

THE ITALIAN TANNING INDUSTRY IN 2016

Despite the confirmation of its international leadership in terms of value (65% of the total EU, 19% worldwide) and quality of production, 2016 was not a particularly bright year for the Italian tanning industry.

Manufacturing demand and its consumption have been affected by the **weak global economic overview**, suffering from uncertainty and political tensions that persist internationally.

The official year-end figures show **mostly negative results, although with limited intensity**. Total **production** volumes declined by 1.7% in finished leather square meters and 3.6% in kg of sole leather, while the overall decline was 3.4% in value.

Moderate slowdown even in **exports** (-5%), which still represent more than 75% of total turnover of the sector. Difficulties for shipments toward Chinese manufacturers (double digits losses both in Hong Kong and Mainland China, although it is first foreign destination of Italian leathers still) and Germany (-12%), Portugal (-12%), United Kingdom (-3%) and South Korea (-9%). Among the positive destinations, the US has shown the most significant increase: +12%; this is the seventh consecutive year of growth, for a total exported value by now over 235 million euros. Follow, as best performers for Italian tanning exports, France (+3%) and Vietnam (+5%). Among the Euro-Mediterranean offshoring markets, Romania, Poland, Tunisia and Bulgaria go down, while Albania and Serbia go up.

The analysis for **destination sectors** highlights a two speeds movement. Tanning productions for the fashion industry lost ground (leather goods -7%, footwear and apparel -2%), while upholstery increased, especially car interiors (+8%), with furniture returning to show positive signs by interrupting a decline that has continued for more than ten years.

The **first part of 2017** showed signs of partial seasonal recovery. Hope is that recovery can consolidate on a general level throughout the year.

Source: UNIC – Italian Tanners' Association

STATISTICAL TABLES

ANNUAL GENERAL MEETING 2017

Milan, June 27

THE TANNING INDUSTRY
AN EXTRAORDINARY
ITALIAN STORY



UNIC

THE HIGHLIGHTS
OF THE ITALIAN
TANNING
INDUSTRY

YEAR 2016

NOTE
Based on new statistical
surveys, a review
of the structural data
of sole leather production
was carried out with regard
to the past

COMPANIES

1,218



EMPLOYEES

17,612



VOLUME

122 million square metres
finished leather

12 thousand tons
sole leather



PRODUCTION VALUE

5 billion euro



EXPORT

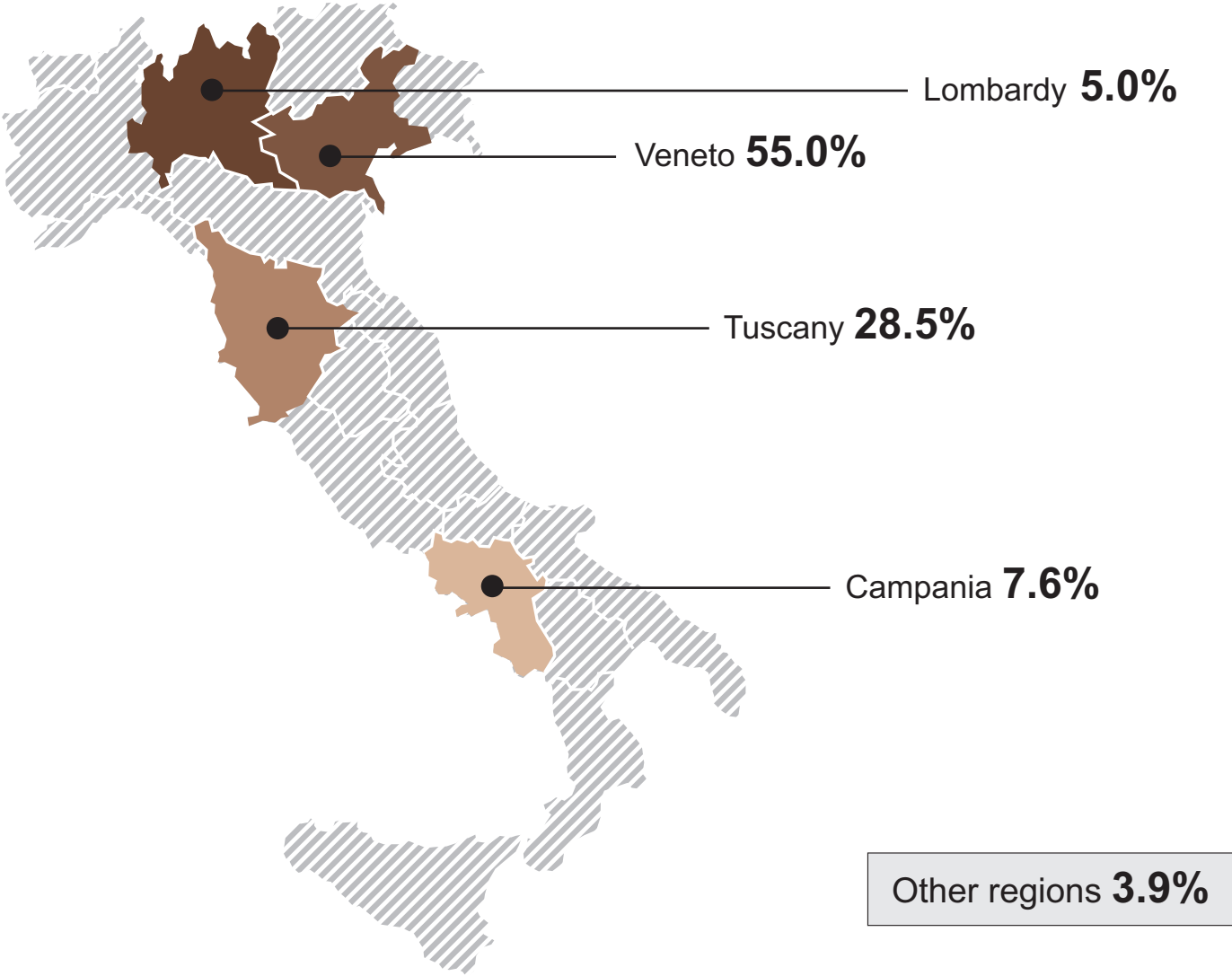
3.8 billion euro



ITALIAN
TANNING
INDUSTRY
DISTRICTS

YEAR 2016

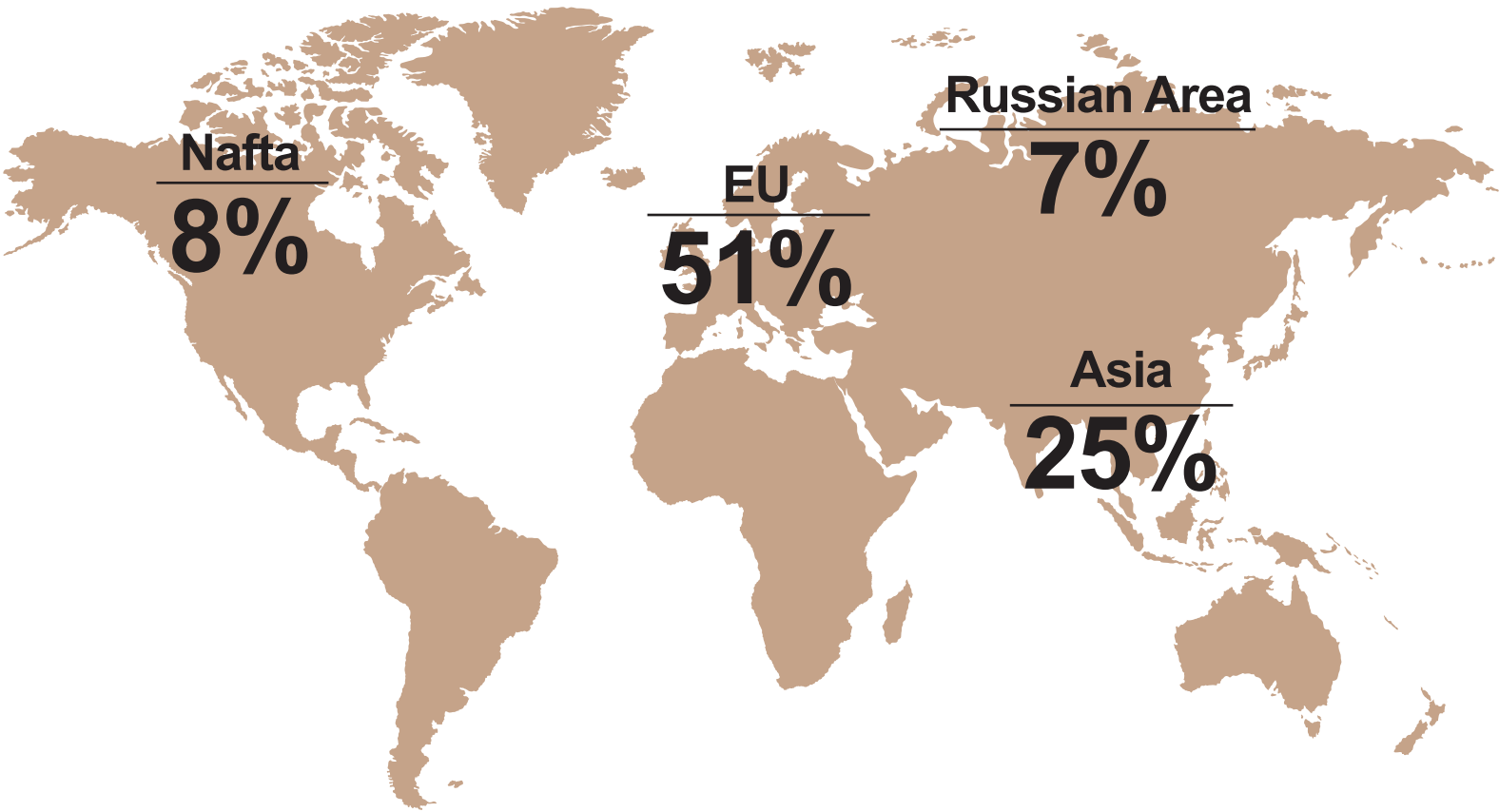
SHARE ON NATIONAL PRODUCTION



THE EXPORT
OF ITALIAN
TANNING
INDUSTRY

YEAR 2016

SHARE PER DESTINATION AREA



3.8 bn € ➡ 114 Countries

Other
9%

INTERNATIONAL
LEADERSHIP
OF ITALIAN
TANNING
INDUSTRY

YEAR 2016

IN EUROPE

65%

of production value



68%

of finished leather export
versus non-EU Countries

IN THE WORLD

19%

of production value



27%

of finished leather export

TOP TEN
DESTINATION
MARKETS
OF ITALIAN
TANNING
INDUSTRY

YEAR 2016



USA

+12%


Vietnam

+5%

France


+3%



China Area

-16%

Spain

-1%


Germany

-12%


Portugal

-12%

Romania

-5%

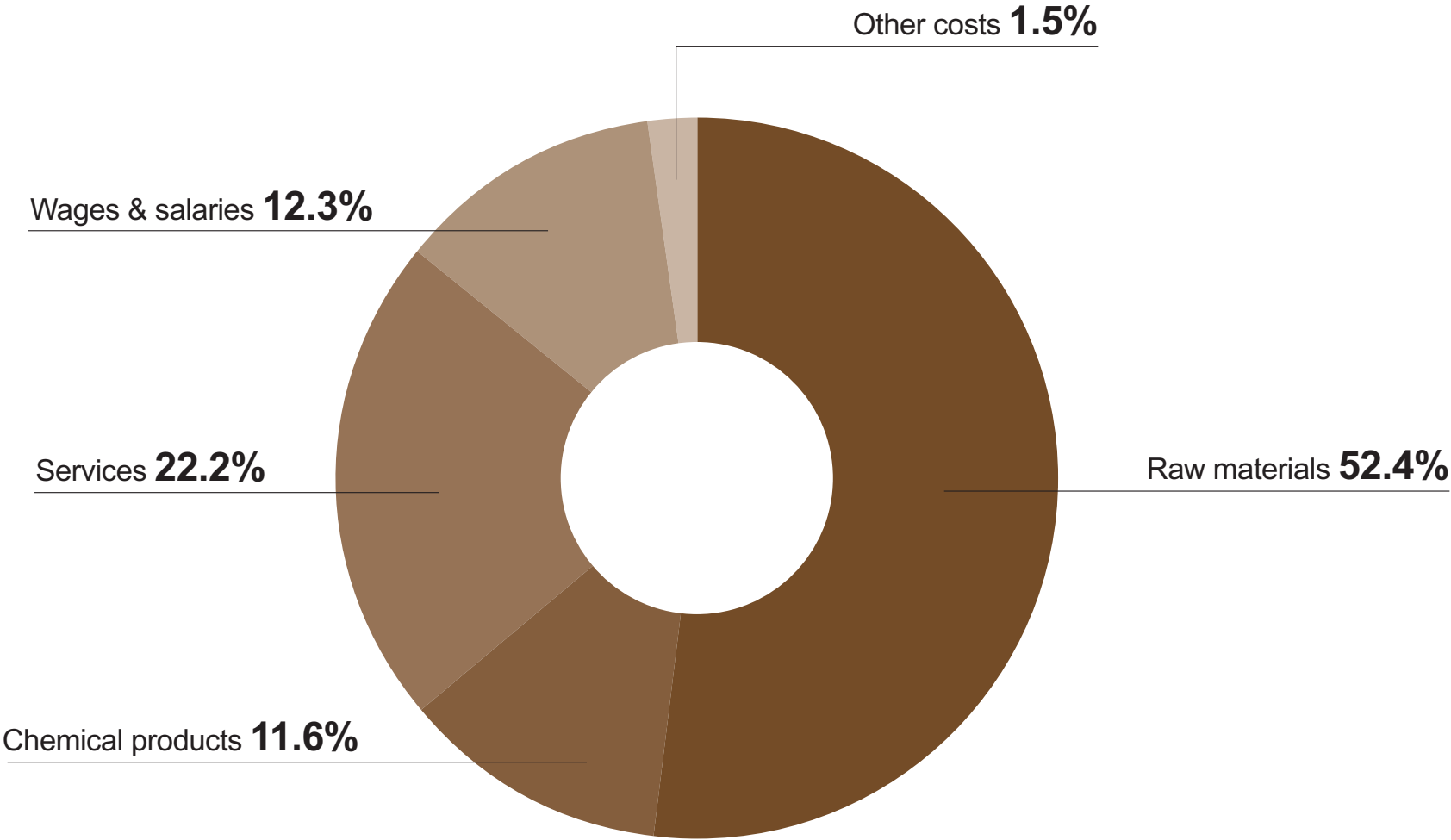
Poland

-4%

Tunisia

-13%

THE INCOME
STATEMENT
OF ITALIAN
TANNING
INDUSTRY

YEAR 2016

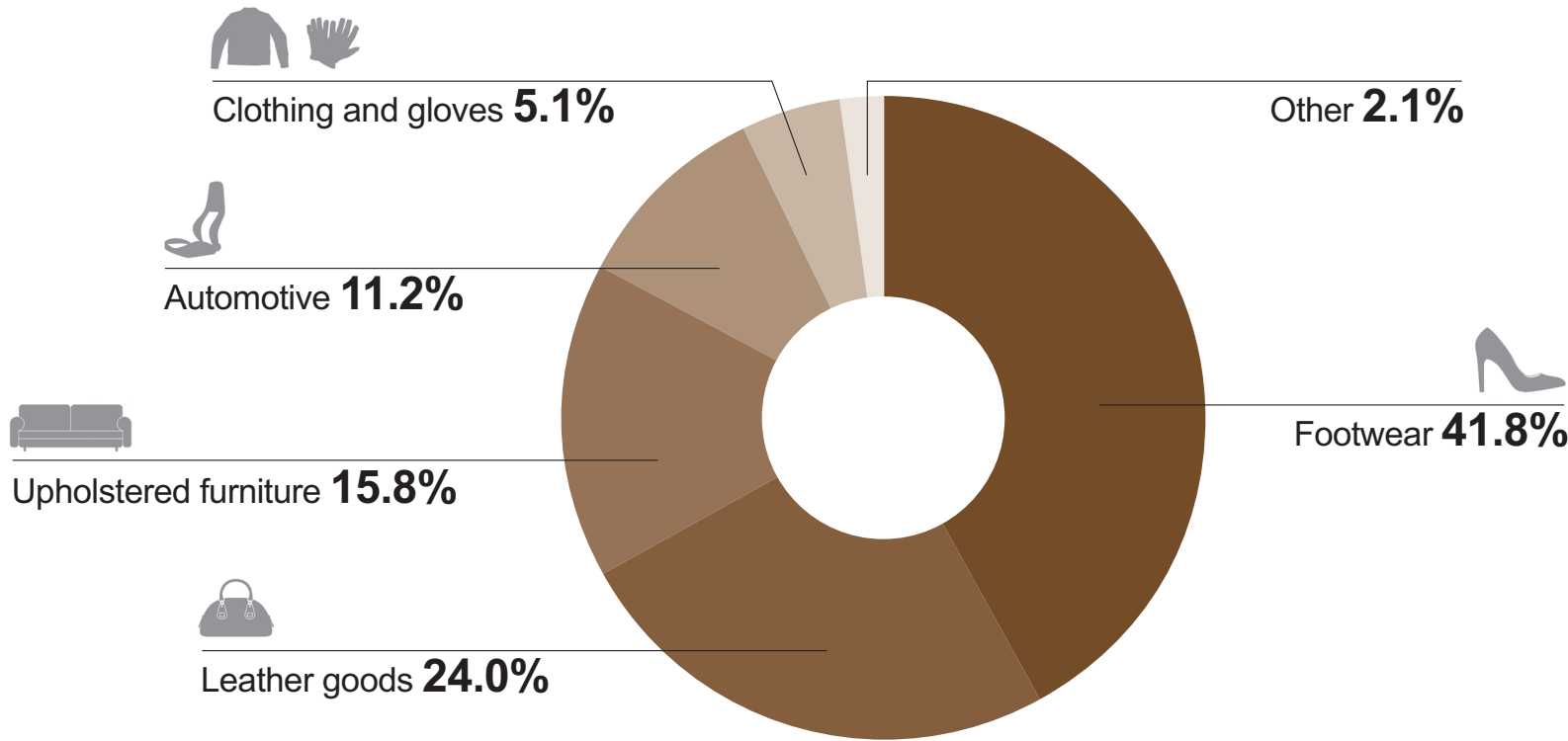
STRUCTURE OF COSTS



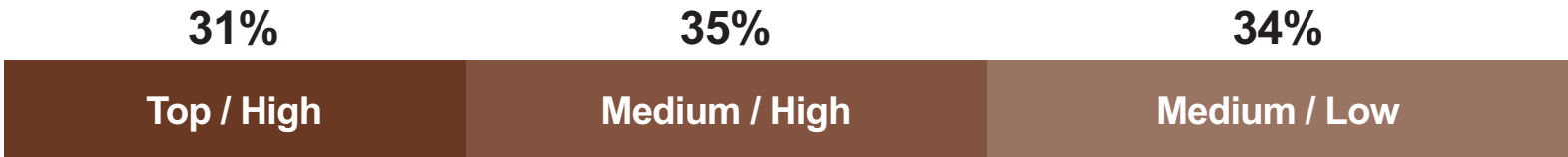
DESTINATION
SECTORS
OF ITALIAN
LEATHER

YEAR 2016

SHARE



PRICE RANGE



THE IMPORT
OF RAW HIDES
AND SEMI-
PROCESSED
LEATHER

YEAR 2016

SHARE PER DESTINATION AREA

