



Worldwide Electronics and Information Technology Production Trends (First issue)

Japan Electronics &
Information Technology
Industries Association

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World production of Electronics and IT solution industry
(2005, 2006)

Appendix : Research method

1 . Purpose of research

1 . Process :

Japanese electronics industry is at about 20 trillion yen on a domestic production scale. However, with development in globalization of companies, the production area is dispersed over many places of the world instead remaining in the country. It becomes difficult to grasp the actual scale of the whole electronics industry with only domestic production statistics.

2 . Purpose of research :

JEITA aim at making a clear production scale of worldwide electronics industry data.
JEITA aim at grasping the positioning of Japanese companies in the world.

3 . Range and a classification of research :

An industrial range for electronic as follows.

(1) Definition of electronics and information technology industry is include IT solution service.

(2) Research items are based on electronics production definition from the Japanese Ministry of Economy Trade and Industry

1. Electronics

Audio Visual equipment (AV)

Communications

Computer and peripheral

Other electronics (electric measuring instrument, electronic applied equipment, office equipment)

2. Electronic parts / semiconductor

Electronic parts

Display devices

Semiconductors

3. IT solution / Service

2. Worldwide production trend (2005 ~ 2006)

1. World production revenue (2005 Results)

1) Electronics and IT solution industry is 184 trillion yen.

* Electronics and IT solution industry = Electronics industry (140 trillion yen) + IT solution / Service (44 trillion yen)

· Japanese companies are 44 trillion yen. (World share:24%)

2) Electronics industry is 140 trillion yen.

* Electronics industry = Electronics (89 trillion yen) + Electronic parts / devices (50 trillion yen)

· Japanese companies are 38 trillion yen. (World Share:27%)

· Domestic production of Japanese companies is 19 trillion yen. Offshore production ratio is 50%.

2. Year on year ratio (2006 forecast)

	2005		2006		Trillion yen			
	Japanese	Worldwide	Japanese	Worldwide	Japanese	Worldwide	Worldwide	
Electronics & IT industry	44	-	184	-	46	5.3%	196	6.6%
Electronics industry	38	-	140	-	40	5.5%	148	5.6%

3. World production by sales

: breakdown of 184 trillion Yen in 2005

Electronics industry (140 trillion yen)

Electronics (89.4 trillion yen)

AV (15.0 trillion yen)

TV (7.4 trillion yen)	DVD/Digital camera/Video camera (3.1 trillion yen)	Car AVC (2.7 trillion yen)	Audio (1.8 trillion yen)
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Communications (24.7 trillion yen)

Cellular phone (11.5 trillion yen)	Cable broadcasting communications equipment (8.6 trillion yen)	Base station/ Fixed communication/ Broadcaster/ Radio application device (4.6 trillion yen)
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Computer and peripheral (40.9 trillion yen)

PC (21.2 trillion yen)	Peripheral (14.8 trillion yen) HDD/Laser Disk device/ semiconductor memory card/ LCD monitor/Printer/ Scanner/Duties terminal	Server/ Storage (4.9 trillion yen)
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Other electronics (8.8 trillion yen)

Electric measuring Instruments (4.1 trillion yen)	Electronic applied Equipment (4.1 trillion yen)	Office equipment (0.6 trillion yen)
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Electronic parts / device (50.3 trillion yen)

Semiconductor (25.7 trillion yen)	Display device (7.6 trillion yen)
Electronic parts (17.0 trillion yen)	

IT Solution service (44 trillion yen)

System Integration (14 trillion yen)

Outsourcing (13 trillion yen)

Software (17 trillion yen)

Electronic IT industry 184 trillion yen

* Office equipment in this category is mainly "Copier". Products having printer functions such as digital composition machines is included in "the printer" of computer peripheral.

4. World production of Japanese companies by sales : Breakdown of 44 trillion Yen in 2005

Electronics industry (37.9 trillion yen)

Electronics (21.7 trillion yen)

AV (7.2 trillion yen)

Audio
(0.5 trillion yen)

TV (2.9 trillion yen)	DVD/ Digital camera/ Video camera (2.2 trillion yen)	Car AVC (1.6 trillion yen)	
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Communications (4.0 trillion yen)

Cellular phone (1.9 trillion yen)	Cable broadcasting communications equipment (1.3 trillion yen)	Other equipment (0.8 trillion yen)
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Computer and peripheral (7.9 trillion yen)

PC (1.6 trillion yen)	Peripheral (5.7 trillion yen) HDD/Laser Disk device/ semiconductor memory card/ LCD monitor/Printer/ Scanner/Duties terminal	Server/ Storage (0.6 trillion yen)
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Other electronics (2.6 trillion yen)

Electric measuring Instruments (0.8 trillion yen)	Electronic applied Equipment (1.4 trillion yen)	Office equipment (0.4 trillion yen)
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IT Solution service (5.8 trillion yen)

System Integration (2.6 trillion yen)

Outsourcing (2.5 trillion yen)

Software (0.7 trillion yen)

Electronic parts / device (16.2 trillion yen)

Semiconductor (5.4 trillion yen)	Display device (2.4 trillion yen)
Electronic parts (8.4 trillion yen)	

World production by Japanese companies in electronic & IT solution industry
44 trillion yen

About 1/4 of the worldwide production

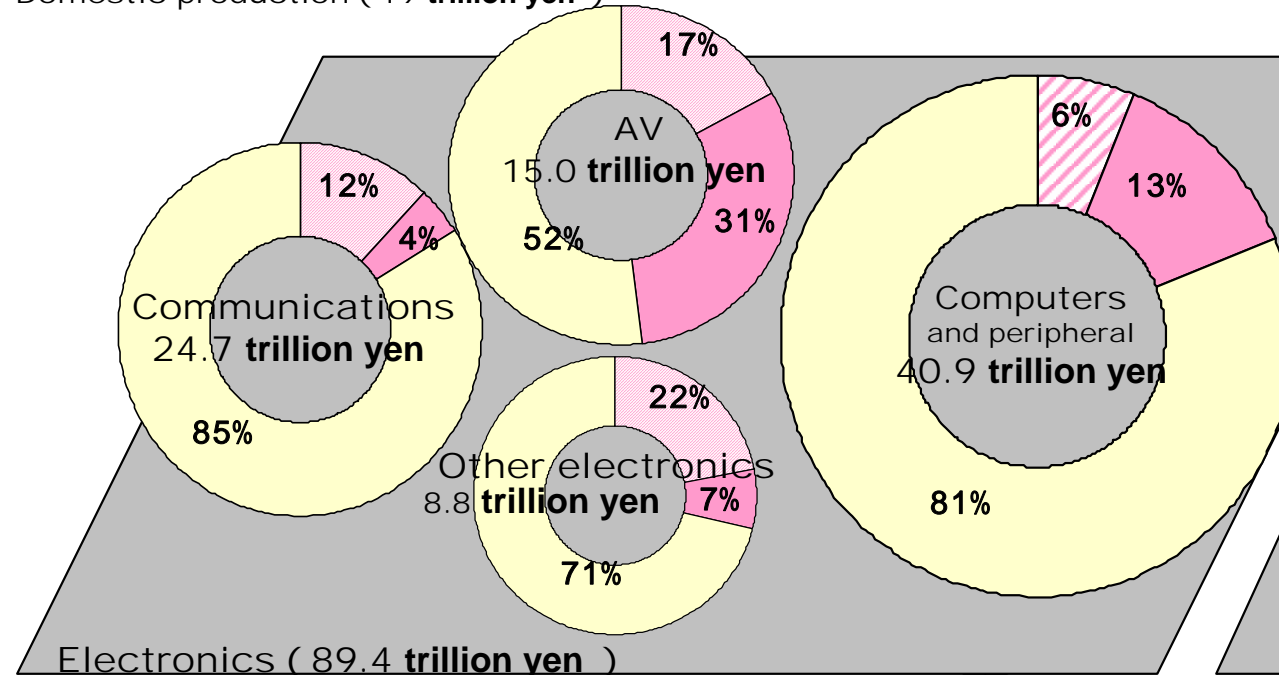
* Office equipment in this category is mainly "Copier". Products having printer functions such as digital composition machines is included in "the printer" of computer peripheral.

5. Japanese companies share of worldwide production (2005)

Electronics industry (140 trillion yen)

Japanese companies production (38 trillion yen)

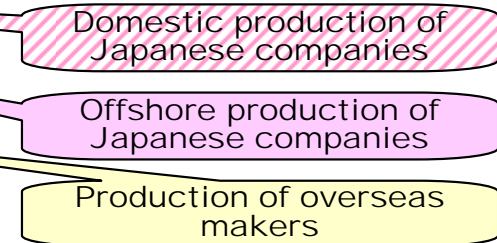
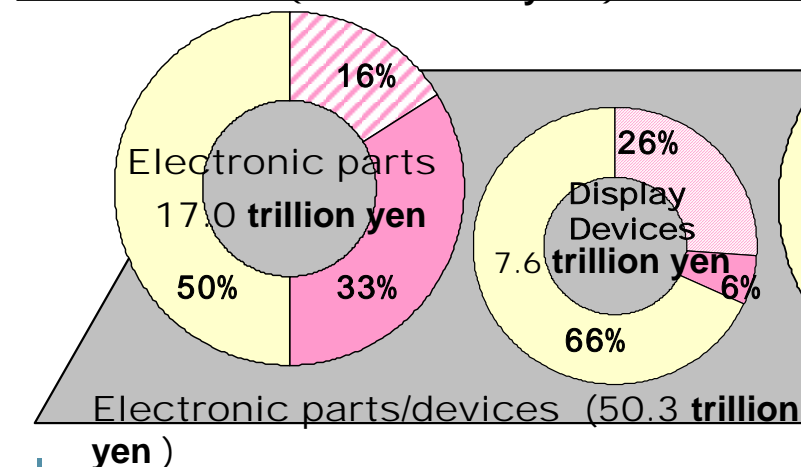
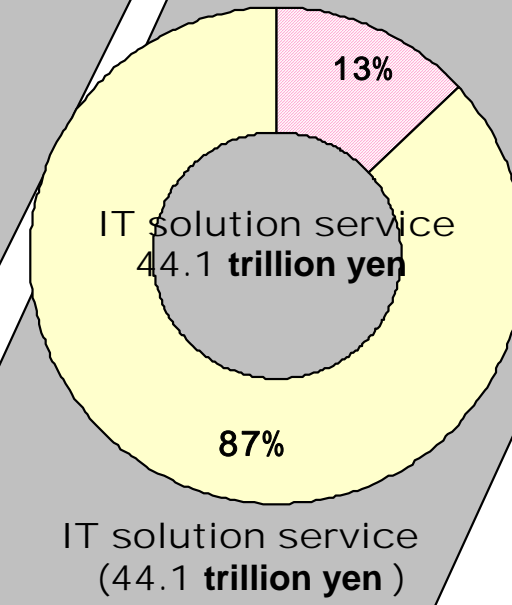
Domestic production (19 trillion yen)



Electronics and IT solution industry:

World production (184 trillion yen)

Japanese company production (44 trillion yen)



Japanese companies have a high share in AV equipment and electronic parts.

6. Situation of production in Japanese companies

1. "Domestic production" and "total production included offshore production" of electronics industry with growth rate.

	2005	2006
Domestic production (YoY growth)	18.8 trillion yen	20.1 trillion yen (6.6%)
The Japanese production include offshore production (YoY growth)	37.9 trillion yen	40.0 trillion yen (5.5%)

2. The offshore production ratio(2005) becomes about 50% of total production and has already become equal with the domestic production volume.

High offshore production ratio; PC peripheral(88%), Electronic Parts(67%), AV(65%)

3. AV and Electronic Parts – High market share by Japanese companies

Video/Digital Camera (86%), office equipment (89%), car AVC (61%),

Electronic Parts(50%), video equipment (42%), Televisions (40%) PC peripheral (39%).

Appended Data : World production of Electronics and IT solution industry in 2005

Electronics and IT industry world production by sales in 2005

Unit: Billion yen

Application	A. Japanese		B. Oversea company	C. WW production (A+B)	Japanese share (A/C)	Oversea production share of Japanese (A3/A)	
	A1. Domestic production	A2. Oversea production					
Electronics and IT industry	-	-	43,650	140,140	183,790	24%	-
Electronics industry (Electronics equipment and devices)	18,820	19,060	37,880	101,800	139,680	27%	50%
Electronics equipment	9,840	11,890	21,730	67,690	89,420	24%	55%
AV	2,560	4,690	7,250	7,730	14,980	48%	65%
TV (LCD/PDP/projection/CRT)	-	-	2,930	4,470	7,400	40%	-
Video equipment (DVD recorder/player/VTR)	-	-	470	650	1,120	42%	-
Camera equipment (DSC, DVC)	-	-	1,710	270	1,980	86%	-
Car AVC (Navigation/CarDVD/CarTV/Car audio)	-	-	1,650	1,050	2,700	61%	-
Audio (Portable/Home, Hearing aid)	-	-	490	1,290	1,780	28%	-
Communication	2,970	1,060	4,030	20,660	24,690	16%	26%
Wireless (Broadcasting, Fixed/Mobile communication, Wireless application)	2,270	480	2,750	13,320	16,070	17%	17%
Mobile phone	1,650	240	1,890	9,590	11,480	16%	13%
Wired (Telephone/FAX/PBX/Router/Hub)	700	580	1,280	7,340	8,620	15%	45%
Computer and peripheral	2,340	5,520	7,860	33,070	40,930	19%	70%
Server/Storage (Mainframe/Midrange/Network storage)	500	30	530	4,370	4,900	11%	6%
PC (PC server/Desktop PC/Notebook PC)	1,130	480	1,610	19,590	21,200	8%	30%
PC peripheral	710	5,010	5,720	9,110	14,830	39%	88%
Others	1,970	620	2,590	6,230	8,820	29%	24%
Electronic applied device (X-ray /Supersonic wave application / Industrial televis)	1,000	380	1,380	2,740	4,120	33%	28%
Electric measuring instruments	600	170	770	3,290	4,060	19%	22%
Office equipment (Copier/Calculator/Register)	370	70	440	200	640	69%	16%
Electronic devices	8,980	7,170	16,150	34,110	50,260	32%	44%
Passive component (passive/connector/Trans/PCB/others)	2,740	5,670	8,410	8,560	16,970	50%	67%
Display (LCD device/PDP module/Electron tube)	1,900	510	2,410	5,150	7,560	32%	21%
Semiconductor	4,340	990	5,330	20,400	25,730	21%	19%
IT solution/service	-	-	5,770	38,340	44,110	13%	-
SI development (Consulting/System integration)	-	-	2,570	11,750	14,320	18%	-
Outsourcing (ASP/Maintenance/Remoto monitor)	-	-	2,510	10,700	13,210	19%	-
Software (Application package/Middleware/OS)	-	-	690	15,890	16,580	4%	-

Passive component exclude memory product. Passive component shows fisical year and consumption base.

*There is the case that a breakdown and a value in total do not match concerning rounding off

Appended Data: World production of Electronics and IT solution industry in 2006

Electronics and IT industry world production by sales in 2006

Unit: Billion yen

Application	A. Japanese		B. Oversea company	C. WW production (A+B)	Japanese share (A/C)	Oversea production share of Japanese (A3/A)	
	A1. Domestic production	A2. Oversea production					
Electronics and IT industry	-	-	45,960	150,030	195,990	23%	-
Electronics industry (Electronics equipment and devices)	20,060	19,910	39,970	107,600	147,570	27%	50%
Electronics equipment	10,140	11,900	22,040	71,040	93,080	24%	54%
AV	2,720	4,870	7,590	8,630	16,220	47%	64%
TV (LCD/PDP/projection/CRT)	-	-	3,130	5,190	8,320	38%	-
Video equipment (DVD recorder/player/VTR)	-	-	440	740	1,180	37%	-
Camera equipment (DSC, DVC)	-	-	1,790	290	2,080	86%	-
Car AVC (Navigation/CarDVD/CarTV/Car audio)	-	-	1,700	1,080	2,780	61%	-
Audio (Portable/Home, Hearing aid)	-	-	530	1,330	1,860	28%	-
Communication	3,070	720	3,790	21,340	25,130	15%	19%
Wireless (Broadcasting, Fixed/Mobile communication, Wireless application)	2,430	70	2,500	13,890	16,390	15%	3%
Mobile phone	1,770	20	1,790	10,030	11,820	15%	1%
Wired (Telephone/FAX/PBX/Router/Hub)	650	640	1,290	7,450	8,740	15%	50%
Computer and peripheral	2,330	5,780	8,110	34,400	42,510	19%	71%
Server/Storage (Mainframe/Midrange/Network storage)	490	50	540	4,480	5,020	11%	9%
PC (PC server/Desktop PC/Notebook PC)	1,130	570	1,700	20,980	22,680	7%	34%
PC peripheral	710	5,160	5,870	8,940	14,810	40%	88%
Others	2,020	530	2,550	6,670	9,220	28%	21%
Electronic applied device (X-ray /Supersonic wave application / Industrial televis)	1,060	310	1,370	3,040	4,410	31%	23%
Electric measuring instruments	650	200	850	3,450	4,300	20%	24%
Office equipment (Copier/Calculator/Register)	310	20	330	180	510	65%	6%
Electronic devices	9,920	8,010	17,930	36,560	54,490	33%	45%
Passive component (passive/connector/Trans/PCB/others)	3,060	5,970	9,030	9,300	18,330	49%	66%
Display (LCD device/PDP module/Electron tube)	2,110	640	2,750	5,360	8,110	34%	23%
Semiconductor	4,750	1,400	6,150	21,900	28,050	22%	23%
IT solution/service	-	-	5,990	42,430	48,420	12%	-
SI development (Consulting/System integration)	-	-	2,720	12,600	15,320	18%	-
Outsourcing (ASP/Maintenance/Remoto monitor)	-	-	2,560	11,970	14,530	18%	-
Software (Application package/Middleware/OS)	-	-	710	17,860	18,570	4%	-

Passive component exclude memory product. Passive component shows fiscal year and consumption base.

*There is the case that a breakdown and a value in total do not match concerning rounding off

1. Main data source

Macro data (Statistics of major country's production)

- Adjusted those data by using same definition.
- Factory production base (including inventory and export). Remove double count between areas as much as possible.

Main product (production unit and sales).

- Direct contact and survey of 32 main products (PC, mobile telephone, DSC, etc).

2. Count method

It is estimated by the production results of a main maker, various industry documents, statistics of each country.

3. Inspection method of data

Main product data is checked by using key components such as semiconductor.

For example, MPU shipment amount for Personal computer, optical pick-up part shipment for DVD recorder.

(Reference) data source

Government data of each country: Production data (Official statistics)

Direct contact and survey of 32 main products

Industry society document of each country

Japan, U.S.A., EU

Industry newspaper and magazine

Japan, U.S.A., EU, China, Korea, Taiwan

Main company information

Press release, original data source

Market reports of various research company