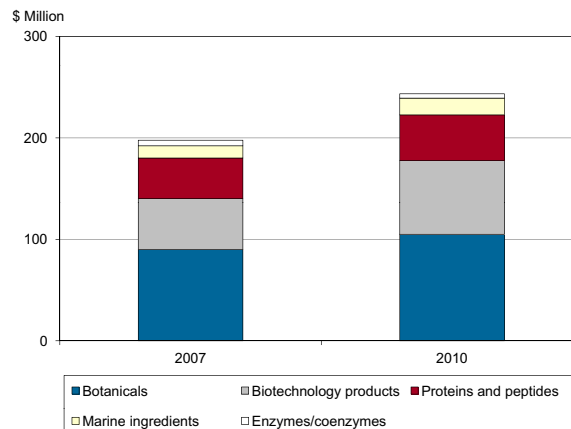


# Specialty Actives in Personal Care 2011: Europe Market Analysis and Opportunities

## Fact Sheet

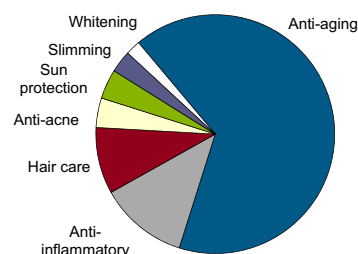
### The Market

Europe is the leading personal care market with sales in excess of €50 billion at the manufacturers' level. Following strong growth since 2007, the European market for specialty actives in personal care is valued at just under EUR 250 million. Botanicals dominate the market due to their natural positioning and extensive range of products available that address almost any skin-care related functionality.



### Functionalities

Anti-aging actives are the most important functionality in Europe, with total sales in 2010 representing about two-thirds of specialty actives consumption. Anti-aging functionality is difficult to define as its definition is very wide. The formal definition of an anti-aging product is a product that is delaying or lessening the effects of aging, especially on the skin. Kline includes the following sub-functionalities within anti-aging: anti-wrinkle, age spot reduction, firming, moisturization, and skin radiance.



### Competitive Landscape

Despite M&A, supply in Europe remains fragmented, as suppliers typically have expertise in a limited number of segments. However, competitors that diversified their product portfolios through acquisitions during the 2000s are among leading companies in the European specialty actives market. The botanical segment has the highest number of suppliers. Silab and Laboratoires Sérobiologiques are among the market leaders in this segment.

Supplier	Botanicals	Biotechnology products	Marine ingredients	Proteins and peptides	Enzymes/coenzymes
BASF/BASF BCS	✓	✓	✓	-	✓
Cognis/Laboratoires Sérobiologiques	✓	✓	✓	✓	-
CPN/Contipro	-	✓	-	-	-
Croda/Sedema	✓	✓	✓	✓	-
DSM/Pentapharm	✓	✓	✓	-	✓
ISP Vincience	✓	✓	✓	✓	-
Lipotec	✓	-	-	✓	-
Silab	✓	✓	-	-	-
Solabia	✓	✓	-	-	-
Soliance	✓	✓	-	-	-
Symrise	✓	✓	-	-	-

### Future Outlook

Specialty actives will benefit from increased consumer demand for better efficacy and proof of performance as they become more educated due to media and marketing stories created by the formulators to promote their products. Actives, in particular, substantiated actives will benefit from this. The highest growth is expected from naturally derived specialty actives following continuous demand for natural products. Following a forecast average growth of 4.6%, the market will exceed EUR 300 million in 2015.

