

Innova Research Press Release

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Overcapacity will Soon Reshape Graphene Production Landscape

SHANGHAI, CHINA – December 23, 2015 – While very positive on the prospects of global graphene industry, Innova Research expects that severe overcapacity drives the market in the short term based on a recently published market research report, "[The World Market for Graphene – 2015 Edition](#)".

The graphene production capacity buildup has outpaced the demand by a very large margin. At the end of 2014, the global production capacity for graphene Nanoplatelets (GNP) was estimated at over 1,000 ton while the actual shipment of GNP to the global market was less than 50 ton, meaning less than 5.0% of the global GNP production capacity was utilized for the year. It's even worse in the graphene film (GF) segment. According to Innova Research report, the global production capacity for GF was over 180,000 square meters, compared to the actual GF shipment of less than 1,000 square meter, resulting in a less than 1.0% utilization rate in 2014.

China is the most aggressive country in the world in building up graphene production facilities. In the GNP segment, the top three producer in capacity are all Chinese, namely Ningbo Morsh, Sixth Element, and Knano. Same is found in the GF segment. Chinese companies, namely 2D Carbon, Wuxi Graphene Film, and Chongqing Moxi (Chongqing Graphene Tech), were estimated as the top three capacity holders for GF production in the world.

The current graphene oversupply will not see relief from the demand side in the next few years. While graphene is being tested in numerous applications, most of these applications are still in the trial phase. The scaled demand won't kick in until later in the product development cycle, which are several years away. This overcapacity poses as a strong headwind for graphene producers, especially the leading Chinese companies. Although they are currently well supported from both the local Chinese government and private funds, these investors' patience will run out if no breakthrough in graphene adoption is in sight.

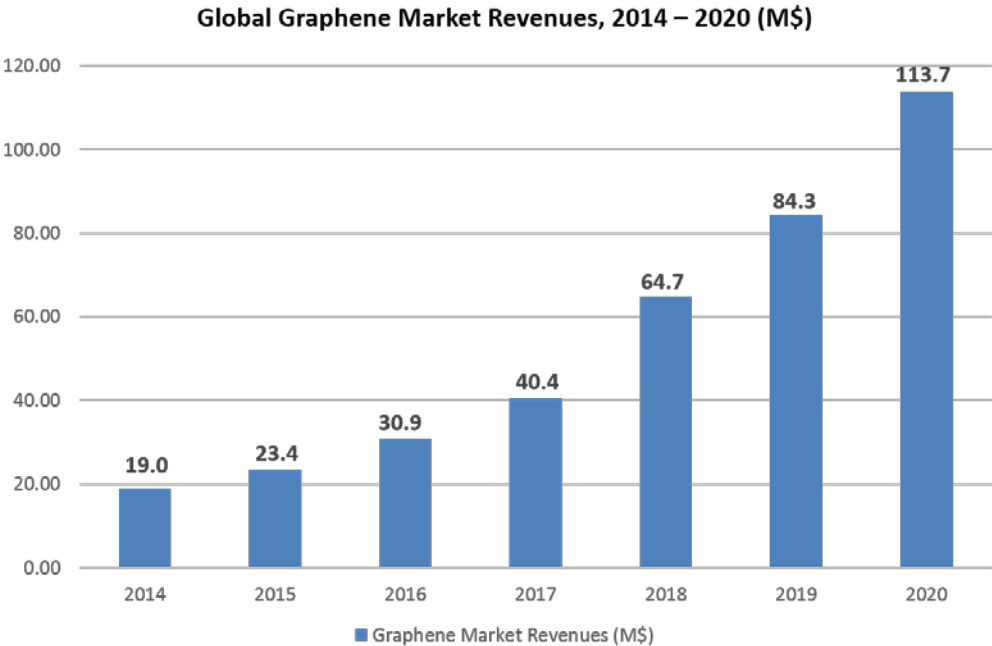
Dr. Nancy Wu, Research Director of Innova Research commented: "In a short term, the global graphene market is suffering from severe overcapacity. As a result, industry consolidation and restructuring are expected to happen in the next few years. Innova Research expects that the Chinese graphene industry will initialize the shake-out of uncompetitive graphene makers due to a large idle capacity at present."

About Innova Research

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consulting service help our clients to make right strategic and investment decisions in the fast-changing technology world. Visit www.innovaresearchinc.com for more information.

Global Graphene Market Revenues Are Forecast to Grow at 34.8% CAGR from 2014 to 2020



Source: Innova Research

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