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INTERNATIONAL PROFILE GROUP

u-PVC profiles-Opportunities and Challenges

Farid Khan | CEO | New Delhi | 05.07.2013

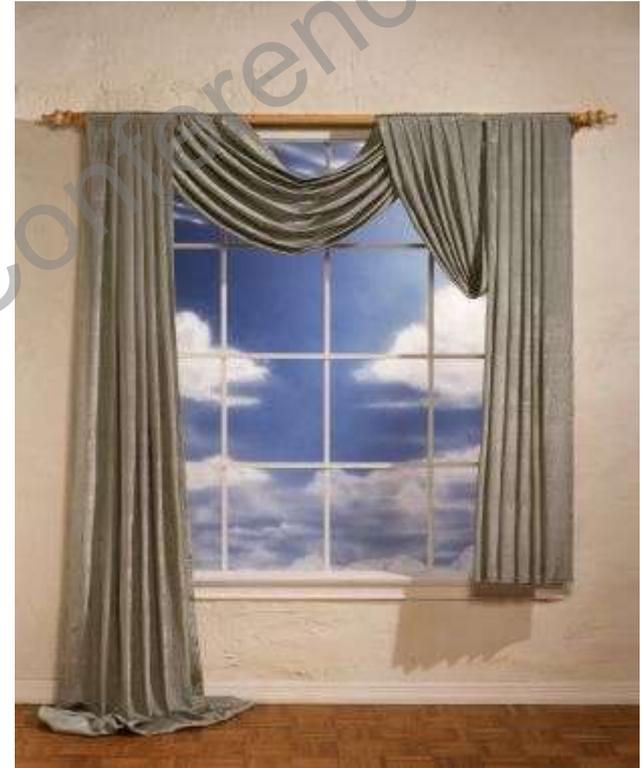
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YES WE CAN- Land of Endless Opportunity



Windows- Scenario in INDIA

- Windows, until now only an object behind the curtain.
- No specific attentions to this object.
- With growing urbanization we are finding noticeable increase in noise & air pollution.
- Facing the eccentricities of heavy rain and wind.
- Difficulties in getting rid of unwanted elements with the conventional window systems.
- Architects have made their efforts to keep them out, these elements have still found ways to enter, mainly through gaps and cracks in conventional windows.



.....*And here comes the uPVC windows to provide you the solution..!!*

Growth of population and human capital

	35%	20%	15%	12%	12%	7%
Age (in years)	15	25	35	45	60+	

Source: German Bank Research () Global growth centers, current topic, number, ...

- Indian population grows around 17 million per year
- 35% of the population is younger than 15 years
- 70% of the population is younger than 35 years
- India's working-age population to rise by stunning 240m in 20 years compared with 10m in China

Drivers of market

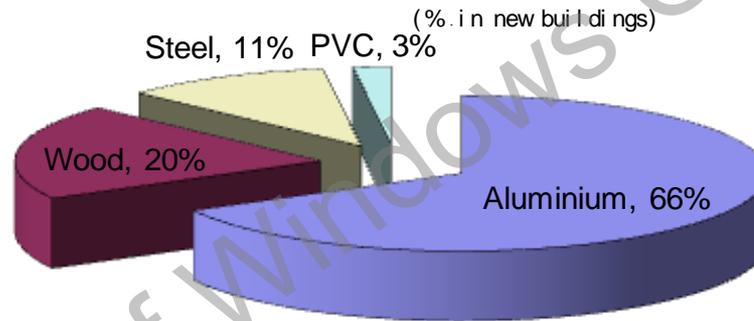
- Substitution of other window materials
increasing demand for reconstruction / redevelopment
- Emerging trend of urbanisation
- Increasing demand for living space
 - => growing middle class
 - => young population
 - => increasing living space per capita

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Window market - India by material



Window materials



- Total market size PVC July 2012: 20,000tons

Aluminium stable , PVC surging ahead

Advantages u-PVC over other traditional material



Eco-friendly, built with Eco-stabilizers

Excellent Weather Resistance

Requires Minimum Maintenance

Easy To Install

Highly Durable – No Rusting or Corrosion etc.

Sound & Dust Resistant

Built Tough - Enhances Security

Effective Insulator, Cuts Energy Costs

Termite Proof

Economical , Affordable

The key drivers in the evolution of the real estate market are:

- **Increase in urbanization** Only 300 million people live in cities, which implies an urbanization rate of 28% (vs. China's 40%). This means that 800 million people still conduct rural lives. As new jobs open, the migration from the countryside is expected to continue.
- **Emergence of the middle class** The wave of money generated by the service industry is sustaining a strong growth in employment from local and multinational corporations, with consequent need for new class A and B office space. Conversely, new jobs are sustaining the emergence of a middle class, which desires better housing and high quality retail.
- **Redevelopment opportunity** In historical downtowns, the urban quality of even the most prime real estate locations is low by western standards. Mumbai is the most evident case, where slums survive next to the "posh" parts of the city, and even in prime locations, lifelong fixed rents are withholding landlords from redeveloping decaying properties.

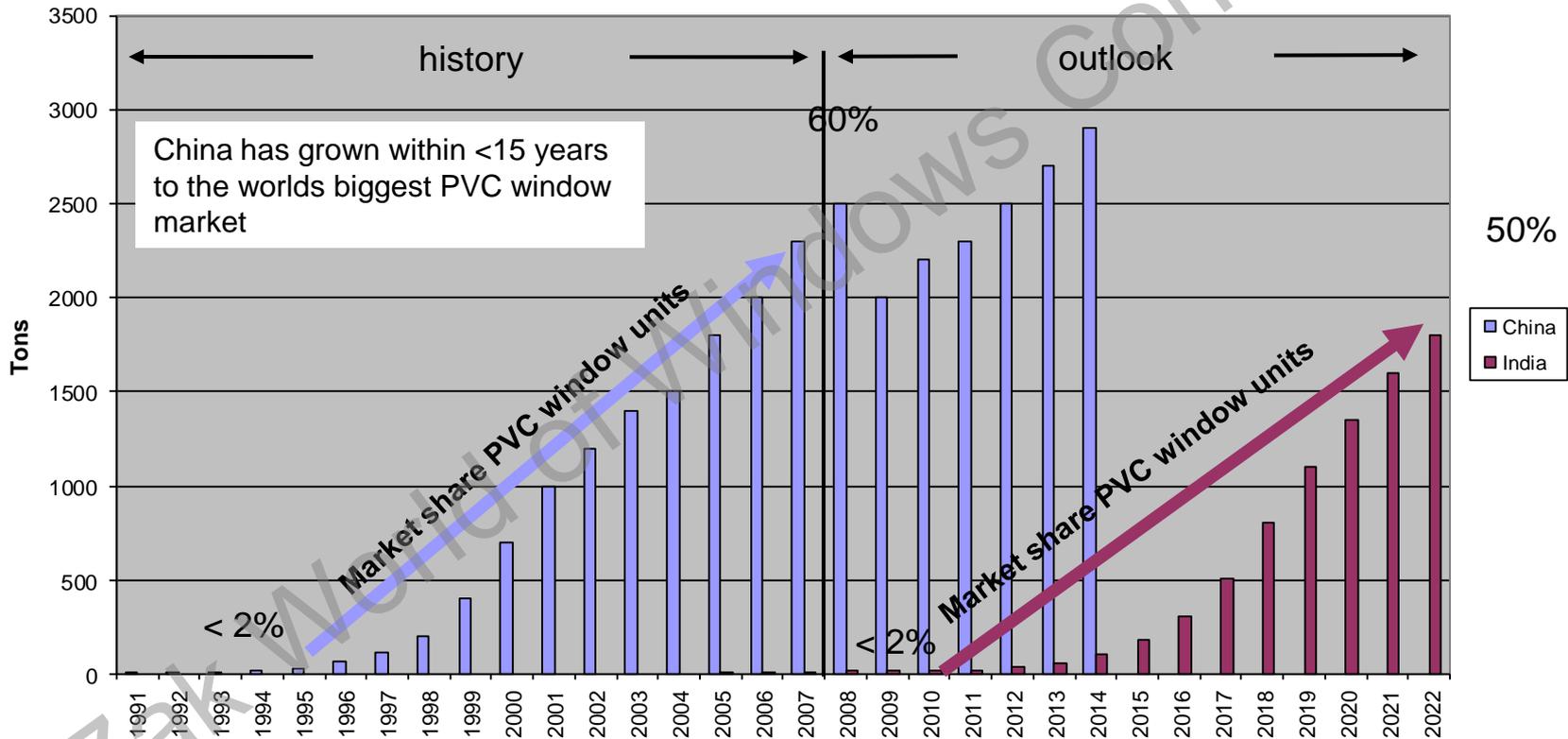
(Source: Deutsche Bank Research "Building up India, Outlook for India's real estate market")

- **BIS to lay down standards to meet Indian conditions**
- **IGBC associated with LEED & GRIHA working on Energy saving initiatives**
- **Strong need to define profile width, formulation & environmental safety**

Market Opportunity for uPVC



Market development China / India – comparison and outlook



Source: Shanghai Hlorlkal Chemicals Co., Ltd.; profine research

India has the potential to follow Chinese growth pattern

Goal – uPVC at its peak



Thank you for your
kind
attention