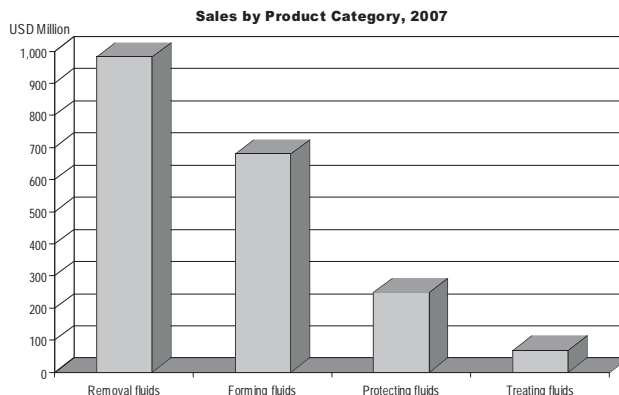


# Metalworking Fluids 2008: Asia-Pacific Market Analysis and Opportunities

## Fact Sheet

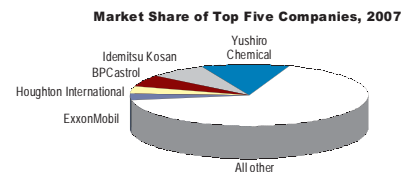
### The Market

Since 2001, the Asia-Pacific region (excluding Japan) has outperformed the rest of the world, including the United States, in the percentage growth of gross domestic product. The latest growth rates for 2007 vary between 2.1% and 11.4% for the major countries in the region, with Japan showing the lowest growth rate and China the highest. The Asia-Pacific region has long depended on overseas exports, but domestic consumption is increasingly representing a more important share of the economy.



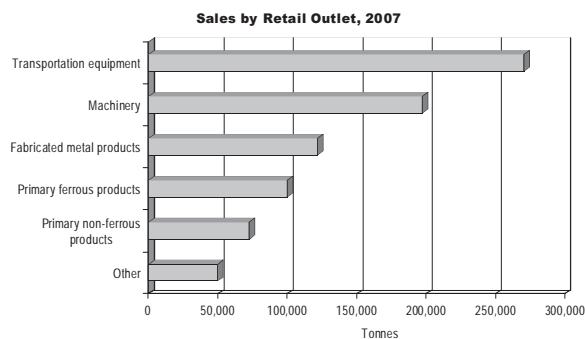
### Companies

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. Yushiro Chemical is the only supplier of metalworking fluids with a market share above 10% in the Asia-Pacific region, if the sales of its joint ventures are included. 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. It is difficult, however, to classify users of metalworking fluids because companies often engage in activities that could put them in end-use industries such as fabricated metal products, transportation equipment, or machinery. 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 2007 to 2012 forecast period, albeit at a somewhat reduced, but still respectable, pace due to a slowing of the global economy. The most likely growth rate for metalworking fluids in the region is expected to be around 5%, with China showing the highest growth rate.

