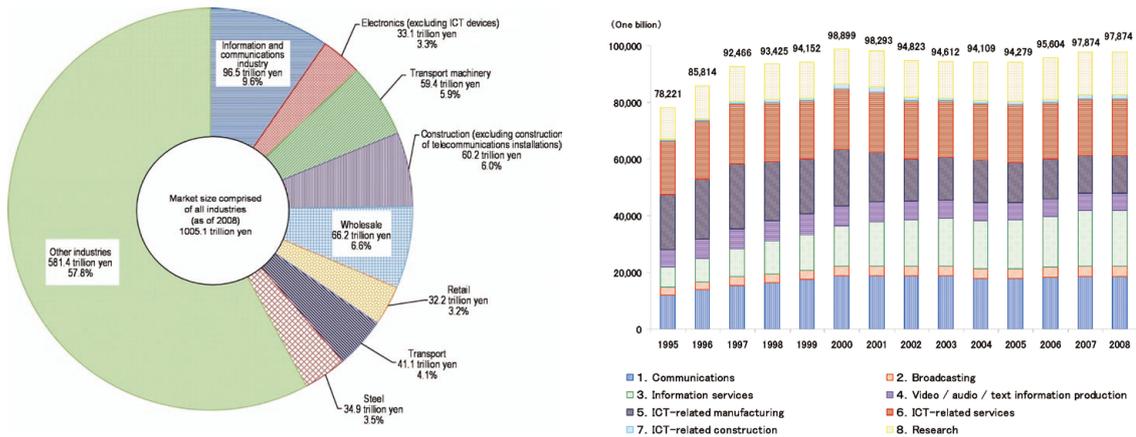


Section 2 ICT Industry Trends

1. Economic size of ICT industry

Based on 2008 nominal domestic production, the ICT sector registered 96.5 trillion yen, which accounts for 9.6%, the largest of all industries (figure 4-3). When looking at the changes in its size, it had been growing continuously from 2005 onward, but like many other industries shrank during 2008.

Figure 4-3 Nominal domestic production of major industries (breakdown) and changes in nominal domestic production of ICT industry (2008)

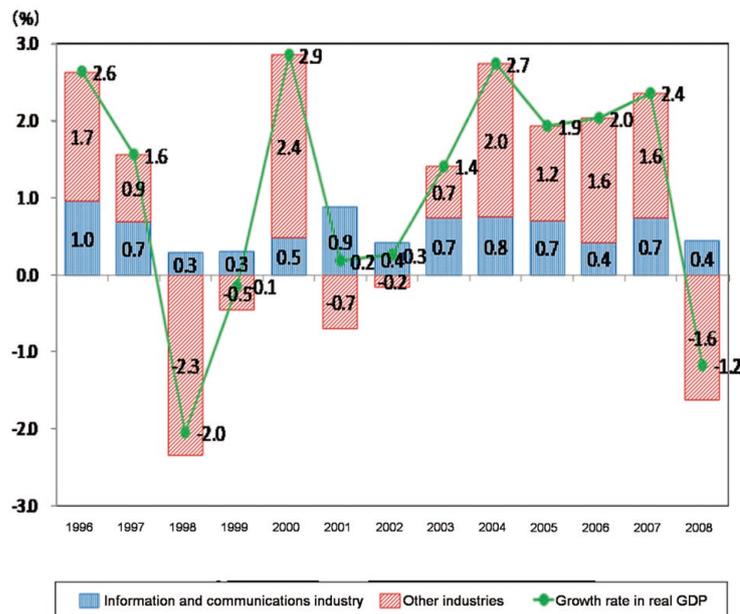


(Source) Ministry of Internal Affairs and Communications "Survey of Economic Analyses on ICT" (2010)

2. Contribution of the ICT industry to economic growth

The degree of contribution of the ICT industry to Japan's growth rate in real GDP (-1.2%) in 2008 was 0.4% (figure 4-4). The average contribution rate over the latest five years was about 34%. It is therefore fair to say that the ICT industry has consistently functioned as a driver of Japan's economic growth.

Figure 4-4 Contribution of ICT industry to growth rate of real GDP



(Source) Ministry of Internal Affairs and Communications "Survey of Economic Analyses on ICT" (2010)