

CYCLOHEXANE DEMAND & FUTURE NEEDS

The slowest growing of the major benzene derivatives, cyclohexane saw a fall in demand of more than 10% in the recession of 2008-9. Rationalization measures were implemented in the polyamide markets of Europe, the Americas and Japan and projects were postponed in developing markets. Demand picked up in 2010 and is expected to approach 2006/7 levels in 2011. Capacity bottlenecks are now apparent at different points in the polyamide supply chain.

This report, completed in March 2011, updates previous studies produced in 2007 and 2009.

The report analyzes demand for caprolactam and adipic acid and downstream markets in different regions and calculates future cyclohexane needs out to 2025.

Production Costs and Profitability are assessed by region and investment needs are identified.

Pricing Forecasts are provided based on three alternative crude oil scenarios. Conclusions are drawn on the competitiveness of existing production sources and alternative future investment locations.

DeWitt's own cost models and historical database were used in compiling the study, which also draws on discussions with producers and consumers. The work was coordinated by Andy Nicholson, Vice-President for Aromatics in Europe, the Middle East and India, who prior to joining DeWitt acquired extensive experience of cyclohexane markets as a seller and marketer with ICI and as a purchaser with Rhône-Poulenc/Rhodia.

The study will be of interest to existing and potential future suppliers of cyclohexane and to consumers looking at long term purchasing strategy and optimization.

The cost of the study is \$6600, which includes both a hard and an electronic copy. Additional copies within the same company can be obtained for \$500.



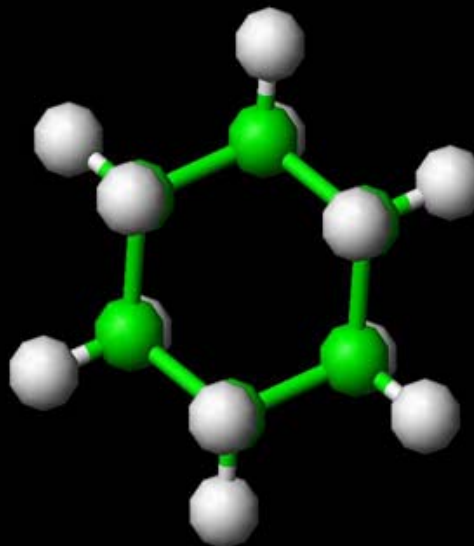
DEWITT & COMPANY INC.

For more details, please contact:

In Europe, Andy Nicholson at anicholson@dewittworld.com,
Office: +33 1 3466 5591, Mobile: +33 6 8995 8767.

In the Americas, Chuck Venezia at cvenezia@dewittworld.com,
Office: +1 281 878 7269, Mobile: +1 281 460 6789, or Steve Weber
at sweber@dewittworld.com, Office: +1 281 878 7204, Mobile
+1 713 447 2825.

In Asia, Brian Lee at blee@dewittworld.com, Office: +82 70 4403
2545, Mobile: +82 10 8875 2545, or Leonard de Guzman at
ldeguzman@dewittworld.com,
Office: +63 2 887 7007, Mobile +63 917 842 2274.





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Demand and Future Needs

Multi-client Study

Update March 2011

AE Nicholson
Vice-President, Aromatics and Derivatives, EMEA
DeWitt & Company Incorporated

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Contents

	<u>Page No.</u>
Section 1: Executive Summary and Methodology	3
Section 2: Introduction - Technical Background.....	4
Section 3: Polyamide.....	6
3.1 Current Market and Growth Prospects by Segment 2010 – 2015 - 2025	
3.2 Growth prospects by Region 2010 – 2015 - 2025	
3.3 Polyamide 6 and Polyamide 6,6 Market Split	
Section 4: Caprolactam	10
4.1 Demand by Region 2010 – 2015 - 2025	
4.2 Capacity & Operating Rates	
Section 5: Adipic Acid	14
5.1 Demand by Region 2010 – 2015 - 2025	
5.2 Capacity & Operating Rates	
Section 6: Cyclohexane.....	17
6.1 Demand by End-Use	
6.2 Regional Capacity, Demand & Operating Rates	
6.3 Pricing Mechanisms	
6.4 Hydrogen Considerations	
6.5 Regional Analysis	
6.6 Investment Costs	
6.7 Price Forecasts	
Section 7: Conclusions.....	35
Appendices:	36
1) Caprolactam Producers 2010	
2) Adipic Acid Producers 2010	
3) Cyclohexane Producers 2010	
4) Cyclohexane Cash Cost Calculations	