### II-3 Seed demand

## II-3.1 Seed market summary

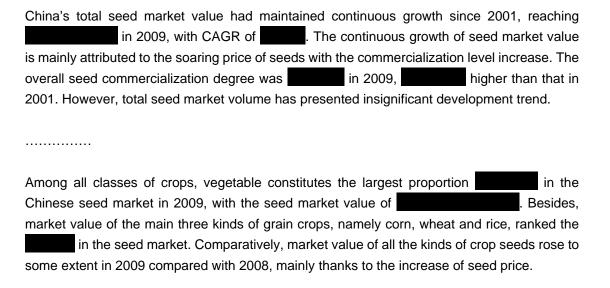


Table II-3.1.1 Seed market structure in China, 2008-2009

No.	Crop	Seed volume, '000 tonnes		Seed value, million USD		Planting area, '000 ha.	
		2008	2009	2008	2009	2008	2009
1	Wheat						
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Source: CCM International

# II-4 Main market segments of China's seed industry

# II-4.1 Corn seed

## Planting situation

China is the second largest corn producer in the world in total yield and planting area, but its unit yield of corn is just at the middle level in the world. With small room for planting area increase, China has attached increasing importance to raising corn unit yield, especially through improved varieties promotion of hybrid corn.

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Heilongjiang, Jilin, Shandong, Hebei and Henan are the top five corn production provinces in China, accounting of the total corn planting area in China in 2009.

Table II-4.1.1 Planting situation of corn in China, 2005-2009

Year	Planting area, '000 ha.	Total yield, '000 tonnes	Unit yield, kg/ha.
2005			
2006			
2007			
2008			
2009est			
CAGR, 05~09			

Source: Ministry of Agriculture of P.R.C., China National Grain and Oils Information Center

<b>▲</b> Market summary
Market scale of corn seed ranked among all kinds of crops in China, following that of vegetables. In 2009, Market value of corn seed hit in China, up over the previous year, mainly attributed to the rise in both market volume and average price of corn seed.
For one thing, China's total corn seed demand was estimated at in 2009, over the previous year, attributed to the increase in total planting area. Corn seed market is composed of conventional corn seed and hybrid corn seed. Hybrid corn has captured increasing market share in recent years and it constituted about of the total corn planting area in China in 2009.
For another, average price of corn seed rose by compared with 2008, which is the important reason resulting in the total corn seed market value increase. The price increase of corn seed is mainly induced by the soaring price of some advantageous varieties, such as
It is predicted that corn seed price will grow by in 2010, with the rising cost and increase in planting area of advantageous varieties, though the oversupply situation of hybrid corn seed will still be severe. Thus, the market scale of corn seed in 2010 will be further enlarged compared with 2009.
♣ Key companies and institutes

China has 6 listed seed companies, five of which are in the A-share market and one is in the
NASDAQ Stock Market. Five of them have rather strong competitiveness in the corn seed
business in domestic market, namely
Besides these companies, some other seed companies,
also have their advantageous corn varieties.

Table II-4.1.2 Sales value and market share of key players' corn business, 2009

Enterprise	Sales value, million USD	Market share	Advantageous varieties
Dunhuang Seed			
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Source: CCM International

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### Market share of main varieties

