DVD Recording Technology Product Sales: Still on the Slow Track

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Total Volume of Recordable DVD Drives Sold in US Retail, Jan’03 through Aug ’04

Total Units = 6.5m

Aftermarket PC Drives 32.6%
Home DVD Recorders w/HDs 1.7%
Home DVD Recorders 7.7%
Notebooks 12.4%
Notebooks 12.4%
Desktops 41.2%
DVD Camcorders 4.3%

Source: NPD Techworld POS Jan’03 through Aug’04
Retail Desktop PC Share of Sales by Optical Drive Type

- CD Burner
- DVD Burner
- No Burner Optical Drive
Retail Desktop PC ASP by Optical Drive

![Bar Chart]

- **All Desktops**
- **DVD Burner Only**

- **Jan-03**
- **Mar-03**
- **May-03**
- **Jul-03**
- **Sep-03**
- **Nov-03**
- **Jan-04**
- **Mar-04**
- **May-04**
- **Jul-04**

- Prices range from $0 to $1,400.
Retail Notebook PC Share of Sales by Optical Drive Type

Jan-03 | Mar-03 | May-03 | Jul-03 | Sep-03 | Nov-03 | Jan-04 | Mar-04 | May-04 | Jul-04

CD Burner | DVD Burner | No Burner Optical Drive

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CD/DVD Burner Aftermarket Sales comparison

CD Burner

DVD Burner
DVD Drives - Recording Technology Unit Shares for PC Aftermarket Drives

Source: NPD Techworld® POS
While unit volume is negligible revenue is becoming significant

Unit Sales of Home Deck DVD Players

- Home Decks: 97.8%
- DVD Recorder Decks: 2.2%

Units = 27,904,700

Revenue from Home Deck DVD Players

- Home Decks: 89.8%
- DVD Recorder Decks: 10.2%

Dollars = $2,819,572,000

Source: NPD Techworld Retail POS Jan’03 through Aug’04
And Revenue is growing as a percentage of the total very fast.
Revenue has been driven by a dramatic fall in price
And the revenue is great but the impact is minimal because the actual unit volume is so small.
Unit and Dollar Share of Camcorders by Recording Technology

- While unit volume is negligible, revenue is becoming significant.

**Unit Sales of Camcorders**
- **Tape**: 94.0%
- **DVD**: 5.4%
- **Solid State**: 0.6%

**Revenue Share of Camcorders**
- **Tape**: 88.9%
- **DVD**: 10.5%
- **Solid State**: 0.6%

**Units**: 5,127,912

**Dollars**: $2,234,991,000

Source: NPD Techworld Retail POS Jan’03 through Aug’04
DVD Camcorders Have Shown the Same Dollar Share Growth that Recorders Have
But this dollar gain has not come from any pricing activity.
ASP/Disk and Total Disks Sold for Blank DVDs
Sept-02 through August-04

Source: NPD Techworld® POS