

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

1.2.1 Key player

As of Feb. 2012, there have been more than XXXX L-arginine producers (including idle ones) in China with a total capacity of about XXXXt/a. They are mainly distributed in XXXX, XXXX, XXXX, Jiangsu Province, XXXX and XXXX.

Actually, most of those producers hold a small capacity of L-arginine—less than XXXXt/a. Some of them who are not regular L-arginine producers even produce it only according to the amount of clients' order. For instance, according to purchasing orders, XXXX produces only XXXX tonnes of L-arginine in 2011 through its fermentation container, which is also used for production of other amino acids.

Table 1.2.1-1 Key players of L-arginine in China, 2011-Feb. 2012

No.	Company	Abbreviation	Ownership	Location, province	Status, 2012	Capacity Feb. 2012, t/a	Capacity 2011, t/a	Output 2011, tonne
1	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
2	XXXX	XXXX	XXXX	XXXX	Active	XXXX	XXXX	200
3	XXXX	XXXX	Private	XXXX	XXXX	XXXX	XXXX	XXXX
4	Nanchong Kangjian Biotechnology Co., Ltd.	Nanchong Kangjian	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
5	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
6	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX
7	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX

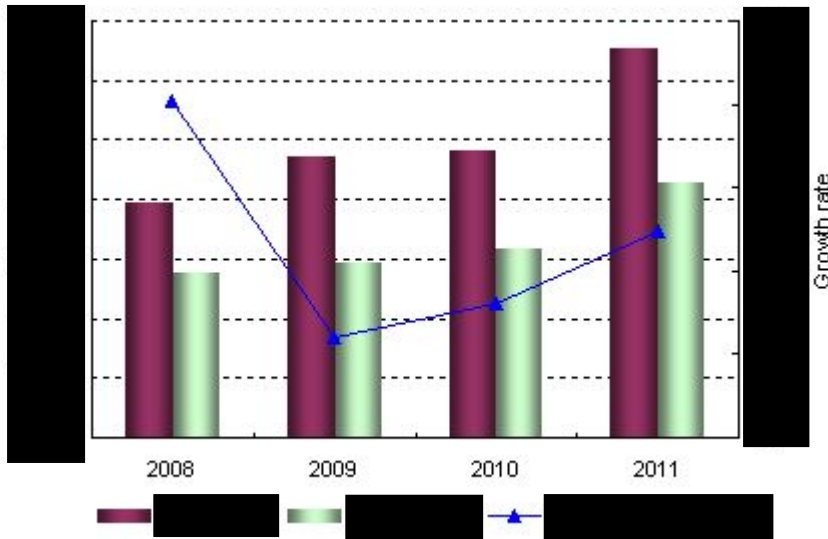
Source: CCM International

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1.2.2 Capacity and output

Up to Feb. 2012, the total L-arginine capacity in China has increased to about xxxxt/a from about xxxxt/a in 2008, while its output has climbed from about xxxx tonnes in 2008 to about xxxx tonnes in 2011 at a CAGR of about xxxx.

Figure 1.2.2-1 Capacity and output of L-arginine in China, 2008-2011



Source: CCM International

Both the capacity and output of L-arginine in China have enjoyed a fast growth these years. In 2011, the capacity increases largely by about xxxx to about xxxxt/a from xxxxt/a in 2010 for three reasons.

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2.1 Historical price in 2009-2012

Generally speaking, the average ex-work price of L-arginine kept an uptrend in 2009-2011, increasing from USDxxxx/t in 2009 to USDxxxx/t in 2010 and then climbing to USDxxxx/t in 2011. In Q1 2012, it declines to USDxxxx/t because of the release of new capacity.

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In 2011, the average price increases sharply, up xxxx and xxxx over 2009 and 2010 respectively. It once hits a record high during the past three years at USDxxxx/t in 2011. The following reasons can explain the price rise.

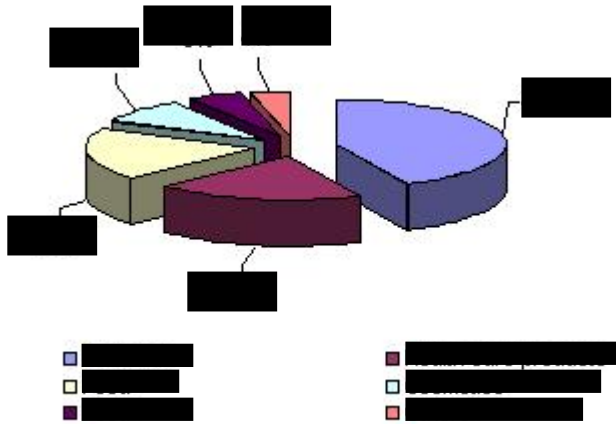
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3 Consumption of L-arginine in China in 2011

L-arginine is an amino acid promoting muscle growth and repairing tissue and an important raw material for producing drugs, health care products, cosmetics, food and spices. In China, most of

the L-arginine is consumed in xxxx, xxxx and xxxx industry, the three main end-use segments, totally consuming about xxxx tonnes of the product in 2011 (xxxx of the total consumption). L-arginine is also used in xxxx industry, xxxx industry and xxxx, with consumption of about xxxx tonnes (xxxx of the total).

Figure 3-1 Consumption pattern of L-arginine in China, 2011



Source: CCM International

► Medicine industry

As the largest consumption field of L-arginine in China, medicine industry accounts for xxxx of the total consumption in 2011. From 2007 to 2011, the consumption of L-arginine in medicine industry has increased from xxxx tonnes to about xxxx tonnes at a CAGR of more than xxxx.