

Japanese bicycle production, export and import in 2012

In 2012, Japanese bicycle production decreased 8.3% in units comparing to the previous year, and import units also decreased 10.1% comparing to 2011. As a result, the domestic units(production + import) decreased 9.9%. The 5 years history of the annual domestic bicycle units showed decrease from 10.13 million in 2008, to 9.67 million in 2009 and 9.46 million in 2010. Once in 2011, it increased to 10.55 million, again in 2012, it decreased to 9.51 million, about the same level of 2010. Japanese bicycle export which is mainly used bicycles showed 11.4% increase in units comparing to 2011 to 2.98 million.

According to the Domestic Bicycle Sales Trend Survey done by Japan Bicycle Promotion Institute, the only month in 2012 increased the sales was September, and all the other months showed decrease comparing to the previous year. Some retailers participated in this survey commented as follows; "2012 was the worst year with the sales decrease. I hope the economy recovers soon." "Throughout the year, both the sales and services were the worst in the last decade." "Both the sales units and profit were the lowest in the last 15 to 16 years. It seems the economy is very slow."

1. Domestic production

In 2012, Japanese bicycle production was 1.01 million in units, decreased 8.3%(91,478 units). Also in value basis, it was JPY40.2 billion, decreased 6.1%(JPY2.6 billion) comparing to the previous year.

By product category, all types decreased, as Light Cycles decreased 11.0% in units(60,899 units), Others decreased 6.0%(8,697 units), also Electric Assisted which recently had showed increasing trend decreased 5.4%(21,882 units).

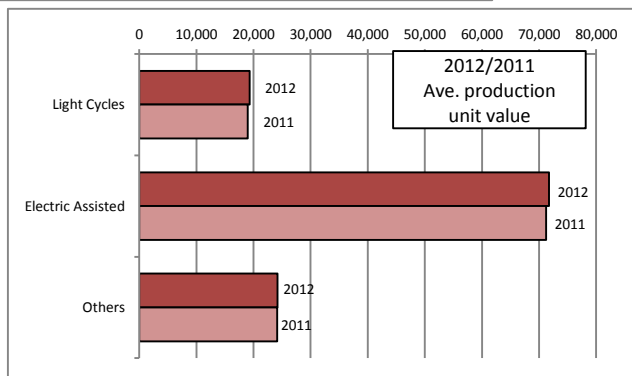
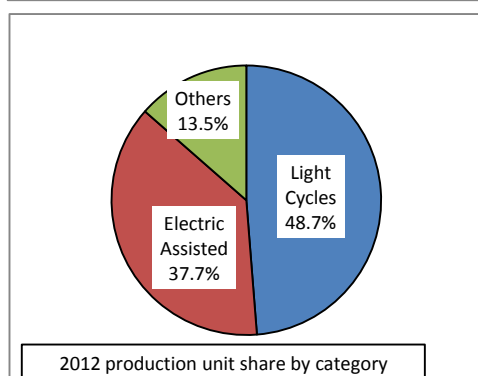
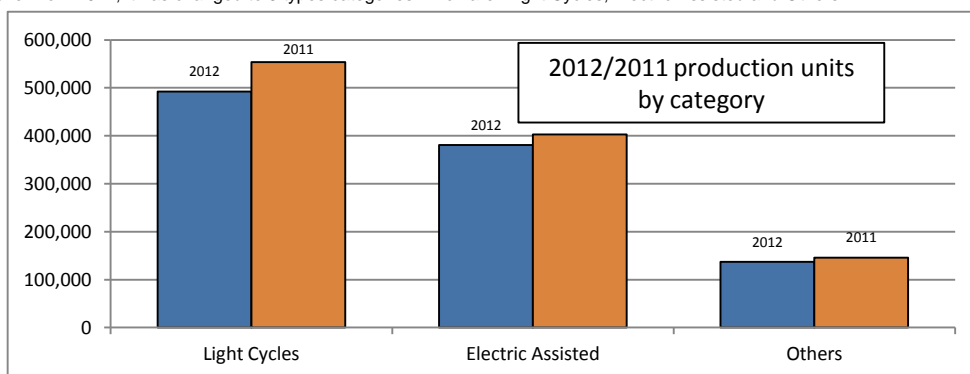
The average unit value was all slightly up, as Light Cycles JPY19,325(up JPY333 comparing to the previous year), Electric Assisted JPY71,758(up JPY505), and Others JPY24,196(up JPY23).

【Production by product category】

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

Product category	2012			Variance		2011		
	units	value	ave. unit value	unit	value	units	value	ave. unit value
Light Cycles	492,531	9,518,000	19,325	89.0%	90.6%	553,430	10,511,000	18,992
Electric Assisted	381,046	27,343,000	71,758	94.6%	95.2%	402,928	28,710,000	71,253
Others	136,839	3,311,000	24,196	94.0%	94.1%	145,536	3,518,000	24,173
Total	1,010,416	40,172,000	39,758	91.7%	94.0%	1,101,894	42,739,000	38,787

Production statistics(METI Machinery statistics) till 2010 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".



2. Export

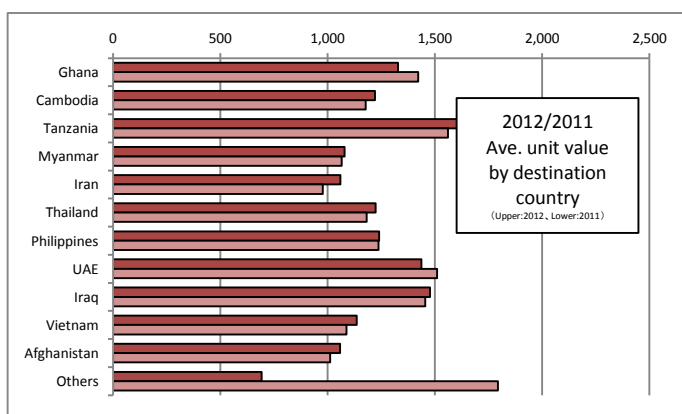
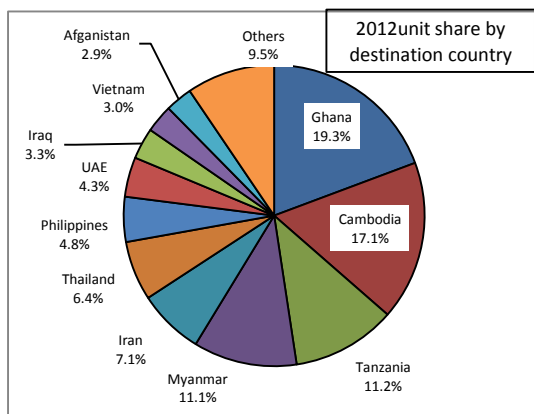
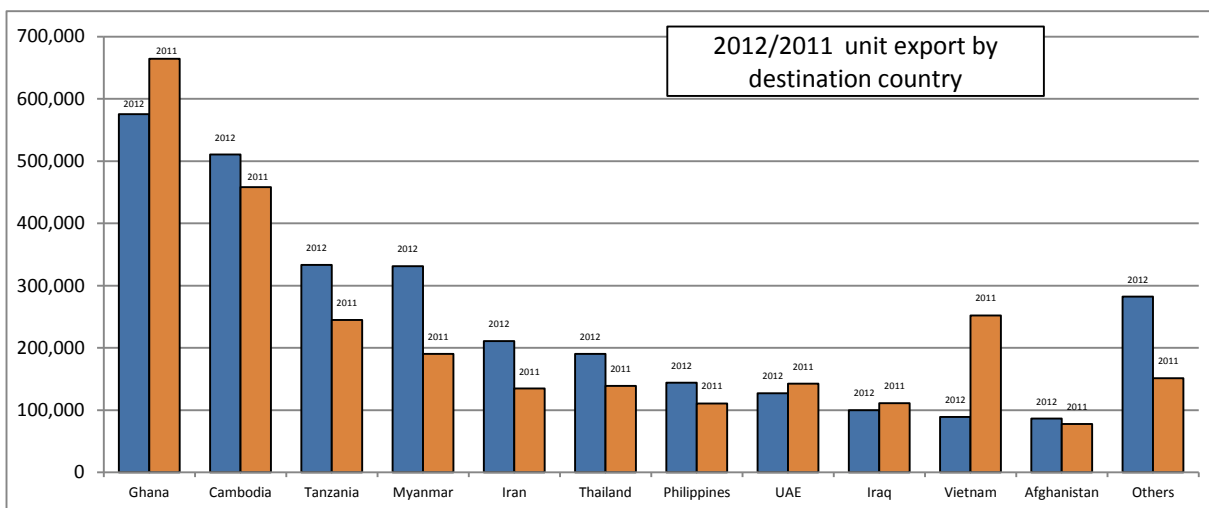
In 2012, Japanese bicycle export was 2.98 million in units, increased by 11.4%(304,006 units) comparing to the previous year. In value basis, it was JPY3.9 billion increased 10.2%(JPY0.4 billion) comparing to the previous year. Average unit value and countries of destination indicate most of the Japanese bicycle export is second hand bicycles used in Japan.

By the destination country, Ghana(0.58million units), Cambodia(0.51million units), Tanzania(0.33million units), and Myanmar(0.33million units) capture the top share. Myanmar(74.3% increase) and Iran(56.5% increase) showed an increase comparing to the previous year, but Vietnam(64.6%) decreased. Asia(2.01million units) including Cambodia and Myanmar held 67.6% share, and Africa(0.95million units) including Ghana and Tanzania held 32.1% share, and these two areas capture 99.7% share of the total export units.

【Export by destination country】

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

Country name	2012			Variance		2011		
	units	value	ave. unit value	units	value	units	value	ave. unit value
Ghana	575,381	764,607	1,329	86.6%	80.9%	664,296	945,621	1,423
Cambodia	510,346	622,992	1,221	111.4%	115.4%	458,142	539,947	1,179
Tanzania	333,213	764,607	2,295	136.1%	200.0%	244,811	382,229	1,561
Myanmar	331,308	357,505	1,079	174.3%	176.5%	190,061	202,515	1,066
Iran	210,891	223,502	1,060	156.5%	169.5%	134,767	131,881	979
Thailand	190,283	232,969	1,224	137.0%	141.9%	138,861	164,190	1,182
Philippines	144,156	178,903	1,241	130.1%	130.4%	110,815	137,222	1,238
UAE	127,178	182,790	1,437	89.2%	84.9%	142,567	215,294	1,510
Iraq	99,905	147,697	1,478	89.7%	91.2%	111,336	162,004	1,455
Vietnam	89,178	101,267	1,136	35.4%	36.9%	252,197	274,328	1,088
Afghanistan	86,470	91,593	1,059	111.4%	116.6%	77,651	78,561	1,012
Others	282,317	195,513	693	186.8%	72.1%	151,116	271,243	1,795
Total	2,980,626	3,863,945	1,296	111.4%	110.2%	2,676,620	3,505,035	1,310



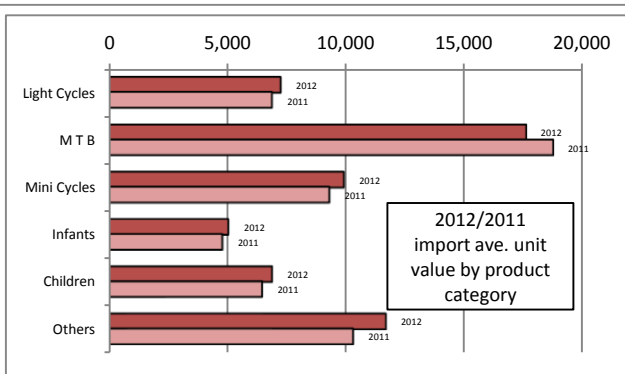
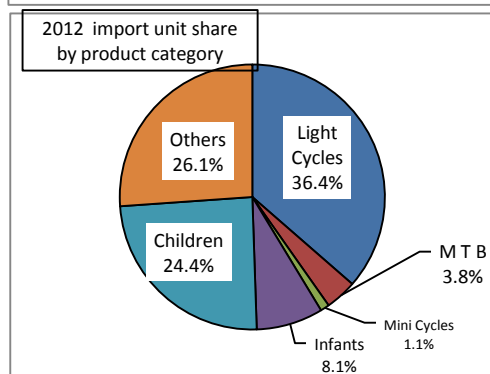
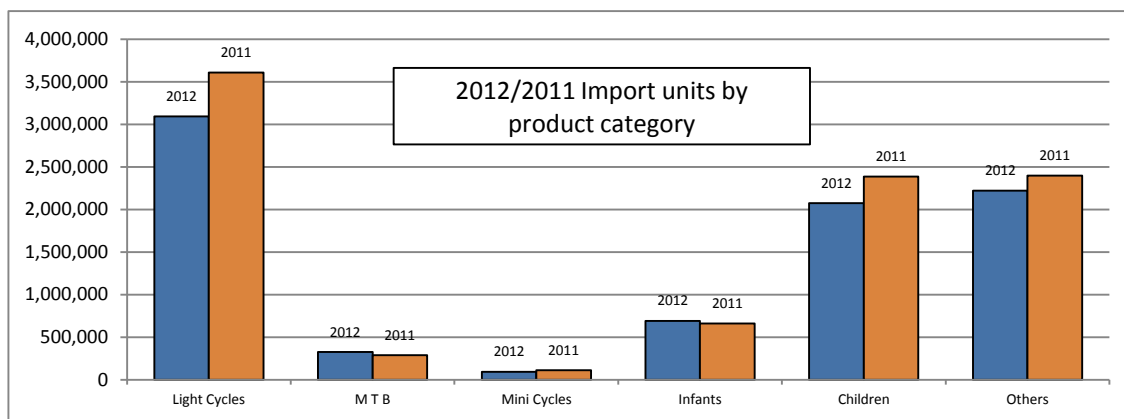
3. Import

In 2012, Japan imported 8.5 million units bicycles, decreased 11.1%(0.95million) comparing to 2011. In value basis, Japanese bicycle import was JPY72.8 billion in 2012, also decreased 2.4%(JPY1.8billion) from 2011. By product category, except for MTB(13.1% increase in units comparing to 2011), and Infants(5.1% increase), all the other categories showed a decrease in units, as Light Cycles(14.2% decrease), Mini Cycles(16.5% decrease), Children(13.1% decrease), and Others including Sports type(7.4% decrease). The Average unit value of MTB was down to JPY17,608(JPY1,144 down from the previous year), but all the other categories of the average unit value was up as Light Cycles JPY7,246(up by JPY370), Mini Cycles JPY9,919(up by JPY613), Infants JPY5,041(up by JPY258), Children JPY6,876(up by JPY412), and Others JPY11,689(up by JPY1,378).

【Import by product category】

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

Product category	2012			Variance		2011		
	units	value	ave. unit value	unit	value	units	value	ave. unit value
Light Cycles	3,094,262	22,420,782	7,246	85.8%	90.4%	3,608,216	24,811,894	6,876
M T B	325,828	5,737,245	17,608	113.1%	106.2%	288,094	5,402,424	18,752
Mini Cycles	92,405	916,531	9,919	83.5%	89.0%	110,599	1,029,277	9,306
Infants	692,111	3,488,983	5,041	105.1%	110.7%	658,735	3,150,742	4,783
Children	2,075,504	14,271,532	6,876	86.9%	92.5%	2,387,853	15,428,273	6,461
Others	2,219,334	25,942,233	11,689	92.6%	105.0%	2,397,095	24,716,112	10,311
Total	8,499,444	72,777,306	8,563	89.9%	97.6%	9,450,592	74,538,722	7,887



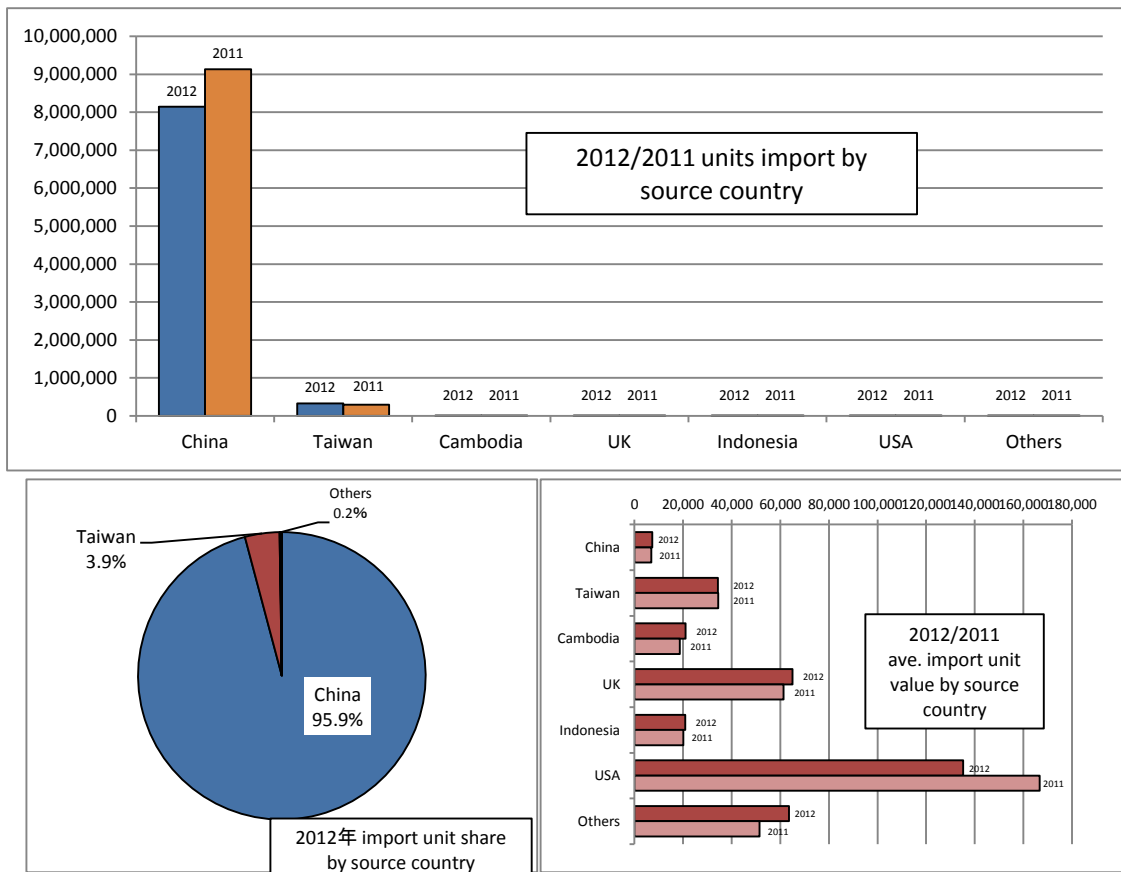
Import unit share by product category is shown on the pie graph above. Light Cycles captures 36.4% of the total, Children 24.4% and Others 26.1% as well.

【Import by source country】

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

Country name	2012			Variance		2011		
	units	value	ave. unit value	units	value	units	value	ave. unit value
China	8,147,874	60,200,161	7,388	89.2%	95.1%	9,136,555	63,325,478	6,931
Taiwan	329,959	11,343,966	34,380	111.3%	111.0%	296,353	10,217,337	34,477
Cambodia	4,444	93,661	21,076	128.0%	144.2%	3,471	64,951	18,712
UK	4,437	288,341	64,986	126.9%	134.3%	3,497	214,651	61,381
Indonesia	3,770	78,703	20,876	181.1%	187.6%	2,082	41,948	20,148
USA	2,743	370,781	135,174	137.2%	111.3%	1,999	333,163	166,665
Others	6,217	394,905	63,520	93.7%	115.7%	6,635	341,194	51,423
Total	8,499,444	72,770,518	8,562	89.9%	97.6%	9,450,592	74,538,722	7,887

By source country, except for China which decreased 10.8% in units comparing to 2011, other countries increased. For example, Taiwan increased 11.3% in units in 2012 comparing to 2011. China captured 95.9% of all Japanese bicycle import, and when Taiwan combined, these two dramatically captured 99.7%.



4. Domestic volume

Domestic bicycle unit volume (production + import) in 2012 was 9.51 million, 9.9% (1.04 million units) decrease from 2011. In value basis, it was JPY112.9 billion, 3.7% down (JPY4.3 billion) from the year before.

By product category, except for MTB (13.1% unit increase comparing to 2011) and Infants (5.1% increase), all the other categories showed decrease as Light Cycles (13.8%), Electric Assisted (5.4%), Mini Cycles (16.5%), Children (13.1%), and Others including Sports type bicycles (7.3%).

The average unit value of MTB was down by JPY 1,144 to JPY17,608 in 2012; however, all the other categories showed increase as Light Cycles JPY8,905 (up by JPY417), Electric Assisted JPY71,758 (up by JPY505), Mini Cycles JPY9,919 (up by JPY613), Infants JPY5,041 (up by JPY258), Children JPY6,873 (up by JPY412), and Others JPY12,416 (up by JPY1,312).

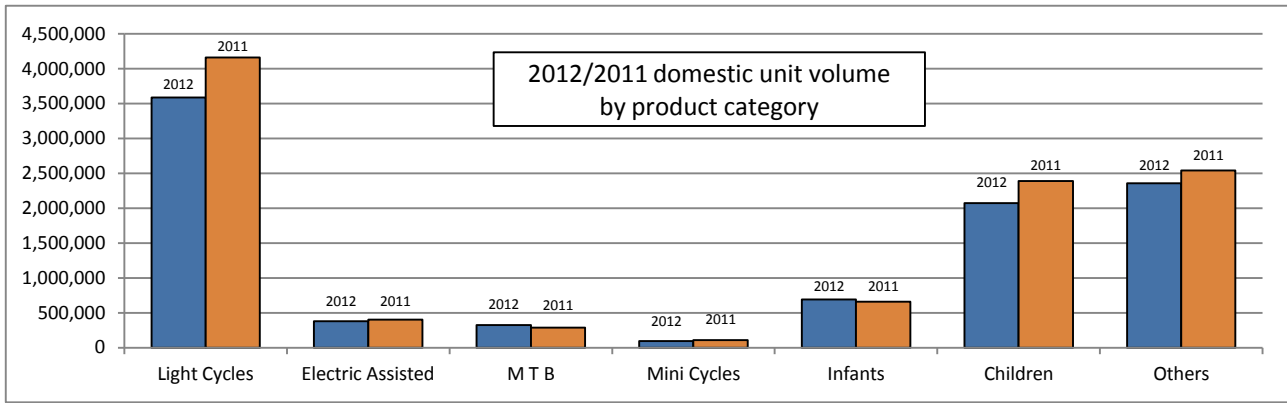
Note: As we do not have shipping statistics, the total of the production plus import is defined as "domestic volume". In general, production includes export; however, as mentioned "2 Export.", almost all of the exported bicycles are used bicycles. Therefore, export is eliminated when calculating domestic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

【Domestic volume by product category】

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

Product category	2012			Variance		2011		
	units	value	ave. unit value	unit	value	units	value	ave. unit value
Light Cycles	3,586,793	31,938,782	8,905	86.2%	90.4%	4,161,646	35,322,894	8,488
Electric Assisted	381,046	27,343,000	71,758	94.6%	95.2%	402,928	28,710,000	71,253
MTB	325,828	5,737,245	17,608	113.1%	106.2%	288,094	5,402,424	18,752
Mini Cycles	92,405	916,531	9,919	83.5%	89.0%	110,599	1,029,277	9,306
Infants	692,111	3,488,983	5,041	105.1%	110.7%	658,735	3,150,742	4,783
Children	2,075,504	14,271,532	6,876	86.9%	92.5%	2,387,853	15,428,273	6,461
Others	2,356,173	29,253,233	12,416	92.7%	103.6%	2,542,631	28,234,112	11,104
Total	9,509,860	112,949,306	11,877	90.1%	96.3%	10,552,486	117,277,722	11,114

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.



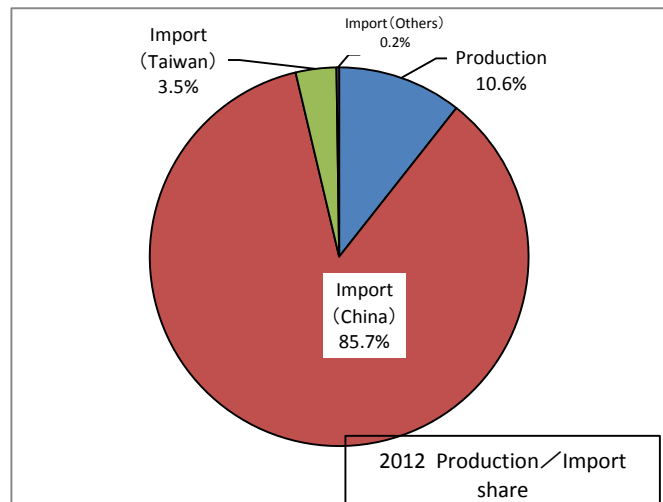
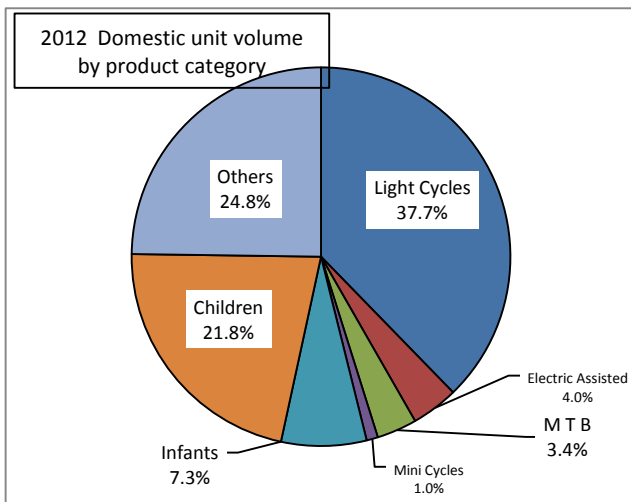
Domestic unit volume by product category is shown on the pie graph below left. Light Cycles captured 37.7% of the total, followed by Electric Assisted 4.0%, MTB 3.4%, Mini Cycles 1.0%, Infants 7.3%, Children 21.8%, and Others including Sports type 24.8%.

Production and import share is shown on the pie graph below right. Import from China captured 85.7% of all the domestic unit volume, and when Taiwan and others combined, these captured 89.4%. Import bicycles captured almost 90% of all of the domestic bicycle unit volume.

【Production/Import comparison】

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

Production /Import	2012			Variance		2011		
	Units	Value	ave. unit value	Units	Value	Units	Value	ave. unit value
Production	1,010,416	40,172,000	39,758	91.7%	94.0%	1,101,894	42,739,000	38,787
Import(China)	8,147,874	60,200,161	7,388	89.2%	95.1%	9,136,555	63,325,478	6,931
Import(Taiwan)	329,959	11,343,966	34,380	111.3%	111.0%	296,353	10,217,337	34,477
Import(Others)	21,611	1,226,391	56,748	122.2%	123.1%	17,684	995,907	56,317
Total	9,509,860	112,942,518	11,876	90.1%	96.3%	10,552,486	117,277,722	11,114



Source: METI Machinery statistics, MOF Trade Statistics