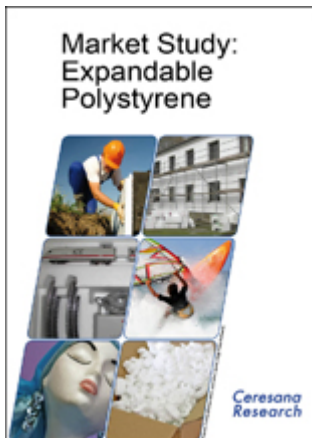


Ceresana Announces New Study on EPS: Ascent of a Climate Protector



Building insulation provides an effective way to save a good deal of money and also protect the environment. 23 million homes are in need of insulation improvement in Germany alone: if their heat insulation was updated to the newest standards, heating oil consumption could be cut by 83 billion liters, and CO₂ output would fall by 250 million tons per year. The savings potential is even greater in countries with warmer climates, since air conditioning systems require a considerable amount of energy. This provides a good outlook for manufacturers of EPS, the most important insulation material. Ceresana, the market research institute, is releasing a new study covering expandable polystyrene.

Building with EPS

Roughly two-thirds of EPS demand is accounted for by blocks and panels in the construction industry, the largest application area. The construction industry's importance will continue to grow: many governments, particularly in Europe, are promoting measures to increase energy efficiency. Therefore Ceresana Research expects to see continued growth in EPS consumption starting in 2010, despite declining building sectors in many locations. After worldwide EPS revenue had increased at an average rate of 7.3% per year between 2000 and 2008, it fell to approximately 4.3 billion € in 2009. "Due to substantial price decreases, revenue fell by up to a third in some world regions", says Oliver Kutsch, owner of Ceresana Research. "However, prices are already starting to rise again. We expect market value will reach the level from 2008 again in 2012."

Universal Foam

Aside from heat insulation, used for example in boilers and entire tanker ships, EPS is primarily applied where shock absorbance and sound insulation is required. The small foam pellets can be found in products, such as protective helmets for cyclists, electronics packaging and sound baffles. Since the material is harmless, it is also used for disposable

cups and other food containers. EPS is very buoyant because it consists of up to 98 percent air, and is used for lightweight cores in surfboards, life jackets, and life-savers. Simple and almost arbitrarily moldable EPS is utilized in the production of architectural models, as well as theater backdrops and decorations. Lesser known technical applications of EPS include for example, void formers for iron or aluminum parts in motors.

Upsurge in the East

EPS production is particularly dynamic in Eastern Europe and the Asian Pacific. Ceresana Research expects to see growth there until 2016, in the amount of 7.1 and 5.9 percent per year, respectively. China alone, which is already the world's largest EPS manufacturer, should see capacities increase by more than 750,000 tons, while East European countries should see a growth of just less than 350,000 tons. In contrast, EPS production in Japan and South Korea will most likely fall.

Concise Overview

“Market Study – Expandable Polystyrene“ presents the most important information regarding the various EPS grades, their advantages, application possibilities, as well as legal situations and certifications, innovations and trends and recycling on 690 pages. The market report contains 63 profiles of current and future manufacturers, with information on product ranges, capacities, ownership structure and corporate integration. Individual EPS markets are analyzed in detail for 64 countries, with information on prices, imports and exports – including prognoses until 2016. The study is available in English or German from Ceresana Research: www.ceresana.com/en/market-studies/plastics/expandable-polystyrene/

About Ceresana Research

Ceresana Research is one of the world's leading industrial market research institutions. Companies, institutions, and organizations from more than 40 countries already benefit from our global market data and well-founded prognoses. Our core competencies include: chemicals + plastics + additives + commodities + materials + industrial components + packaging + construction materials.

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Additional information:

Ceresana Research

Blarerstr. 56, 78462 Konstanz, Germany

Tel.: 49 7531 94293 0, Fax: 49 7531 94292 27

Press contact: Martin Ebner, M.A., m.ebner@ceresana.com