

Japanese bicycle production, export and import in 2011

In 2011, Japanese bicycle production increased 4.3% in units comparing to the previous year, and import also increased 12.5% in units comparing to 2010. As a result, the domestic units (production + import) increased 11.6%. The annual domestic bicycle units exceeded 10 million between 2000 and 2008. After 2008, it showed decrease (2009: 9.67 million, 2010: 9.46million); however, in 2011, followed by the two years' decrease, it increased to 10.55 million. Japanese export which is mainly used bicycles showed 11.8% increase in units comparing 2010 to 2.68 million.

In 2011, due to the great east Japan earthquake, bicycles were reevaluated, and the bicycle sales increased, shown by the result of the Domestic Bicycle Sales Trend Survey done by Japan Bicycle Promotion Institute, indicating the earthquake special demand exists. Moreover, with the background of the higher conscious for the environment and health among people, the bicycle boom is seen, and bicycle commuting is also increasing after the earthquake.

1. Domestic production

In 2011, Japanese bicycle production was 1.10 million in units increased only 4.3% (44,943 units); however, it was JPY42.7 billion in value basis showing increase of 15.6% (JPY5.8 billion) comparing to the previous year. Due to the increase of the electric assisted bicycles, the value increase surpassed the unit increase.

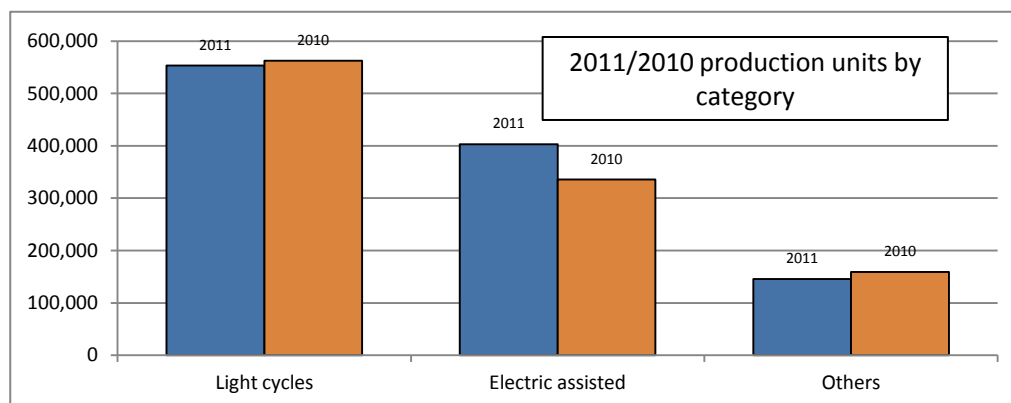
By product category, Light cycles decreased by 1.6% (9,085units) comparing to the previous year, Others decreased by 8.4%(13,324units). On the other hand, Electric assisted bicycles which has been increasing in trend in recent years was up by 20.1% (67,352units) resulted in capturing 36.6% in whole unit share.

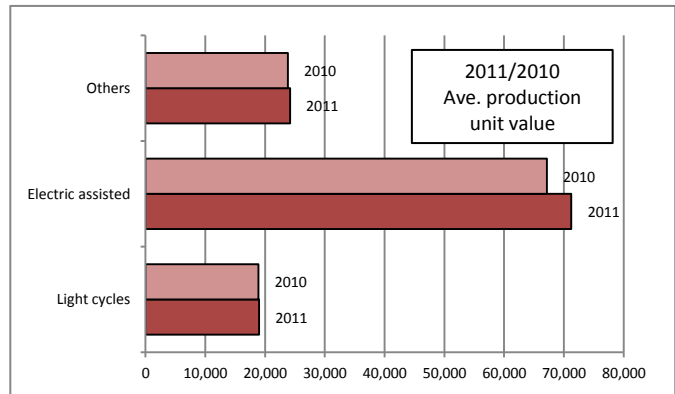
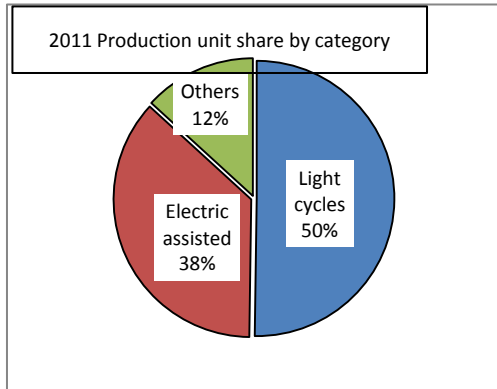
The average unit value of Light cycles was JPY18,992 (JPY93 up from the previous year), Electric assisted bicycles JPY71,253 (JPY4,085 up from 2010), and Others JPY24,173 (JPY347 up from 2010). All categories showed increase in average unit value.

[Value=JPY1,000 Ave. unit value=JPY]

Product category	2011			Variance		2010		
	units	value	ave. unit value	unit	value	units	value	ave. unit value
Light cycles	553,430	10,511,000	18,992	98.4%	98.9%	562,515	10,631,000	18,899
Electric assisted	402,928	28,710,000	71,253	120.1%	127.4%	335,576	22,540,000	67,168
Others	145,536	3,518,000	24,173	91.6%	92.9%	158,860	3,785,000	23,826
Total	1,101,894	42,739,000	38,787	104.3%	115.6%	1,056,951	36,956,000	34,965

Production statistics(METI Machinery statistics) used to consist of 6 types which were "Light cycles, Electric assisted, Infants & children, Mini cycles, MTB and Specials", however from 2011, it has changed to 3 types categories which are "light cycles, Electric assisted and Others". Therefore, Others in 2010 showed total of "Infants & children, Mini cycles, MTB and Specials".





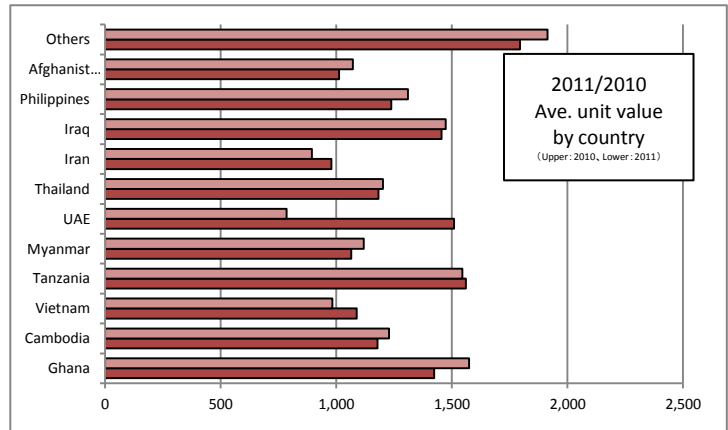
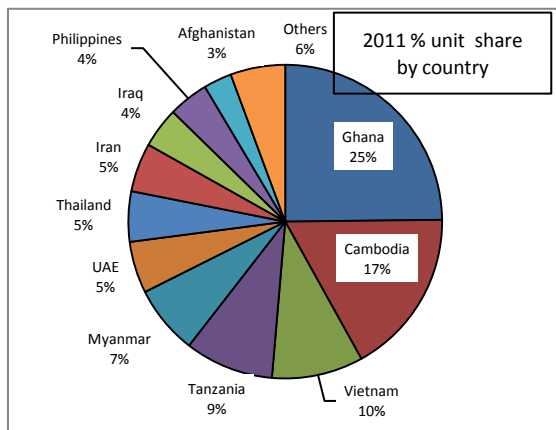
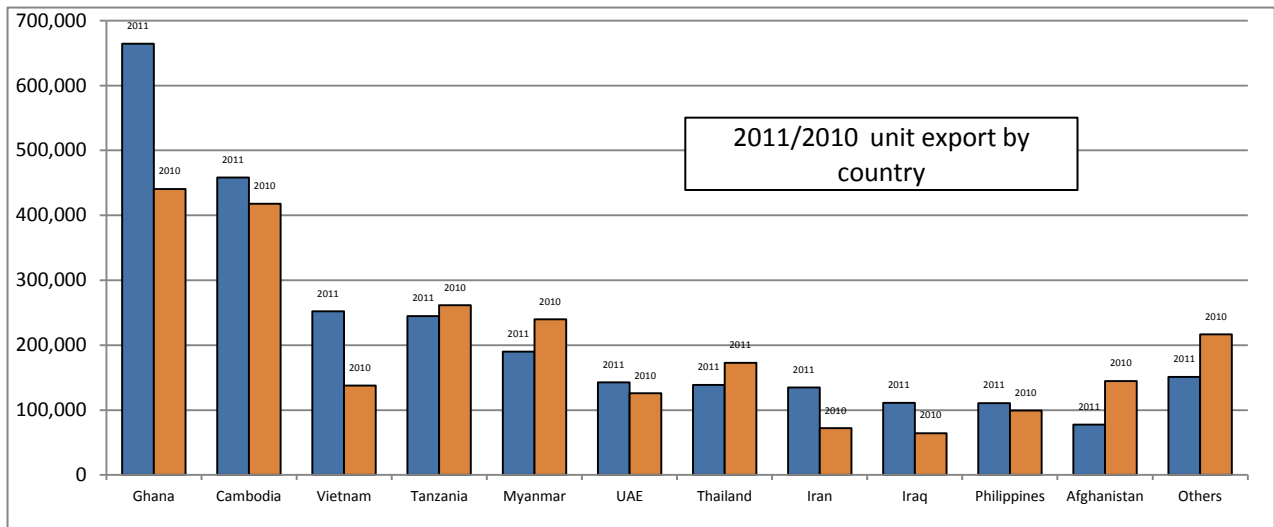
2. Export

In 2011, Japanese bicycle export was 2.68million in unit, increased by 11.8%(283,278 units) from 2.39million in 2010. In value basis, it was JPY3.5 billion, 10.2% increase(JPY324.32 million) from JPY3.2 billion in 2010. Average unit value and countries of destination indicate most of the Japanese bicycle export is second hand bicycles used in Japan.

By destination country, Ghana(0.66million units), Cambodia(0.46million units), Vietnam(0.25million units), and Tanzania(0.24million units) capture the top share. Ghana, Vietnam, Iran and Iraq showed an increase comparing to the previous year, but Myanmar and Thailand decreased. Asia(1.74million units) including Cambodia and Vietnam held 65% share, and Africa(0.94million units) including Ghana and Tanzania held 35% share, and these two areas capture 99.9% share of the total export units.

[Value=JPY1,000 Ave. unit value=JPY]

Country name	2011			Variance		2010		
	units	value	ave. unit value	units	value	units	value	ave. unit value
Ghana	664,296	945,621	1,423	150.8%	136.3%	440,567	693,907	1,575
Cambodia	458,142	539,947	1,179	109.6%	105.2%	417,963	513,177	1,228
Vietnam	252,197	274,328	1,088	183.0%	202.4%	137,820	135,552	984
Tanzania	244,811	382,229	1,561	93.6%	94.6%	261,490	404,231	1,546
Myanmar	190,061	202,515	1,066	79.3%	75.6%	239,617	268,024	1,119
UAE	142,567	215,294	1,510	113.2%	217.6%	125,953	98,943	786
Thailand	138,861	164,190	1,182	80.4%	79.1%	172,680	207,487	1,202
Iran	134,767	131,881	979	187.0%	204.4%	72,086	64,525	895
Iraq	111,336	162,004	1,455	172.7%	170.5%	64,460	95,008	1,474
Philippines	110,815	137,222	1,238	111.8%	105.7%	99,127	129,801	1,309
Afghanistan	77,651	78,561	1,012	53.6%	50.6%	144,805	155,146	1,071
Others	151,116	271,243	1,795	69.7%	65.4%	216,774	414,910	1,914
Total	2,676,620	3,505,035	1,310	111.8%	110.2%	2,393,342	3,180,711	1,329



3. Import

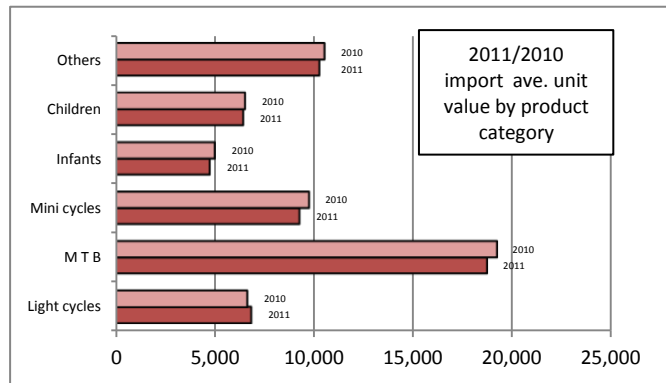
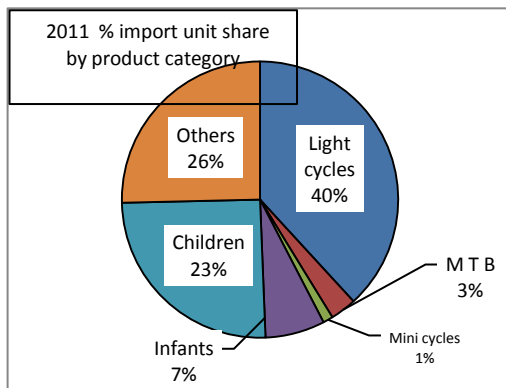
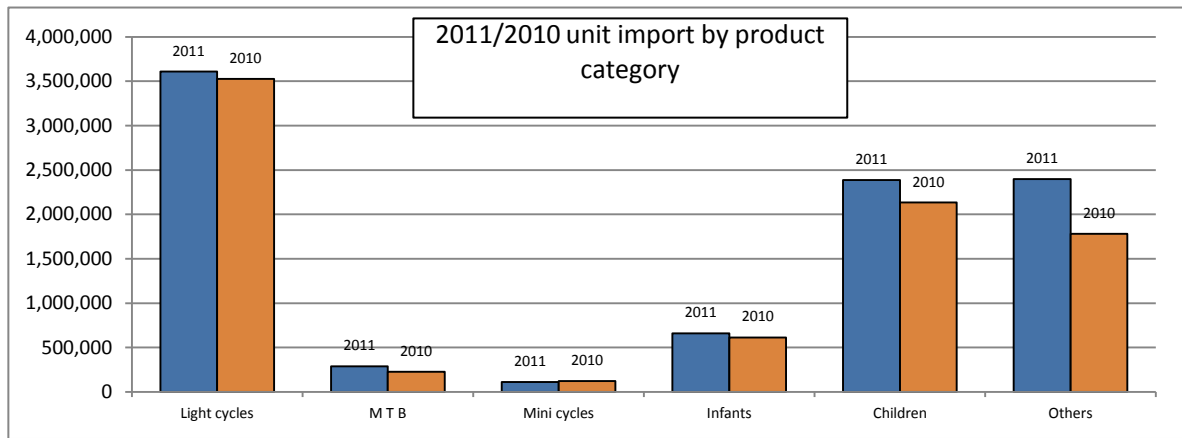
In 2011, Japan imported 9.45million units bicycles, increased by 12.5%(1.05million) from 8.40million in 2010. In value basis, Japanese bicycle import was JPY74.5billion, increased by 14.9%(JPY9.6billion) comparing to the previous year.

By product category, except for Mini cycles which decreased(10.9% unit decrease) comparing to the previous year, all the other categories showed an increase in units. Light cycles increased by 2.3%, MTB increased by 27.6%, Infants increased by 7.5% and Children increased by 11.9%. Moreover, Others including Sports type bicycles increased dramatically by 34.7% in units. The Average unit value of Light cycles was JPY6,876(JPY214 up from the previous year), but all the other categories of the average unit value was down as MTB JPY18,752(down by JPY472 comparing to the previous year), Mini cycles JPY9,306(down by JPY456), Infants JPY4,783(down by JPY246), Children JPY6,461(down by JPY95), and Others JPY10,311(down by JPY241).

[Value=JPY1,000 Ave. unit value=JPY]

Product category	2011			Variance		2010		
	units	value	ave. unit value	unit	value	units	value	ave. unit value
Light cycles	3,608,216	24,811,894	6,876	102.3%	105.6%	3,526,359	23,493,672	6,662
M T B	288,094	5,402,424	18,752	127.6%	124.5%	225,716	4,339,052	19,224
Mini cycles	110,599	1,029,277	9,306	89.1%	85.0%	124,094	1,211,457	9,762
Infants	658,735	3,150,742	4,783	107.5%	102.2%	613,003	3,082,887	5,029
Children	2,387,853	15,428,273	6,461	111.9%	110.3%	2,133,052	13,983,582	6,556

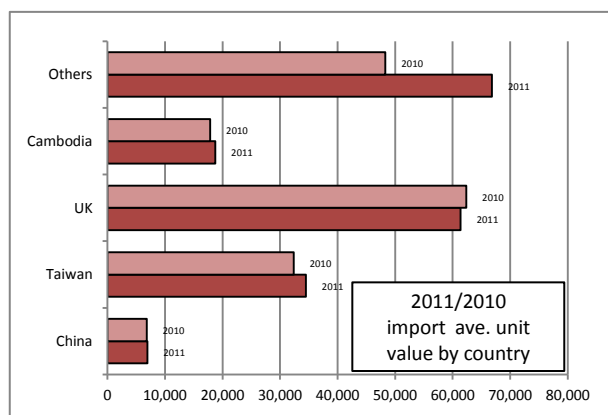
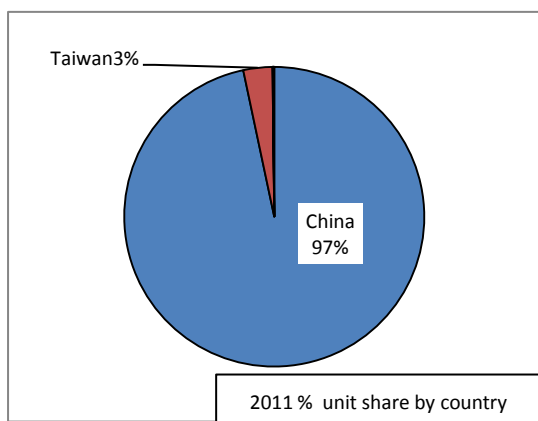
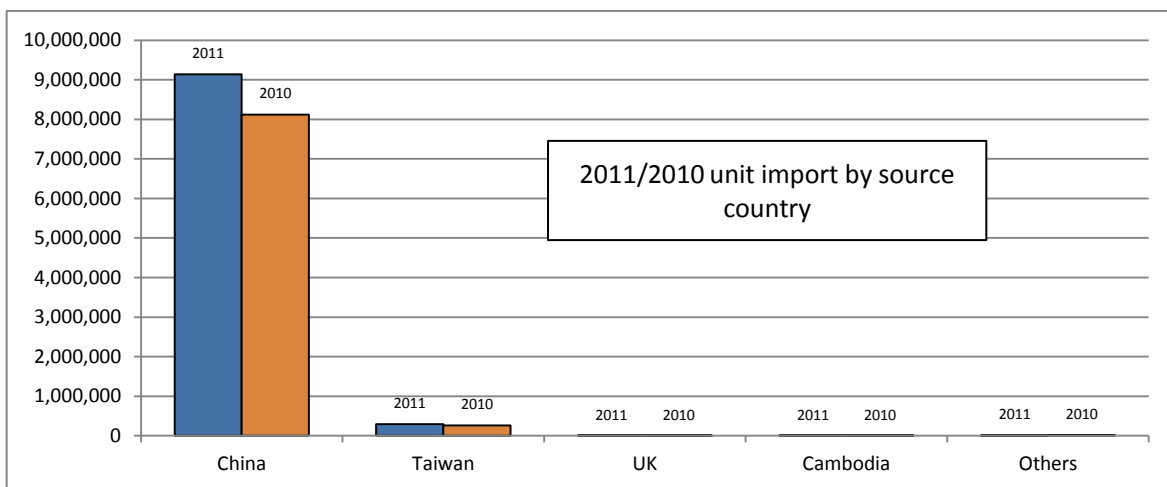
Others	2,397,095	24,716,112	10,311	134.7%	131.6%	1,779,722	18,780,400	10,552
Total	9,450,592	74,538,722	7,887	112.5%	114.9%	8,401,946	64,891,050	7,723



By source country, import from China (12.5% unit increase comparing to the previous year), and Taiwan (14.2% as well) increased. China dominated 96.7% unit share of the all Japanese import, and when China and Taiwan combined, these two dramatically dominated 99.8% unit share of the all Japanese bicycle import.

[Value=JPY1,000 Ave. unit value=JPY]

Country name	2011			Variance		2010		
	units	value	ave. unit value	units	value	units	value	ave. unit value
China	9,136,555	63,325,478	6,931	112.5%	114.2%	8,119,202	55,435,083	6,828
Taiwan	296,353	10,217,337	34,477	114.2%	121.7%	259,537	8,397,881	32,357
UK	3,497	214,651	61,381	119.1%	117.3%	2,936	183,045	62,345
Cambodia	3,471	64,951	18,712	101.5%	106.4%	3,420	61,072	17,857
Others	10,716	716,305	66,844	63.6%	88.0%	16,851	813,969	48,304
Total	9,450,592	74,538,722	7,887	112.5%	114.9%	8,401,946	64,891,050	7,723



4. Domestic volume

Domestic bicycle unit volume in 2011 was 10.55million, 11.6% (1.09million units) increase from the previous year. In value basis, it was JPY117.3billion, 15.2% up (JPY15.4billion) from the year before.

By product category, except for Mini cycles which decreased by 10.9% (13,495 units), Light cycles increased by 1.8%(72,772 units), Electric assisted increased by 20.1%(67,352 units), MTB increased by 27.6%(62,378 units), Infants increased by 7.5%(45,732 units), and Children increased by 11.9%(254,801units). Moreover, Others including Sports type bicycles dramatically increased by 31.2%(604,049 units).

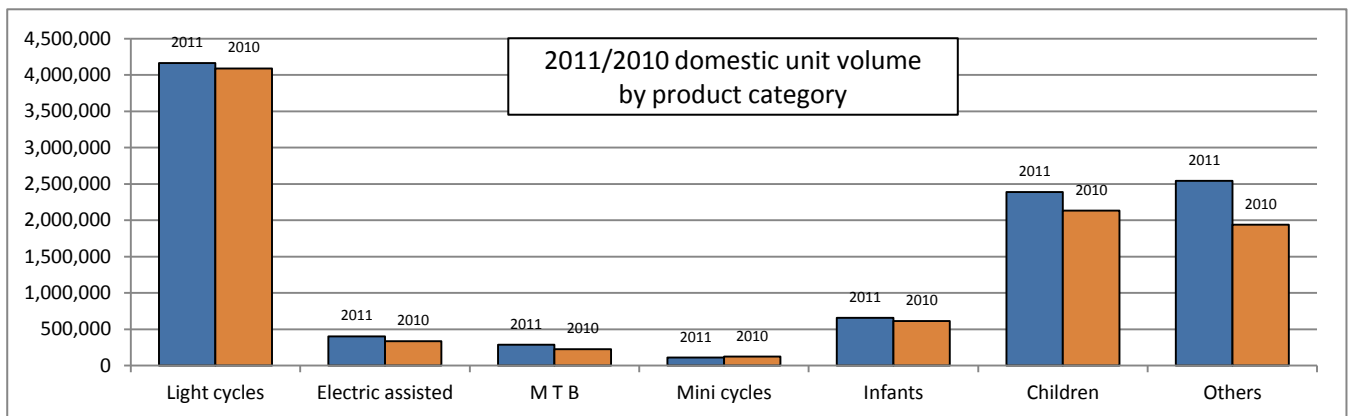
The average unit value of Electric assisted bicycles in 2011 was JPY71,253(up JPY4,085 from the year before), and Light cycles JPY8,488(up JPY142 as well). However, all the other were down as MTB JPY18,752(down by JPY472), Mini cycles JPY9,306(down by JPY456), Infants JPY4,783(down by JPY246), Children JPY6,461(down by JPY95), and Others JPY11,104(down by JPY536).

Note: As we do not have shipping statistics, the total of the production plus import is defined as "domestic volume". In general, production includes export; however, as mentioned "2 Export.", almost all of the exported bicycles are used bicycles. Therefore, export is eliminated when calculating domestic volume.

[Value=JPY1,000 Ave. unit value=JPY]

Product category	2011			Variance		2010		
	units	value	ave. unit value	unit	value	units	value	ave. unit value
Light cycles	4,161,646	35,322,894	8,488	101.8%	103.5%	4,088,874	34,124,672	8,346
Electric assisted	402,928	28,710,000	71,253	120.1%	127.4%	335,576	22,540,000	67,168
M T B	288,094	5,402,424	18,752	127.6%	124.5%	225,716	4,339,052	19,224
Mini cycles	110,599	1,029,277	9,306	89.1%	85.0%	124,094	1,211,457	9,762
Infants	658,735	3,150,742	4,783	107.5%	102.2%	613,003	3,082,887	5,029
Children	2,387,853	15,428,273	6,461	111.9%	110.3%	2,133,052	13,983,582	6,556
Others	2,542,631	28,234,112	11,104	131.2%	125.1%	1,938,582	22,565,400	11,640
Total	10,552,486	117,277,722	11,114	111.6%	115.2%	9,458,897	101,847,050	10,767

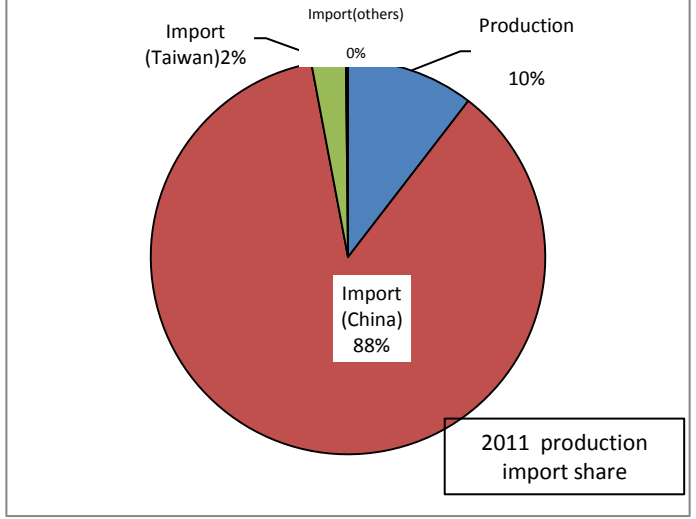
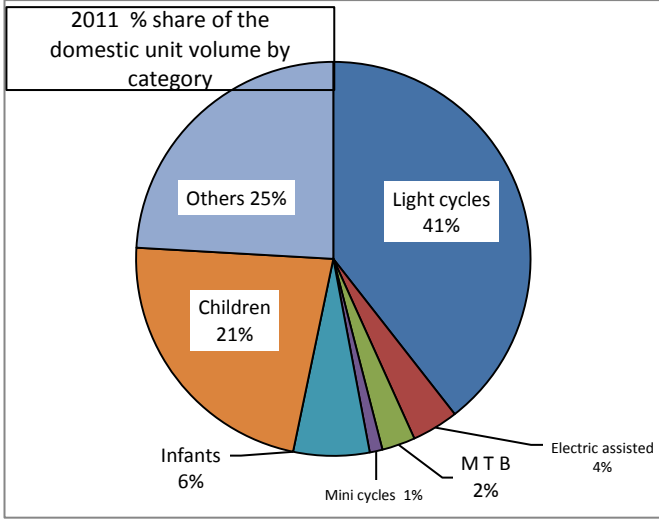
Production plus import is defined as domestic volume. However, between Production statistics(METI Machinery statistics) and Import statistics(MOF Trade statistics), product classification is different. Therefore, for easy understandings in this table, Light cycles uses production plus import statistics, Electric assisted uses production statistics, MTB, Mini cycles, Infants and Children use import statistics, and Others uses production plus import statistics.



Details of domestic production and import are shown in the next table. China counts 87% of all of the domestic unit volume, and count 90% when China, Taiwan and others are combined. Import bicycles capture 90% share of the domestic unit volume.

[Value=JPY1,000 Ave. unit value=JPY]

Production /Import	2011			Variance		2010		
	Units	Value	ave. unit value	Units	Value	Units	Value	ave. unit value
Production	1,101,894	42,739,000	38,787	104.3%	115.6%	1,056,951	36,956,000	34,965
Import(China)	9,136,555	63,325,478	6,931	112.5%	114.2%	8,119,202	55,435,083	6,828
Import(Taiwan)	296,353	10,217,337	34,477	114.2%	121.7%	259,537	8,397,881	32,357
Import(others)	17,684	995,907	56,317	76.2%	94.1%	23,207	1,058,086	45,593
Total	10,552,486	117,277,722	11,114	111.6%	115.2%	9,458,897	101,847,050	10,767



Source: METI Machinery statistics, MOF Trade Statistics