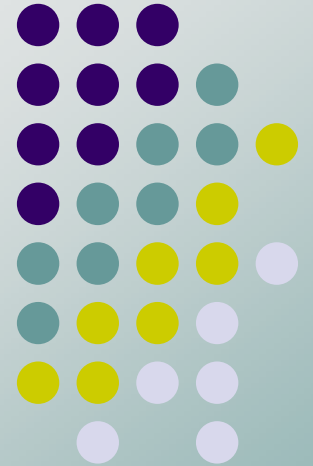


The Worldwide Market for Print

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Graph Expo
Chicago - September 2007





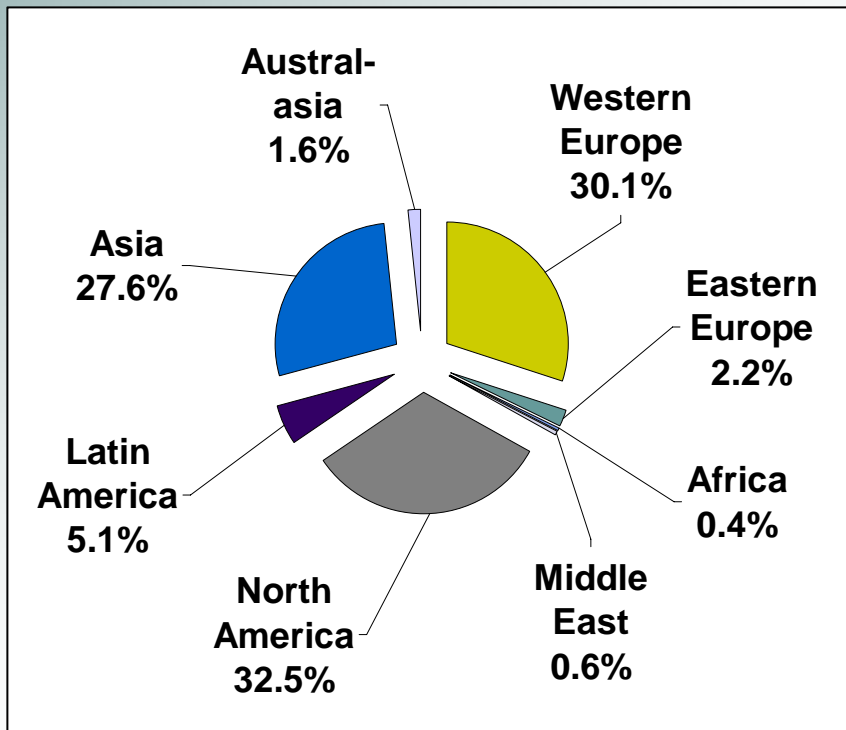
The context for print

- Economic forecasts
- Break of GDP and print demand in developed regions
- Demographic aging populations and fragmentation of societies
- Time poor consumers
- Increasing globalization
- First real competitor to printing – the Internet
- Printers developing strategies

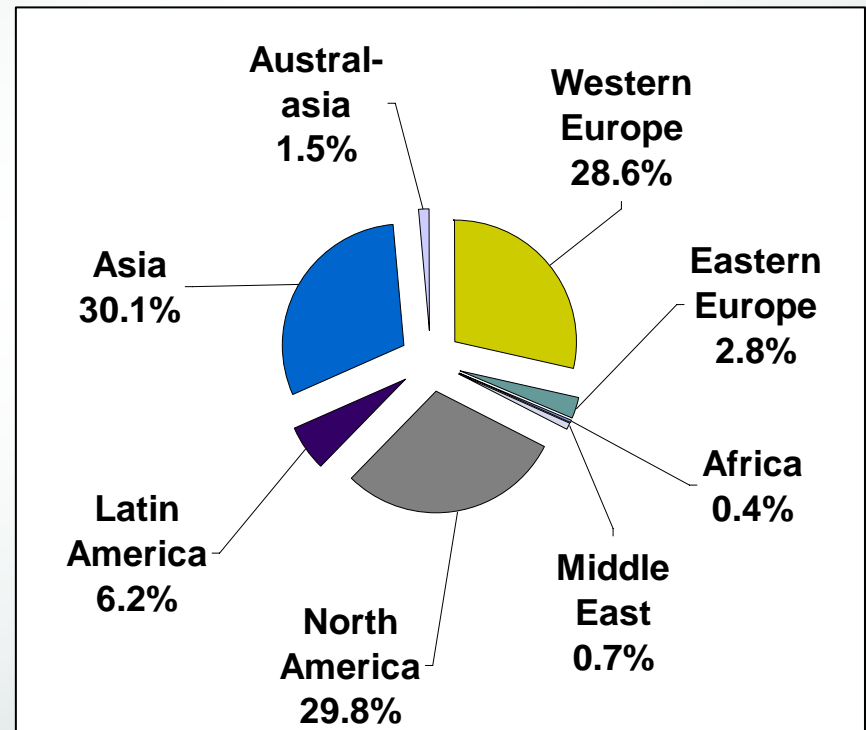
World print market by region, 2006-2011



2006, US\$610 billion



2011, US\$721 billion



Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007



Key Growth Markets

- China, Brazil, India, Mexico, Indonesia, Russia, Poland, Turkey and the Ukraine



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



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: PRIMIR 'World Wide Market for Print' study by Pira International, 2007



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, current prices)



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: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

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: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

Global print market by company type, 2006-2011 (US\$ billion, current prices)



Sector	2006	2011	% change 2006-11
Package printers	\$153.5	\$184.9	20.4
Newspaper publishers	45.1	54.0	19.7
In-plant reproduction	42.4	49.5	16.7
Commercial printers	314.3	369.5	17.6
Business support services (BSS)*	20.3	23.1	13.6
Quick printers	8.2	8.5	3.7
Prepress	12.9	14.5	12.7
Postpress	13.2	16.7	26.9
Total above	\$609.8	\$720.7	18.2
Copy shops	11.3	11.7	4.1
Photocopying by BSS	8.6	9.7	12.4
Mailing services by BSS	11.9	16.6	39.7
Grand total	\$641.5	\$758.7	18.3

Note: Business Support Services include data service bureaus and similar outfits, also including direct mail service providers; *refers to print work only, excluding photocopying & mailing work, shown separately

Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007

Global machinery market, 2006-11 (US\$ million, current prices)



Sector	2006	2011	Growth 2006-11
Sheetfed	\$4,892.2	\$4,575.9	-6.5%
Coldset	1,765.0	1,677.9	-4.9%
Heatset	2,126.6	1,972.4	-7.3%
Gravure	1,315.6	1,161.3	-11.7%
Flexo	2,783.9	2,510.3	-9.8%
Screen	811.7	689.7	-15.0%
Letterpress	403.9	291.7	-27.8%
Electrophotography	1,431.0	2,055.6	43.7%
Inkjet	1,310.8	1,989.9	51.8%
Spares	2,966.0	2,684.8	-9.5%
Prepress	1,598.4	1,584.5	-0.9%
- Film imagesetters	192.7	162.0	-15.9%
- Platesetters	1,405.7	1,412.2	0.5%
Postpress	1,520.2	1,384.4	-8.9%
Total	\$22,925.3	\$22,839.7	-0.4%

Source: PRIMIR 'World Wide Market for Print' study by Pira International, 2007



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

