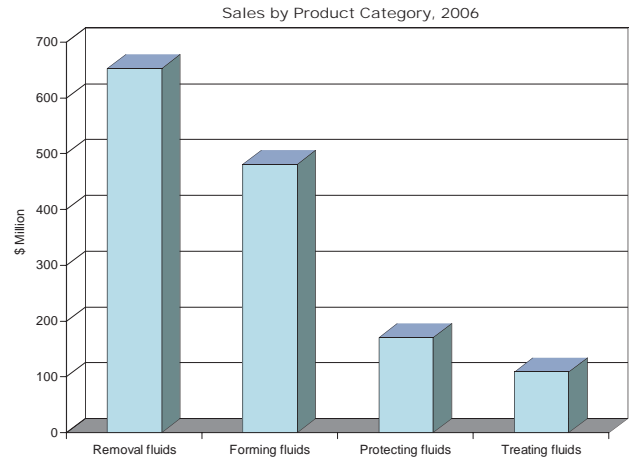


Business Opportunities in Metalworking Fluids Asia-Pacific

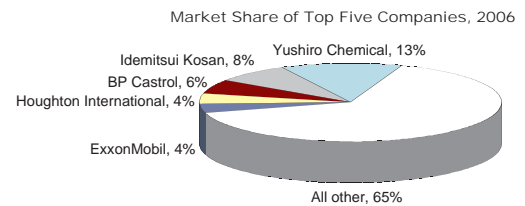
The Market

Total industry consumption of metalworking fluids in the Asia-Pacific region is estimated at 697,100 tonnes, valued at \$1,412.4 million in 2005. Since 2001, the Asia-Pacific region (excluding Japan) has outperformed the rest of the world, including the United States, in growth of gross domestic product. The latest growth rates for 2005 vary between 2.7% and 9.9% for the major countries in the region, with Japan showing the lowest growth rate and China the highest.



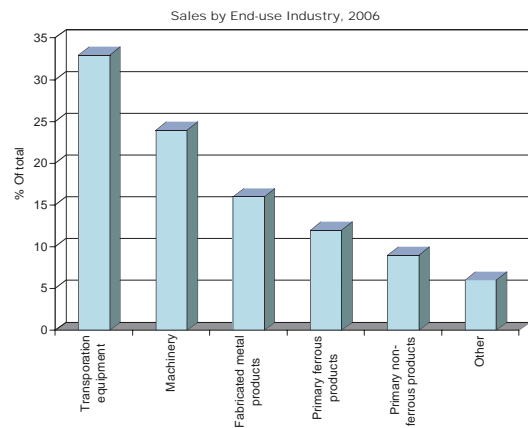
Companies

Companies that are considered to be major suppliers of metalworking fluids to the Asia-Pacific region for this report are those supplying a volume of 5,000 tonnes or more. Another way to classify the major suppliers of metalworking fluids is by type of company. Of the 21 major suppliers of metalworking fluids to the Asia-Pacific region, 12 are oil companies and nine are specialty companies.



End-use industry

The transportation equipment sector is the major market for metalworking fluids in the Asia-Pacific region, followed by the machinery sector. Estimated supply of metalworking fluids to these industries largely depends on how suppliers of metalworking fluids classify their customers.



Future outlook

The economic growth experienced over the last several years in the Asia-Pacific region is expected to continue for the 2006 to 2010 forecast period. The most likely growth rate for metalworking fluids in the region is expected to be around 5% over the forecast period. This would bring the volume in 2010 to 888,600 tonnes. China is forecast to have the highest growth rate.

