

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Newcomers and their IDAN facilities under construction

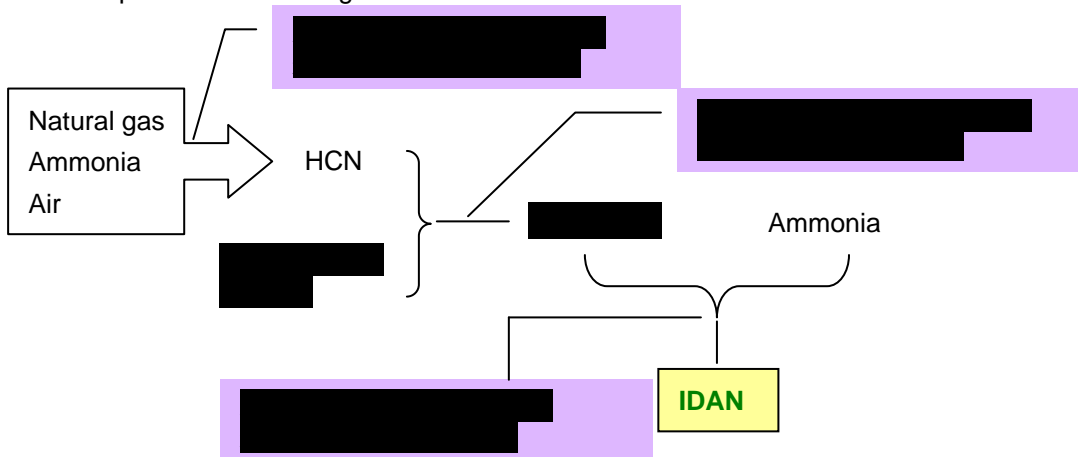
Company	Planned capacity, t/a	Capacity to be launched by late 2009, t/a	Planned investment, million USD
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]

Likely changes of IDAN supply & demand

- Key findings:
- ✓ In the long term, current IDAN capacity [REDACTED] can't reach domestic demand, but IDAN supply will be sufficient and its capacity expansion would be not necessary in [REDACTED]
- ✓ If IDAN capacity reaches [REDACTED], long-term oversupply will happen to IDAN industry, which may force some new comers without glyphosate or PMIDA production to quit IDAN or turn to international market.

IDAN production technology

Production process of natural gas route



Comparison of IDAN technologies

Route	Strength	Weakness	Major producers
Natural gas route	[REDACTED]	[REDACTED]	[REDACTED]
HCN (from Acrylonitrile production) route	[REDACTED]	[REDACTED]	[REDACTED]
Light oil cracking way	[REDACTED]	[REDACTED]	[REDACTED]

Key finding about IDAN production technology:

Without significant advantages, light oil cracking way will [REDACTED]

- ✓ If stable and sufficient crude HCN supply is available, [REDACTED] be an ideal choice for newcomers to realize cost reduction. [REDACTED] developed this technology. Its IDAN facility [REDACTED] is under construction, combined with acrylonitrile capacity expansion [REDACTED].
- ✓ [REDACTED] is unlikely to become mainstream technology in the future, since [REDACTED] is currently consumed by other products. New IDAN plants which want to adopt this technology must [REDACTED], which greatly restricts IDAN production.
- ✓ Natural gas route will still [REDACTED] though [REDACTED] is expected to rise.

Production cost of IDAN 92% by natural gas route in Sichuan & Chongqing

	Natural gas ([REDACTED])	Liquid Ammonia ([REDACTED])	Formaldehyde [REDACTED]
Unit consumption	[REDACTED]	[REDACTED]	[REDACTED]
Price, March 2009	[REDACTED]	[REDACTED]	[REDACTED]
Cost (RMB/t)	[REDACTED]	[REDACTED]	[REDACTED]
Raw material cost, March 2009	[REDACTED]		

Some facts about natural gas

The natural gas demand & supply [REDACTED] Sichuan & Chongqing. With chemical industry development, demand for natural gas grows rapidly, [REDACTED], [REDACTED] in the region. Natural gas supply [REDACTED] IDAN industry, because the industry can meet the requirement for natural gas use. However, it may encounter [REDACTED], so IDAN production expansion will [REDACTED]d in other natural gas origins such as [REDACTED]

Controlled by the government, current natural gas price in China is much lower than the international [REDACTED] level.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] Chinese government [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Influencing factors for IDAN price

.....

Major IDAN glyphosate producers

Company	Abbr.	Capacity Mar-09, t/a	Remark
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Factors influencing IDAN demand

[REDACTED] is the largest factor influencing IDAN demand,
[REDACTED]

- ✓ [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

As a relatively stable factor,
[REDACTED]
[REDACTED]

IDAN Supply & demand forecast

	2009	2014	2019	CAGR'09~'14	CAGR'14~'19
High growth	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Expected growth	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Low growth	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
IDAN glyphosate share	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]