

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

1 Manufacturing cost analysis of leading players

1.1 Shandong Lvjian Biological Technology Co., Ltd.

1.1.1 Product information

In 2010, the major sugar alcohols of Shandong Lvjian are xylitol and maltitol.

Table 1.1.1-1 Product information of Shandong Lvjian, 2010

Product		Capacity (t/a)	Output (t)
Xylitol		■	■
Maltitol	Crystalline	■	■
	Syrup (75%)	■	■

Source: CCM International

1.1.2 Estimation on production cost of xylitol

Production cost consists of two parts, namely manufacturing cost and management cost. The former one takes up about ■% of the total amount.

Table 1.1.2-1 Estimation on production cost of xylitol in Shandong Lvjian, April 2011

Item	Cost of xylitol (USD/t)
Manufacturing cost	■
Management cost	■
Total	■

Source: CCM International

1.1.2.1 Estimation on manufacturing cost

Manufacturing cost includes cost of raw material, utilities, labor and packing. The cost of raw materials takes up the largest share of ■% of the manufacturing cost. Cost of utilities ranks the second by a share of ■%.

Table 1.1.2.1-1 Estimation on manufacturing cost of xylitol in Shandong Lvjian, April 2011

No.	Item	Unit cost (USD/t)
1	Raw materials	■
2	Utilities	■
3	Labor ^①	■
4	Packing	■
5	Depreciation of fixed asset	■
6	Total	■

Note: ① There are totally ■ ordinary operators for xylitol production in Shandong Lvjian. Average salary is USD ■ per month.

Source: CCM International

1.1.2.3 Estimation on profit

Table 1.1.2.3-1 Estimation on xylitol profit of Shandong Lvjian, April 2011

Item	Unit cost (USD/t)	Remark
1. Total income	■	Price + VAT return + Other income
Price	■	Apr. 2011
VAT return	■	(Price-raw material cost)/1.17*9%
Other income	■	-
2. Expense	■	Total production costs + VAT
Total production costs	■	Manufacturing cost + Management cost
VAT	■	(Price + Other income-Total manufacturing cost)/1.17 x 17%
3. Pretax profit	■	Income - Expense
4. Profit tax	■	Pretax profit x 25 %
5. Profit after tax	■	Pretax profit-Profit Tax

Source: CCM International