

## Japanese bicycle production, import and export (Six-Month Year to Date 2016)

### 1. Preface

The purpose of this report is to show the Japanese bicycle market trend through comprehensive investigation of the Japanese bicycle production, import and export. First, the production of the domestic bicycle manufacturers will be clarified using Ministry of Economy, Trade and Industry (METI) Current Production Statistics, and total production activities including shipment, inventories and time series trend will be explained. Second, due to the current big share of import bicycles in the Japanese bicycle market, bicycle import will be investigated by categories and by time series using Ministry of Finance Japan (MOF) Trade Statistics, and general bicycle market trend will be grasped. Then, comprehensive Japanese bicycle market trend including bicycle production becomes clear. Finally, Japanese bicycle export which is now mostly used bicycle export will be briefly referenced.

During six-month Year to Date 2016, unit production increases when compared to the same period of 2015 due to the increase of “Electric power assist” production. As to import, although unit import increases a little during the six-month YTD 2016 when compared to the same period of the previous year, the total import value and average import unit price decreases. This may be affected by the currency exchange rate which in this period JPY gets stronger compared to six-month YTD 2015.

### 2. Japanese bicycle production

#### 2 – 1 Outline of six-month year to date 2016 bicycle production

According to Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey, Japanese complete bicycle production in six-month year to date 2016 is 497,354 units, and JPY 28,638million. Table 1 shows that total unit production increases 8.1%, and total production value also increases 21.5%, great increase, compared to the same period of the previous year. Average production unit value in six-month year to date 2016 is up12.4% from JPY 51,232 in 2015 to JPY 57,581 in 2016.

Table 1 Six-Month Year to Date 2016 Japanese bicycle production

|                  | Total Units | Total Production Value(JPY million) | Average Unit Value(JPY) |
|------------------|-------------|-------------------------------------|-------------------------|
| 6 month YTD 2016 | 497,354     | 28,638                              | 57,581                  |
| 6 month YTD 2015 | 460,063     | 23,570                              | 51,232                  |
| Variance         | 37,291      | 5,068                               | 6,349                   |
| Variance%        | 8.1%        | 21.5%                               | 12.4%                   |

Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey  
(2014 figure is revised) Japan Bicycle Promotion Institute Processing and Analysis

Table 2 shows the detail by product category of Japanese bicycle production during the six-month year to date 2016 compared to the same period of 2015. “Electric power assist” shows great increase.

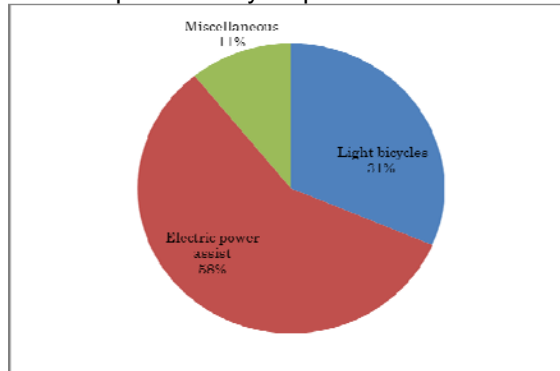
Table 2 Production by category:  
Six-Month Year to Date 2016 compared to Six-Month Year to Date 2015

| 6 month YTD           | 2016    |                    | 2015    |                    | Variance |      |                     |       |
|-----------------------|---------|--------------------|---------|--------------------|----------|------|---------------------|-------|
|                       | units   | Value(JPY million) | units   | Value(JPY million) | units    | %    | Value (JPY million) | %     |
| Light bicycles        | 156,072 | 3,832              | 161,228 | 3,755              | -5,156   | -3.2 | 77                  | 2.1   |
| Electric power assist | 287,455 | 23,292             | 242,150 | 18,106             | 45,305   | 18.7 | 5,186               | 28.6  |
| Miscellaneous         | 53,827  | 1,513              | 56,685  | 1,710              | -2,858   | -5.0 | -197                | -11.5 |
| <b>Total</b>          | 497,354 | 28,638             | 460,063 | 23,570             | 37,291   | 8.1  | 5,068               | 21.5  |

Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey  
(2015 figure is revised) Japan Bicycle Promotion Institute Processing and Analysis  
Due to round off, Total may not match.

Chart A shows a graphic presentation of six-month year to date 2016 Japanese bicycle unit production share by category based on Table 2. “Electric power assist” captures 58% share, and “Light bicycles” follows capturing 31% share.

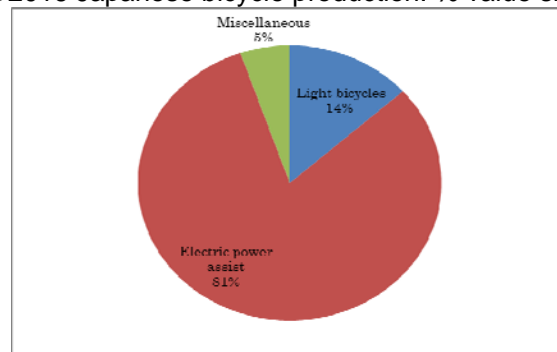
Chart A  
Six-Month YTD2016 Japanese bicycle production: % unit share by category



Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey, Japan Bicycle Promotion Institute Processing and Analysis

Chart B shows a graphic presentation of six-month year to date 2016 Japanese bicycle production value share by category also based on Table 2. “Electric power assist” captures 81% share.

Chart B  
Six-Month YTD2016 Japanese bicycle production: % value share by category



Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey, Japan Bicycle Promotion Institute Processing and Analysis

Table 3 shows average production unit value by product category in six-month year to date 2016 compared to the same period of 2015."Light bicycles" and "Electric power assist" show increase, on the other hand, "Miscellaneous" shows decrease.

Table 3 Average Unit Value by product category:  
Six-Month Year to Date 2016 compared to Six-Month Year to Date 2015

| Category              | Average Unit Value(JPY)<br>6 month YTD 2016 | Average Unit Value(JPY)<br>6 month YTD 2015 | Variance (JPY) | Variance (%) |
|-----------------------|---------------------------------------------|---------------------------------------------|----------------|--------------|
| Light bicycles        | 24,553                                      | 23,290                                      | 1,263          | 5.4          |
| Electric power assist | 81,028                                      | 74,772                                      | 6,256          | 8.4          |
| Miscellaneous         | 28,109                                      | 30,167                                      | -2,058         | -6.8         |
| <b>Total</b>          | <b>57,581</b>                               | <b>51,232</b>                               | <b>6,349</b>   | <b>12.4</b>  |

Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey  
(2015 figure is revised) Japan Bicycle Promotion Institute Processing and Analysis  
Due to round off, Total may not match.

Table 4 shows production units, total value and average unit value of "Electric power assist bicycles" by month. Unit, value and average unit value all increase in every month in 2016 compared to the same month of the previous year.

Table 4  
Production of "Electric power assist bicycles" by month: 2016 compared to 2015

|          | 2016            |                               |                         | 2015            |                               |                         | Variance of unit production | Variance of production value(JPY million) | Variance of average unit value(JPY) |
|----------|-----------------|-------------------------------|-------------------------|-----------------|-------------------------------|-------------------------|-----------------------------|-------------------------------------------|-------------------------------------|
|          | Unit production | Production value(JPY million) | Average unit value(JPY) | Unit production | Production value(JPY million) | Average unit value(JPY) |                             |                                           |                                     |
| January  | 41,742          | 3,430                         | 82,171                  | 37,302          | 2,547                         | 68,281                  | 13,891                      | 41,742                                    | 3,430                               |
| February | 45,270          | 3,612                         | 79,788                  | 36,666          | 2,837                         | 77,374                  | 2,414                       | 45,270                                    | 3,612                               |
| March    | 53,414          | 4,259                         | 79,736                  | 44,783          | 3,172                         | 70,830                  | 8,905                       | 53,414                                    | 4,259                               |
| April    | 48,027          | 3,917                         | 81,558                  | 44,113          | 3,380                         | 76,621                  | 3,914                       | 537                                       | 4,937                               |
| May      | 47,090          | 3,845                         | 81,652                  | 38,962          | 3,021                         | 77,537                  | 8,128                       | 824                                       | 4,115                               |
| June     | 51,912          | 4,229                         | 81,465                  | 40,324          | 3,149                         | 78,092                  | 11,588                      | 1,080                                     | 3,372                               |
| YTD      | 287,455         | 23,292                        | 81,028                  | 242,150         | 18,106                        | 74,772                  | 45,305                      | 5,186                                     | 6,256                               |

Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey  
(2015 figure is revised) Japan Bicycle Promotion Institute Processing and Analysis  
Due to round off, Total may not match.

## 2 – 2 Comprehensive production, shipments and inventory status of the Japanese bicycle manufacturers

Table 5 shows comprehensive manufacturing and sales condition including production, receipts, shipments (sales and others) and month end inventory in six-month year to date 2016 compared to the same period of 2015.

Table 5 Production, shipments and inventory of the Japanese bicycle manufacturers:  
Six-Month Year to Date 2016 compared to Six-Month Year to Date 2015

| Category                                  | Production |                           | Receipts<br>(Units) | Shipments |                        |                   | March end<br>Inventory<br>(Units) |
|-------------------------------------------|------------|---------------------------|---------------------|-----------|------------------------|-------------------|-----------------------------------|
|                                           | Units      | Value<br>(JPY<br>million) |                     | Sales     |                        | Others<br>(Units) |                                   |
|                                           |            |                           |                     | Units     | Value<br>(JPY million) |                   |                                   |
| 6 month YTD 2016<br>Light bicycles        | 156,072    | 3,832                     | 392,158             | 405,501   | 6,999                  | 170,195           | 58,027                            |
| 6 month YTD 2015<br>Light bicycles        | 161,228    | 3,755                     | 415,339             | 413,750   | 7,087                  | 194,118           | 61,492                            |
| Variance %                                | -3.2       | 2.1                       | -5.6                | -2.0      | -1.2                   | -12.3             | -5.6                              |
| 6 month YTD 2016<br>Electric power assist | 287,455    | 23,292                    | 200,549             | 284,994   | 21,276                 | 203,951           | 27,338                            |
| 6 month YTD 2015<br>Electric power assist | 242,150    | 18,106                    | 173,028             | 244,739   | 17,451                 | 172,794           | 28,010                            |
| Variance %                                | 18.7       | 28.6                      | 15.9                | 16.4      | 21.9                   | 18.0              | -2.4                              |
| 6 month YTD 2016<br>Miscellaneous         | 53,827     | 1,513                     | 248,451             | 219,590   | 4,889                  | 75,838            | 36,139                            |
| 6 month YTD 2015<br>Miscellaneous         | 56,685     | 1,710                     | 220,663             | 211,766   | 4,639                  | 71,945            | 27,103                            |
| Variance %                                | -5.0       | -11.5                     | 12.6                | 3.7       | 5.4                    | 5.4               | 33.3                              |
| 6 month YTD 2016<br>Total                 | 497,354    | 28,638                    | 841,158             | 910,085   | 33,163                 | 449,984           | 121,504                           |
| 6 month YTD 2015<br>Total                 | 460,063    | 23,570                    | 809,030             | 870,255   | 29,179                 | 438,857           | 116,605                           |
| Variance %                                | 8.1        | 21.5                      | 4.0                 | 4.6       | 13.7                   | 2.5               | 4.2                               |

Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey  
(2015 figure is revised) Japan Bicycle Promotion Institute Processing and Analysis  
Due to round off, Total may not match.

Total receipts units in six-month year to date 2016 increase 4.0% compared to six-month year to date 2015. However, "Light bicycles" decrease by 5.6%.

Total units of shipments sales in six-month year to date 2016 increase 4.6% compared to that of six-month year to date 2015. "Electric power assist" greatly increases, but "Light bicycles" decreases.

Total value of shipments sales increases by 13.7% in six-month year to date 2016 compared to the same period of 2015. Here again, "Electric power assist" greatly increases, but "Light bicycles" decreases.

Total units of shipments others increase 2.5% in six-month year to date 2016 compared to the same period of 2015. By category, "Light bicycles" decreases, on the other hand, "Electric power assist" and "Miscellaneous" increase. Shipments others are principally the commissioned products shipped to the consigners.

Total month end inventory in June 2016 is 121,504 units, 4.2% increase compared to June 2015.

## 2 – 3 Eleven year history of six-month year to date bicycle production

Table 6 shows an eleven year history of six-month year to date Japanese bicycle production, shipments and inventory from 2006 to 2016.

Table 6 Eleven year history of bicycle production and shipments:  
Six-Month Year to Date June end inventory by Japanese bicycle manufactures

| 6 month YTD | Production |                    |                         | Shipments |                    |                         | June end Inventory (Units) |
|-------------|------------|--------------------|-------------------------|-----------|--------------------|-------------------------|----------------------------|
|             | Units      | Value(JPY million) | Average Unit Value(JPY) | Units     | Value(JPY million) | Average Unit Value(JPY) |                            |
| 2016        | 497,354    | 28,638             | 57,581                  | 910,085   | 33,163             | 36,439                  | 121,504                    |
| 2015        | 460,063    | 23,570             | 51,232                  | 870,255   | 29,179             | 33,529                  | 116,605                    |
| 2014        | 507,928    | 24,927             | 49,076                  | 996,867   | 30,429             | 30,525                  | 116,260                    |
| 2013        | 501,245    | 21,724             | 43,340                  | 1,117,480 | 30,014             | 26,859                  | 192,663                    |
| 2012        | 572,870    | 23,413             | 40,870                  | 1,518,578 | 33,996             | 22,387                  | 212,882                    |
| 2011        | 573,193    | 22,576             | 39,386                  | 1,764,506 | 37,151             | 21,055                  | 171,886                    |
| 2010        | 571,753    | 20,103             | 35,160                  | 1,720,957 | 32,846             | 19,086                  | 210,186                    |
| 2009        | 554,590    | 17,143             | 30,911                  | 1,730,486 | 30,985             | 17,905                  | 190,256                    |
| 2008        | 582,440    | 14,409             | 24,739                  | 1,942,549 | 29,031             | 14,945                  | 191,694                    |
| 2007        | 614,441    | 13,200             | 21,483                  | 2,060,732 | 26,659             | 12,937                  | 209,947                    |
| 2006        | 755,461    | 14,282             | 18,905                  | 2,281,242 | 27,158             | 11,905                  | 232,646                    |

Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey  
(Before 2015 figure is revised)

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Production units in six-month year to date 2016 are the tenth in eleven years. However, production value in this period is the highest. With these facts, the average production unit value is the highest in eleven years. Also, shipments units in six-month year to date 2016 are the tenth in eleven years, and shipments value in six-month year to date 2016 is the third. The average shipments unit value in six-month year to date 2016 is the highest. When compared average production unit value to average shipments unit value, average production unit value has been higher than average shipments unit value for eleven consecutive years. Month end inventory of June 2016 is 121,504 units, the ninth in the last eleven years.

Chart C shows a graphic presentation of this eleven year history of Japanese bicycle unit production during the six-month year to date from 2006 to 2016 based on Table 6. Unit production is in decreasing trend.

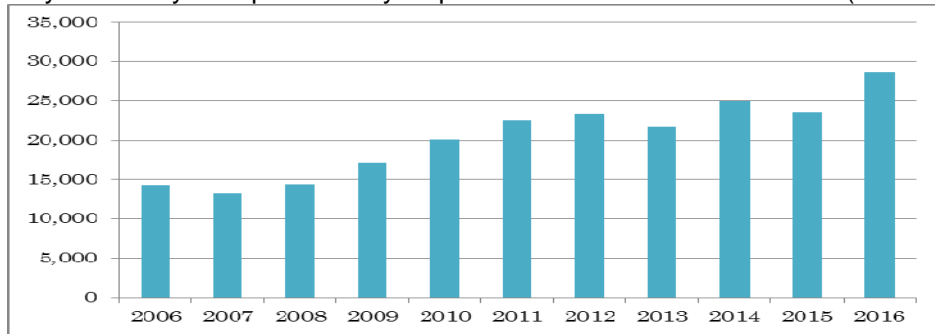
Chart C  
Eleven year history of Japanese bicycle unit production: Six-Month YTD (units)



Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey,  
Japan Bicycle Promotion Institute Processing and Analysis

Chart D shows a graphic presentation of the eleven year history of Japanese bicycle production value during the six-month year to date from 2006 to 2016 also based on Table 6. It can be said that production value is on the upward trend.

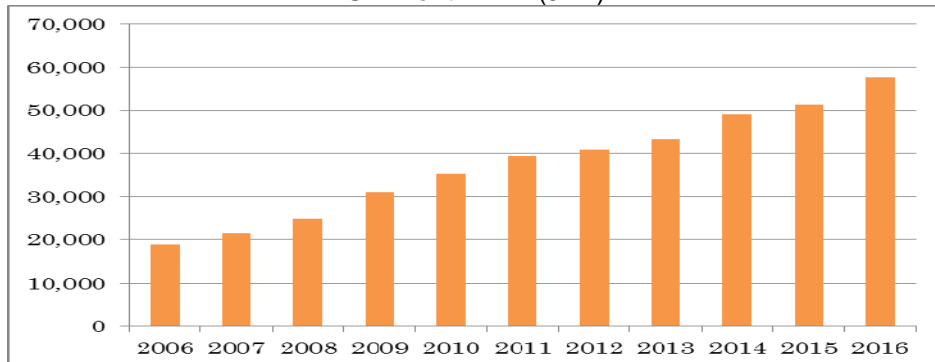
Chart D  
 Eleven year history of Japanese bicycle production value: Six-Month YTD (JPY million)



Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey, Japan Bicycle Promotion Institute Processing and Analysis

Chart E shows a graphic presentation of the eleven year history of Japanese bicycle production average unit value during the six-month year to date from 2006 to 2016 also based on Table 6.

Chart E  
 Eleven year history of Japanese bicycle production average unit value: Six-Month YTD (JPY)



Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey, Japan Bicycle Promotion Institute Processing and Analysis

Table 7 shows the eleven year history of the total unit production by month.

Table 7 Eleven year history of total production units by month (units)

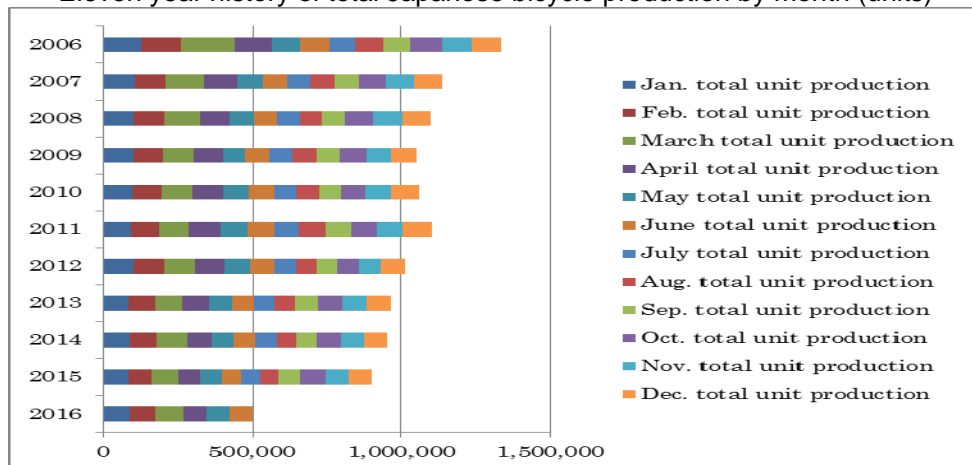
|      | Jan. total unit production | Feb. total unit production | March total unit production | April total unit production | May total unit production | June total unit production |
|------|----------------------------|----------------------------|-----------------------------|-----------------------------|---------------------------|----------------------------|
| 2016 | 82,586                     | 88,069                     | 94,670                      | 81,062                      | 72,186                    | 78,781                     |
| 2015 | 78,891                     | 81,242                     | 89,722                      | 75,857                      | 66,218                    | 68,133                     |
| 2014 | 84,512                     | 93,408                     | 100,416                     | 83,216                      | 72,121                    | 74,255                     |
| 2013 | 79,022                     | 92,667                     | 93,062                      | 88,877                      | 75,906                    | 71,711                     |
| 2012 | 96,874                     | 105,350                    | 106,202                     | 95,001                      | 85,528                    | 83,915                     |
| 2011 | 86,445                     | 98,081                     | 98,935                      | 107,181                     | 90,542                    | 92,009                     |
| 2010 | 93,923                     | 99,424                     | 106,524                     | 98,097                      | 87,516                    | 86,269                     |
| 2009 | 96,944                     | 99,314                     | 106,639                     | 94,506                      | 76,287                    | 80,900                     |
| 2008 | 97,728                     | 104,912                    | 121,903                     | 96,456                      | 82,921                    | 78,520                     |
| 2007 | 99,537                     | 108,413                    | 130,721                     | 108,017                     | 86,039                    | 81,714                     |
| 2006 | 124,909                    | 133,470                    | 177,599                     | 128,017                     | 97,944                    | 93,522                     |

| 年    | July total unit production | Aug. total unit production | Sep. total unit production | Oct. total unit production | Nov. total unit production | Dec. total unit production | Total unit production |
|------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-----------------------|
| 2016 |                            |                            |                            |                            |                            |                            | 497,354               |
| 2015 | 64,647                     | 62,481                     | 74,354                     | 82,311                     | 79,144                     | 75,095                     | 898,095               |
| 2014 | 74,981                     | 62,167                     | 68,705                     | 81,603                     | 78,727                     | 77,437                     | 951,548               |
| 2013 | 72,325                     | 66,889                     | 74,392                     | 82,781                     | 84,937                     | 83,385                     | 965,954               |
| 2012 | 74,820                     | 65,045                     | 68,721                     | 73,476                     | 73,695                     | 83,687                     | 1,012,314             |
| 2011 | 83,200                     | 86,553                     | 88,460                     | 86,528                     | 87,020                     | 96,712                     | 1,101,666             |
| 2010 | 75,897                     | 72,056                     | 77,555                     | 82,694                     | 86,498                     | 90,498                     | 1,056,951             |
| 2009 | 80,068                     | 76,206                     | 81,360                     | 88,312                     | 85,103                     | 83,830                     | 1,049,469             |
| 2008 | 76,552                     | 70,488                     | 80,661                     | 95,816                     | 98,763                     | 90,212                     | 1,094,932             |
| 2007 | 79,147                     | 79,509                     | 81,679                     | 91,745                     | 93,341                     | 95,744                     | 1,135,606             |
| 2006 | 87,738                     | 94,248                     | 94,359                     | 105,347                    | 99,636                     | 97,723                     | 1,334,512             |

Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey, Japan Bicycle Promotion Institute Processing and Analysis (Before 2015 figure is revised)

Chart F shows a graphic presentation of the eleven year history of total production units by month based on Table 7. This chart shows that the bicycle production is carried out relatively equally every month.

Chart F  
Eleven year history of total Japanese bicycle production by month (units)



Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey, Japan Bicycle Promotion Institute Processing and Analysis

Table 8 shows an eleven year history of six-month year to date Japanese bicycle unit production by category.

Table 8 Eleven-year history of Six-Month Year to Date Japanese bicycle unit production by categories (unit)

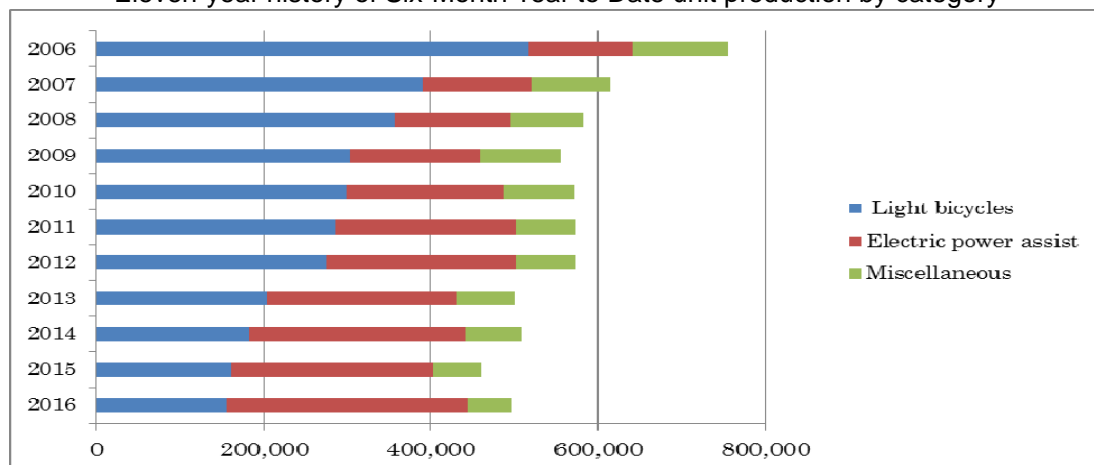
|      | Light bicycles | Electric power assist | Miscellaneous | Total   |
|------|----------------|-----------------------|---------------|---------|
| 2016 | 156,072        | 287,455               | 53,827        | 497,354 |
| 2015 | 161,228        | 242,150               | 56,685        | 460,063 |
| 2014 | 183,076        | 258,625               | 66,227        | 507,928 |
| 2013 | 203,896        | 227,086               | 70,263        | 501,245 |
| 2012 | 275,061        | 227,108               | 70,701        | 572,870 |
| 2011 | 285,584        | 216,638               | 70,971        | 573,193 |
| 2010 | 299,341        | 186,858               | 85,554        | 571,753 |
| 2009 | 303,884        | 154,006               | 96,700        | 554,590 |
| 2008 | 357,363        | 138,377               | 86,700        | 582,440 |
| 2007 | 389,936        | 131,511               | 92,994        | 614,441 |
| 2006 | 517,128        | 123,999               | 114,334       | 755,461 |

From 2011, "Children & Infant bicycles", "Mini-cycles", "Mountain bikes" and "Special bicycles" have been combined into "Miscellaneous". "Miscellaneous" between 2006 and 2010 include these four categories.

Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey, Japan Bicycle Promotion Institute Processing and Analysis

Chart G shows a graphic presentation of the eleven year history of six-month year to date unit production by category based on Table 8. This chart shows that "Light bicycles" are decreasing, and "Electric power assist" is increasing.

Chart G  
Eleven-year history of Six-Month Year to Date unit production by category



Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey, Japan Bicycle Promotion Institute Processing and Analysis

### **3. Japanese bicycle import**

Bicycle import by category is mentioned below. To begin with, import categories and HS numbers in Japan are classified as follows. "Electric power assist bicycles" is not classified as a single category and is included in the category of "Other motorcycles" in Trade Statistics. Please note that "Other motorcycles" includes all motorcycles which are not classified in the upper layer and all electric motorcycles.



Table 9 Import categories and HS numbers

| HS number and product category | Bicycle type                                                                                                                                                                                                           |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8712.00100 Mountain bikes      | <ul style="list-style-type: none"> <li>• MTB(includes V brake or disk brake equipped)</li> <li>• Cross bikes</li> </ul>                                                                                                |
| 8712.00211 Mini-cycles         | <ul style="list-style-type: none"> <li>• Mini-cycles</li> <li>• Small wheel foldable bicycles</li> <li>• BMX</li> </ul>                                                                                                |
| 8712.00218 Infant bicycles     | <ul style="list-style-type: none"> <li>• Infant bicycles(12 – 16 inch)</li> <li>• Toy bicycles(12 inch two wheel)</li> <li>• Unicycles(12 – 16 inch)</li> </ul>                                                        |
| 8712.00219 Children bicycles   | <ul style="list-style-type: none"> <li>• Children bicycles(18 – 24 inch)</li> <li>• Junior MTB(18 – 24 inch)</li> <li>• Unicycles(18 – 24 inch)</li> </ul>                                                             |
| 8712.00291 Light bicycles      | <ul style="list-style-type: none"> <li>• Light bicycles(excludes outer derailleur equipped)</li> <li>• Single speed, sports use bicycles equipped with inner derailleur.</li> </ul>                                    |
| 8712.00299 Miscellaneous       | <ul style="list-style-type: none"> <li>• Sports use bicycles</li> <li>• Light bicycles equipped with outer derailleur</li> <li>• Junior MTB(26 inch)</li> </ul>                                                        |
| 8711.90000 Other Motorcycles   | <ul style="list-style-type: none"> <li>• Other Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars; side-cars. Electric power assist bicycles are included.</li> </ul> |

Source : Japan Bicycle Promotion Institute

### 3 – 1 Outline of six-month year to date 2016 bicycle import

Table 10 shows Japanese bicycle import of all product categories excluding “Other Motorcycles” in six-month year to date 2016 compared to the same period of 2015. Total units is 3,973,098, slight increase compared to the same period of 2015. On the other hand, total CIF value is JPY45,193,913 thousands, decreases by 11.2% compared to the same period of 2015, resulted in average CIF unit value of JPY11,375, 11.9% decrease.

The currency exchange rate is investigated. The average dollar-yen exchange rate during six-month year to date 2015 was US\$1=JPY119.99; however, it gets US\$1=JPY113.12 in six-month year to date 2016(Refer chief custom inspector published rate). JPY gets stronger. This change might be one of the reasons of decrease of Total CIF Value and Average CIF unit value.

Table 10 Japanese bicycle import:  
Six-Month Year to Date 2016 compared to Six-Month Year to Date 2015

|                  | Total units | Total CIF Value<br>(JPY thousand) | Average CIF unit<br>value(JPY) |
|------------------|-------------|-----------------------------------|--------------------------------|
| 6 month YTD 2016 | 3,973,098   | 45,193,913                        | 11,375                         |
| 6 month YTD 2015 | 3,940,565   | 50,889,066                        | 12,914                         |
| Variance         | 32,533      | -5,695,153                        | -1,539                         |
| Variance %       | 0.8         | -11.2                             | -11.9                          |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Table 10 Annex shows Six-Month Year to Date 2016 import of “Other Motorcycles” compared to the same period of 2015 for reference.

Table 10 Annex (Reference) Japanese import of “Other Motorcycles”:  
Six-Month Year to Date 2016 compared to Six-Month Year to Date 2015

|                  | Total units | Total CIF Value<br>(JPY thousand) | Average CIF unit<br>value(JPY) |
|------------------|-------------|-----------------------------------|--------------------------------|
| 6 month YTD 2016 | 31,631      | 963,317                           | 30,455                         |
| 6 month YTD 2015 | 24,217      | 953,233                           | 39,362                         |
| Variance         | 7,414       | 10,084                            | -8,907                         |
| Variance %       | 30.6        | 1.1                               | -22.6                          |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

### 3 – 2 Six-month year to date 2016 bicycle import by category

Table 11 shows six-month year to date 2016 Japanese bicycle import by category.

Table 11  
Japanese bicycle import in Six-Month Year to Date 2016 by category

| HS number and category       | Total units | Total CIF Value<br>(JPY thousand) | Average CIF unit<br>value(JPY) |
|------------------------------|-------------|-----------------------------------|--------------------------------|
| 8712.00100 Mountain bikes    | 94,690      | 2,027,966                         | 21,417                         |
| 8712.00211 Mini-cycles       | 87,748      | 1,221,729                         | 13,923                         |
| 8712.00218 Infant bicycles   | 299,747     | 2,086,709                         | 6,962                          |
| 8712.00219 Children bicycles | 949,274     | 8,747,272                         | 9,215                          |
| 8712.00291 Light bicycles    | 1,254,391   | 12,026,091                        | 9,587                          |
| 8712.00299 Miscellaneous     | 1,287,248   | 19,084,146                        | 14,826                         |
| Total                        | 3,973,098   | 45,193,913                        | 11,375                         |

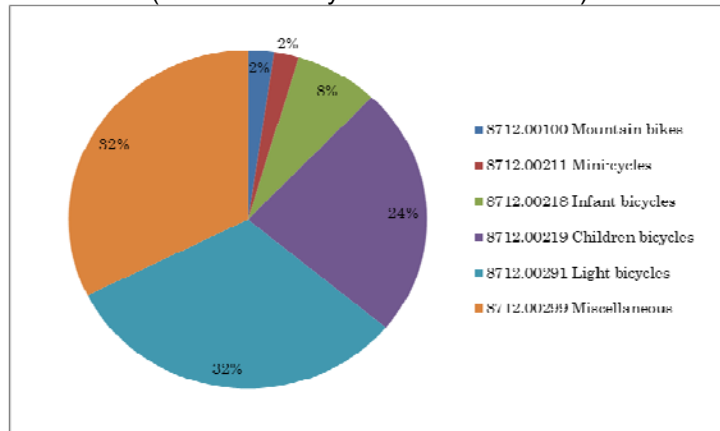
|                              |        |         |        |
|------------------------------|--------|---------|--------|
| 8711.90000 Other Motorcycles | 31,631 | 963,317 | 30,455 |
|------------------------------|--------|---------|--------|

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

The average CIF unit value of 8712.00100 “Mountain bikes” is JPY 21,417, the highest among the categories except for “Other Motorcycles”. The unit volume of HS8712.00291 “Light bicycles” used to be the biggest; however, HS8712.00299 “Miscellaneous” which includes sports use bicycles and light bicycles equipped with outer derailleur now counts more. Average CIF unit value of “Light bicycles” is JPY 9,587. The unit volume and total CIF value of HS8712.00299 “Miscellaneous” are the highest among the categories. Its average CIF unit value is JPY 14,826. This time, the unit volume of “Miscellaneous” surpasses that of “Light bicycles”. When looking at the past several years trend, it is better to be said that it happens because “Light bicycles” decreases rather than “Miscellaneous” increases. Table 15 and Chart N show these movements later in this report.

Chart H shows a graphic presentation of six-month year to date 2016 Japanese bicycle import unit share by category based on Table 11. “Light bicycles” and “Miscellaneous” each capture 32% share.

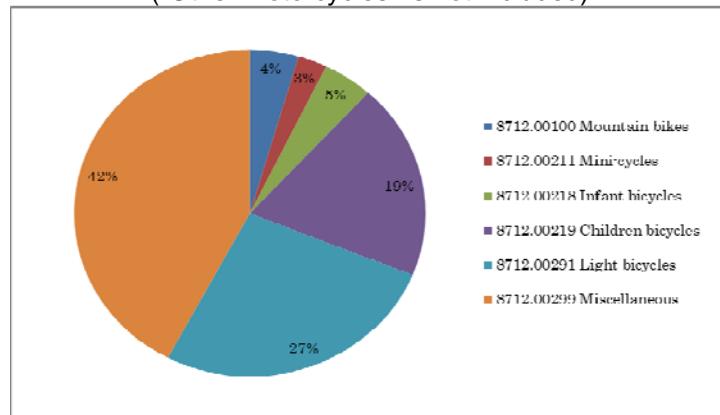
Chart H  
Six-Month YTD2016 Japanese bicycle import: Unit share by category  
("Other Motorcycles" is not included)



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Chart I shows a graphic presentation of six-month year to date 2016 Japanese bicycle import value share by category also based on Table 11. "Miscellaneous" captures 42% and "Light bicycles" captures 27% both big share.

Chart I  
Six-Month YTD2016 Japanese bicycle import: Value share by category  
("Other Motorcycles" is not included)



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Table 12 shows a six-month year to date 2016 Japanese bicycle import by category compared to the same period of the previous year.

Table 12 Six-Month Year to Date 2016 Japanese bicycle import by category compared to Six-Month Year to Date 2015

| 6 month YTD                     | 2016      |                                | 2015      |                                | Variance % |           |
|---------------------------------|-----------|--------------------------------|-----------|--------------------------------|------------|-----------|
|                                 | units     | Total CIF value (JPY thousand) | units     | Total CIF value (JPY thousand) | Units      | CIF value |
| 8712.00100<br>Mountain bikes    | 94,690    | 2,027,966                      | 107,818   | 2,720,434                      | -12.2%     | -25.5%    |
| 8712.00211<br>Mini-cycles       | 87,748    | 1,221,729                      | 65,025    | 761,265                        | 34.9%      | 60.5%     |
| 8712.00218<br>Infant bicycles   | 299,747   | 2,086,709                      | 254,851   | 2,006,546                      | 17.6%      | 4.0%      |
| 8712.00219<br>Children bicycles | 949,274   | 8,747,272                      | 901,826   | 9,597,185                      | 5.3%       | -8.9%     |
| 8712.00291<br>Light bicycles    | 1,254,391 | 12,026,091                     | 1,329,178 | 14,616,972                     | -5.6%      | -17.7%    |
| 8712.00299<br>Miscellaneous     | 1,287,248 | 19,084,146                     | 1,281,867 | 21,186,664                     | 0.4%       | -9.9%     |
| Total                           | 3,973,098 | 45,193,913                     | 3,940,565 | 50,889,066                     | 0.8%       | -11.2%    |
| Average unit price (JPY)        |           | 11,375                         |           | 12,914                         |            | -11.9%    |
| 8711.90000<br>Other Motorcycles | 31,631    | 963,317                        | 24,217    | 953,233                        | 30.6%      | 1.1%      |
| Average unit price (JPY)        |           | 30,455                         |           | 39,362                         |            | -22.6%    |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Except for "Mountain bikes" and "Light bicycles", all categories increase in units. Import value of "Mini-cycles" and "Infant bicycles" increase; however, all other categories show decrease in import value.

### 3 – 3 Fifteen year history of six-month year to date bicycle import

Table 13 shows a fifteen year history of six-month year to date Japanese bicycle import.

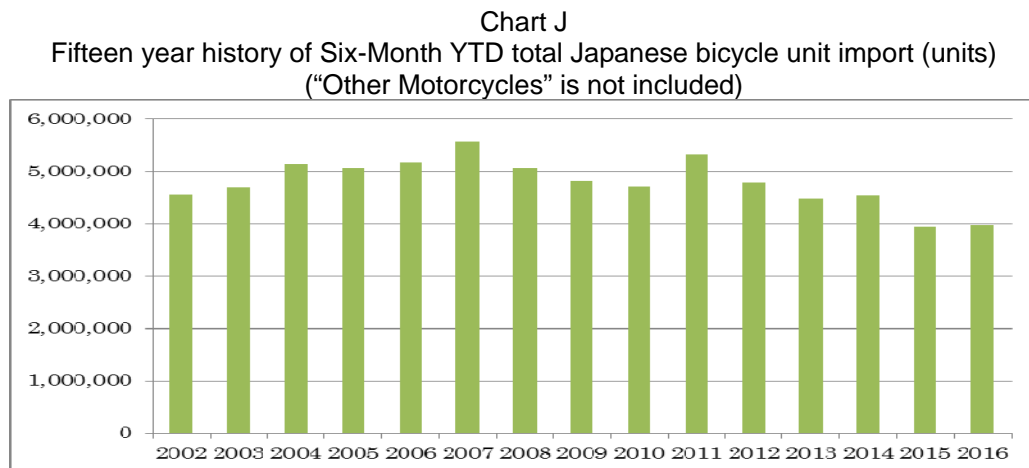
Table 13 Fifteen-year history of Six-Month Year to Date Japanese bicycle import:  
All categories ("Other Motorcycles" is not included)

| 6 month YTD | Total import units | Total CIF value (JPY thousand) | Average CIF unit value(JPY) |
|-------------|--------------------|--------------------------------|-----------------------------|
| 2016        | 3,973,098          | 45,193,913                     | 11,375                      |
| 2015        | 3,940,565          | 50,889,066                     | 12,914                      |
| 2014        | 4,537,063          | 47,623,581                     | 10,497                      |
| 2013        | 4,471,862          | 43,332,516                     | 9,690                       |
| 2012        | 4,798,280          | 41,064,255                     | 8,558                       |
| 2011        | 5,331,948          | 41,315,173                     | 7,749                       |
| 2010        | 4,723,113          | 36,870,424                     | 7,806                       |
| 2009        | 4,821,939          | 41,444,013                     | 8,595                       |
| 2008        | 5,067,152          | 42,007,396                     | 8,290                       |
| 2007        | 5,564,067          | 43,338,309                     | 7,789                       |
| 2006        | 5,176,368          | 37,205,484                     | 7,188                       |
| 2005        | 5,066,553          | 31,690,477                     | 6,255                       |
| 2004        | 5,136,236          | 30,997,096                     | 6,035                       |
| 2003        | 4,696,630          | 31,062,819                     | 6,614                       |
| 2002        | 4,558,983          | 32,773,081                     | 7,189                       |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Total unit import in six-month year to date 2016 is the second lowest in the last fifteen years. On the other hand, total CIF value in six-month year to date 2016 is the third highest in this history; make the average CIF unit value JPY 11,375, the second highest in this period.

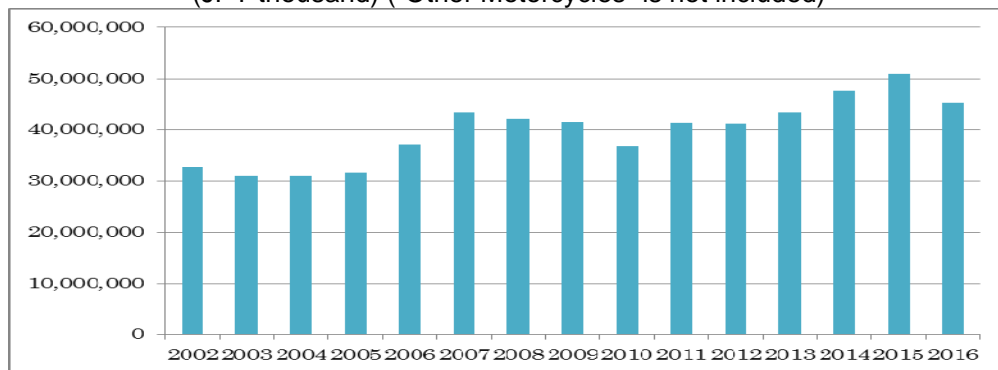
Chart J shows the fifteen year history of six-month year to date total import units based on Table 13.



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Chart K shows the fifteen year history of six-month year to date total import CIF value also based on Table 13.

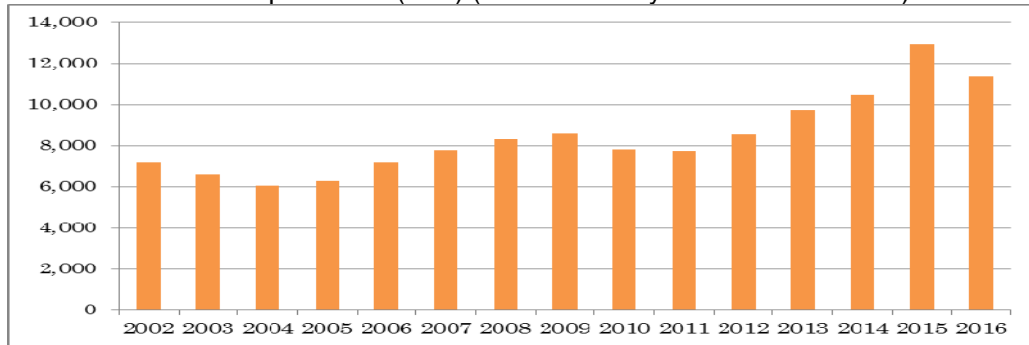
**Chart K** Fifteen year history of Six-Month YTD total Japanese bicycle import CIF value (JPY thousand) ("Other Motorcycles" is not included)



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Chart L shows the fifteen year history of six-month year to date average CIF unit import value also based on Table 13.

Chart L Fifteen year history of Six-Month YTD Japanese bicycle average CIF unit import value (JPY) (“Other Motorcycles” is not included)



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan, Japan Bicycle Promotion Institute Processing and Analysis

Table 14 shows the total unit import by month.

Table 14 Fifteen year history of total import units by month: (“Other Motorcycles” is not included)

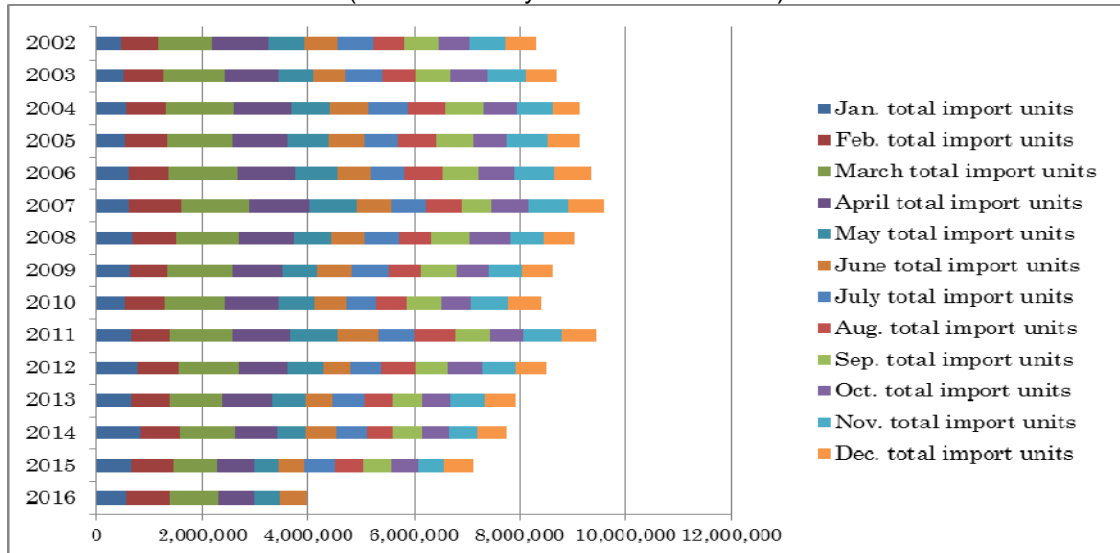
| Year | January total import units | February total import units | March total import units | April total import units | May total import units | June total import units |
|------|----------------------------|-----------------------------|--------------------------|--------------------------|------------------------|-------------------------|
| 2016 | 559,379                    | 823,009                     | 916,762                  | 673,000                  | 493,417                | 507,531                 |
| 2015 | 639,107                    | 809,453                     | 828,696                  | 690,064                  | 462,606                | 510,639                 |
| 2014 | 800,012                    | 758,904                     | 1,067,576                | 783,049                  | 546,090                | 581,432                 |
| 2013 | 646,439                    | 729,345                     | 997,586                  | 949,665                  | 634,542                | 514,285                 |
| 2012 | 759,838                    | 779,645                     | 1,156,072                | 904,565                  | 672,252                | 525,908                 |
| 2011 | 661,234                    | 725,936                     | 1,192,986                | 1,067,890                | 915,243                | 768,659                 |
| 2010 | 529,116                    | 759,113                     | 1,140,340                | 1,002,806                | 691,515                | 600,223                 |
| 2009 | 631,533                    | 717,828                     | 1,226,863                | 932,220                  | 660,802                | 652,693                 |
| 2008 | 679,048                    | 809,921                     | 1,195,076                | 1,041,042                | 718,439                | 623,626                 |
| 2007 | 613,892                    | 988,006                     | 1,275,167                | 1,152,734                | 890,124                | 644,144                 |
| 2006 | 602,545                    | 765,063                     | 1,303,124                | 1,075,231                | 796,610                | 633,795                 |
| 2005 | 541,343                    | 796,348                     | 1,226,300                | 1,056,187                | 777,336                | 669,039                 |
| 2004 | 556,120                    | 767,570                     | 1,280,277                | 1,081,557                | 727,411                | 723,301                 |
| 2003 | 504,267                    | 764,381                     | 1,145,964                | 1,015,772                | 655,917                | 610,329                 |
| 2002 | 462,594                    | 682,561                     | 1,051,785                | 1,037,903                | 705,257                | 618,883                 |

| year | July total import units | Aug. total import units | Sep. total import units | Oct. total import units | Nov. total import units | Dec. total import units | YTD total import units |
|------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------------|
| 2016 |                         |                         |                         |                         |                         |                         | 3,973,098              |
| 2015 | 556,279                 | 542,763                 | 524,133                 | 519,919                 | 484,170                 | 554,615                 | 7,122,444              |
| 2014 | 572,129                 | 504,218                 | 543,409                 | 502,832                 | 540,165                 | 534,548                 | 7,734,364              |
| 2013 | 595,336                 | 535,046                 | 561,806                 | 528,767                 | 640,332                 | 599,246                 | 7,932,395              |
| 2012 | 586,024                 | 629,284                 | 631,719                 | 642,217                 | 649,625                 | 562,295                 | 8,499,444              |
| 2011 | 675,783                 | 776,045                 | 655,654                 | 629,958                 | 722,052                 | 659,152                 | 9,450,592              |
| 2010 | 562,581                 | 582,646                 | 663,734                 | 546,459                 | 719,973                 | 603,440                 | 8,401,946              |
| 2009 | 685,910                 | 619,872                 | 677,716                 | 623,646                 | 620,796                 | 571,838                 | 8,621,717              |
| 2008 | 646,395                 | 612,531                 | 729,659                 | 770,349                 | 625,626                 | 582,061                 | 9,033,773              |
| 2007 | 672,070                 | 649,954                 | 586,098                 | 688,807                 | 741,855                 | 700,463                 | 9,603,314              |
| 2006 | 643,767                 | 724,797                 | 673,445                 | 684,487                 | 767,415                 | 668,893                 | 9,339,172              |
| 2005 | 626,723                 | 720,123                 | 708,659                 | 631,378                 | 780,371                 | 610,012                 | 9,143,819              |
| 2004 | 755,089                 | 715,190                 | 699,179                 | 653,057                 | 648,234                 | 531,426                 | 9,138,411              |
| 2003 | 694,160                 | 623,008                 | 684,831                 | 710,079                 | 691,745                 | 602,173                 | 8,702,626              |
| 2002 | 678,438                 | 585,452                 | 634,374                 | 597,460                 | 671,907                 | 599,479                 | 8,326,093              |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan, Japan Bicycle Promotion Institute Processing and Analysis

Chart M shows a graphic presentation of the fifteen year history of total import units by month based on Table 14.

Chart M Fifteen year history of total Japanese bicycle import by month (units)  
("Other Motorcycles" is not included)



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

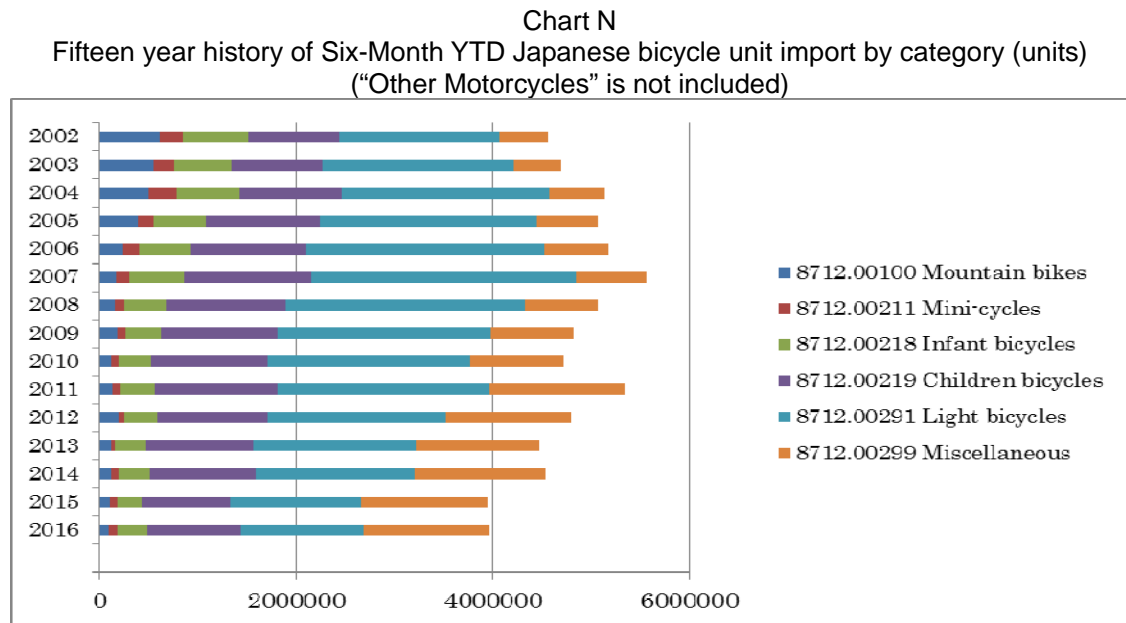
Table 15 shows a fifteen year history of six-month year to date Japanese bicycle unit import by category.

Table 15  
Fifteen-year history of Six-Month Year to Date Japanese bicycle unit import  
by categories ("Other Motorcycles" is not included)

|      | 8712.00100<br>Mountain<br>bikes | 8712.00211<br>Mini-cycles | 8712.00218<br>Infant<br>bicycles | 8712.00219<br>Children<br>bicycles | 8712.00291<br>Light<br>bicycles | 8712.00299<br>Miscellaneous | Total     |
|------|---------------------------------|---------------------------|----------------------------------|------------------------------------|---------------------------------|-----------------------------|-----------|
| 2016 | 94,690                          | 87,748                    | 299,747                          | 949,274                            | 1,254,391                       | 1,287,248                   | 3,973,098 |
| 2015 | 107,818                         | 65,025                    | 254,851                          | 901,826                            | 1,329,178                       | 1,281,867                   | 3,940,565 |
| 2014 | 115,796                         | 73,373                    | 320,422                          | 1,079,838                          | 1,613,470                       | 1,334,164                   | 4,537,063 |
| 2013 | 112,378                         | 36,363                    | 328,153                          | 1,080,442                          | 1,656,647                       | 1,257,879                   | 4,471,862 |
| 2012 | 190,955                         | 53,801                    | 340,845                          | 1,125,604                          | 1,808,960                       | 1,278,115                   | 4,798,280 |
| 2011 | 133,186                         | 65,450                    | 361,109                          | 1,252,489                          | 2,153,138                       | 1,366,576                   | 5,331,948 |
| 2010 | 112,694                         | 72,310                    | 337,421                          | 1,186,829                          | 2,055,075                       | 958,784                     | 4,723,113 |
| 2009 | 178,663                         | 82,579                    | 361,821                          | 1,183,163                          | 2,170,068                       | 845,645                     | 4,821,939 |
| 2008 | 153,604                         | 96,776                    | 422,657                          | 1,217,508                          | 2,438,420                       | 738,187                     | 5,067,152 |
| 2007 | 165,451                         | 140,261                   | 550,506                          | 1,302,037                          | 2,681,058                       | 724,754                     | 5,564,067 |
| 2006 | 236,521                         | 162,182                   | 527,333                          | 1,179,149                          | 2,412,514                       | 658,619                     | 5,176,318 |
| 2005 | 388,361                         | 155,871                   | 535,139                          | 1,154,215                          | 2,213,253                       | 619,714                     | 5,066,553 |
| 2004 | 498,563                         | 283,292                   | 636,625                          | 1,042,198                          | 2,113,227                       | 562,331                     | 5,136,236 |
| 2003 | 551,806                         | 199,093                   | 589,703                          | 928,226                            | 1,946,648                       | 481,154                     | 4,696,630 |
| 2002 | 603,546                         | 243,991                   | 661,858                          | 925,448                            | 1,625,851                       | 498,289                     | 4,558,983 |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Chart N shows these import history.



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Table 16 shows a fifteen year history of six-month year to date Japanese "Other Motorcycle" import for reference.

**Table 16 (Reference)**  
Fifteen year history of Six-Month YTD Japanese "Other Motorcycle" import

| 6 month YTD | Total import units | Total CIF value (JPY thousand) | Average CIF unit value(JPY) |
|-------------|--------------------|--------------------------------|-----------------------------|
| 2016        | 31,631             | 963,317                        | 30,455                      |
| 2015        | 24,217             | 953,233                        | 39,362                      |
| 2014        | 27,771             | 1,083,202                      | 39,005                      |
| 2013        | 40,141             | 1,410,437                      | 35,137                      |
| 2012        | 20,507             | 606,910                        | 29,595                      |
| 2011        | 35,722             | 894,645                        | 25,045                      |
| 2010        | 50,429             | 1,254,666                      | 24,880                      |
| 2009        | 37,218             | 877,317                        | 23,572                      |
| 2008        | 29,476             | 679,730                        | 23,060                      |
| 2007        | 38,825             | 945,935                        | 24,364                      |
| 2006        | 45,506             | 810,855                        | 17,819                      |
| 2005        | 53,759             | 841,246                        | 15,648                      |
| 2004        | 59,349             | 838,465                        | 14,128                      |
| 2003        | 171,388            | 1,269,150                      | 7,405                       |
| 2002        | 73,840             | 679,272                        | 9,199                       |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

### 3 – 4 Main source country/area of Japanese bicycle import

Table 17 shows source countries and areas of six-month year to date 2016 Japanese bicycle import.



Table 17 Main source countries and areas of Japanese bicycle import in Six-Month Year to Date 2016 (“Other Motorcycles” is not included)

| Source country/area | Total units | % share of total units | Total CIF Value (JPY thousand) | % share of total value | Average CIF unit value(JPY) |
|---------------------|-------------|------------------------|--------------------------------|------------------------|-----------------------------|
| China               | 3,860,612   | 97.2                   | 38,885,310                     | 86.0                   | 10,072                      |
| Taiwan              | 103,974     | 2.6                    | 5,554,837                      | 12.3                   | 53,425                      |
| Others              | 8,512       | 0.2                    | 753,766                        | 1.7                    | 88,553                      |
| Total               | 3,973,098   | 100.0                  | 45,193,913                     | 100.0                  | 11,375                      |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan, Japan Bicycle Promotion Institute Processing and Analysis Due to round off, Total may not match.

“China” continues to be the biggest source country. It captures 97.2% of total units, and 86.0% of total CIF value. The average CIF unit value is JPY 10,072. “Taiwan” follows “China”, capturing 2.6% of total units, and 12.3% of total CIF value. The average CIF unit value is JPY 53,425. These two combined capture 99.8% of total units and 98.3% of total CIF value.

Table 18 shows Japanese bicycle import from “China” by category.

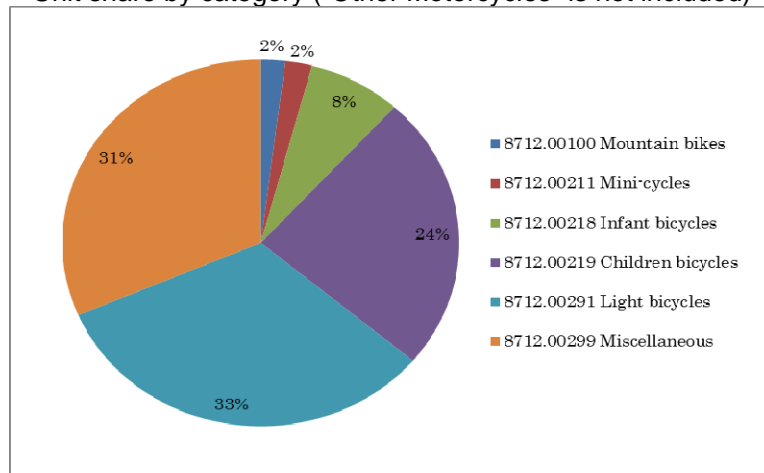
Table 18 Japanese bicycle import from “China” in Six-Month Year to Date 2016 by category (“Other Motorcycles” is not included)

| HS number and category       | Total units | Total CIF Value (JPY thousand) | Average CIF unit value(JPY) |
|------------------------------|-------------|--------------------------------|-----------------------------|
| 8712.00100 Mountain bikes    | 76,557      | 1,268,919                      | 16,575                      |
| 8712.00211 Mini-cycles       | 84,616      | 1,042,953                      | 12,326                      |
| 8712.00218 Infant bicycles   | 292,429     | 1,963,634                      | 6,715                       |
| 8712.00219 Children bicycles | 939,800     | 8,507,809                      | 9,053                       |
| 8712.00291 Light bicycles    | 1,253,563   | 11,993,836                     | 9,568                       |
| 8712.00299 Miscellaneous     | 1,213,647   | 14,108,159                     | 11,625                      |
| Total                        | 3,860,612   | 38,885,310                     | 10,072                      |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan, Japan Bicycle Promotion Institute Processing and Analysis

Chart O shows a graphic presentation of six-month year to date 2016 Japanese bicycle import unit share from “China” by category based on Table 18. “Light bicycles” captures 33 % share, then “Miscellaneous” follows capturing 31% share. Unit import volume from “China” is so huge; therefore, this chart looks similar to Chart H which shows Japanese total unit import share by category.

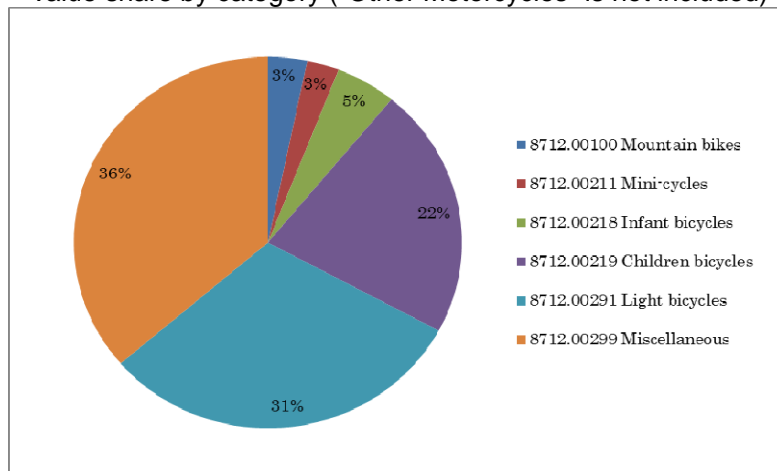
Chart O Six-Month YTD2016 Japanese bicycle import from “China”:  
Unit share by category (“Other Motorcycles” is not included)



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Chart P shows a graphic presentation of six-month year to date 2016 Japanese bicycle import value share from “China” by category also based on Table 18. “Miscellaneous” captures 36 % share and “Light bicycles” follows capturing 31% share.

Chart P Six-Month YTD2016 Japanese bicycle import from “China”:  
Value share by category (“Other Motorcycles” is not included)



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Then, Table 19 follows to show Japanese bicycle import from “Taiwan” by category.

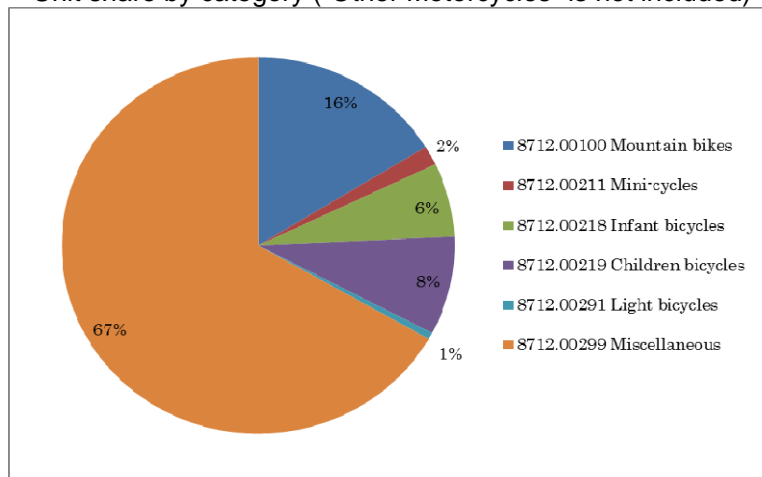
Table 19 Japanese bicycle import from “Taiwan” in Six-Month Year to Date 2016 by category (“Other Motorcycles” is not included)

| HS number and category       | Total units | Total CIF Value (JPY thousand) | Average CIF unit value(JPY) |
|------------------------------|-------------|--------------------------------|-----------------------------|
| 8712.00100 Mountain bikes    | 16,888      | 702,114                        | 41,575                      |
| 8712.00211 Mini-cycles       | 1,719       | 62,795                         | 36,530                      |
| 8712.00218 Infant bicycles   | 6,599       | 53,174                         | 8,058                       |
| 8712.00219 Children bicycles | 8,791       | 176,641                        | 20,093                      |
| 8712.00291 Light bicycles    | 597         | 23,460                         | 39,296                      |
| 8712.00299 Miscellaneous     | 69,380      | 4,536,653                      | 65,388                      |
| Total                        | 103,974     | 5,554,837                      | 53,425                      |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan, Japan Bicycle Promotion Institute Processing and Analysis

Chart Q shows a graphic presentation of six-month year to date 2016 Japanese bicycle import unit share from “Taiwan” by category based on Table 19. This chart looks totally different from Chart H which shows total import or Chart O which shows import from “China”. “Miscellaneous” captures 67% and “Mountain Bikes” captures 16% both big share. On the other hand, “Light bicycles” only captures 1% share.

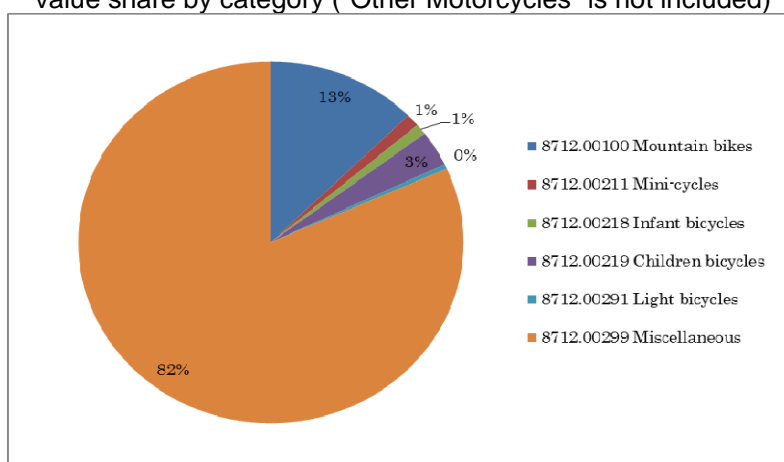
Chart Q Six-Month YTD2016 Japanese bicycle import from “Taiwan”: Unit share by category (“Other Motorcycles” is not included)



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan, Japan Bicycle Promotion Institute Processing and Analysis

Moreover, Chart R shows a graphic presentation of six-month year to date 2016 Japanese bicycle import value share from “Taiwan” by category also based on Table 19. The characteristics appear more remarkably than the unit import share. “Miscellaneous” captures big 82% share and “Mountain Bikes” follows capturing 13% share. The share of “Light bicycles” is very small.

Chart R Six-Month YTD2016 Japanese bicycle import from “Taiwan”:  
Value share by category (“Other Motorcycles” is not included)



Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Then, Table 20 shows source countries and areas of six-month year to date 2016 Japanese “Other Motorcycles” import for reference.

Table 20 (Reference) Main source countries and areas of Japanese  
“Other Motorcycles” import in Six-Month Year to Date 2016 compared to 2015

| Source country/area     | Total units | % share of total units | Total CIF Value (JPY thousand) | % share of total value | Average CIF unit value(JPY) |
|-------------------------|-------------|------------------------|--------------------------------|------------------------|-----------------------------|
| 6 month YTD 2016 China  | 31,078      | 98.3                   | 828,432                        | 86.0                   | 26,657                      |
| 6 month YTD 2015 China  | 23,613      | 97.5                   | 825,180                        | 86.6                   | 34,946                      |
| Variance %              | 7,465       | 0.7                    | 3,252                          | -0.6                   | -8,289                      |
| 6 month YTD 2016 Taiwan | 405         | 1.3                    | 72,170                         | 7.5                    | 178,198                     |
| 6 month YTD 2015 Taiwan | 513         | 2.1                    | 88,657                         | 9.3                    | 172,821                     |
| Variance %              | -108        | -0.8                   | -16,487                        | -1.8                   | 5,377                       |
| 6 month YTD 2016 Others | 148         | 0.5                    | 62,715                         | 6.5                    | 423,750                     |
| 6 month YTD 2015 Others | 91          | 0.4                    | 39,396                         | 4.1                    | 432,923                     |
| Variance %              | 57          | 0.1                    | 23,319                         | 2.4                    | -9,173                      |
| 6 month YTD 2016 Total  | 31,631      | 100.0                  | 963,317                        | 100.0                  | 30,455                      |
| 6 month YTD 2015 Total  | 24,217      | 100.0                  | 953,233                        | 100.0                  | 39,362                      |
| Variance %              | 7,414       | 0.0                    | 10,084                         | 0.0                    | -8,907                      |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis Due to round off, Total may not match.

#### 4. Domestic unit volume

Almost all of the Japanese bicycle export is used bicycle export to developing countries. Therefore, production units plus import units can be defined as domestic unit volume. Table 21 shows an eleven year history of six-month year to date domestic unit volume. In this period, unit production and unit import can be compared. Six-Month Year to Date 2016 domestic production ratio is 11.1%.

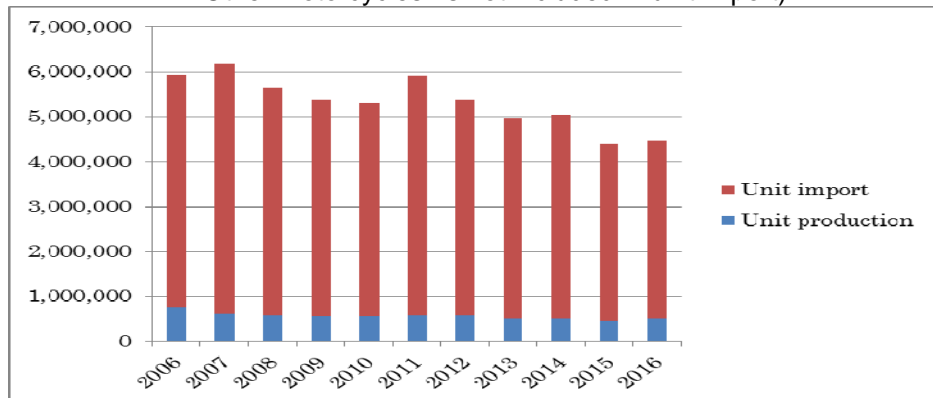
Table 21 Eleven-year history of Six-Month Year to Date  
Japanese bicycle domestic unit volume  
("Electric power assist bicycles" is included in unit production;  
"Other Motorcycles" is not included in unit import)

| 6 month YTD | Unit production | Unit import | Domestic unit volume | Domestic production ratio % |
|-------------|-----------------|-------------|----------------------|-----------------------------|
| 2016        | 497,354         | 3,973,098   | 4,470,452            | 11.1                        |
| 2015        | 460,063         | 3,940,565   | 4,400,628            | 10.5                        |
| 2014        | 508,373         | 4,537,063   | 5,045,436            | 10.1                        |
| 2013        | 497,252         | 4,471,862   | 4,969,114            | 10.0                        |
| 2012        | 572,870         | 4,798,280   | 5,371,150            | 10.7                        |
| 2011        | 573,193         | 5,331,948   | 5,905,141            | 9.7                         |
| 2010        | 571,753         | 4,723,113   | 5,294,866            | 10.8                        |
| 2009        | 554,590         | 4,821,939   | 5,376,529            | 10.3                        |
| 2008        | 582,440         | 5,067,152   | 5,649,592            | 10.3                        |
| 2007        | 614,441         | 5,564,067   | 6,178,508            | 9.9                         |
| 2006        | 755,461         | 5,176,318   | 5,931,779            | 12.7                        |

Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey  
(Before 2015 figure is revised)  
Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Chart S is the graphic presentation of this history.

Chart S Eleven year history of Six-Month YTD domestic bicycle unit volume (units)  
("Electric power assist bicycles" is included in unit production;  
"Other Motorcycles" is not included in unit import)



Source : Ministry of Economy, Trade and Industry (METI) Current Production Statistics Survey  
(Before 2015 figure is revised)  
Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

## 5. Japanese bicycle export

Almost all of the Japanese bicycle export is used bicycle export to developing countries. Table 22 shows main destination countries and areas of Japanese bicycle export in June 2016. Average FOB unit value clearly proves that the bicycle export is used bicycle export. In this part of the report, "Other Motorcycles" is excluded.

Table 22 June 2016 Japanese bicycle export by destination countries and areas

| Destination country/area | Total units | Total FOB value (JPY thousand) | Average FOB unit value(JPY) |
|--------------------------|-------------|--------------------------------|-----------------------------|
| Myanmar                  | 46,915      | 61,846                         | 1,318                       |
| Tanzania                 | 38,015      | 75,264                         | 1,980                       |
| Ghana                    | 35,225      | 51,872                         | 1,473                       |
| Afghanistan              | 28,057      | 38,471                         | 1,371                       |
| Cambodia                 | 24,826      | 41,373                         | 1,667                       |
| Iraq                     | 19,617      | 40,052                         | 2,042                       |
| Nigeria                  | 19,280      | 32,423                         | 1,682                       |
| Philippines              | 17,160      | 30,390                         | 1,771                       |
| UAE                      | 15,184      | 22,343                         | 1,471                       |
| Thailand                 | 14,058      | 29,032                         | 2,065                       |
| Others                   | 23,466      | 46,814                         | 1,995                       |
| Total                    | 281,803     | 469,880                        | 1,667                       |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis

Table 23 shows a fifteen year history of six-month year to date Japanese bicycle export from 2002 to 2016. Total units are the second largest and total value is also the second highest in the last fifteen years. The average unit value in six-month year to date 2016 is JPY 1,798, the highest in the last fifteen years.

Table 23 Fifteen-year history of Six-Month Year to Date Japanese bicycle export:  
All categories

| 6 month YTD | Total units | Total FOB value (JPY thousand) | Average FOB unit value (JPY) |
|-------------|-------------|--------------------------------|------------------------------|
| 2016        | 1,625,300   | 2,921,771                      | 1,798                        |
| 2015        | 1,741,447   | 3,105,750                      | 1,783                        |
| 2014        | 1,598,330   | 2,385,563                      | 1,493                        |
| 2013        | 1,560,970   | 2,090,763                      | 1,339                        |
| 2012        | 1,472,001   | 1,919,884                      | 1,304                        |
| 2011        | 1,229,534   | 1,612,630                      | 1,312                        |
| 2010        | 1,183,762   | 1,585,455                      | 1,339                        |
| 2009        | 1,086,363   | 1,498,350                      | 1,379                        |
| 2008        | 1,154,173   | 1,923,095                      | 1,666                        |
| 2007        | 866,620     | 1,118,874                      | 1,291                        |
| 2006        | 643,714     | 698,402                        | 1,085                        |
| 2005        | 548,346     | 628,453                        | 1,146                        |
| 2004        | 481,314     | 613,121                        | 1,274                        |
| 2003        | 370,119     | 519,216                        | 1,403                        |
| 2002        | 298,521     | 393,282                        | 1,317                        |

Source : Ministry of Finance Japan (MOF) Trade Statistics of Japan,  
Japan Bicycle Promotion Institute Processing and Analysis