CONSTRUCTION INDUSTRY FEDERATION

CIF Construction Outlook Survey

Quarter 4 2025

Background & Objectives

To provide the CIF with an ongoing tracker of members' sentiment towards the current and future performance of the construction sector

The survey measures the performance of the sector in the previous quarter (Q3: July - September 2025) and the likely future performance of the sector in the next 3-month period (Q4: October - December 2025)

Key sectoral issues benchmarked per quarter include:

- Business turnover
- Revenue generated by new orders
- Employment levels
- Cost of labour
- Cost of raw materials
- Pricing charged for goods and services
- Key challenges facing employers
- Public works projects

In addition, the survey examined members attitudes towards a number of issues impacting the sector

Methodology

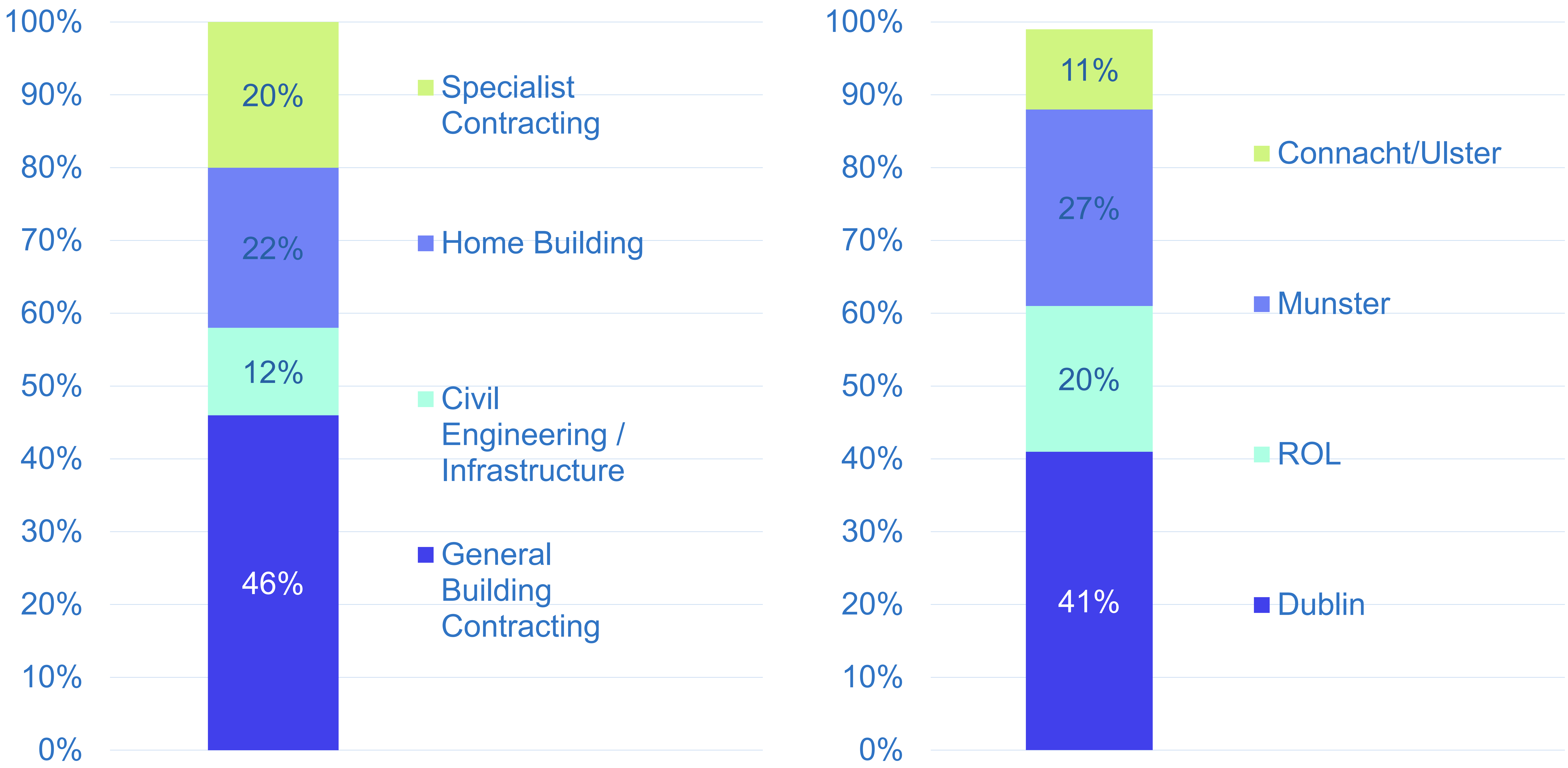
- Research was conducted via an online survey with 220 CIF members

- A sample of 220 companies was achieved which delivers a margin of error of approximately (+ or – 6.5%)

- All surveys were conducted between 7th November – 3rd December 2025

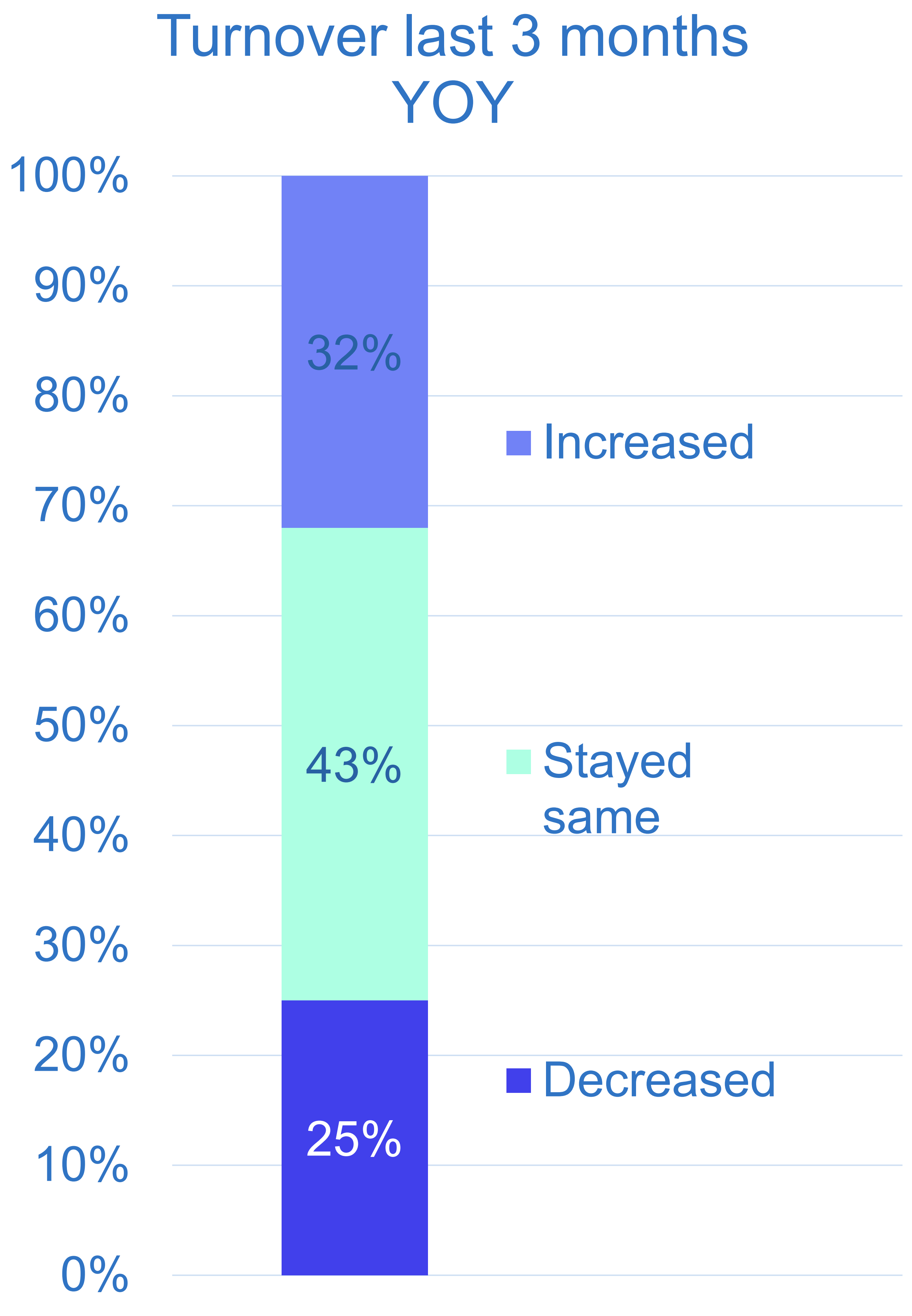
Key Findings

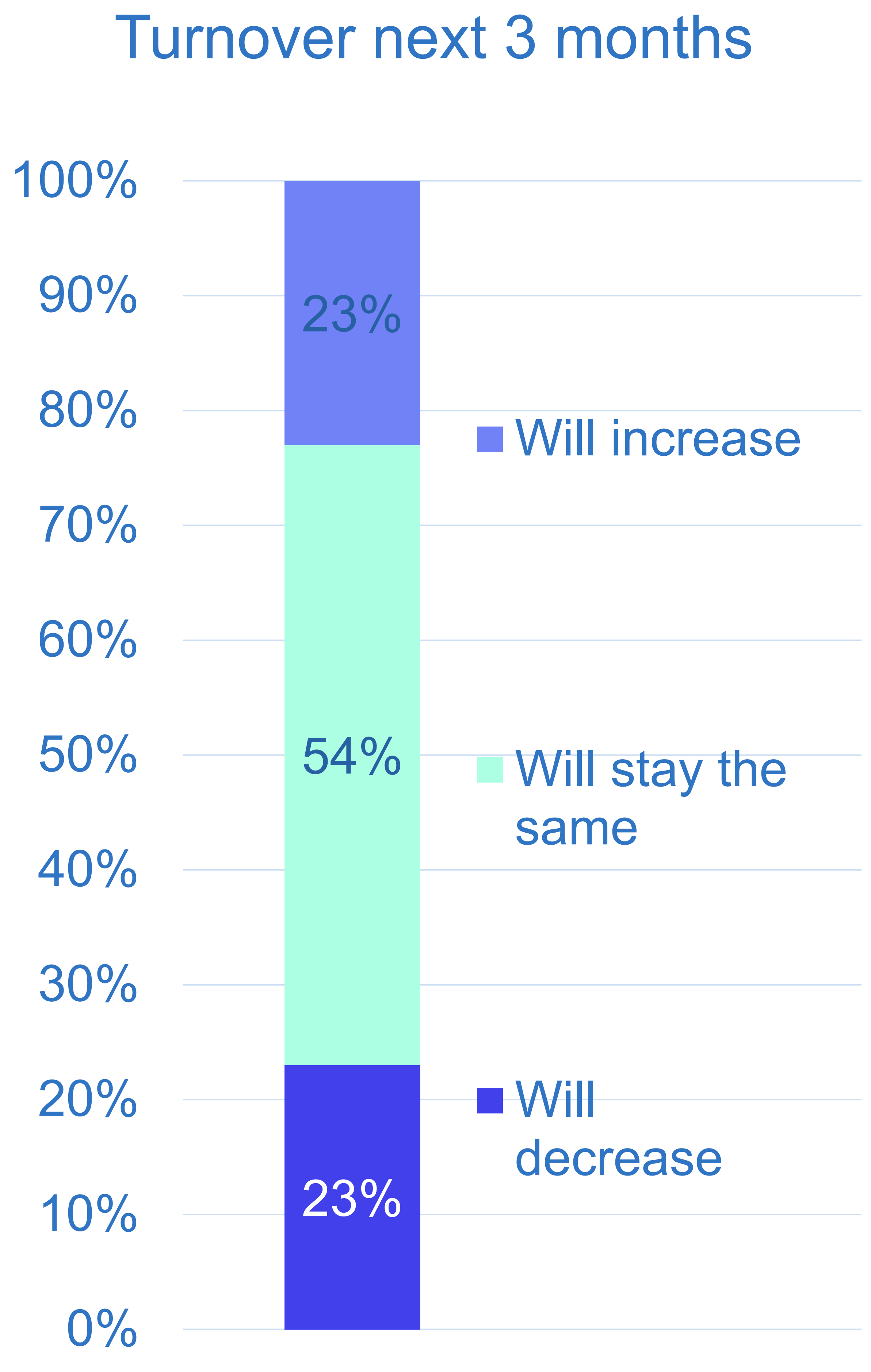
Sample Breakdown by Company Category



(Base: All respondents = 220)

Business Turnover Last 3 Months v Next 3 Months





32%

of companies report a YOY increase in turnover in Q3 2025

23%

of companies anticipate turnover will increase in Q4 2025

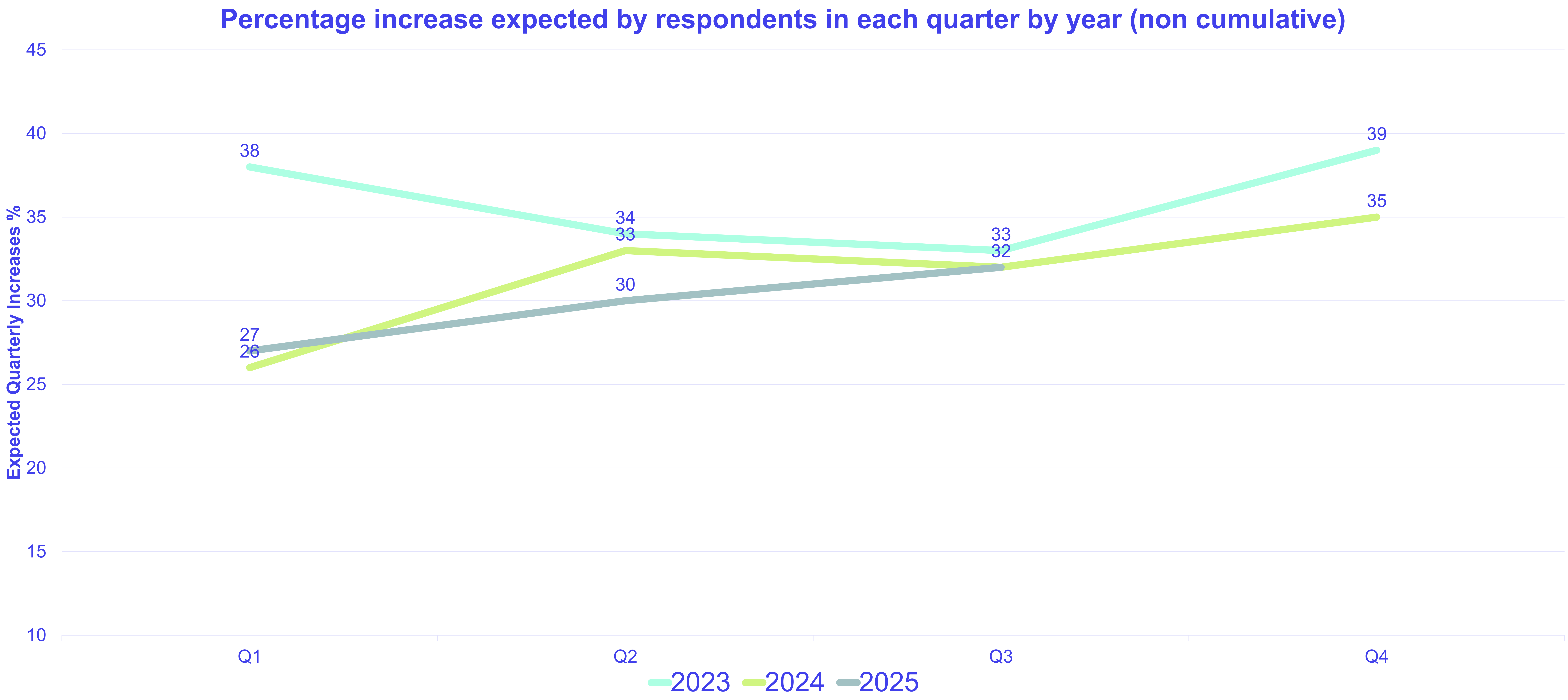
Civil Engineering / Infrastructure & Specialist Contracting are showing the biggest increase in turnover YOY in Q3. Looking ahead to Q4, larger companies with turnover of €9M + are particularly positive regarding a net increase in turnover.

(Base: All respondents = 220)

Q3. In the last 3 months has the total business turnover for your company increased, decreased or stayed the same compared with the same period in 2024?

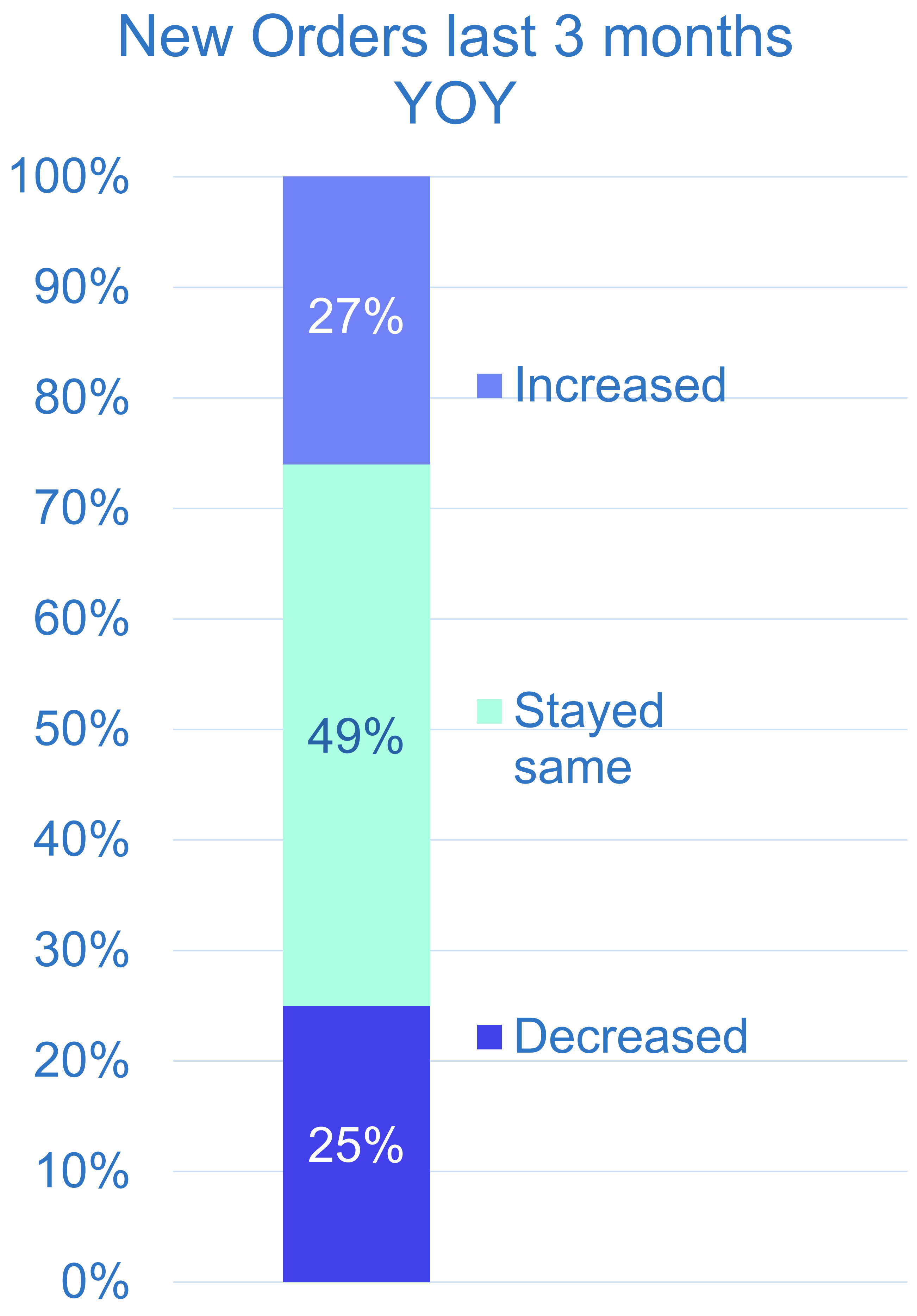
Q4. Thinking now about the next 3-month period (Oct - Dec 2025), do you expect total business turnover for your company to increase, decrease or stay the same compared with the last 3 months?

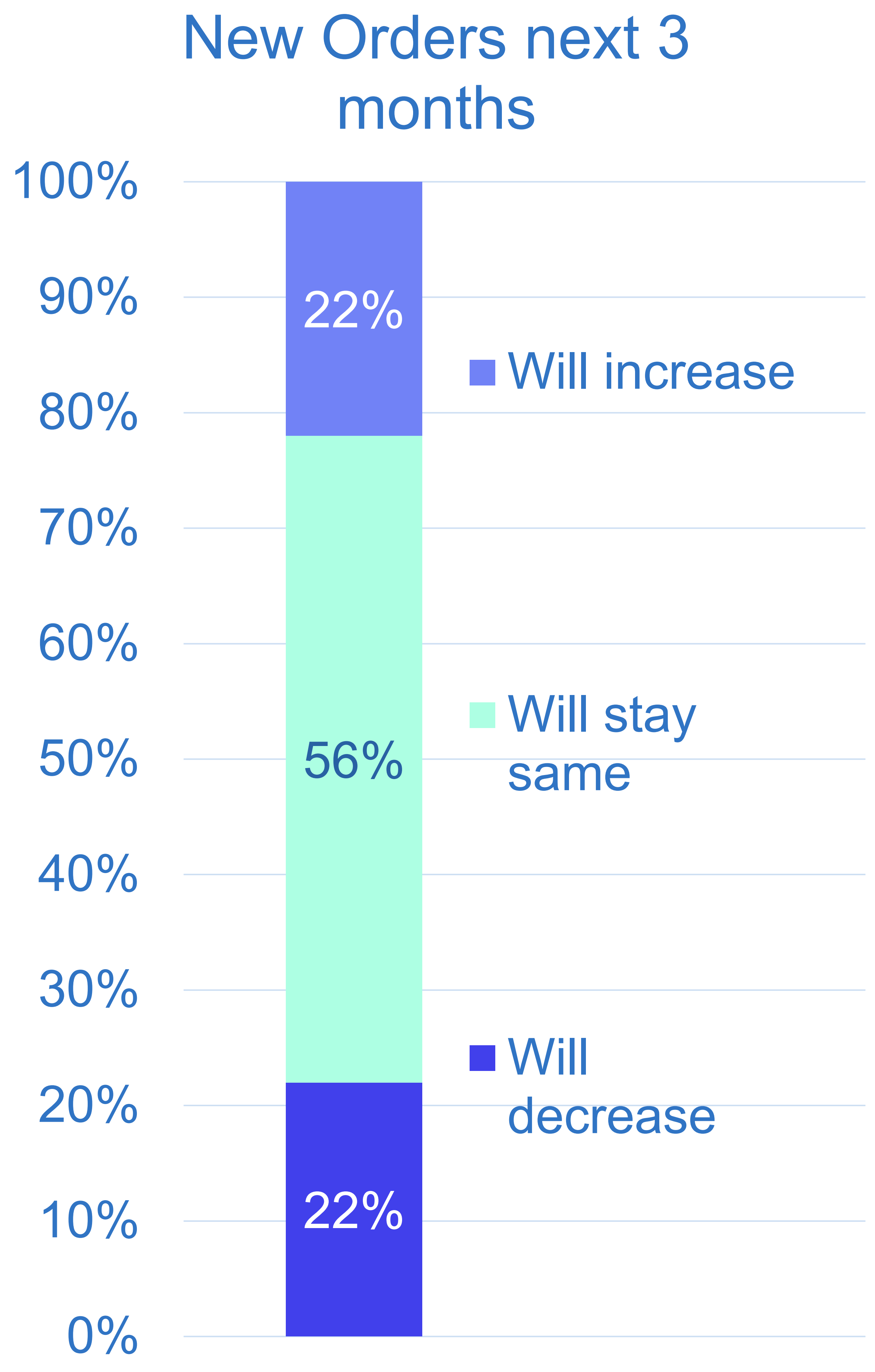
Expected Business Turnover Growth by Quarter (Survey Results)



Each data point reflects respondents' expected percentage increase for that quarter only; values do not compound across quarters.

New Orders Last 3 Months v Next 3 Months





(Base: All respondents = 220)

Q5. In the last 3 months has the total revenue generated by new orders for your company for the period increased, decreased or stayed the same compared with the same period in 2024?

27%

of companies report a YOY revenue increase from new orders

22%

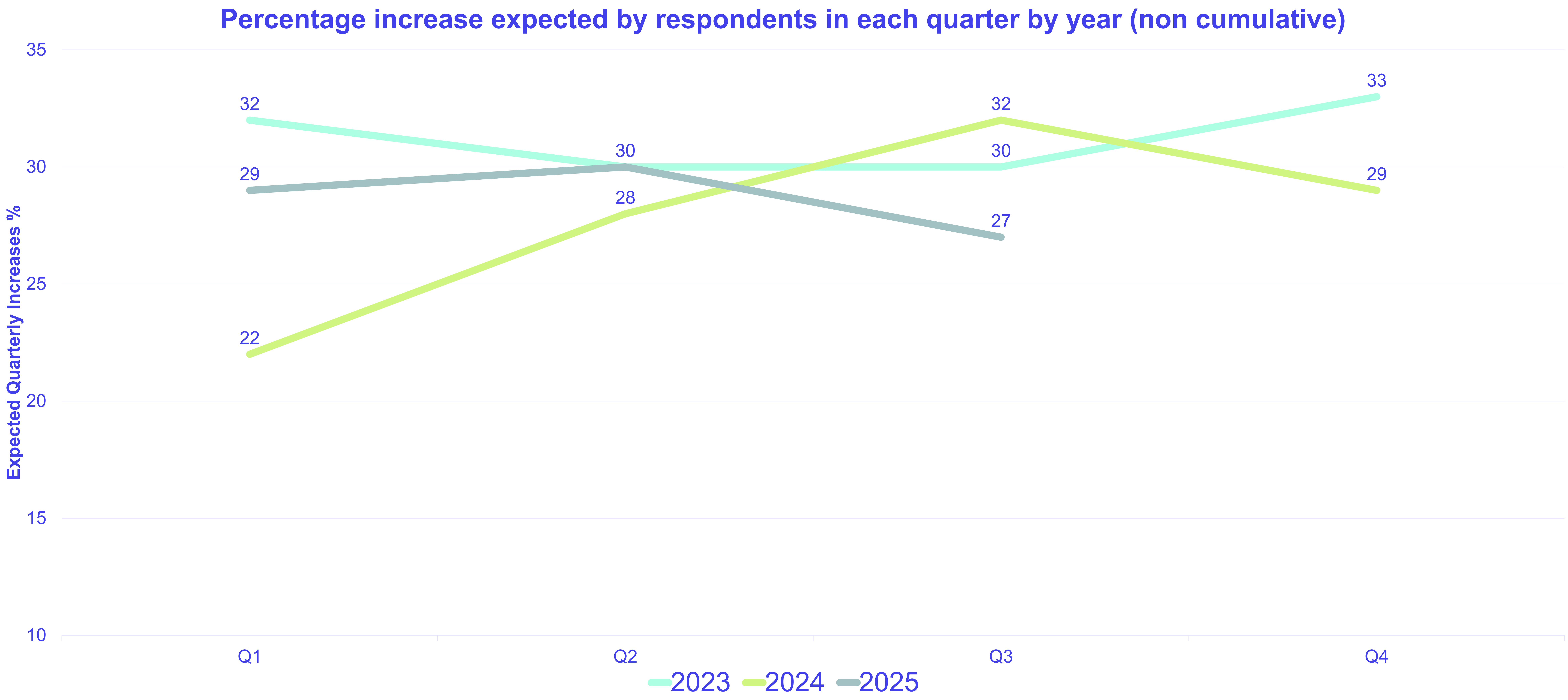
of companies expect revenue from new orders to continue to increase into Q4 2025 with 56% expecting no change

There was YOY increase in revenue from new orders across all sectors except General Building Contracting.

Looking at new orders YOY in Q3 by company size, results are mixed with larger companies (9M +) faring best. Larger companies (€9M+) are again most positive regarding expected new orders.

Q6. In the next 3-month period (Oct - Dec 2025), do you expect the total revenue generated by new orders for your company to increase, decrease or stay the same compared with the last 3 months?

Expected New-Order Growth by Quarter (Survey Results)



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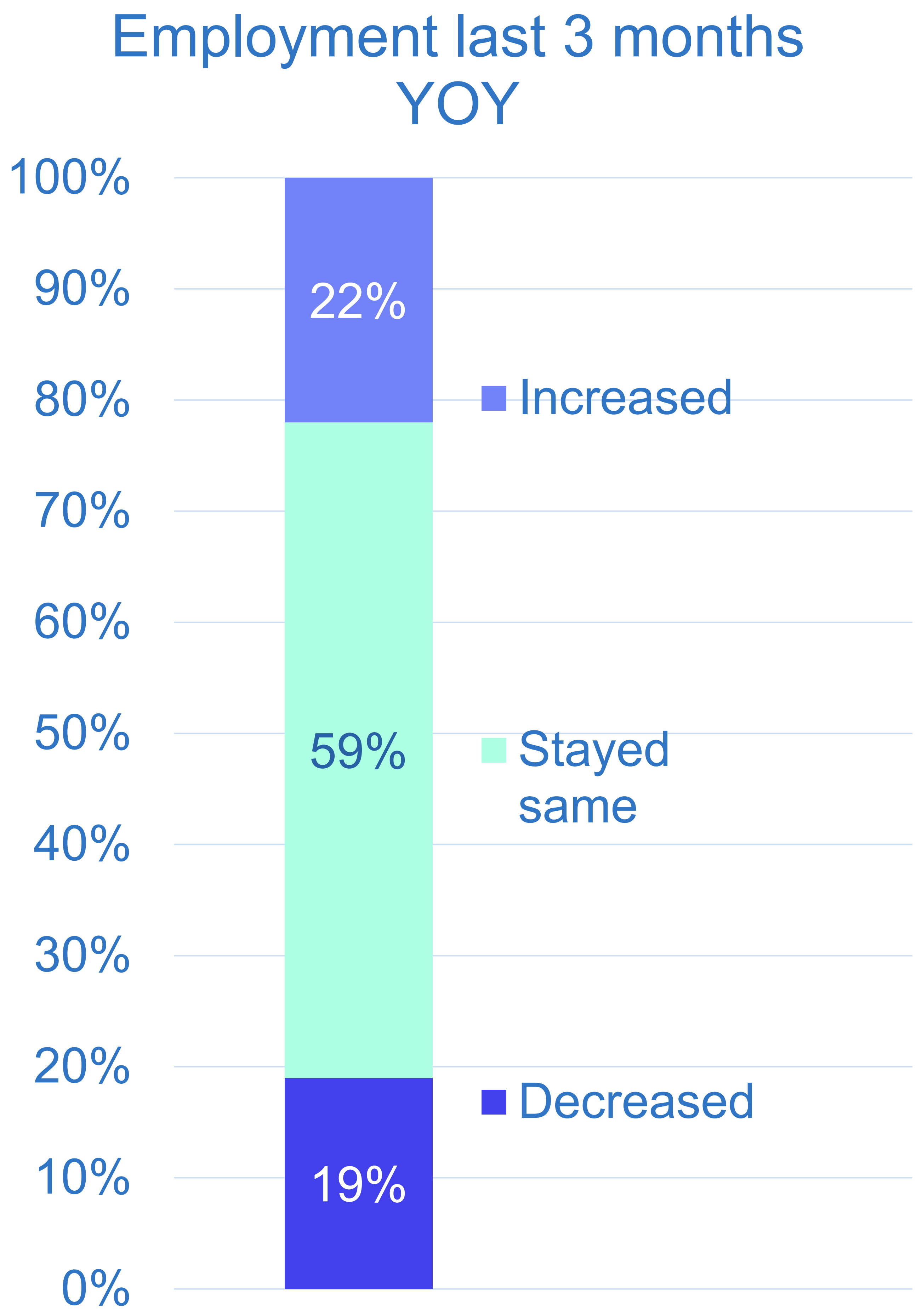
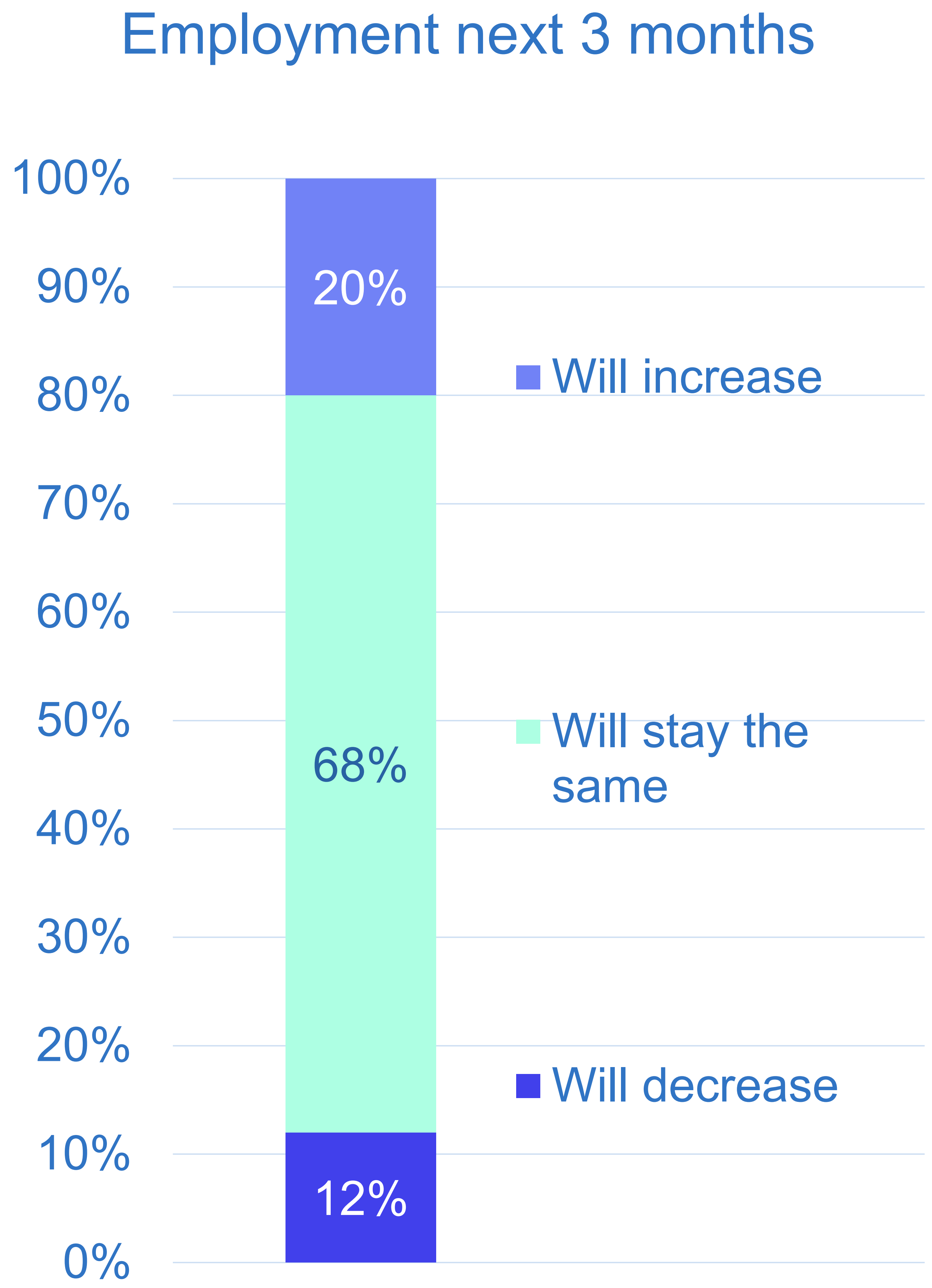
Employment Last 3 Months v Next 3 Months





(Base: All respondents = 220)

Q7. In the past 3 months has the total number of people you employ (directly or indirectly) increased, decreased or stayed the same compared with the same period in 2024?

Q8. In the next 3-month period (Oct - Dec 2025), do you expect the total number of people you employ (directly or indirectly) in your company to increase, decrease or stay the same compared with the last 3 months?

22%

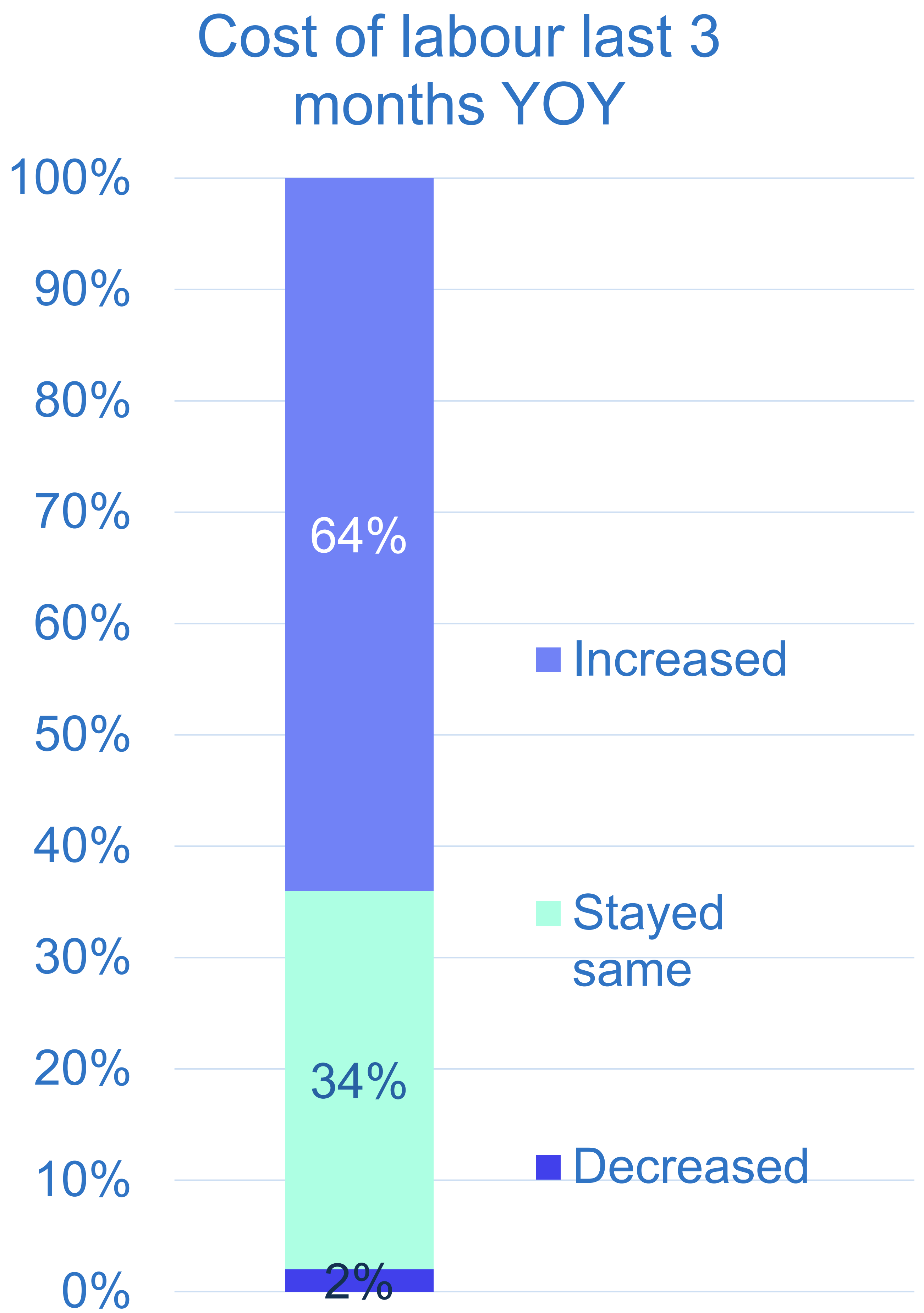
of companies report a YOY increase in the total number of people they employ

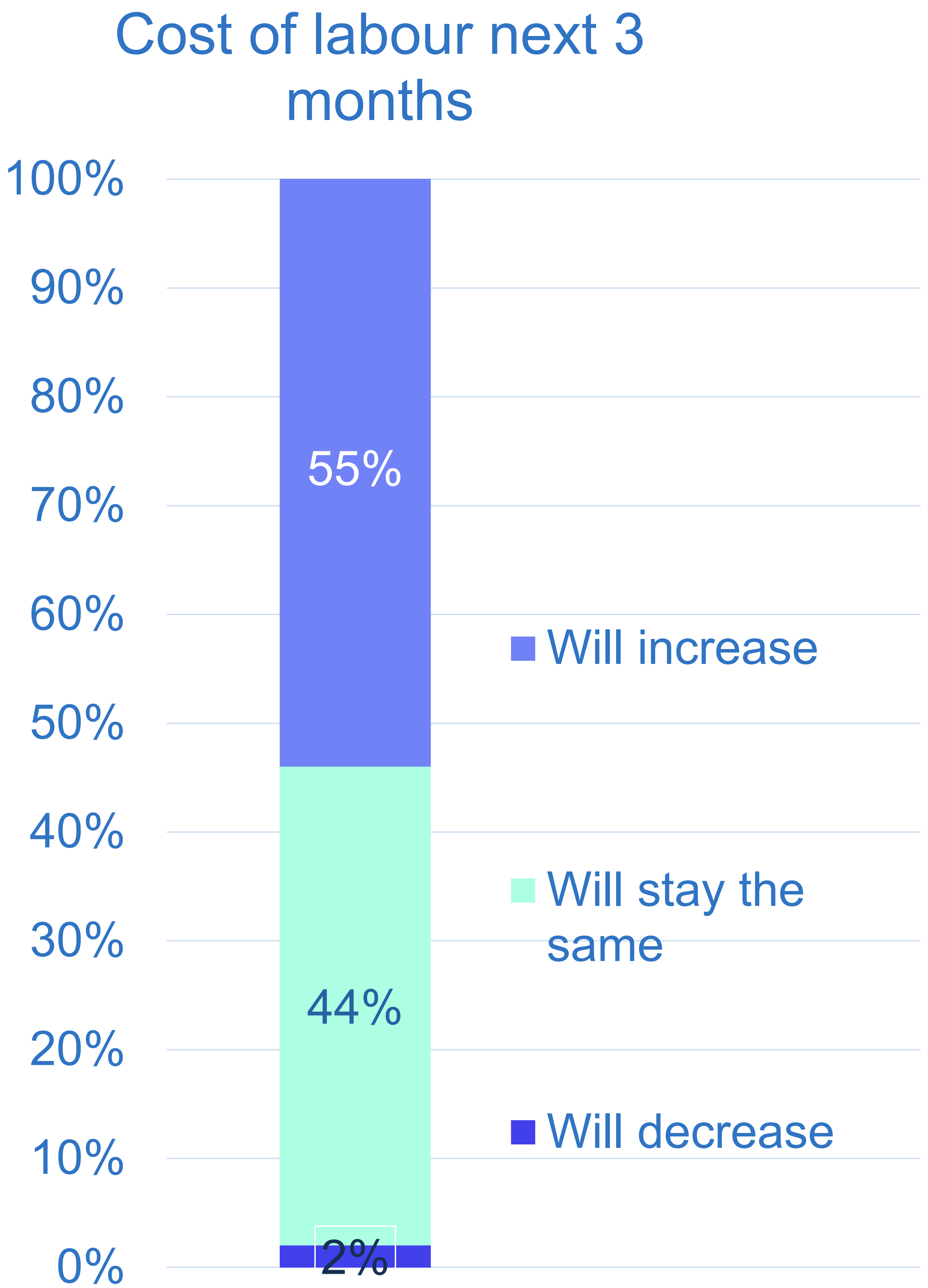
20%

of companies also expect to employ more staff in the coming months, with 68% expecting no change

Q4 employment levels look positive for all sectors save for Civil Engineering / Infrastructure where 26% of companies expect levels to decrease. Employment levels are expected to grow across all company sizes in Q4 save for those <300K

Cost of Labour Last 3 Months v Next 3 Months





64%

of companies acknowledged an increase in the cost of labour YOY in Q3 2025

55%

of companies expect the cost of labour to continue to increase in Q4 2025

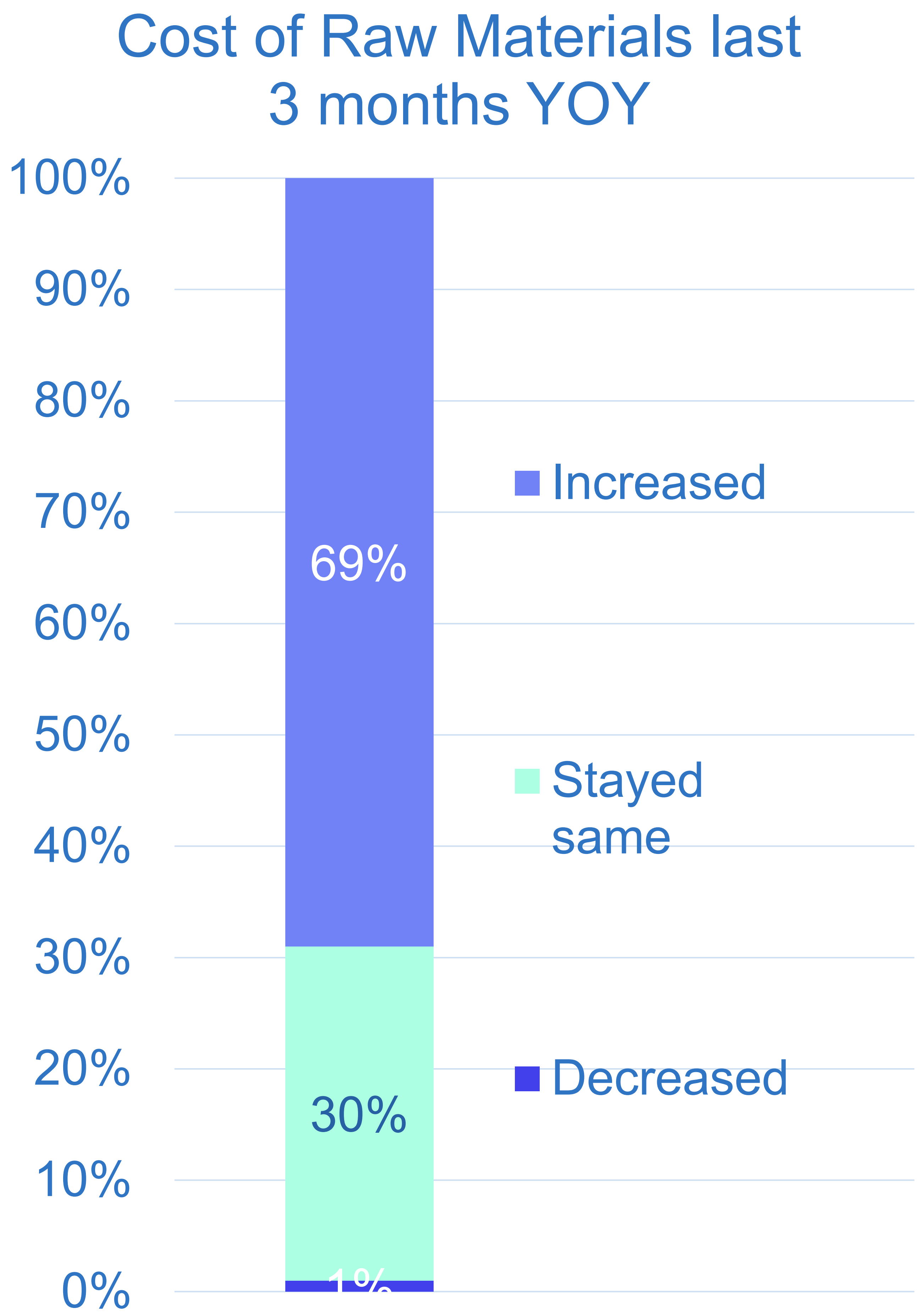
The cost of labour has increased for most companies regardless of size or sector and is expected to increase in Q4.

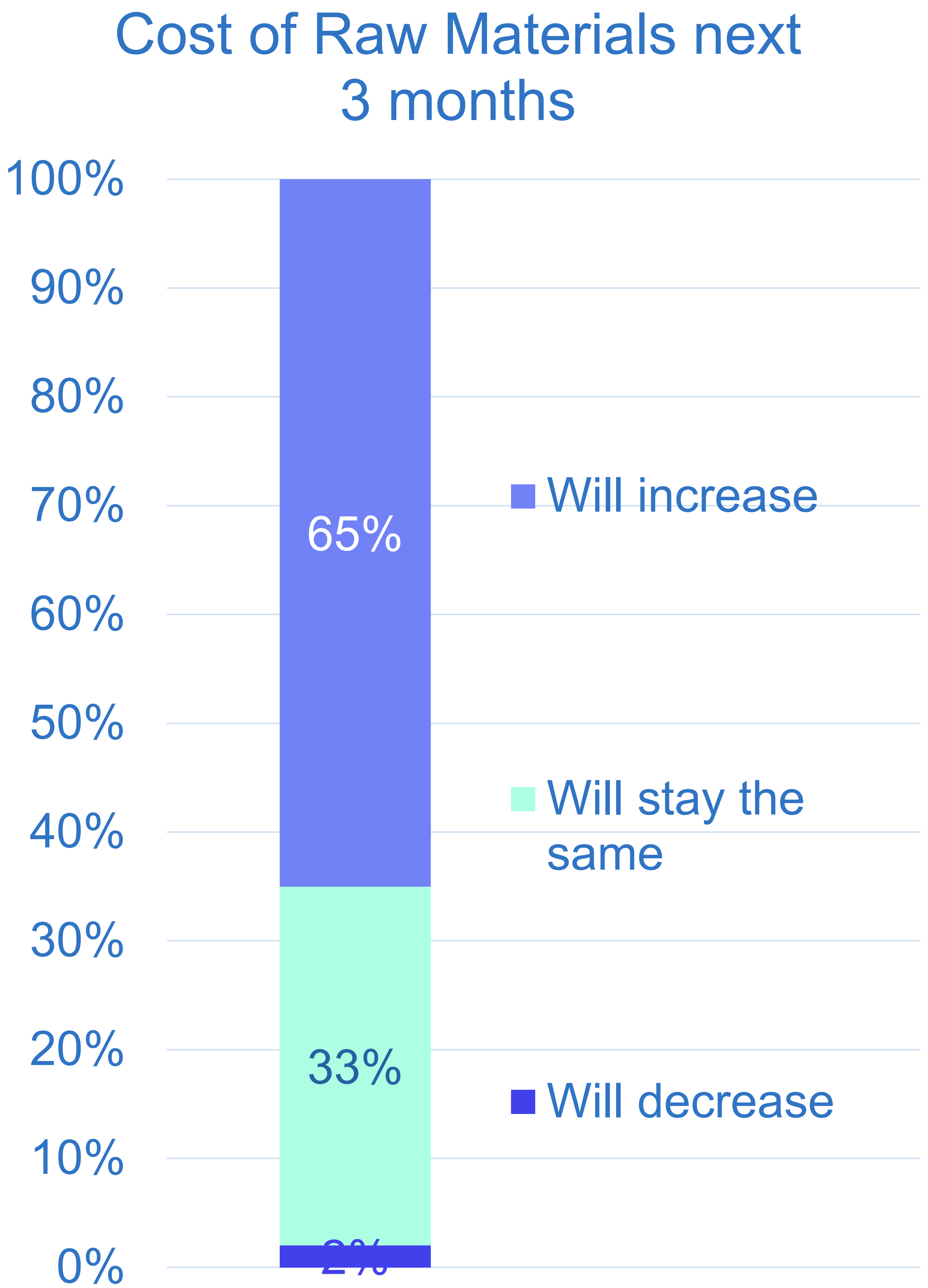
(Base: All respondents = 220)

Q9. In the past 3 months has the cost of labour in your company increased, decreased or stayed the same compared with the same period in 2024?

Q10. In the next 3-month period (Oct - Dec 2025), do you expect the cost of labour to increase, decrease or stay the same compared with the last 3 months?

Cost of Raw Materials Last 3 Months v Next 3 Months





69%

of companies report a YOY increase in the cost of raw materials in Q3 2025

65%

expect the cost of raw materials to increase to continue to increase in Q4 2025

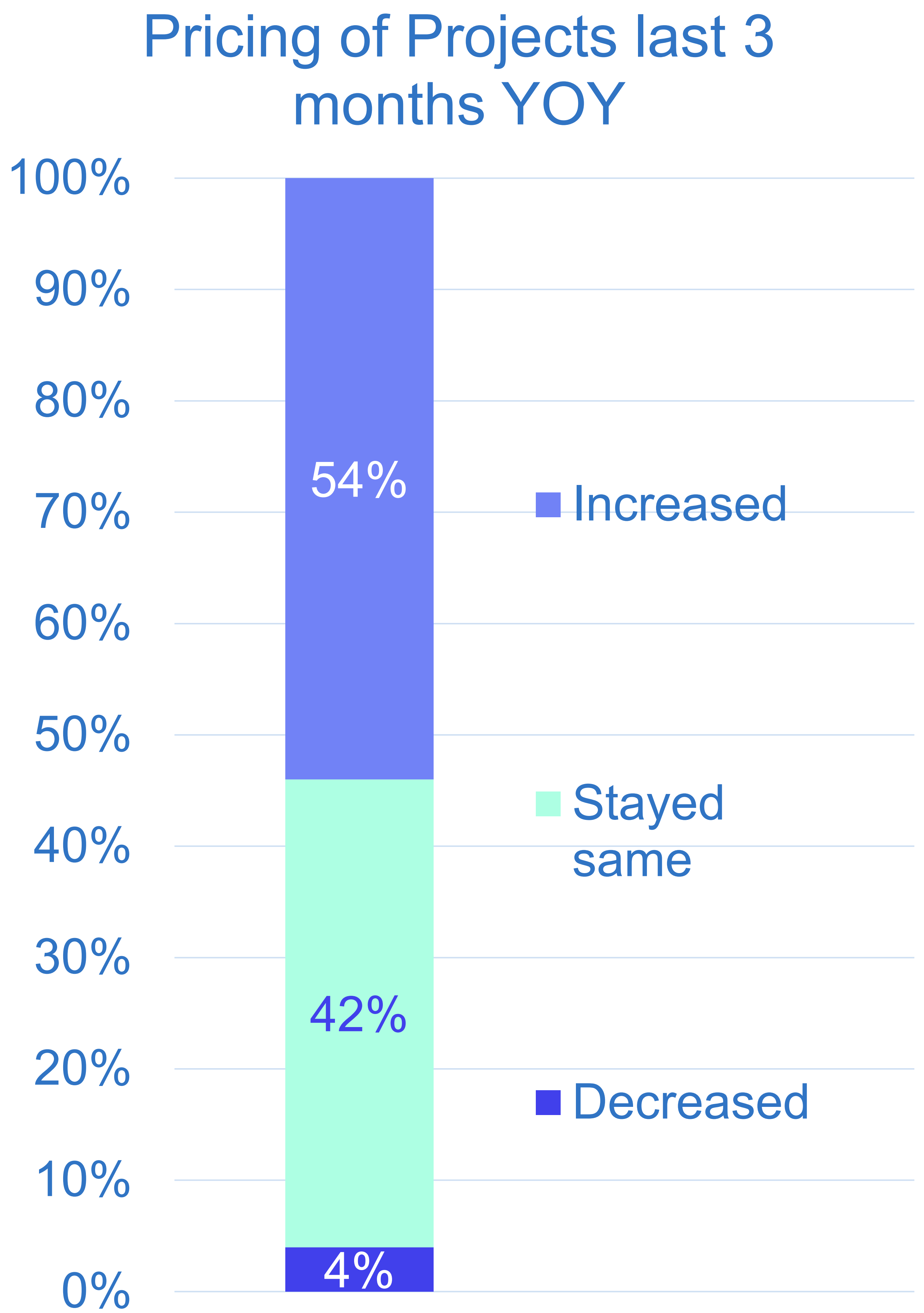
The YOY increase in the cost of raw materials was reported across all sectors and companies regardless of size and these increases are expected to continue in Q4.

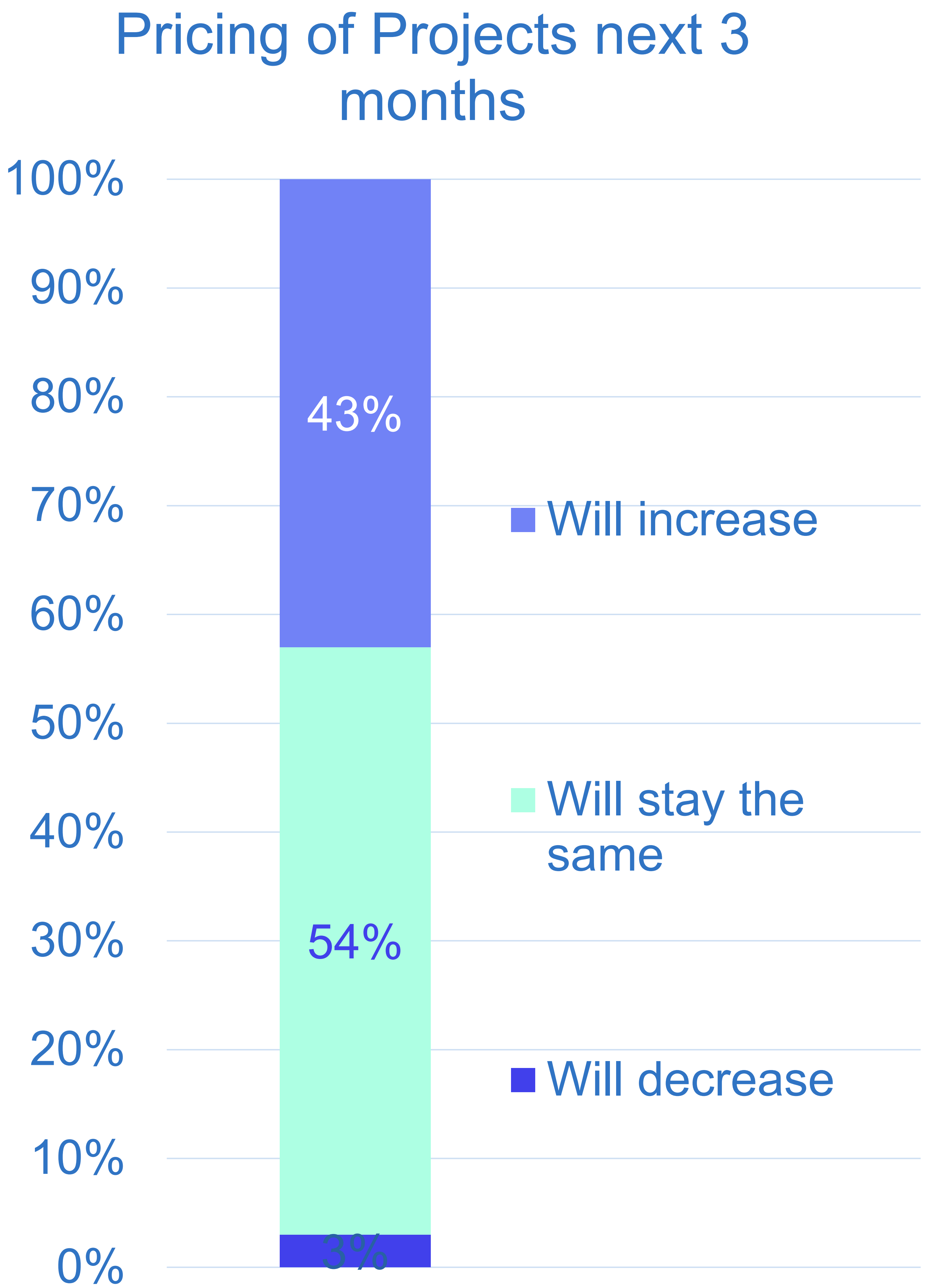
(Base: All respondents = 220)

Q11. In the past 3 months has the cost of raw materials for your company increased, decreased or stayed the same compared with the same period in 2024?

Q12. In the next 3-month period (Oct - Dec 2025), do you expect the cost of raw materials to increase, decrease or stay the same compared with the last 3 months?

Pricing of Projects Last 3 Months v Next 3 Months





(Base: All respondents = 220)

Q13. In the past 3 months has the price you charge for goods and services for the period increased, decreased or stayed the same compared with the same period in 2024?

54%

acknowledge an increase in the pricing of projects compared with the same period in 2024

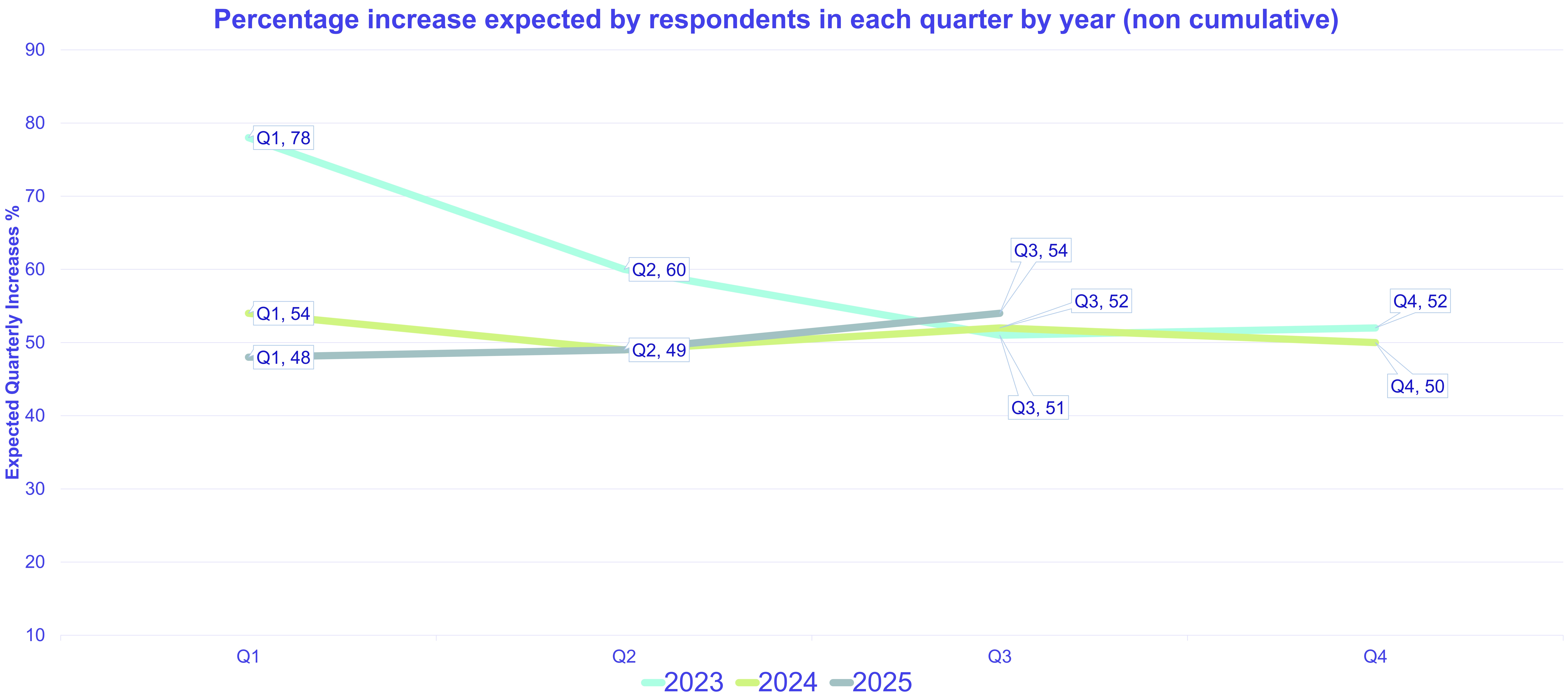
43%

expect the prices charged to increase in Q4 2025

A YOY increase in the pricing of projects has been experienced for a significant number of companies across all sectors The YOY increase in pricing appears more marked amongst companies with a turnover of <€4.5M+. This trend appears likely to continue in Q4.

Q14. In the next 3-month period (Oct - Dec 2025), do you expect the price you charge for goods and services for your company to increase, decrease or stay the same compared with the last 3 months?

Expected Pricing Growth by Quarter (Survey Results)



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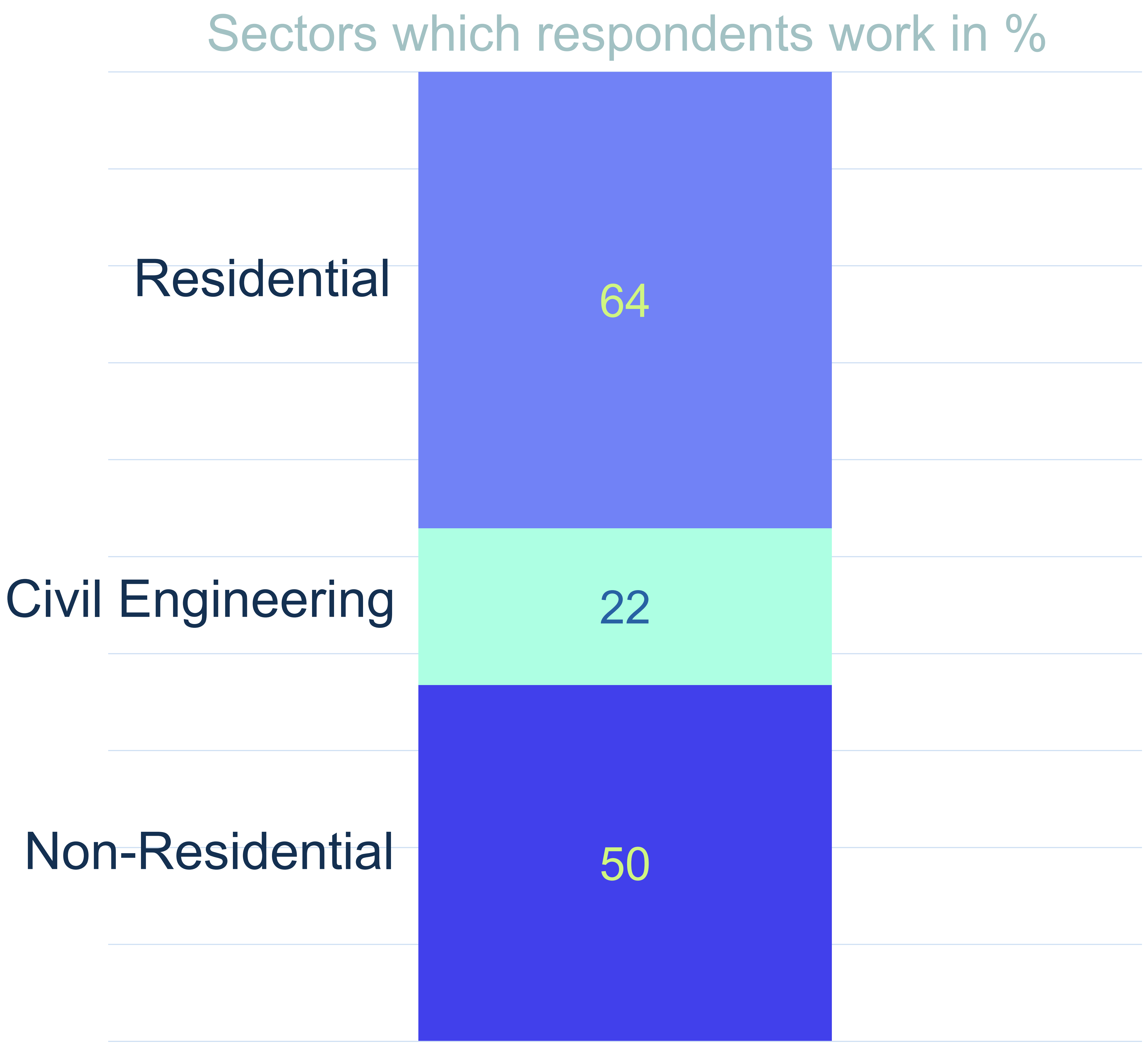
Sectoral Activity

Which sectors do companies currently work in? (Percentage)



(Base: All respondents = 220)

Q16. Which of the following sectors does your company work in? Note: tick all that apply.

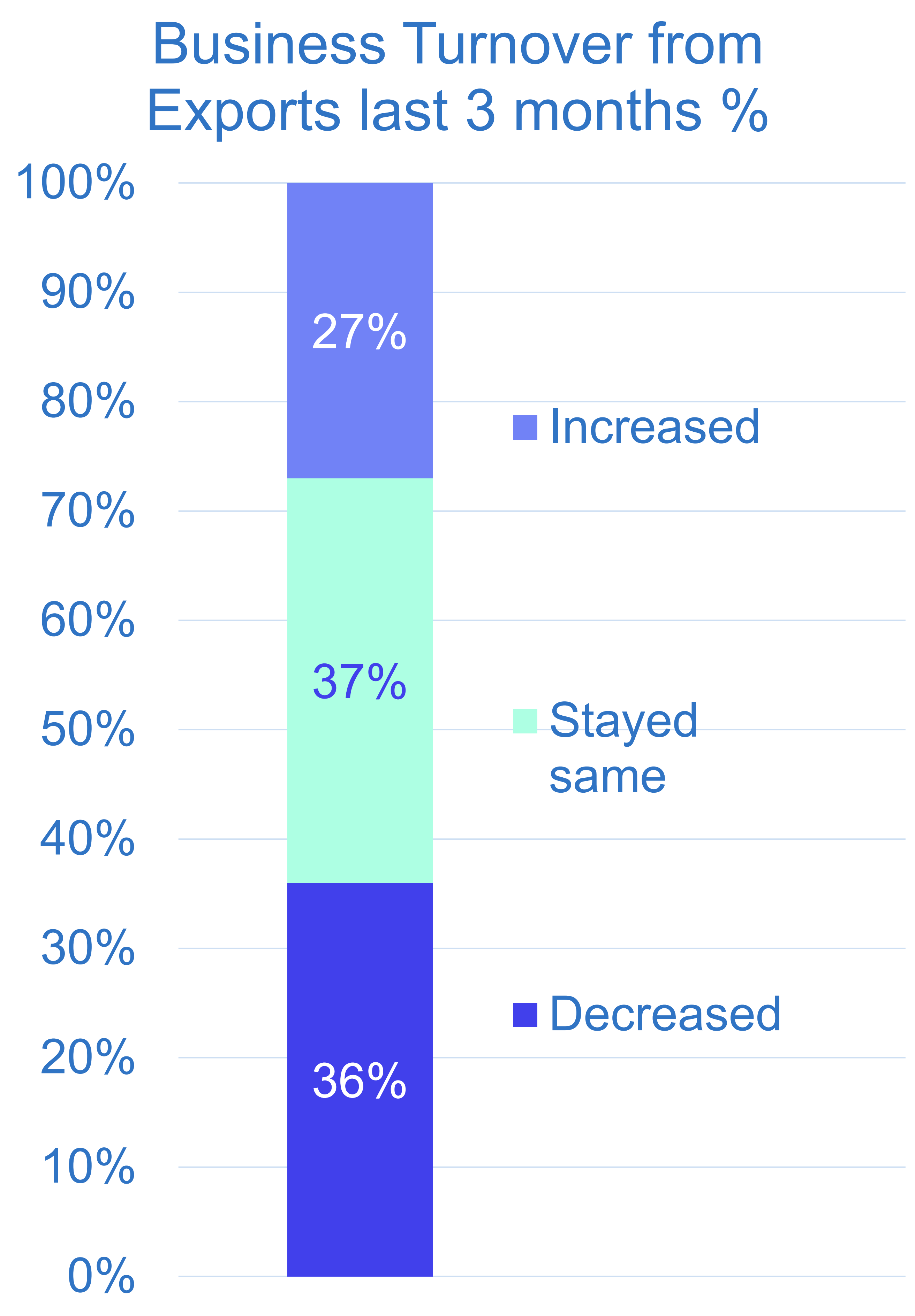
There continues to be notable overlap between companies working across different sectors.

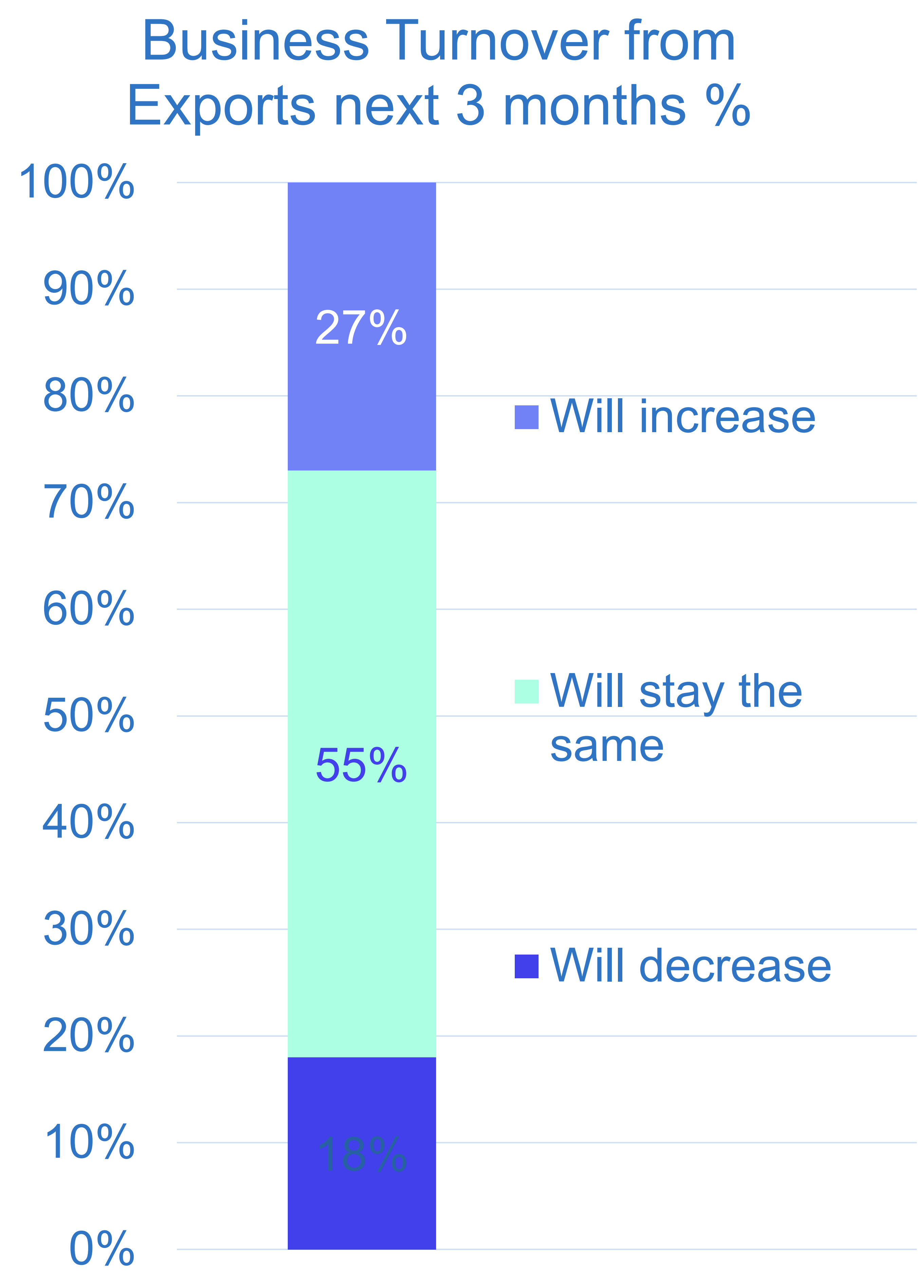
General Building Contractors and Specialist Contractors operate evenly across a residential and non-residential.

Which sectors do companies work in?				
Sector	**General Contracting**	**Civil Engineering / Infrastructure**	**Home Building**	**Specialist Contracting**
Residential	75%	19%	100%	44%
Non-Residential	63%	19%	13%	77%
Civil Engineering	20%	92%	0%	12%

Exporting Construction Services

Total Business Turnover generated from Exports





27%

Report a YOY increase in business turnover from exports

27%

expect turnover from exports to increase in Q4 2025

Data Centres, Pharmaceutical Plants, Retail, Housing and Healthcare were the most common projects delivered internationally in Q3 2025 and will continue to be in Q4.

Approximately 1 in 4 (26%) of larger companies (€9M +) are exporting.

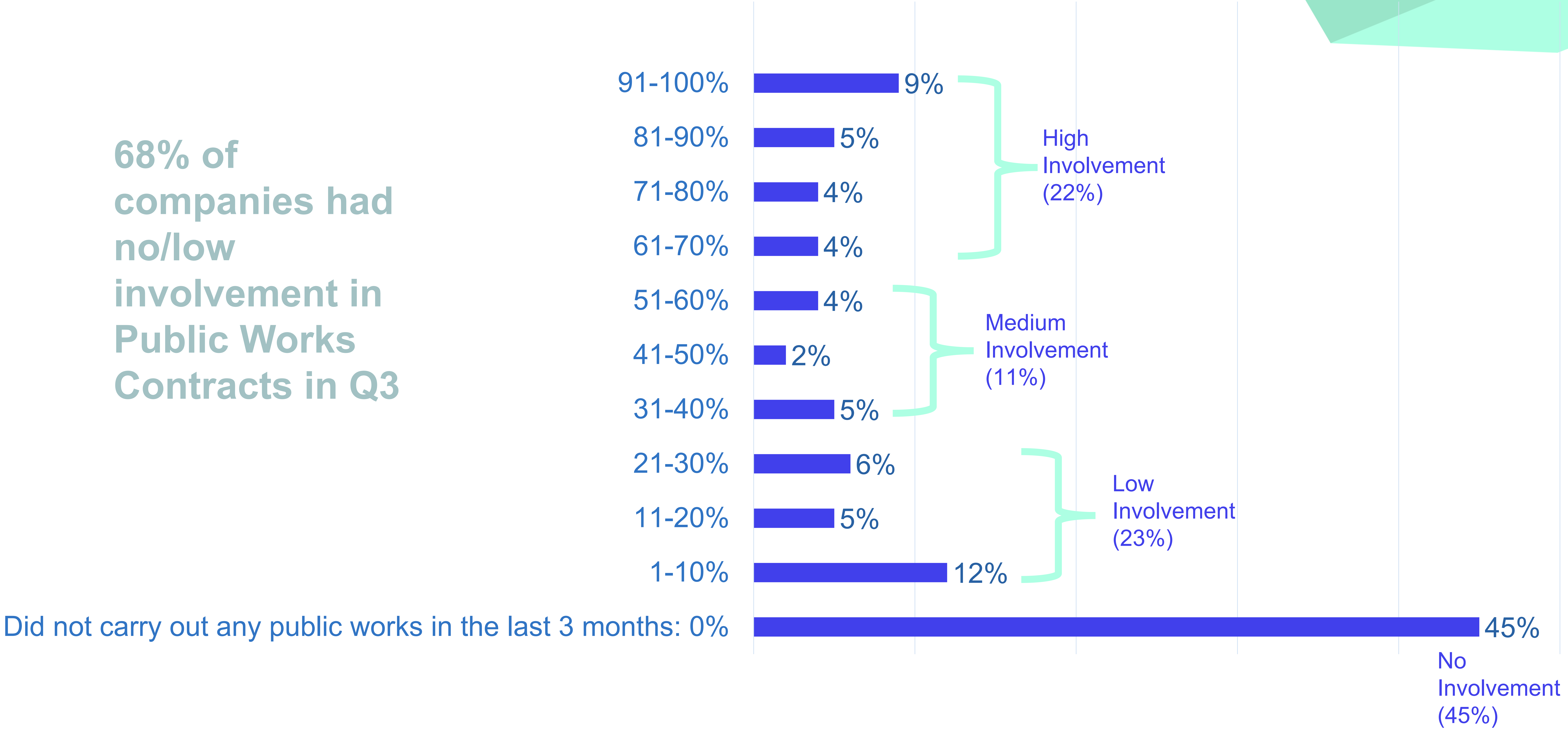
Q18. Over the last 3 months, has the total business turnover for your company generated from exports increased, decreased or stayed the same compared with the same period in 2024?

Q20. Over the next 3 months (Oct - Dec 2025), do you expect the total business turnover for your company generated from exports to increase, decrease or stay the same compared with Q3?

Public Works Contracts (Infrastructure Delivery)

Public Works Contracts as a % of Turnover Q3 2025

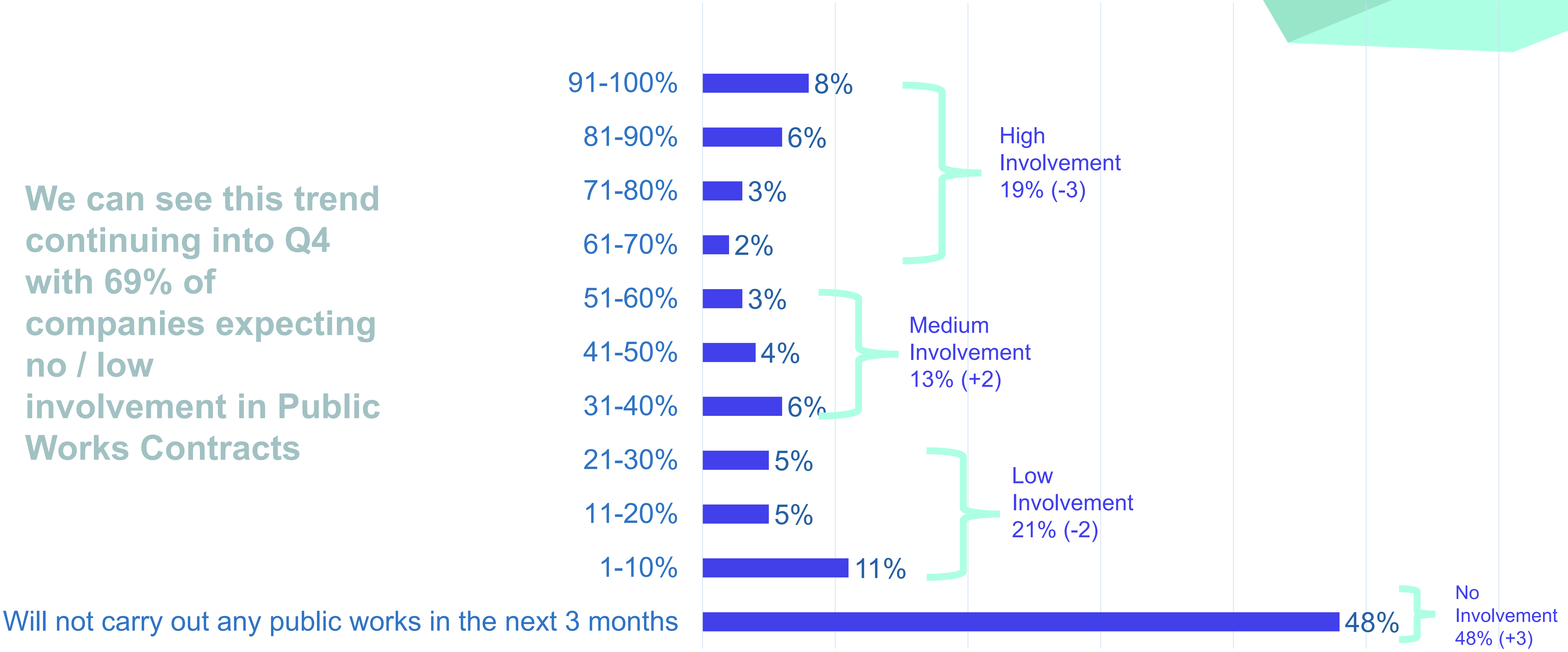
68% of companies had no/low involvement in Public Works Contracts in Q3



Q22. In the last 3 months, approximately what % (based on turnover) of your order book was from Public Works Contracts? (Base: All respondents = 220)

Public Works Contracts projected as a % of Turnover Q4 2025

We can see this trend continuing into Q4 with 69% of companies expecting no / low involvement in Public Works Contracts



Q23. In the next 3 months, approximately what % (based on turnover) of your order book will be from Public Works Contracts? (Base: All respondents = 220)

Expected level of Public Works Contracts in the next 12 months

21%

of companies expect the level of their involvement in Public Works Contracts to increase in the next 12 months, up 6% from the end of Q3.

Bureaucracy, cost of tendering and delays in awarding tenders are the biggest issues for those expecting to reduce PWC in the next 12 months.

(Base: All respondents = 220)

Q24. Do you expect the level of Public Works Contracts on your order book to increase, decrease, or stay the same over the next 12 months?

Key Factors Influencing Reduction in Public Works Contracts for 10% of companies surveyed (raw numbers)

25. What are the key factors influencing your decision to reduce your level of public works contracts over the next 12 months?

Conclusions

Conclusions

Construction Outlook Survey Q3-Q4 2025

- Activity in Q4 2025 is strongest across **Residential (67%)**, **Non-Residential (51%)**, and **Civil Engineering (22%)**, with significant overlap between sectors. General Building and Specialist Contractors continue to operate evenly across residential and non-residential markets.
- **Civil Engineering / Infrastructure and Specialist Contracting** recorded the strongest **year-on-year (YOY) turnover growth in Q3**. Looking ahead to Q4, **larger companies (€9M+)** are the most confident about achieving a net increase in turnover.
- **New orders increased YOY across all sectors**, with the exception of **General Building Contracting**. By company size, performance is mixed, though **larger firms (€9M+) continue to outperform** and are most optimistic about future order pipelines.
- A **YOY increase in project pricing** was reported by a significant share of companies across all sectors, particularly among those with turnover **below €4.5M**. This upward pricing trend is expected to persist into Q4.
- **Employment expectations for Q4 remain positive** across most sectors. The exception is **Civil Engineering / Infrastructure**, where **26% of companies anticipate a reduction in employment levels**.
- **Exports remain a growing contributor**: 27% of companies reported a YOY increase in export turnover, and the same proportion expect export turnover to rise further in Q4 2025. Around **one in four (26%) larger companies (€9M+)** are currently exporting.
- **Data Centres, Pharmaceutical Plants, Retail, Housing, and Healthcare** were the most common project types delivered internationally in Q3 and are expected to remain so in Q4.
- Engagement with **Public Works Contracts (PWC)** remains limited. **68% of companies reported no or low involvement in Q3**, rising to **69% expecting no or low involvement in Q4 2025**.
- Despite this, **21% of companies expect their PWC involvement to increase over the next 12 months**, up 6% since the end of Q3. For those anticipating reduced involvement, **bureaucracy, high tendering costs, and delays in tender awards** are cited as the primary challenges.

Conclusions

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27%
of companies report a YOY revenue increase from new orders

22%
of companies report a YOY increase in the total number of people they employ

23%
of companies anticipate turnover will increase in Q4 2025

22%
of companies expect revenue from new orders to continue to increase into Q4 2025 with 56% expecting no change

20%
of companies also expect to employ more staff in the coming months, with 68% expecting no change

Conclusions

69%

of companies report a YOY increase in the cost of raw materials in Q3 2025

54%

acknowledge an increase in the pricing of projects compared with the same period in 2024

65%

expect the cost of raw materials to increase to continue to increase in Q4 2025

43%

expect the prices charged to increase in Q4 2025

Thank You

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