

The New Zealand economy continues its expansionary phase, with Auckland's skyline being dominated by the most number of cranes in the country.

Around the country 43 new cranes have been installed. Predominately these have been in Auckland and Christchurch with 13 and 18 respectively, with Wellington adding six new cranes on important projects. Total cranes seen within New Zealand reached 72 slightly down from the 76 seen in RLB's last Index in Q3 2014.

Construction work done around the country in 2014 has risen 42% from levels seen in 2012. The rebound is predominately within the residential sector increasing by 58% and non-residential sectors by 21%. This is seen in the rise in the number of cranes in both the residential and commercial sectors.

The annual value of building consents approved during 2014 were up 22.8% for new building work and up 14% for altered works over 2013 levels, giving some surety to levels of future work for the Industry.

The Reserve Banks introduction in October 2013 of its residential property loan to value ratios regime curbed the market for a time, but the Auckland market has picked up a head of steam. With low interest rates, below trend inflation and strong migration, the residential market is very strong which is evidenced by the growth in residential cranes. The numbers of residential cranes have risen in Auckland since our last Index, the commencement of six new residential projects within Auckland give a positive take on the residential sector strength.

A total of 47 cranes were removed from projects within New Zealand representing 63% of the cranes seen at our last count in Q3 2014. This is as expected with 26 cranes removed from within Christchurch. These cranes were undertaking earthquake rebuilding works within the central city area. The positive signs for Christchurch, is that for each crane removal, completion of commercial and civic assets become a reality that will bring activity and life into the central city activity zone. Projects such as the Bus interchange, The Arts Centre and projects around Hereford St, Manchester St and Oxford Terrace, are delivering the continued effort of the Christchurch Earthquake Recovery Authority.

Despite Christchurch's imminent peak in the volume of construction work for the earthquake rebuild, the construction sector will continue to remain a key component of New Zealand's growth over the next few years.

Both Hamilton and Christchurch recorded falls of five and eight respectively, offset by Wellington's strong growth in the commercial and education sectors. Queenstown and Tauranga both have cranes erected on new projects, adding to the strong positive sentiment of NZ's future construction workload.

NEW ZEALAND CRANE INDEX SUMMARY

KEY CITIES		KEY SECTORS	
AUCKLAND	↑	COMMERCIAL	↑
CHRISTCHURCH	↑	RESIDENTIAL	↑
DUNEDIN	↓	HEALTH	↑
HAMILTON	↑	EDUCATION	↓
QUEENSTOWN	↑	RETAIL	↓
TAURANGA	↑		
WELLINGTON	↑		
		CIVIC	↓
		RECREATION	↓
		HOTEL	↓
		CIVIL	↓
		OTHER	↑

LEGEND:
 INCREASE IN NUMBER OF CRANES
 DECREASE IN NUMBER OF CRANES
 CRANE NUMBERS STEADY

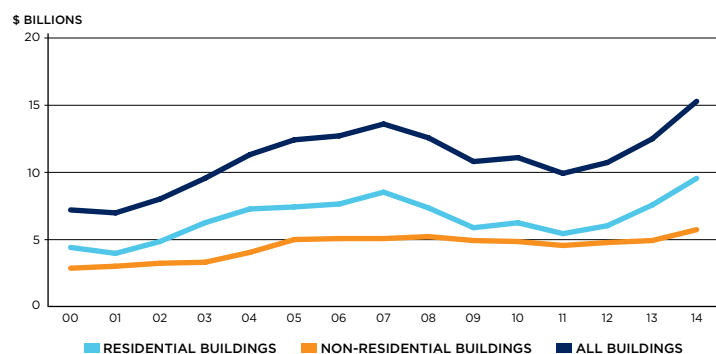
CRANE MOVEMENTS - NEW ZEALAND

	Q3 2014	%	+	-	NET	Q2 2015	%
AUCKLAND	26	34.2	13	-10	3	29	40.2
CHRISTCHURCH	31	40.8	18	-26	-8	23	31.9
HAMILTON	7	9.2	1	-6	-5	2	2.8
QUEENSTOWN	4	5.3	3	-2	1	5	6.9
DUNEDIN	1	1.3	0	0	0	1	1.4
TAURANGA	1	1.3	2	0	2	3	4.2
WELLINGTON	6	7.9	6	-3	3	9	12.5
TOTAL	76	100.0	43	-47	-4	72	100.0

KEY CONSTRUCTION SECTOR CRANE MOVEMENTS - NZ

	Q3 2014	%	+	-	NET	Q2 2015	%
COMMERCIAL	31	43.4	28	-23	6	36	54.2
RESIDENTIAL	13	17.1	8	-6	2	15	20.8
HEALTH	3	3.9	0	-2	-2	1	1.4
EDUCATION	5	6.6	2	-2	0	5	6.9
RETAIL	3	1.3	1	-1	-1	3	0.0
CIVIC	1	1.3	1	-1	0	1	1.4
RECREATION	0	0.0	0	0	0	0	0.0
HOTEL	1	1.3	0	0	0	1	1.4
CIVIL	9	11.8	3	-3	0	9	12.5
OTHER	10	13.2	0	-9	-9	1	1.4
TOTAL	76	100.0	43	-47	-4	72	100.0

ANNUAL CONSTRUCTION WORK DONE - NEW ZEALAND



Source: Statistics New Zealand

AUCKLAND

Since RLB's first New Zealand Crane Index in March 2014, RLB has seen strong growth in the residential and commercial sectors of the Auckland construction industry. The latest RLB Crane Index highlights 29 cranes within Auckland's skyline. This is a gain of 3 cranes from our last Index in Q3 2014, but a growth of 8 cranes from those observed 12 months ago. The installation of cranes on 5 new commercial sites is significant for the city.

The increase in construction work in Auckland is highlighted by the strong residential performance. Residential construction work done has jumped 43% since 2012 with non-residential work done up 25%.

Thirteen new cranes rose on Auckland's skyline since the last Index undertaken by RLB in Q3 2014. Five of the new cranes are each on Dominion Road in St Albans, Lynn Mall Cinemas and Dining, Goodman's Building C in Wynyard, Victoria St office development and the Mansons on Victoria St which are all within the commercial sector. Further cranes have been erected at the ATC Theatre in Wynyard, and at residential projects at the Rothesay Bay Apartments, Hobson St, Summit in Karangahape Rd and the Rose Gardens.

Auckland's skyline is dominated by residential projects which represent 37 % off all cranes, followed by civil project with 22% and commercial with 19%.

Cranes remain on construction sites at the University of Auckland's Science Centre and the Accor Hotel conversion project. A further crane was erected for the Waterview Tunnel Motorway & Bridges project bringing total cranes working on the project to three, while other civil projects, the Te Atatu Interchange maintained two cranes and the Lincoln Road Motorway widening project removed one crane. The new Fonterra HQ and the Cider Building office development also continue to be under construction.

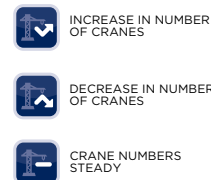
A total of ten cranes were removed from sites around Auckland. Cranes were removed from residential sites in Ponsonby, Remuera, Ellerslie, the Altera apartments in Stonefields and the Manukau Central Apartments. Cranes were also removed from the Westgate Pak'n'Save retail development and the Manukau Courts.

The Sugar Tree Apartments, The Poynton Retirement Village project on Shakespeare Rd, Howe St residential project together with three residential projects in Eden Terrace and Mount Eden, all have cranes remaining from the last Index.

OVERALL STATUS



LEGEND



CRANE INDEX SECTOR SUMMARY

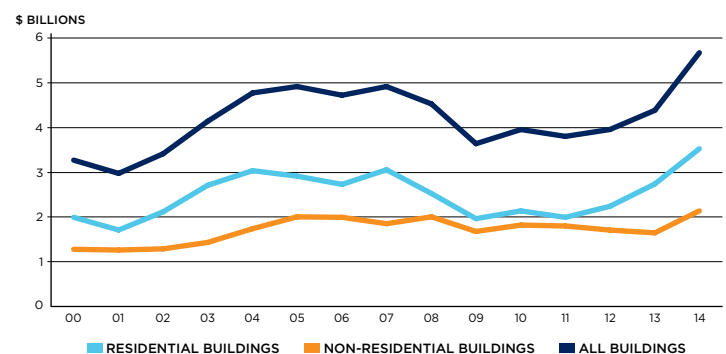
KEY SECTORS

COMMERCIAL	↑
RESIDENTIAL	↑
HEALTH	↓
EDUCATION	↓
RETAIL	↑
CIVIC	↓
RECREATION	↓
HOTEL	↓
CIVIL	↓
OTHER	↑

CONSTRUCTION SECTOR CRANE MOVEMENTS

	Q3 2014	%	+	-	NET	Q2 2015	%
COMMERCIAL	0	0.0	5	0	5	5	17.2
RESIDENTIAL	11	42.3	6	-5	-1	12	41.0
HEALTH	1	3.8	0	0	0	1	3.4
EDUCATION	2	7.7	0	0	0	2	6.9
RETAIL	1	3.8	0	-1	-1	0	0.0
CIVIC	1	3.8	1	-1	0	1	3.5
RECREATION	0	0.0	0	0	0	0	0.0
HOTEL	1	3.8	0	0	0	1	3.5
CIVIL	6	23.1	1	-1	0	6	20.7
OTHER	3	11.5	0	-2	-2	1	3.5
TOTAL	26	100.0	13	-10	3	29	100.0

ANNUAL CONSTRUCTION WORK DONE - NORTHLAND AND CENTRAL AUCKLAND



CHRISTCHURCH

The number of cranes on Christchurch's skyline has dropped by 26% compared to the last crane count. 23 cranes were sighted during the recent RLB Crane Index. Commercial developments have been dominating the construction sector over the past six months and they represent 94% of all cranes in the city. 4% of the cranes belong to civil projects.

The value of construction work done in 2014 within the Canterbury region was \$4.0b, up \$1.1b from 2013 results. This 39% increase is reflected in the considerable housing construction being undertaken in Christchurch. Non-residential construction work was up 23% from 2013 levels during 2014.

The removal of cranes is seen as positive as more buildings that are stabilised together with the completion of new assets will be a strong indication that the rejuvenation of the civic centre after the devastation of the earthquake is finally starting to take shape. Even though 26 cranes were removed since the last Index, 18 new cranes have been counted on 11 new commercial and civil sites, highlighting the ongoing nature of the rebuild.

Additional cranes have been sighted on existing projects at 200 Tuam St, Justice Precinct, Awley Development and at Cashel Square.

New cranes that have been observed include construction sites at 171 Victoria St, Cnr Walker and Durham St South, Cnr St Asaph and Manchester St, 221 Tuam St, Bus Interchange, 164 Hereford St, Cnr Cashel and Manchester St, 254 Montreal St, The Arts Centre Christchurch, Cnr Manchester and Oxford Tce, 322-332 Manchester St.

Within the education sector, heavy work has been completed at Christ's College together with removals at the Southern Cross Hospital as part of the health sector.

Cranes have also been removed from 550 Colombo St, 90 Hereford St, Cnr Hereford and Durham St, Bridge of Remembrance, 37 Hereford St, 88 Worcester Blvd, 129 Gloucester St, 145 Gloucester St, 165 Gloucester St, 264 Tuam St, 12 Moorhouse Ave, 47 Hereford St, Cnr Park Tce and Armagh St, Christ's College, Botanical Gardens, Southern Cross Hospital, 213 Fitzgerald Ave, 138 Victoria St, 299 Durham St and 141 Cambridge Tce.

OVERALL STATUS



LEGEND

- INCREASE IN NUMBER OF CRANES
- DECREASE IN NUMBER OF CRANES
- CRANE NUMBERS STEADY

CRANE INDEX SECTOR SUMMARY

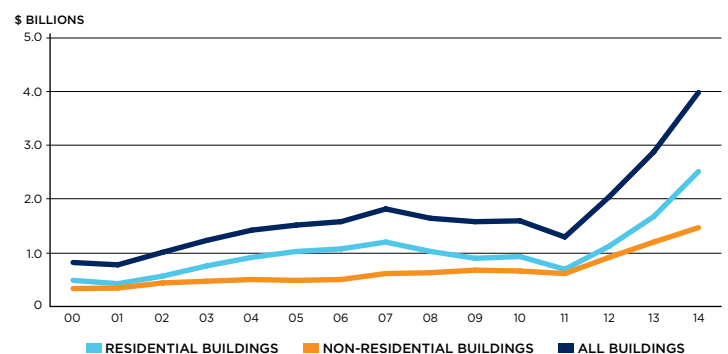
KEY SECTORS

COMMERCIAL	
RESIDENTIAL	
HEALTH	
EDUCATION	
RETAIL	
CIVIC	
RECREATION	
HOTEL	
CIVIL	
OTHER	

CONSTRUCTION SECTOR CRANE MOVEMENTS

	Q3 2014	%	+	-	NET	Q2 2015	%
COMMERCIAL	22	71.0	17	-17	0	22	95.7
RESIDENTIAL	0	0.0	0	0	0	0	0.0
HEALTH	2	6.5	0	-2	-2	0	0.0
EDUCATION	1	3.2	0	-1	-1	0	0.0
RETAIL	0	0.0	0	0	0	0	0.0
CIVIC	0	0.0	0	0	0	0	0.0
RECREATION	0	0.0	0	0	0	0	0.0
HOTEL	0	0.0	0	0	0	0	0.0
CIVIL	0	0.0	1	0	1	1	4.3
OTHER	6	19.4	0	-6	-6	0	0.0
TOTAL	31	100.0	18	-26	-8	23	100.0

ANNUAL CONSTRUCTION WORK DONE - CANTERBURY



HAMILTON

South of Auckland and in the Bay of Plenty region, construction work done is also showing positive trends. During 2014, total works done in the region were \$2b, 32.5% above 2012 levels and 11% above 2013 results. Residential work done during 2014 was 50% above 2012 levels and non-residential work done up by 10%.

Even though there are only a total of two cranes currently in the Hamilton skyline, a sharp decrease from 7 in the last crane count, the imminent openings of the Infant Formula Factory on Gallagher Drive, the Mainfreight new depot on Ruffell Road and the Fast Fitness development sites will enable employment opportunities in these new facilities. Waikato University Law block on Knighton Road remains under construction with one crane on site, while Ebbitts Prestige commercial development on Grey St has commenced, and a new crane installed.

OVERALL STATUS



LEGEND

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- DECREASE IN NUMBER OF CRANES
- CRANE NUMBERS STEADY

CRANE INDEX SECTOR SUMMARY

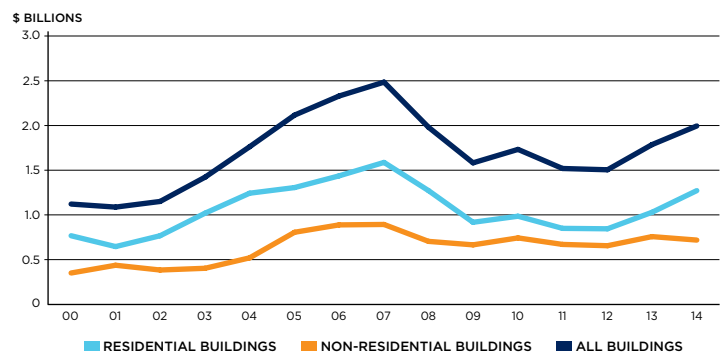
KEY SECTORS

COMMERCIAL	
RESIDENTIAL	
HEALTH	
EDUCATION	
RETAIL	
CIVIC	
RECREATION	
HOTEL	
CIVIL	
OTHER	

CONSTRUCTION SECTOR CRANE MOVEMENTS

	Q3 2014	%	+	-	NET	Q2 2015	%
COMMERCIAL	5	71.4	1	-5	-4	1	50.0
RESIDENTIAL	0	0.0	0	0	0	0	0.0
HEALTH	0	0.0	0	0	0	0	0.0
EDUCATION	1	14.3	0	0	0	1	50.0
RETAIL	0	0.0	0	0	0	0	0.0
CIVIC	0	0.0	0	0	0	0	0.0
RECREATION	0	0.0	0	0	0	0	0.0
HOTEL	0	0.0	0	0	0	0	0.0
CIVIL	0	0.0	0	0	0	0	0.0
OTHER	1	14.3	0	-1	-1	0	0.0
TOTAL	7	100.0	1	-6	-5	2	100.0

ANNUAL CONSTRUCTION WORK DONE - SOUTH AUCKLAND & BAY OF PLENTY



TAURANGA

Tauranga has had a significant increase in the number of cranes in this crane count.

Currently, there are a total of 3 cranes operating within the city. Tauranga's Eastern Link highway project, a project of strategic national significance, is the Bay of Plenty's largest roading project.

The number of cranes on the project has doubled from one to two since RLB's last Index.

The construction of Trustpower's new Head Office building in Durham Street has now commenced and a new crane has been installed.

OVERALL STATUS



LEGEND

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CRANE INDEX SECTOR SUMMARY

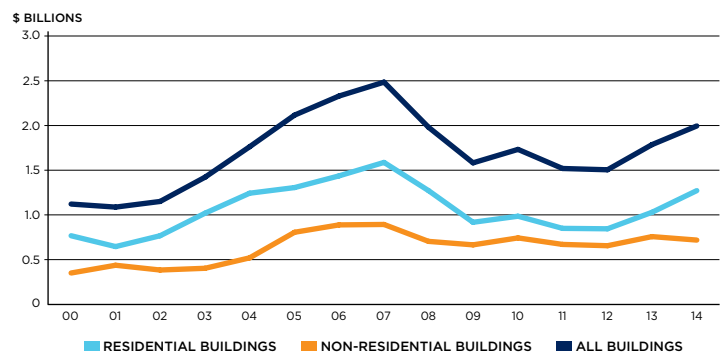
KEY SECTORS

COMMERCIAL	
RESIDENTIAL	
HEALTH	
EDUCATION	
RETAIL	
CIVIC	
RECREATION	
HOTEL	
CIVIL	
OTHER	

CONSTRUCTION SECTOR CRANE MOVEMENTS

	Q3 2014	%	+	-	NET	Q2 2015	%
COMMERCIAL	0	0.0	1	0	1	1	33.3
RESIDENTIAL	0	0.0	0	0	0	0	0.0
HEALTH	0	0.0	0	0	0	0	0.0
EDUCATION	0	0.0	0	0	0	0	0.0
RETAIL	0	0.0	0	0	0	0	0.0
CIVIC	0	0.0	0	0	0	0	0.0
RECREATION	0	0.0	0	0	0	0	0.0
HOTEL	0	0.0	0	0	0	0	0.0
CIVIL	1	100.0	1	0	1	2	66.7
OTHER	0	0.0	0	0	0	0	0.0
TOTAL	1	100.0	2	0	2	3	100.0

ANNUAL CONSTRUCTION WORK DONE - SOUTH AUCKLAND & BAY OF PLENTY



OTAGO (QUEENSTOWN & DUNEDIN)

Queenstown has added three new cranes to add to the picturesque backdrop of the Remarkables. The construction work done increases of the North Island and Canterbury haven't been felt as strongly in the South during 2014, but building activity is still positive with a net increase in the number of cranes in Queenstown. Construction work done in the South Island (excl. Canterbury) has only shown a 2% increase over 2013 results. Residential was up 3% and non-residential down 1%.

The positive aspects of Queenstown's economy is that it has a total of 5 cranes in the air at RLB's last count. At Frankton, an additional crane has been installed at the Five Mile Gateway retail centre making two and one remains on the Landings retail project.

One new crane has been erected in Millbrook on a residential project together with another on Glenda Drive for a commercial project.

Two Cranes have been removed from the Shotover Primary School and 9 Shotover St

Dunedin's sole crane is still assisting the redevelopment of the historic NZ Loan and Mercantile building

OVERALL STATUS



LEGEND

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CRANE INDEX SECTOR SUMMARY

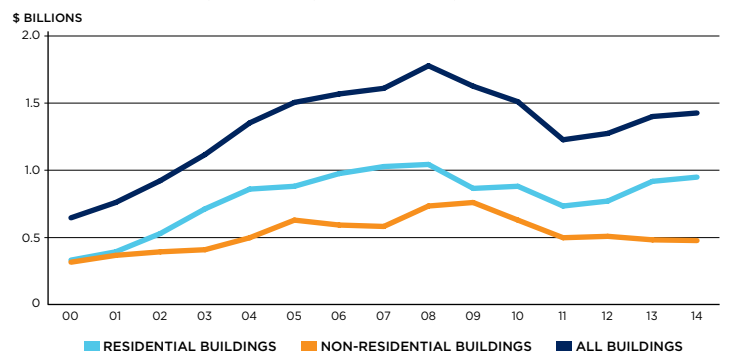
KEY SECTORS

COMMERCIAL	
RESIDENTIAL	
HEALTH	
EDUCATION	
RETAIL	
CIVIC	
RECREATION	
HOTEL	
CIVIL	
OTHER	

CONSTRUCTION SECTOR CRANE MOVEMENTS

	Q3 2014	%	+	-	NET	Q2 2015	%
COMMERCIAL	1	20.0	1	-1	0	1	16.7
RESIDENTIAL	1	20.0	1	0	1	2	33.3
HEALTH	0	0.0	0	0	0	0	0.0
EDUCATION	1	20.0	0	-1	-1	0	0.0
RETAIL	2	40.0	1	0	1	3	50.0
CIVIC	0	0.0	0	0	0	0	0.0
RECREATION	0	0.0	0	0	0	0	0.0
HOTEL	0	0.0	0	0	0	0	0.0
CIVIL	0	0.0	0	0	0	0	0.0
OTHER	0	0.0	0	0	0	0	0.0
TOTAL	5	100.0	3	-2	1	6	100.0

ANNUAL CONSTRUCTION WORK DONE - MARLBOROUGH, NELSON, WESTLAND, OTAGO AND SOUTHLAND



WELLINGTON

RLB has observed a 50% increase in the number of cranes in Wellington to the previous count at Q3 2014. The total number of cranes in Wellington has increased from six to nine cranes.

A total of six new cranes have commenced work in Wellington since RLB's last Index. Three cranes have been erected at the Ministry of Health development, one each at the Ministry of Education's refurbishment and in Victoria Street for a new residential project and two cranes at Victoria University's new Sciences Block.

Cranes remain on the Wigan St apartments, the Terrace and Waterloo Quay projects.

One crane was removed from the Taranaki St apartment site and two removed from The Buckle St Tunnel project.

OVERALL STATUS



LEGEND

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- DECREASE IN NUMBER OF CRANES
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CRANE INDEX SECTOR SUMMARY

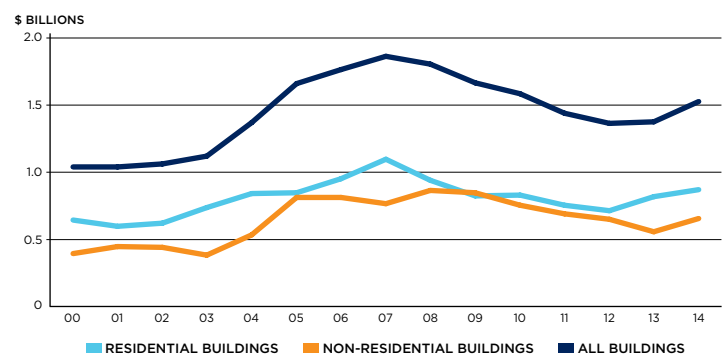
KEY SECTORS

COMMERCIAL	
RESIDENTIAL	
HEALTH	
EDUCATION	
RETAIL	
CIVIC	
RECREATION	
HOTEL	
CIVIL	
OTHER	

CONSTRUCTION SECTOR CRANE MOVEMENTS

	Q3 2014	%	+	-	NET	Q2 2015	%
COMMERCIAL	3	50.0	3	0	3	6	66.7
RESIDENTIAL	1	16.7	1	-1	0	1	11.1
HEALTH	0	0.0	0	0	0	0	0.0
EDUCATION	0	0.0	2	0	2	2	22.2
RETAIL	0	0.0	0	0	0	0	0.0
CIVIC	0	0.0	0	0	0	0	0.0
RECREATION	0	0.0	0	0	0	0	0.0
HOTEL	0	0.0	0	0	0	0	0.0
CIVIL	2	33.3	0	-2	-2	0	0.0
OTHER	0	0.0	0	0	0	0	0.0
TOTAL	6	100.0	6	-3	3	9	100.0

ANNUAL CONSTRUCTION WORK DONE - WELLINGTON



For further comments, please contact:

Chris Haines

Director - RLB Auckland
+64 9 309 1074
chris.haines@nz.rlb.com

Stephen Ballesty

Director of Research & Development
+61 2 9922 2277
stephen.ballesty@au.rlb.com

John Cross

Oceania Manager, Research & Development
+61 3 9690 6111
john.cross@au.rlb.com

rlb.com

ABOUT THE RLB CRANE INDEX®

Rider Levett Bucknall's RLB Crane Index® is published biannually in Australia, New Zealand, USA, Gulf States and Southern Africa. The New Zealand Crane Index tracks the numbers of cranes in significant cities of New Zealand. The count gives a simplified measure of the current state of the construction industry's workload in each of these locations. Each RLB office physically counts all fixed cranes appearing on each city's skyline twice yearly which provides the base information for the Index.