



Global Trends for the Printing Industry

NPES Presentation

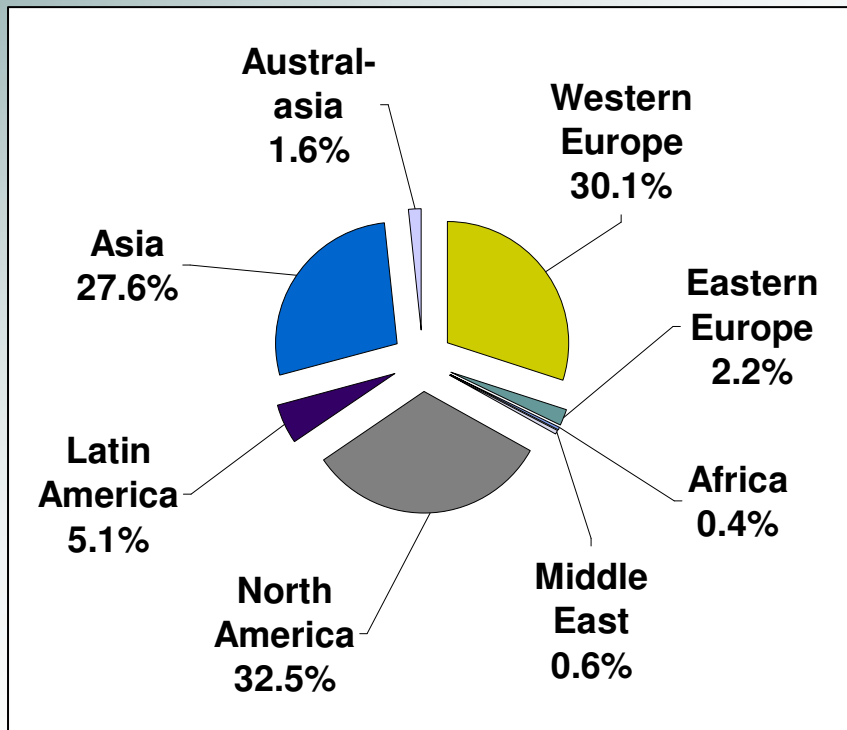
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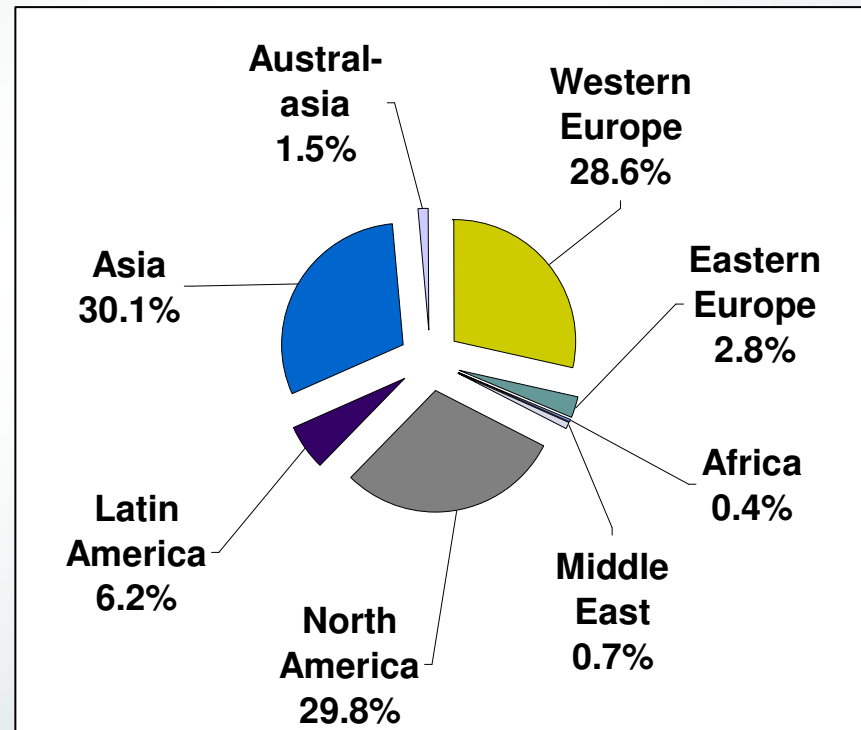
World print market by region, 2006-2011



2006, US\$610 billion



2011, US\$721 billion



Source: NPES/PRIMIR/PIRA





Top Level Global Print Market 2000-2011 (US\$ million)

Region	2000	2006	Growth 2000-06	2011	Growth 2006-11
Global	\$477,765	\$609,809	27.6%	\$720,690	18.2%
Western Europe	125,539	183,379	46.1%	205,903	12.3%
Eastern Europe	5,387	13,227	145.5%	20,022	51.4%
Africa	1,860	2,206	18.6%	2,954	33.9%
Middle East	2,225	3,406	53.0%	5,165	51.7%
North America	173,705	198,137	14.1%	214,515	8.3%
Latin America	22,840	31,198	36.6%	44,448	42.5%
Asia	138,642	168,309	21.4%	217,004	28.9%
Australasia	7,566	9,947	31.5%	10,678	7.4%

Source: NPES/PRIMIR/PIRA





Key countries

- Size and growth vary across countries
- Mature N. America, Japan, W. Europe biggest but real declines
- Developing markets growing more strongly
- Print demand leads machinery /consumables /inks /substrates (to a degree)
- Some bright spots



Leading print markets, 2006-2011 (US\$ million)



Rank	Country	2006	Growth 2005-06	2011	Growth 2006-11
1	United States	\$182,000.7	2.8%	\$196,722.7	8.1%
2	Japan	84,976.0	-3.3%	88,363.7	4.0%
3	China	41,200.0	17.0%	65,934.1	60.0%
4	Germany	38,794.2	1.5%	43,329.9	11.7%
5	UK	34,937.0	4.0%	39,030.6	11.7%
6	France	23,251.5	2.9%	26,731.4	15.0%
7	Italy	23,096.3	2.6%	26,000.4	12.6%
8	Canada	16,136.4	11.6%	17,792.2	10.3%
9	Spain	13,856.0	4.1%	16,074.4	16.0%
10	Brazil	12,552.2	18.5%	19,192.2	52.9%
11	Mexico	12,277.5	7.1%	16,550.4	34.8%
12	India	12,131.0	7.8%	20,990.7	73.0%

Source: NPES/PRIMIR/PIRA



Print market rankings, 2000-11



- US ranks one, ahead of Japan
- China has moved up from 5th to 3rd, overtaking the UK and Germany
- India (population: 1.2bn) and Indonesia (pop: 225mn) emerging as significant print markets with great long term potential
- Other fast movers include Russia, moving up from 37th in 2000 to 22nd into 2006

Country	2000	2005	2006	2011	Country	2000	2005	2006	2011
United States	1	1	1	1	India	11	11	12	8
Japan	2	2	2	2	Australia	13	13	13	14
China	5	4	3	3	Netherlands	14	14	14	15
Germany	3	3	4	4	South Korea	18	15	15	16
UK	4	5	5	5	Sweden	17	16	16	18
France	6	6	6	6	Indonesia	21	20	17	13
Italy	7	7	7	7	Belgium	19	17	18	19
Canada	8	8	8	10	Austria	20	19	19	21
Spain	10	9	9	12	Hong Kong	15	18	20	20
Brazil	9	12	10	9	Norway	22	21	21	24
Mexico	12	10	11	11	Russia	37	24	22	17

Source: NPES/PRIMIR/PIRA



Fastest growing print markets, 2006-11 (US\$ million)

Rank	Country	2006	2011	Growth 2006-11
1	India	\$12,131.0	\$20,990.7	73.0%
2	Russia	4,257.8	7,192.0	68.9%
3	Venezuela	877.8	1,419.3	61.7%
4	Ukraine	529.6	848.8	60.3%
5	China	41,200.0	65,934.1	60.0%
6	Malaysia	3,504.3	5,503.0	57.0%
7	Indonesia	6,096.5	9,547.8	56.6%
8	Romania	718.2	1,112.2	54.8%
9	Turkey	2,110.9	3,227.9	52.9%
10	Brazil	12,552.2	19,192.2	52.9%
11	Poland	3,004.7	4,579.2	52.4%
12	Thailand	596.9	909.4	52.4%

Source: NPES/PRIMIR/PIRA





Key growth markets

- Nine key markets with significant potential identified: China, Brazil, India, Mexico, Indonesia, Russia, Poland, Turkey and the Ukraine
- Combined population of 3.27 billion in 2006, rising to 3.42 billion by 2011
- Combined print market value rising by US\$54 billion to US\$148 billion over the same period





China

- World's most populous nation and the fastest growing of the major economies at around 10% per annum in recent years
- 2008 Olympics likely to provide a major boost
- Censorship remains an issue (hinders Internet) also the political stability of the country in the medium and long term
- Significant producer of print machinery and prepress
- Print market forecast to grow at a slightly slower rate than GDP in the period to 2011





China – key statistics, 2006-11

Year	2006	2011	% change 2006-11
Population (mn)	1,323	1,362	2.9
GDP (US\$bn)	\$2,530	\$4,392	73.6
Print mkt (US\$m)	41,200	65,934	60.0
- Print mkt per capita (US\$)	31.13	48.40	55.5
Print machinery (US\$m)	1,723	2,704	57.0
Inks (US\$m)	1,239	1,994	61.0
Substrates (US\$m)	20,193	32,250	59.7
Consumables (US\$m)	544	1,143	109.9
Total (US\$m)	\$64,899	\$104,024	60.3

Source: NPES/PRIMIR/PIRA





India – key statistics, 2006-11

Year	2006	2011	% change 2006-11
Population (mn)	1,119	1,200	7.2
GDP (US\$bn)	\$850	\$1,422	67.3
Print mkt (US\$m)	12,131	20,991	73.0
- Print mkt per capita (US\$)	10.84	17.49	61.3
Print machinery (US\$m)	521	628	20.4
Inks (US\$m)	356	631	77.1
Substrates (US\$m)	4,069	6,967	71.2
Consumables (US\$m)	154	262	69.9
Total (US\$m)	\$17,231	\$29,479	71.1

Source: NPES/PRIMIR/PIRA





Global print market by print product 2006-11 (US\$ million)

Sector	2006	2011	Forecast growth, 2006-11
Books	36,539.1	42,984.1	17.6%
Catalogs	33,215.3	35,075.2	5.6%
Directories	11,383.1	13,016.5	14.3%
Magazines	62,010.4	73,532.4	18.6%
Newspapers	46,433.8	54,679.9	17.8%
Direct mail	33,092.2	39,328.0	18.8%
Brochures & pamphlets	31,407.4	36,848.9	17.3%
Inserts	13,507.7	15,968.8	18.2%
Coupons, tickets & tapes	2,614.3	2,937.1	12.3%
Posters & banners	12,918.4	15,212.7	17.8%
Business forms	12,316.2	13,128.8	6.6%
Financial & legal printing	17,376.0	20,658.7	18.9%
Packaging	175,599.4	211,254.4	20.3%
- Corrugated/solid fiber	88,820.6	105,497.3	18.8%
- Cartons	37,262.9	45,458.3	22.0%
- Flexibles	49,515.9	60,298.8	21.8%
Labels	25,165.0	29,461.8	17.1%
Others	96,230.2	116,602.8	21.2%
Total	609,808.5	720,690.1	18.2%

Source: NPES/PRIMIR/PIRA

*2005 & 2007 Contain Estimates





Summary

- On a global basis—print will thrive
- North America is still the largest market by far
- From a growth perspective, emphasis shifts from the developed world to the emerging world
- Print products that decline in the developed world will thrive in the emerging world
- Manufacturers need to seek markets with big populations and fast growth rates





A “business” view from drupa

- The demise of print is premature
- Globalization turns from BRIC to MEA
- Consolidation and mergers continue into the future
- Focus on productivity and automation
- Sustainability moves from “talk to walk”





Thank you!

