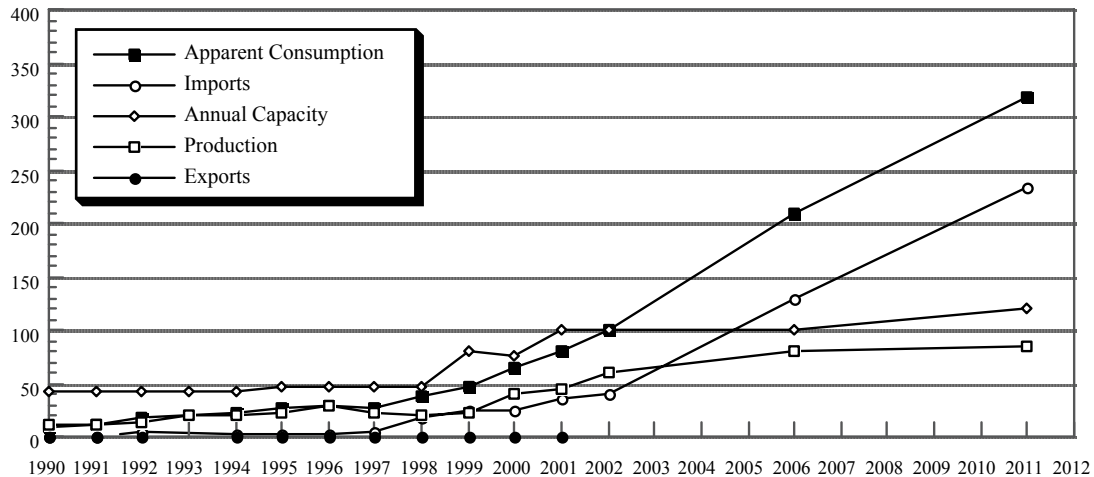


SALIENT STATISTICS

China's epichlorohydrin capacity grew from 43 thousand metric tons per year in 1994 to 100 thousand metric tons in 2001. This increase corresponds to an average annual growth rate of about 12.8%. However, because of feedstock shortages and high production costs, the average operating rate hovered around 30-50%. During the same period, actual consumption increased from 22.8 thousand metric tons to 77.3 thousand metric tons with the annual growth rate averaging 19.1%. Therefore, imports comprised almost half of China's consumption in 2001.

The following graph and table illustrate supply and demand for epichlorohydrin:

Supply/Demand for Epichlorohydrin
(thousands of metric tons)



Supply/Demand for Epichlorohydrin
(thousands of metric tons)

	Annual Capacity	Production	Imports	Exports	Apparent Consumption
1990	43	10.2	0	0.6	9.6
1991	43	11.3	0	0.2	11.1
1992	43	14.4	3.8	0	18.2
1993	43	19.7	--	--	na
1994	43	20.2	3.1	0.1	23.3
1995	47.5	23.1	2.9	0.1	25.9
1996	47.5	28.2	1.5	0	29.7
1997	47.5	23.1	5.0	0.4	27.7
1998	47.5	19.8	18.6	0.1	38.3
1999	79.5	22.5	24.6	0.04	47.1
2000	76	40.5	25.4	0.4	65.5
2001	100	45	35.5	0.7	79.8
2002	100	60	40	--	100
2006	100	80	130 ^a	--	210
2011	120	85	233 ^a	--	318

Average Annual Growth Rate
(percent)

2001-2006	0.0%	12.2%	--	--	21.4%
2006-2011	3.7%	1.2%	--	--	8.7%

a. Net imports.