

- Summary of production

➤ Production

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Table II-1.2-1 Production situation of succinimide in China in 2005~2007(Unit:tonne)

| No. | Manufactures | Capacity (as of Mar. 08) | Capacity '07 | Capacity '06 | Output of 2007 | Output'1 st half of 2007 | Output'06 | Output'05 |
|--------------|-----------------|-----------------------------|-----------------|-----------------|-------------------|--|------------|------------|
| VIII -1.01 | | | | | | 45 | 50 | 40 |
| VIII -1.02 | | | | | | 60 | 80 | 70 |
| VIII -1.03 | | | | | | 25 | 40 | 30 |
| VIII -1.04 | | | | | | 20 | 30 | 20 |
| VIII -1.05 | | | | | | 4 | 10 | 8 |
| VIII -1.06 | | | | | | 2 | 5 | 5 |
| VIII -1.07 | | | | | | 2 | 5 | 5 |
| VIII -1.08 | | | | | | 5 | 10 | 10 |
| VIII -2.01 | | | | | | 0 | 20 | 25 |
| VIII -2.02 | | | | | | 0 | 30 | 30 |
| VIII -3.01 | Shaanxi Huifeng | 0 | 100 | 100 | 0 | 0 | 15 | 20 |
| Total | | | | | | 163 | 295 | 263 |

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III Price and its influencing factors

III-1 Historical pricing and current pricing

Price of succinimide in China remain stable in recent years, fluctuating around RMB48,000/t. This may because the operating rate of succinimide production is low and most of the products are produced by order, and therefore it is risky for producers to raise the price sharply while the customers are very limited.

Table III-1.1 Quotation of succinimide in China

| No. | Company name | Quotation, RMB/t | | |
|------------|--------------|------------------|----------|-----------|
| | | Jul.2006 | Sep.2007 | Mar. 2008 |
| VIII -1.01 | | 46,000 | | |
| VIII -1.02 | | 48,000 | | |
| VIII -1.03 | | 45,000 | | |
| VIII -1.04 | | 46,000 | | |
| VIII -1.05 | | 50,000 | | |
| VIII -1.06 | | 50,000 | | |

| | | | | |
|------------|--|--------|-----|-----|
| VIII -1.07 | | 48,000 | | |
| VIII -1.08 | | 50,000 | | |
| VIII -2.01 | | 45,000 | | |
| VIII -2.02 | | 48,000 | | |
| VIII -3.01 | Shaanxi Weinan Huifeng Chemical Industry Co., Ltd. | 52,000 | N/A | N/A |

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II-4 Import and export analysis in 2005~2007

- By export volume

As CCM's investigation, the production capacity and output far exceeds domestic demand, so China hasn't imported succinimide up to now.

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Table II-4-1 Export price of succinimide in 2005~2007 (Quantity (kg); Unit price (USD/kg))

| Month | 2007 | | 2006 | | 2005 | |
|--------------|----------|------------|---------------|-------------|---------------|-------------|
| | Quantity | Unit price | Quantity | Unit price | Quantity | Unit price |
| Jan | | | 7,100 | 5.63 | 15,200 | 6.06 |
| Feb | | | 3,100 | 5.77 | - | - |
| Mar | | | 11,200 | 5.97 | 300 | 6.38 |
| Apr | | | 12,100 | 5.6 | 2,000 | 5.5 |
| May | | | 4,300 | 5.8 | 1,050 | 5.59 |
| Jun | | | 24,000 | 5.31 | - | - |
| Jul | | | 5,000 | 5.49 | 5,000 | 6.19 |
| Aug | | | - | - | 7,100 | 5.55 |
| Sep | | | 5,000 | 5.49 | 5,250 | 5.84 |
| Oct | | | - | - | 8,500 | 5.68 |
| Nov | | | 5,000 | 5.59 | 16,000 | 5.51 |
| Dec | | | 5,000 | 5.59 | 13,400 | 5.81 |
| Total | | | 81,800 | 5.57 | 73,800 | 5.78 |

- About exporter

Table II-4-5 Active exporters of succinimide in 2007 (Quantity (kg); Unit price (USD/kg))

| Exporter | Quantity | Price |
|-------------------------------------|----------|-------|
| | | |
| | | |
| | | |
| | | |
| Shanghai Meishan Imp& Exp Co., Ltd. | 5,000 | 6.04 |
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