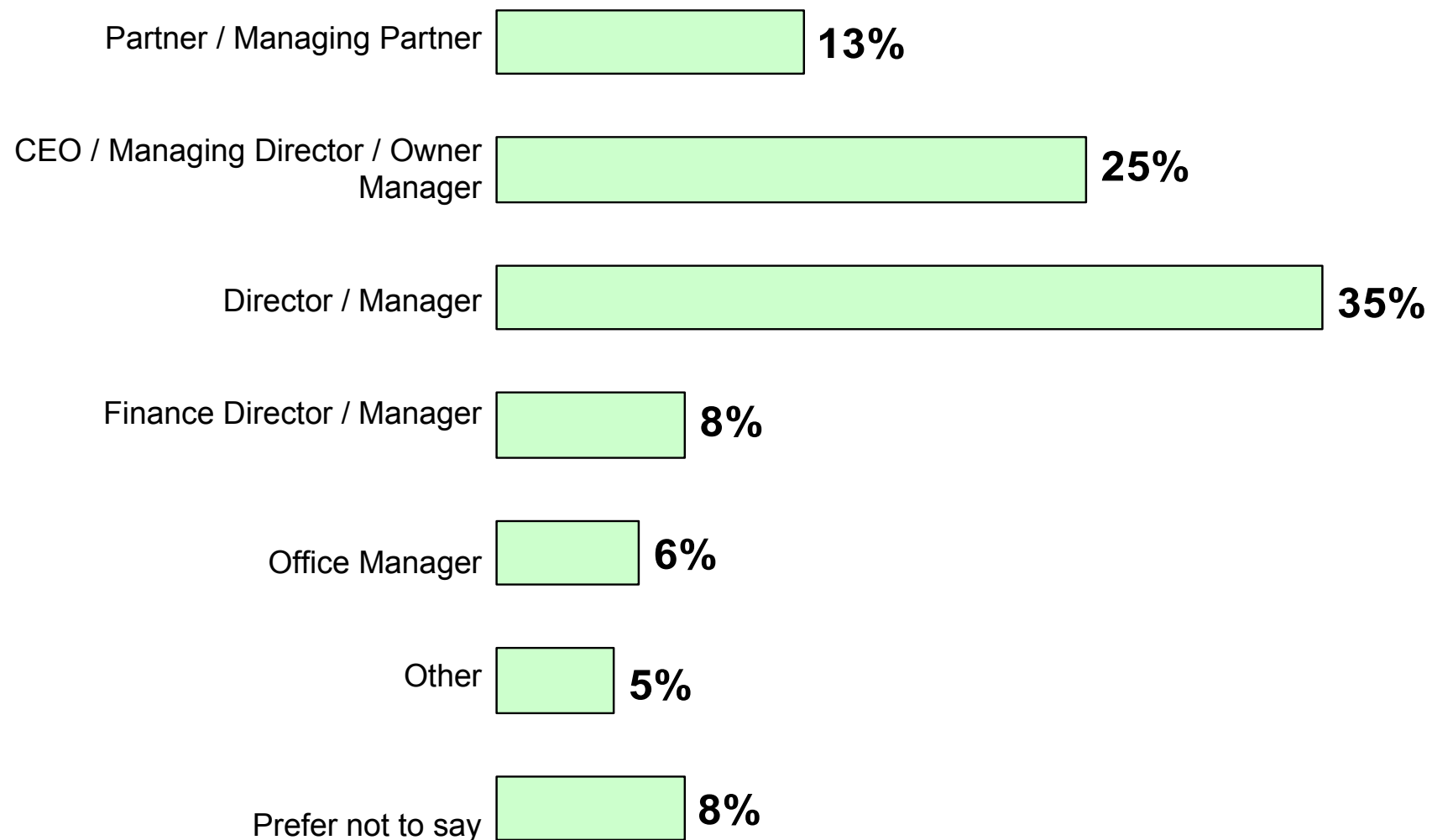
Base: All Respondents who feel Green Issue has increased in importance N=82



Which of the following do you consider to be the main constraining factors for future growth in the Irish property market in 2008?

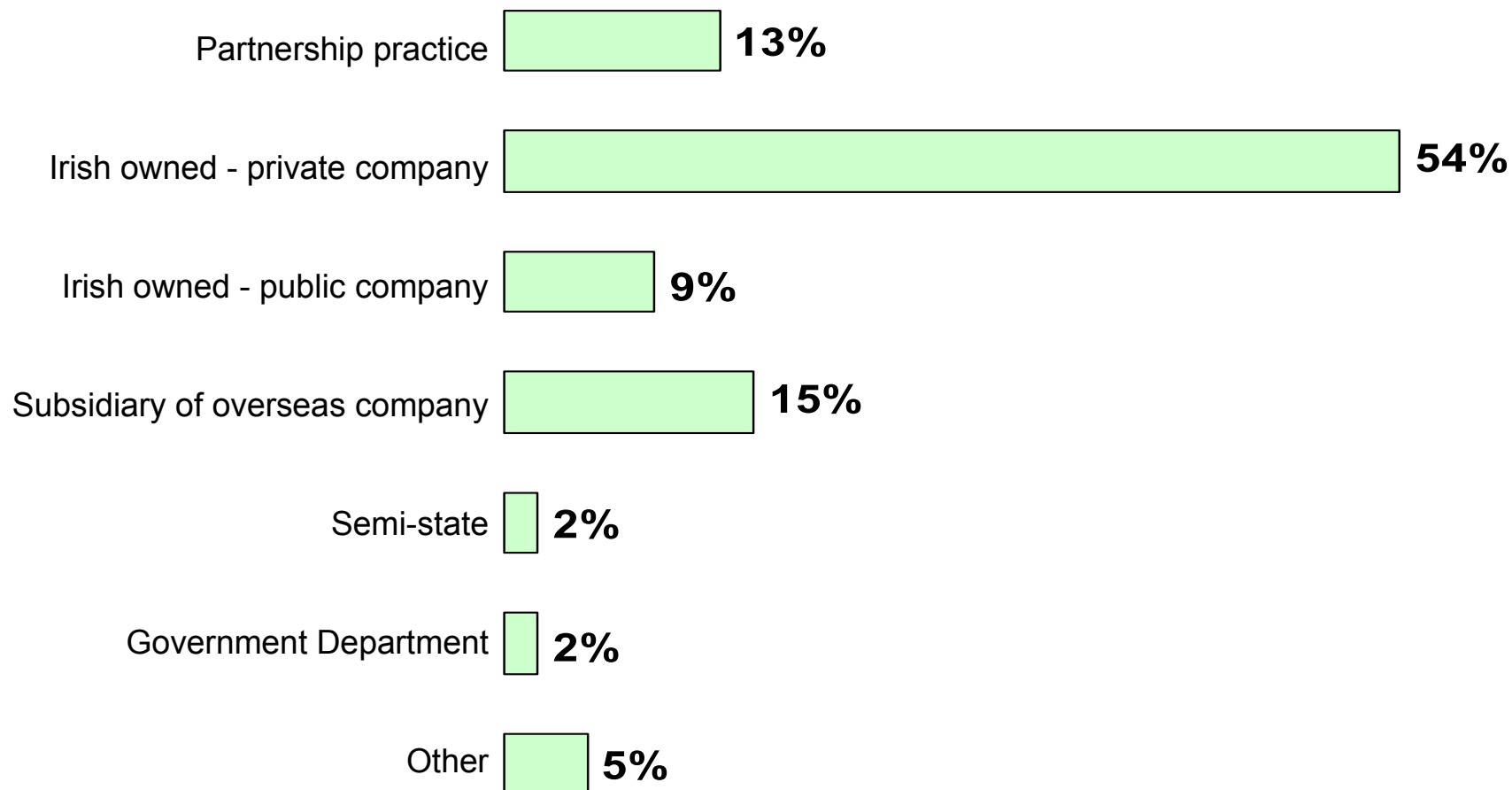
Position in Organisation

Base: All Respondents N= 100



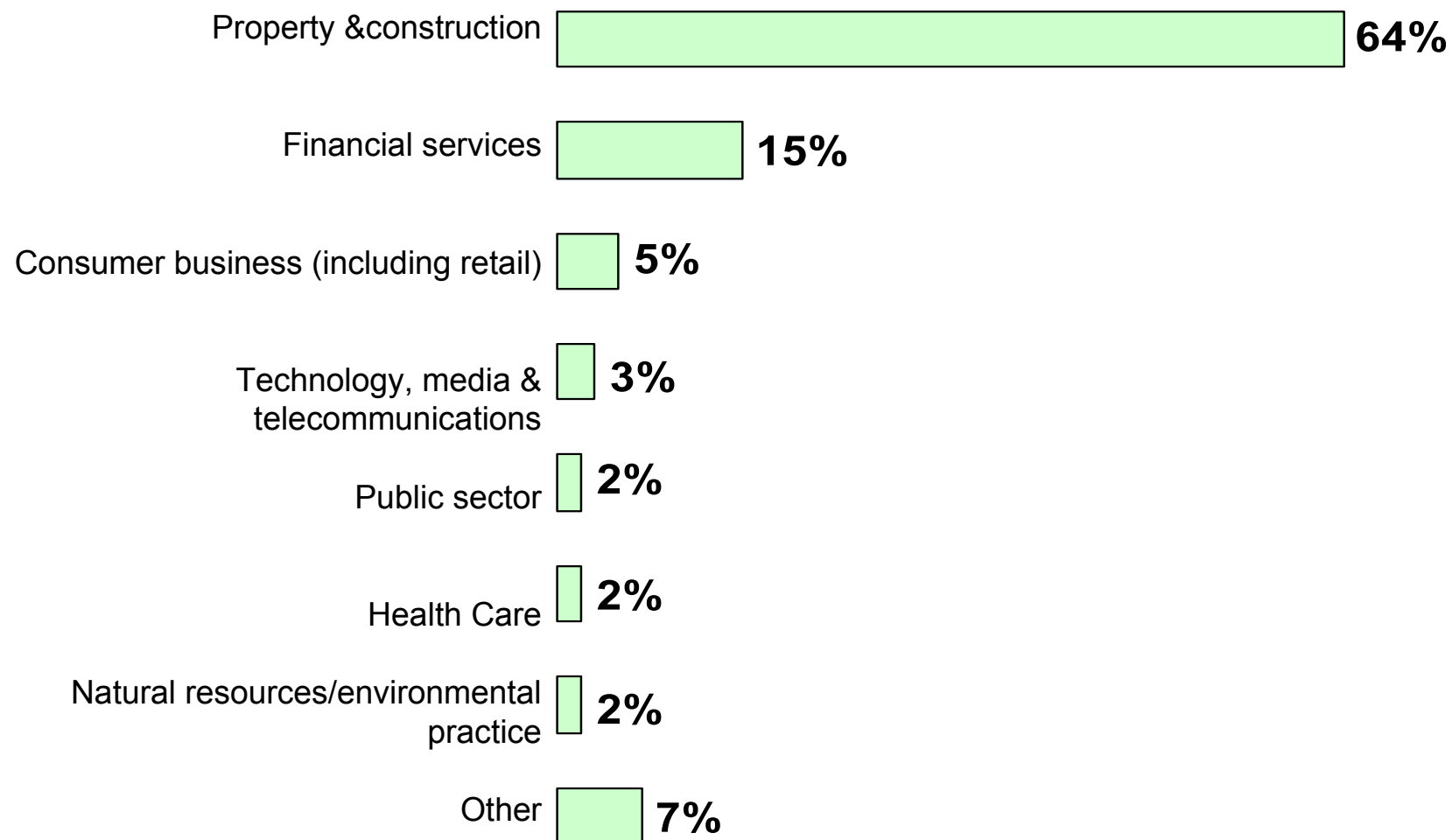
Organisation Type

Base: All Respondents N=



Industry Type

Base: All Respondents N= 100



Thank You

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Appendix: About Amárach

➤ We are Ireland's largest independent market research agency, in business since 1989.

➤ We focus on delivering two key benefits to our clients:

1. *Consumer Foresight*
– using research to say 'what next'.

2. *Business Insight*
– using research to make business decisions.

➤ We provide the full array of market research services including:

- Quantitative: face-to-face, telephone, web
- Qualitative: focus groups, in-depths, ethnographic
- Field Only: for international & domestic agencies
- International: through our UK company Market Research Partners

➤ Register for our free fortnightly ezine **consumerforesight** at: www.amarach.com

➤ Read our daily blog: www.amarachresearch.blogspot.com

amárach research **consumerforesight**
business impact through market research
8th January 2008

Spend, Spend, Spend
This year will see consumer spending exceed €35 billion - with every likelihood that it will cross the €100 billion threshold in 2009. Spending this year will be up some €15 billion on last year - indicating the scale and strength of Ireland's consumer market.

As the chart shows, the value of consumer spending will have doubled over the course of the decade if current trends continue. This means that even a modest rate of growth (say 3%–4% in volume with another 2%–3% on top due to inflation) can generate significant additional increases in the value of spending year-on-year. This in turn creates many new opportunities for businesses targeting the domestic market for start-up or growth.

Seeing trends in a decadal context also allows us to identify longer-term opportunities. In relation to consumer spending, the two biggest shifts are the growing share of services (especially personalised services such as the wellness sector) and secondly the middle-ageing of the population (with positive or negative consequences for certain sectors). So each year a larger and larger share of additional spending power will be shaped by these key trends. There are many other influences as well, of course, and we will be updating you every fortnight on the ones to watch in 2008 and beyond.

As in the previous Barometer Survey in the first quarter of 2007, staff retention and availability and pay levels are the issues of most concern, with 35% of respondents citing these factors as being of the most concern. Government regulation, cost control, interest rates, inflation and taxation levels also feature strongly as matters of concern. Significantly, despite the appreciation of the euro against the dollar and most recently sterling, only 8% of respondents cited exchange rates as a matter of concern.

Almost a half of respondents believe strongly that the lack of availability of broadband is a major issue for Irish business. Despite this concern, the considerable increase in IT expenditure that was evident in the previous Business Barometer survey looks set to continue with some 59% of respondents believing that IT expenditure will increase in 2008 compared to 2007.

A majority of respondents - 59% - approve the plans by Government to abolish the compulsory retirement age of 65, while a large majority - almost three-quarters of respondents believe that the Government should introduce compulsory pensions.

You can download the full report - CPA Amárach Business Barometer December 2007 - from the CPA Ireland web site: <http://www.cpaireland.ie/itp/contents.aspx?node=249&groupID=249&parentID=171>

A Time of Change
Breaking News: Amárach Consulting has joined forces with our sister company Research Solutions to form a new agency. Henceforth, we will be trading jointly under our new name of Amárach Jointly.

We are very excited about the benefits this will bring to our clients. By combining the research and analytical skills of both teams, we will be able to meet all our client needs through one, integrated team. We will update you through the year on more exciting developments as they unfold.

Spending the Decade
Current & Constant Value of Consumer Spending 2000 - 2010, €b/ann p.a.

Year	Current (€b/ann p.a.)	Constant (€b/ann p.a.)
2000	~10	~10
2001	~12	~12
2002	~14	~14
2003	~16	~16
2004	~18	~18
2005	~20	~20
2006	~22	~22
2007	~24	~24
2008	~26	~26
2009	~28	~28
2010	~30	~30

Confident Accountants
It isn't just Irish consumers who seem set for a buoyant 2008. Our latest survey for the Institute of Certified Public Accountants shows that even those looking after business finances are generally confident about the year ahead, though they anticipate some difficulties.

Almost three-quarters of the 364 accountants expect at least some weakening in the business climate, with one in eight

Amárach Research Blog
Our passion began the Irish and international economies developments to communications and tech blogs, trends relating to Irish consumers and various other topics.
www.amarachresearch.blogspot.com

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