

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

1 Apparent consumption analysis

1.1 Apparent consumption of sugar alcohols

From 2006 to 2010, total apparent consumption of sorbitol, maltitol, mannitol, xylitol and erythritol in China increases from ■ tonnes to ■ tonnes, with CAGR of ■%.

In 2010, three of the most common sugar alcohols in China are syrup sorbitol (70%), syrup maltitol (75%) and xylitol, taking up market shares of ■%, ■%, and ■% by apparent consumption volume respectively.

2 Consumption pattern of sugar alcohols in China, 2009-2010

2.1 Overview, 2009-2010

In general, sugar alcohols can be used in food, pharmaceuticals, daily health products, etc. In 2010, ■ tonnes of sugar alcohols are used in China. Vitamin C, toothpaste and baked food are the top three consumption fields, with total consumption volume reaching ■ tonnes, accounting for ■% of the total in China.

Table 2.1-1 Consumption pattern of major sugar alcohols by volume in China, 2010

Application fields	Sorbitol	Maltitol	Mannitol	Xylitol
Sugar-free chewing gum	■	■	■	■
Baked food	■	■	■	■
Candy	■	■	■	■
Beverage	■	■	■	■
Vitamin C	■	■	■	■
Injection	■	■	■	■
Toothpaste	■	■	■	■
Pharmaceuticals	■	■	■	■
Cosmetics	■	■	■	■
Others	■	■	■	■
Total	■	■	■	■

Source: CCM International

2.2 Sugar alcohols' application in difference end-use segments, 2010

2.2.1 Sugar-free chewing gum

- Introduction of sugar-free chewing gum segment

Sugar-free chewing gum usually adds many kinds of sugar alcohols such as sorbitol, xylitol,

mannitol and maltitol, since they can be used as sweeteners without any risks of tooth decay.

Currently, there are over █ brands of chewing gum in China; sugar-free chewing gum is one of the two categories.

Global financial crisis has impacted Chinese chewing gum industry since 2008. Its chewing gum output decreased from █ tonnes in 2008 to █ tonnes in 2009. However, it climbs to about █ tonnes in 2010 with the gradual subsiding of impact of the financial crisis.

3 Manufacturing cost analysis of leading players

3.1 Shandong Lvjian Biological Technology Co., Ltd.

3.1.1 Product information

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

Table 3.1.1-1 Product information of Shandong Lvjian, 2010

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

Source: CCM International

3.1.2 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 3.1.2-1 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

3.1.2.1 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 3.1.2.1-1 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

3.1.2.3 Estimation on profit

Table 3.1.2.3-1 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