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**This year’s keywords for digital video cameras are:**  
**“High Definition, Memory card acceptable and 12x Zoom”**  
 —flash news of market demand for Autumn, 2008

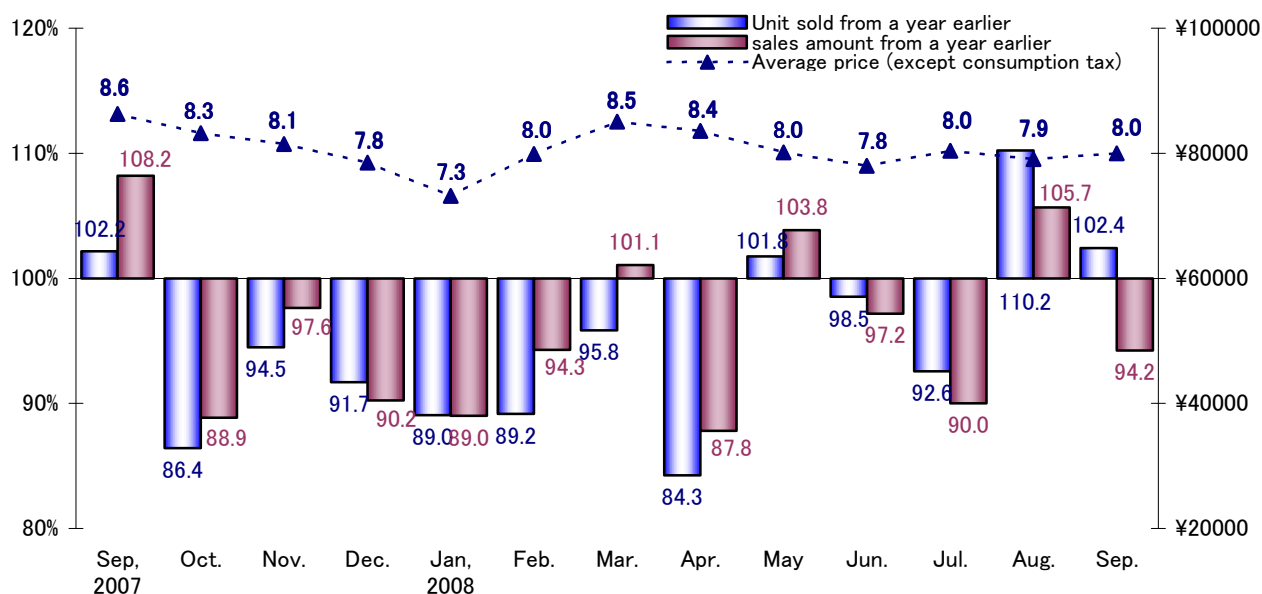
There is a sign of recovery in the digital video cameras market. For a year, both units sold and sales amount were below the previous year. However, in the recent market, units sold exceeded the previous year. Although average price is flat, the shares of high definition models were close to 80%.

In addition, video cameras are becoming more light weight and lenses are going to be more powerful. The medium has shifted to HDD and memory card models.

The supremacy of Sony remains unshaken but recently we also see Canon with good sales.

**Figure 1 The year-to-year data transition of digital video cameras**

*\* Figure 1 uses our Standard Panel Data; all the other uses Maximum Panel Data*

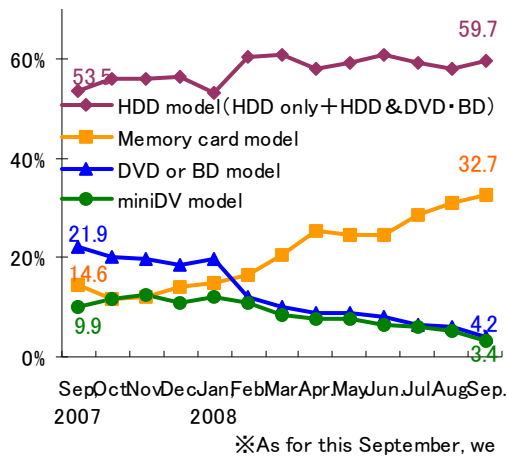


**The market entered the high-demand season with good sales**

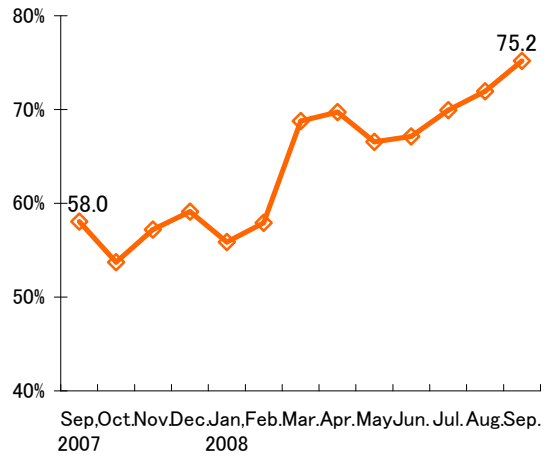
Since last October, the units sold and sales amount for the digital video cameras market has been below the previous year. However, during August the market had 110.2% units sold compared to last year.

According to the flash data from September (September 1-21), the units sold were also 102.4%. The average price (excluding consumer tax) was stable at ¥79,976 (see figure 1).

**Figure 2 The transition of digital video camera sales by storage type**



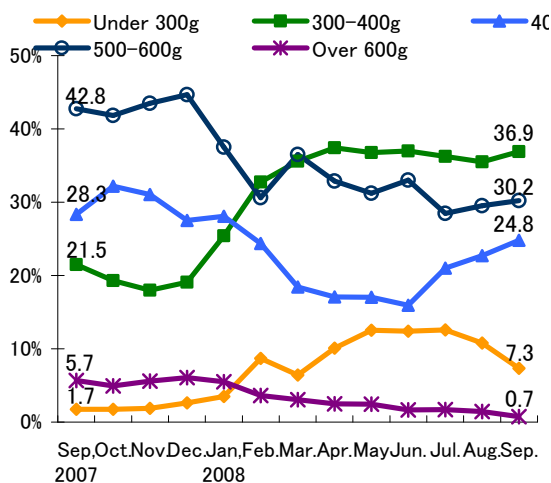
**Figure 3 The transition of the ratio of high definition model by unit sold data**



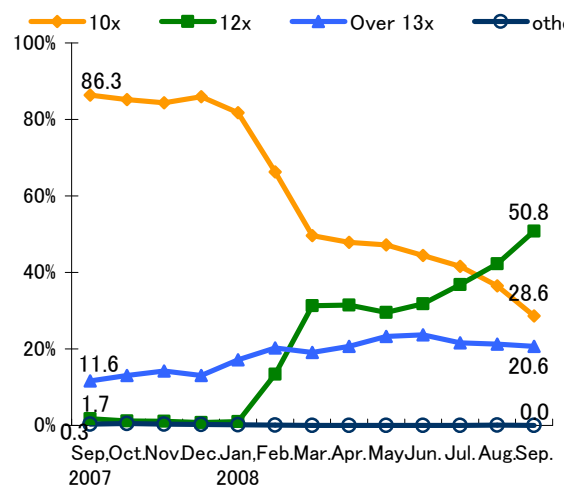
**A rapid increase of memory card models**

The majority of digital video camera storage has shifted from miniDV to HDD through the years. About 60% of video cameras now have HDD for their storage. Memory card models also increased their sales from last Autumn. Based on our flash data from September, 32.7% of video cameras use memory cards and this expansion will continue for several months (see Figure 2). Almost 80% of video cameras are already available for high definition recording (see Figure 3).

**Figure 4 The transition of unit sold data of digital video camera by their weight**



**Figure 5 The transition of unit sold data of digital video camera by their optical zoom**



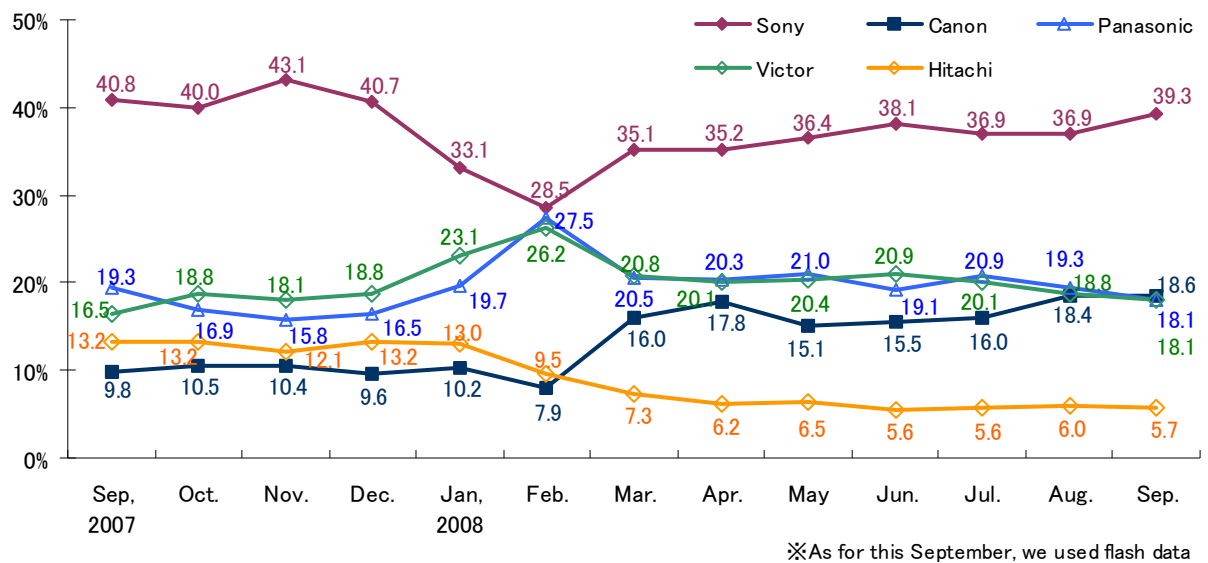
**The trend of lightweight models and the rise of the 12x optical zoom**

There is a movement of lightweight digital video cameras. A year ago, most video cameras

weighed about 500g but recently the average is around 300g. From our flash data, 36.9% of video cameras are now about 300g. The number of 400g models was once over 30% but then fell to about 10%. However, their sales started to increase again and marked a 24.8% ratio in flash data (see Figure 4).

This year, for the optical zoom function, shares for the 10x models decreased rapidly and the 12x models shares have increased. The 12x models had 50.8% of market share based on our flash data (see Figure 5).

**Figure 6 The transition of the Top 5 digital video camera makers unit sold share**



### Canon took second place with good sales of their new products

For the transition of units sold share of each maker, Sony dominates the market with 30% to 40% share. Our flash data also showed that Sony had 39.3% share in September.

Victor and Panasonic were competing for second place since last Autumn with their sales shares of around 20%. They came close to Sony in February during the new products season, but they lost their momentum and their shares dropped again the next month.

On the other hand, Cannon has been increasing their sales share. Their new memory type products were a great draw for consumers. Canon has taken a back seat to the top makers with about 10% shares. However, their “iVIS HF10”, which launched in March, had good sales and their shares jumped to 17.8%. In August, they also expanded their market share with their newest model “iVIS HF11”. According to flash data, Canon took second place, with 18.6% share, by a slim margin from Panasonic and Victor (see Figure6).

*BCN gathers the daily Point of Sale (POS) data from 25 major home electronics retailers\* (Amazon Japan, Eiden, Otsuka Corporation, GoodWill, K's Holdings, Thirdwave, Sakuraya, 3Q Group, Joshin Denki, Stream, 7dream.com, Sofmap, ZOA, Tsukumo, T・Zone Strategy, Deodeo, Tokyo Edion, BicCamera, PC Depot Corporation, Best Denki, Midori Denka, Murauchi, Murauchi, Murauchi.com, Unitcom and Laox) everyday, and by using these data we provide the BCN Ranking. According to the BCN Ranking, we release news about market trends.*

*\*The number of companies we mentioned above includes the companies contracted to supply data for us.*