

Note: Key data/information in this sample page is hidden, while in the report it is not.

## 1 Cost and profit analysis of key producers

### 1.1 Fufeng Group Co., Ltd.

Both Shandong Plant and Inner Mongolia Plant of Shandong Fufeng have their own coal-fired power station in order to save utility cost.

Table 1.1-1 Xanthan gum output of Shandong Fufeng, 2010-H1 2011

Plant	Output, t	
	2010	H1 2011
Shandong Plant	■	■
Inner Mongolia Plant	■	■

Source: CCM International

#### 1.1.2.1 Estimation on manufacturing cost

Table 1.1.2.1-1 Estimation on average manufacturing cost of food grade xanthan gum in Shandong Fufeng, May 2011

No.	Item	Unit Cost, USD/t
1	Raw materials	■
2	Utilities	■
3	Labor	■
4	Packing	■
5	Depreciation	■
<b>Total</b>		■

Note: 1. The cost of raw materials takes up the largest share of ■% of the manufacturing cost, and the cost of utilities ranks the second by a share of ■%.

2. The average manufacturing cost is calculated based on those of Shandong Plant and Inner Mongolia Plant.

3. There are totally ■ ordinary operators in Shandong Fufeng, whose average salary is USD ■ per month.

Source: CCM International

## 1.2 Shandong Deosen Corporation

### 1.2.2 Estimation on profit

Item	Unit cost, USD/t	Remark
<b>1. Total income</b>	■	Price + VAT return + Other income
Price	■	May 2011
VAT return	■	$(\text{Price} - \text{total manufacturing cost}) \div 1.17 \times 9\%$
Other income	■	-
<b>2. Expense</b>	■	Total production costs + VAT
<b>Total production costs</b>	■	Manufacturing cost + Management cost
VAT	■	$(\text{Price} + \text{other income} - \text{total manufacturing cost}) \div 1.17 \times 17\%$
<b>3. Pretax profit</b>	■	Income - Expense
<b>4. Profit tax</b>	■	Pretax profit x 25 %
<b>5. Profit after tax</b>	■	Pretax profit - Profits Tax

Source: CCM International