

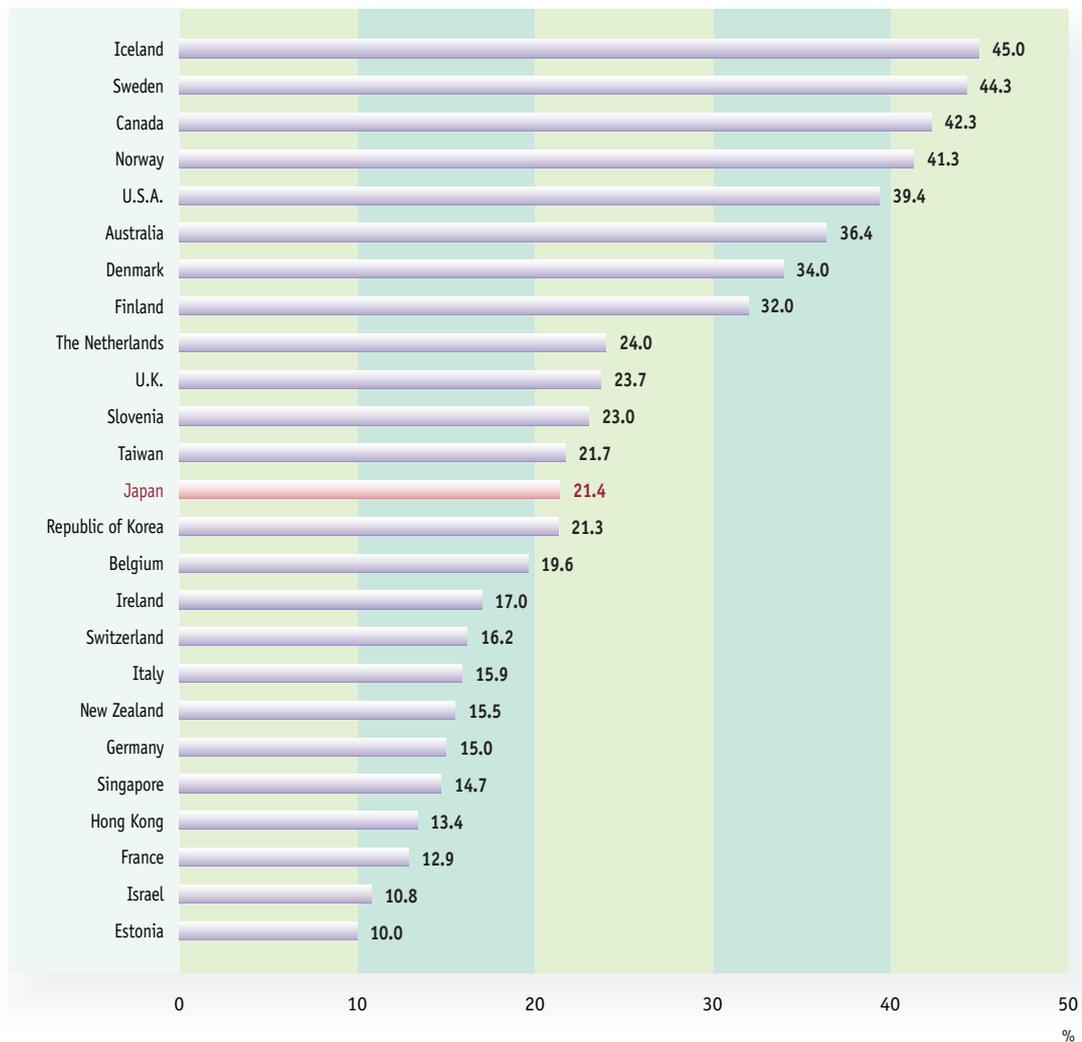
# 2 Global Trends

## 1. The Internet

Estimates released by NUA Ltd. indicate that there were approximately 275.5 million Internet users worldwide as of February 2000, an increase of 79.5% year over year. As for the population by countries, there were 106.3 million users in the United States (an estimated

value as of July 1999) and 27.06 million in Japan (an estimated value as of the end of 1999). In 25 of the world's countries and regions, more than 10% of the population used the Internet, with the ratios in Scandinavia and North America particularly high. Japan had a penetration rate of 21.4%, ranking 13th among

Exhibit 9. Internet Penetration Rate in Countries and Regions with Rates of at Least 10%



Source: Survey of Info-communications Usage in Daily Life; NUA Ltd. as of February 2000.

the world's nations (Exhibit 9).

## 2. Internet Hosts

*Internet Domain Survey* data from the Internet Software Consortium show that as of January 2000 there were about 72.4 million hosts worldwide through which users could connect to the Internet, a 67.5% increase from the previous year. Growth has occurred each year since the survey was initiated in 1993.

## 3. Mobile Telecommunications

A survey performed by Baskerville Communications Corporation indicates that as of September 1999 the penetration rate of mobile telecommunications equipment (cell phones, etc.) exceeded 50% in five countries and regions around the world: Finland, Norway, Iceland, Sweden, and Hong Kong. At 41.0%, Japan was in the 14th place in the ranking, while the rate in the United States was 27.6% (Exhibit 10). In terms of absolute number of contracts, the top three (in descending order) were the United States, Japan, and China.

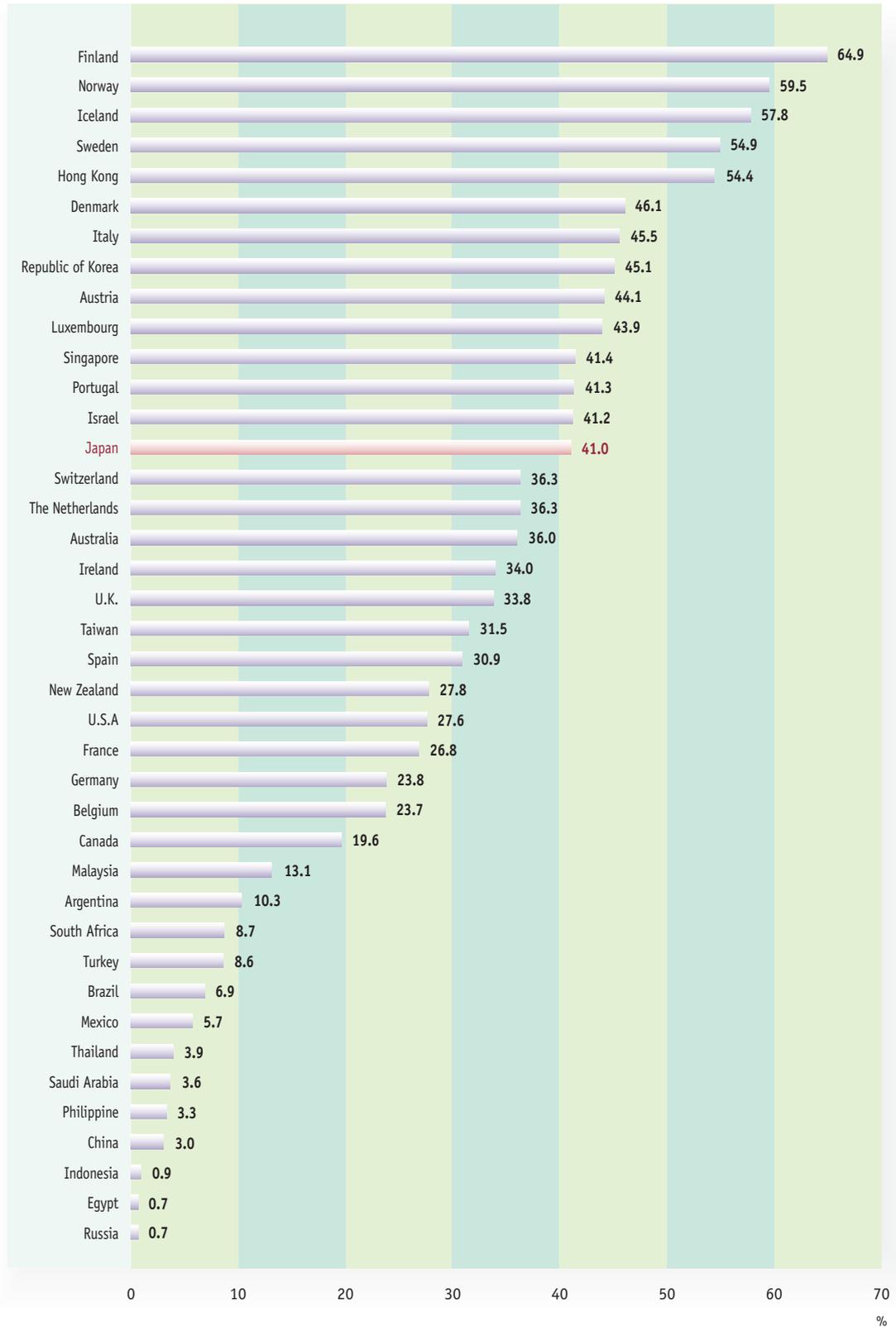
## 4. The Internet in the US

The United States is the leading Internet nation, with 106.3 million users. The Internet commerce market is expanding there, and new businesses known as application service providers (ASPs) have made an appearance. As new businesses using the Internet emerge, some entrepreneurs are even patenting

business models. A higher-speed, higher-capacity broadband Internet capable of handling high definition images is being developed and should be available for actual use in the relatively near future.

## 5. Mobile Telecommunications in Scandinavia

The Scandinavian countries (Finland, Iceland, Norway, Sweden, and Denmark) boast high penetration rates of mobile telecommunications, with Finland and Sweden using cell phones as a core medium of communication, making these countries the world's leaders in this sector. Residents of the Scandinavian countries may avail themselves of a wide variety of unique services via their cell phones, such as purchasing soft drinks from vending machines, getting a car wash, and paying parking fees while in the car.

**Exhibit 10. Mobile Telecommunications Penetration Rates by Country/Region** (as of September 1999)

Note: The penetration rate and number of contracts for Japan include PHS. The penetration rate and number of contracts for U.S.A and Canada are as of June 1999.  
Sources: MPT, Baskerville Communications Corporation.