

China Green Building Materials – Growing opportunities in a large, competitive market

Shanghai- November 17, 2009 – GCiS China Strategic Research has published a study of the China Green Building Materials market, analyzing a cross-section of applications, budgets and thermal zones in Mainland China.

The study values the market for green building materials, which are materials specifically designed to reduce the energy load of a building, at over RMB 100 billion (USD 15 Bn), making this market one of the largest of its kind in the world. Growth is expected to remain in double digits for much of the next decade as the torrent of construction spreads to China's interior. Greener building standards and the rising energy costs are the market's main propellants.

Despite these strong fundamentals, growth markets in China's second tier cities pose challenges for suppliers. Enforcement of energy standards is uneven and customers are highly price sensitive. This will intensify an already competitive market, with pricing battles between the thousands of suppliers crowding in. Both buyers and sellers are taking a pragmatic approach to green building materials. Successful marketing messages emphasize how much money a particular material saves and how quickly it delivers the saving.

"Once their functional needs are met, property developers, who are the primary customers, look for the lowest pricing," said Edward Barlow, senior analyst and author of the study. "In this market a huge volume of low-end products compresses pricing all-around, making it very difficult to sell deep green solutions," Barlow added.

"Those buying building materials are far removed from those paying the utilities bills."

About the GCiS China GBM Study

This GCiS market study draws on a three month, in-depth primary survey of over 100 of the market's supply side, channel players and end-users. It is essential reading for any professional needing accurate and detailed strategic information on this market. Major areas covered include: market size and shares, five-year projections, market structure, new vs. replacement sales,



pricing trends, distribution, consumption, an assessment of key suppliers and more.

About GCiS China Strategic Research

GCiS (www.GCiS.com.cn) is a China-based market research and advisory firm focused on business to business markets. Since 1997, GCiS has been working with leading multinationals such as Siemens and GE in sectors ranging from technology to industrial markets, medical, chemicals, resources, and a few others.