

the recording industry

april 04

world sales²⁰⁰³



representing the
recording industry
worldwide

World retail sales of recorded music (audio and video) fell by 7.6% in value and 6.5% in units in 2003 compared to 2002. The global music market was worth \$US 32 billion, with total unit sales of 2.7 billion across all formats. Music on audio formats fell 9.9% in value, while the music video sector grew by 46.6% - driven by another strong year of sales for DVD music video, which grew 67%. Global sales of CD albums dropped 9.1% in value. Sales of singles and cassettes fell 18.7% and 27.4% respectively.

US Recovery and UK Resilience

The US makes up 37% of global music sales by value, with the UK accounting for 10%. The recovery in US sales in the latter half of 2003 and the continued strength of the UK market in the face of global trends, were critical to world music sales in 2003.

The US market saw a recovery in the second half of 2003 (at mid-point sales were down 12% by value), which gathered considerable pace during the final quarter, reducing the rate of decline to 6% for the full year. CD album sales drove the recovery with popular titles by OutKast, Toby Keith, Hillary Duff, Ludacris, R.E.M., Alicia Keys and Pop Idol finalists Clay Aiken and Ruben Studdard, all selling well. Many titles were launched with some kind of 'value-added' material such as extra tracks or a bonus DVD. The US album sales recovery continued in the early months of 2004.

The US market saw internet CD sales increase from 3.4% to 5% in volume terms. Record club sales fell by a third, whereas sales via 'normal retail' fell by only 2.7% volume and 4.3% value. US sales were boosted by music video – up 35% in units – driven by DVD video, which grew 64% in units and 56% in value.

In the UK, CD album sales were especially strong in the fourth quarter, resulting in an overall increase of 5.6% in unit terms, with 1.4% value growth. Strong releases (including Christina Aguilera, Busted, The Darkness, Dido, and Justin Timberlake) and album bonus packages helped drive sales. Retailing in the UK continued to perform well, and sales over the internet increased from 5.5% to 6.6% of total CD units. However, sales of singles continued to fall heavily, down 31% in units. As in the US, music videos grew strongly, now accounting for 3.7% of the UK music market by value, up from 1.9% in 2002. DVD sales grew by 95% in value terms, although a steep decline in VHS sales dampened overall music video growth.

Continental Europe Sees Big Falls

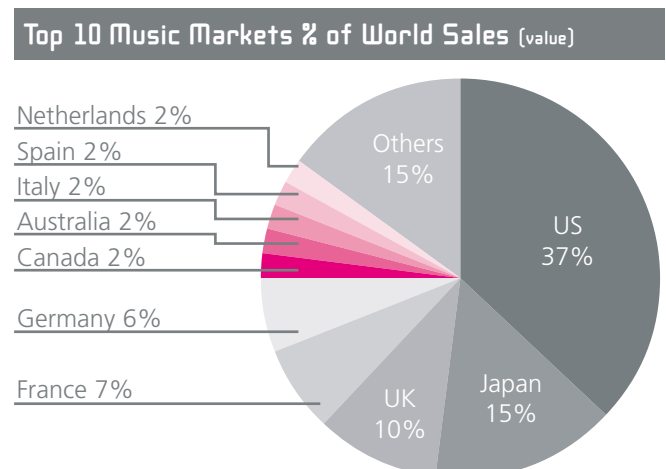
Major markets in Europe continued to suffer falls in 2003. Most notably, Germany dropped in value terms for a sixth consecutive year, by 19%, representing the worst year so far for the German market. The decline has been largely attributable to CD burning and downloading from unauthorised music sites. Recent market research by GfK for IFPI Germany found that the number of CDs burned in 2003 increased to 325 million, up from 260 million in 2002 and 180 million in 2001. The German industry, along with Denmark and Italy, has made announcements to implement litigation against individual illegal file-sharers in a move to stem the market crisis.

France, the world's 4th largest music market, also fell sharply in 2003 by 14.4% in value, following two consecutive years of growth. The growth in the French market had been driven largely by the success of local repertoire and, while this had been expected to peak, the size of the drop in sales in 2003 means that market value has fallen back to year 2000 levels.

Other markets had a tough year with Belgium, Denmark, Greece, Ireland, Portugal, Sweden and Switzerland all reporting double-digit value declines. Denmark (down 12.5%) and Sweden (down 14.7%) suffered particularly badly despite a year of relative success with local repertoire.

One positive sign in continental Europe was the continued growth in DVD music video. There was also further growth in many Eastern European markets, particularly Russia, driven by the switch from cassette to CD and improvements in retailing.

Format Value Analysis		
Format	Share of Value	Value Change
Singles	4.2%	-18.7%
LPs	0.2%	-11.3%
MCs	2.6%	-27.4%
CDs	86.2%	-9.1%
DVD	5.7%	67.0%
VHS	0.5%	-39.1%



Asia Pacific

Music sales in Asia continued to fall in 2003, with units dropping 7.5% and value 9.8%. The Japanese music market contracted for the fifth consecutive year - units were down by 5.2% and value by 9.2%. Sales in all music formats declined, with the exception of DVD video and CD singles. The relatively strong singles sales, up 12.2% in units, were a result of discounting.

Some Asian markets recorded positive growth in 2003, most notably China, which grew for a third consecutive year by 21.7% in value. Despite high levels of music piracy, China benefits from a large youth population with increasing disposable income and a growing interest in international music. Some other territories gained slightly following a very tough 2002. Malaysia grew 8% in value and the Philippines increased by 4.8%.

Australasia was the only region to show growth in 2003, driven partly by the success of local repertoire in Australia and strong DVD sales. Huge successes in 2003 included Delta Goodrem, rock band Powderfinger and the Australian Idol TV series winner Guy Sebastian. DVD music video sales increased by over 100% in value for the second consecutive year and accounted for 11% of the Australian market.

Latin America

Latin America's music market fell for the third consecutive year, by 14.4% in value and 10.3% in units. Physical piracy continues to be the main reason for falling music sales, combined with economic difficulties throughout the region. Many retail stores closed, local companies were forced to downsize and certification awards in many markets were reduced to reflect fewer sales. Price-reduction campaigns and special marketing deals account for the larger fall in sales value than for units in the region.

Mexico, the largest market in the region, dropped out of the world's ten largest markets after a 16.2% decline in value terms. Although CD units were up slightly, discounting resulted in a negative value for the format. Gold certifications levels were reduced to 50,000 units from 100,000 five years ago. Music sales in Brazil fell, with CD unit sales levels falling back to those of 1995. However, DVD music video sales in Brazil grew sharply (up 45% in value) due to a significant increase in the number of releases, rising hardware penetration and a relatively low piracy level for music video compared with audio.

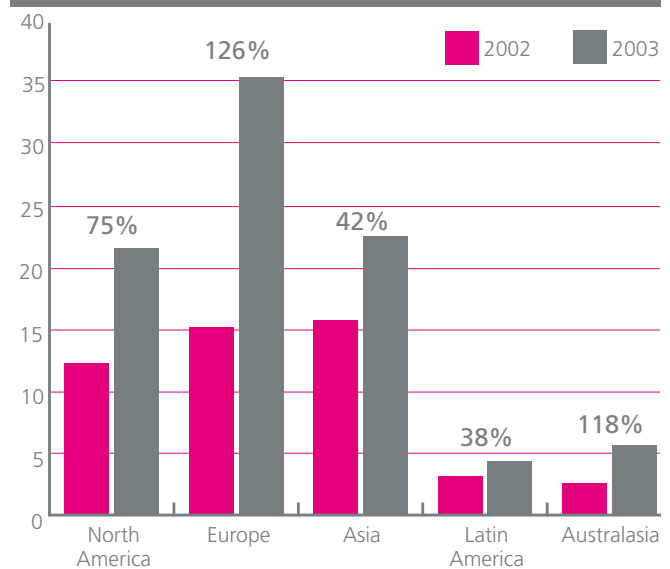
Argentina, Peru and Uruguay were the only markets to show growth in 2003 in Latin America. Argentina's growth is mainly a result of economic recovery, although sales are still below 2000 levels. In Uruguay and Peru, increases followed very steep market declines in 2002.

2003 Regional Summary

Region	Unit Change	Value Change	\$US Value (billion)
World	-6.5%	-7.6%	32.0
North America	-7.4%	-5.9%	12.5
Europe	-5.3%	-8.7%	11.8
EU	-6.2%	-9.6%	10.6
Asia	-7.5%	-9.8%	5.8
Asia (excl. Japan)	-9.4%	-13.2%	0.9
Latin America	-10.3%	-14.4%	0.8
Australasia	7.6%	4.5%	0.8
Middle East	-15.3%	-9.1%	0.1

Note: Figures include music video. 2002 figures stated at fixed \$US rate 2003. See notes section for growth calculations detail.

DVD Music Video Growth by Region (units, millions)



Top 10 Music Markets Retail Value (\$US millions)

Country	2003	2002	% Change
US	11,848	12,609	-6.0%
Japan	4,910	5,409	-9.2%
UK	3,216	3,211	0.1%
France	2,115	2,471	-14.4%
Germany	2,022	2,496	-19.0%
Canada	676	696	-2.9%
Australia	674	636	5.9%
Italy	645	674	-4.4%
Spain	596	658	-9.4%
Netherlands	499	526	-5.1%

Note: Figures include music video. 2002 figures stated at fixed \$US rate 2003. See notes section for growth calculations detail.

Digital Music Sales

IFPI published its first Online Music Report in January 2004. This report highlighted some key indicators for digital music markets, including:

- > Legal online catalogues of around 500,000 tracks in the US and 275,000 in Europe – these have increased in the first quarter of 2004. Rhapsody now offers 575,000 tracks in the US, while OD2 service partners in Europe offer up to 300,000
- > Sales of downloads totalled over \$US 30 million in the US in 2003 – this increased to \$US 50 million by March 2004. Meanwhile, online sales are building outside the US. Puretracks in Canada and OD2 in Europe announced downloads surpassing the one million mark during the first quarter of 2004
- > Half a million users of online music services in Europe – this has increased to some 650,000 users

There are over 50 online music sites offering legally licensed music in Europe and over 90 worldwide, many of which are listed at www.pro-music.org. Official data on digital (online plus mobile platforms) music sales is not yet available. IFPI has begun collating digital sales and publication of results will start early in 2005.

Music Video

Music video sales increased by 47% in value in 2003, with DVD music video up 67%. A special analysis on music video is included in this report.

SACD and DVD Audio

DVD Audio and Super Audio CD are high-resolution surround sound audio formats launched in 2000. Initially targeted towards older 'audiophile' consumers with the re-issue of major catalogue titles, many music companies began releasing more CD titles simultaneously on DVD Audio or SACD during 2002 and 2003. So far over 700 DVD Audio titles and over 1,900 SACD titles have been released.

Major SACD releases in 2003 included Norah Jones 'Come Away With Me', Sting 'Sacred Love' and 15 re-issued Bob Dylan titles. However, the majority of releases in 2003 were of classical music, with many classical record companies embracing the format. On DVD Audio came Mike Oldfield 'Tubular Bells 2003', Steely Dan 'Gaucho', Alicia Keys 'Songs In A Minor' and R.E.M. 'In Time: The Best of R.E.M. 1988-2003'. Worldwide sales of SACDs in 2003 were 3.9 million units and DVD Audio reached 1.3 million.

Although still niche markets, the new formats have been helped by the wide availability of all-disc players at accessible prices and increasing popularity of home theatre systems. Other factors will drive sales further, including increasing record company releases, advertising and promotion, prices aligning with new release CD audio and increased retailer support for both hardware and the new formats. Longer term, in-car systems and portable disc players with surround sound capability will create highly attractive environments for both formats.

Notes

All figures and trends presented in this report refer to total retail music sales (unless stated), i.e. combined audio formats (singles, LPs, MCs, CDs, DVD Audio, SACD, MiniDisc) and music video formats (DVD, VHS, VCD). DVD figures for Asia include VCD.

Regional and world growths are based on fixed \$US using 2003 IMF average annual exchange rates. Re-stated 2002 values are inflated due to \$US depreciation in 2003. Calculations exclude the following countries:

Jamaica, Lithuania, Zimbabwe – excluded from all growth calculations. No 2003 figures submitted.

Pakistan, Israel – excluded from all growth calculations. 2003 figures are not comparable to 2002.

Denmark, Slovakia, Venezuela – excluded from DVD and VHS format growth (no music video format split provided in 2002). Included in overall music video growth.

Estonia, Greece, Slovenia, Switzerland, Ecuador – excluded from music video growth. **Overall unit and value trends are inflated due to inclusion of video data in 2003.**

Turkey and China are excluded from both regional and world totals as well as growth calculations. Turkish figures are estimates based on banderols and Chinese figures are based on local estimates, hence not in compliance with IFPI standards and definitions.

Total units are calculated as the total album equivalent in each market (3 singles = 1 album). Other audio formats, including DVD Audio, SACD and MiniDisc are included in the totals and growths for each country.

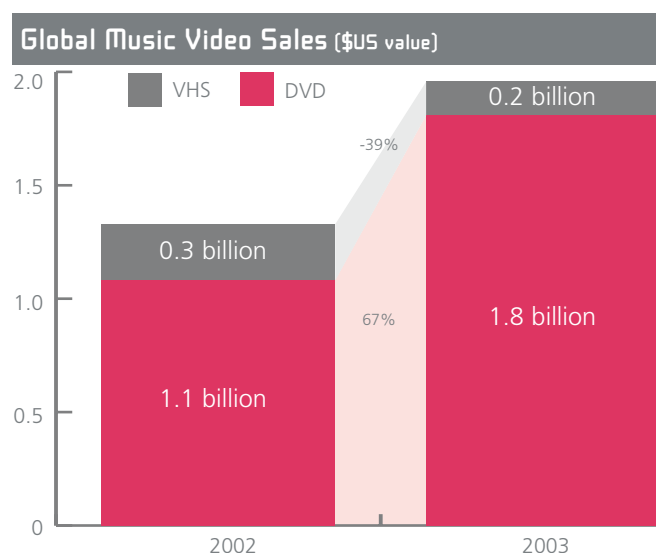
The following 2002 figures were revised: China, Croatia, Czech Republic, Germany, Hungary, Iceland, Italy, Malaysia, Norway and Uruguay.

'Neg' indicate sales under one thousand units.

For additional information, visit IFPI Market Research Online www.ifpi.org/ifpi-mro

Worldwide Overview of Music Video Sales

DVD has driven a global resurgence in the home video market and created a new and dynamic market for music on video, not previously fully exploited on VHS. Music video sales increased by 47% in value terms in 2003, with DVD music video up by 67% value and 79% in unit terms. Music video on DVD was worth \$US 1.8 billion in 2003. Sales over two years are shown below.

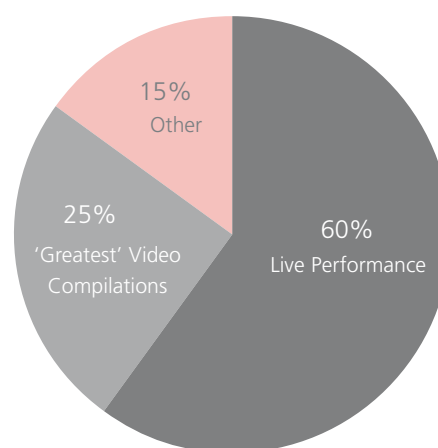


Note: See notes section for growth calculation details

As a result of DVD, music video share of overall music sales has doubled over three years. In 2003 music video represented 6.3% of music sales, up from 4% in 2002 (3.2% in 2001). While still small compared with CD, the format is growing rapidly due to its wide appeal to music consumers of all ages. Specific factors behind the growth of DVD music video are outlined in this section.

Around 60% of DVD music video sales (units) in 2003 by major music companies were of live performance by artists. This is supported by market research suggesting consumers are more interested in live performance. Around 25% of sales were of 'greatest' video compilations, with the remaining 15% being either documentary footage, DVD singles or specific video collections.

2003 DVD Music Video Sales by Category



Source: Majors combined

The share of sales for 'greatest' collections is expected to give way to increasing sales of live performance and other categories as promotional video catalogue is reduced and more artists have their 'tour diaries' and documentary footage produced for commercial release.

Top 10 DVD Music Video Markets (\$US value)

Country	Sales Value (millions)	Growth 2002 - 2003	DVD as % Market	% Global DVD Sales
Japan	521.6	39%	11%	28%
USA	369.6	56%	3%	20%
Germany	157.6	101%	8%	8%
France	156.9	98%	7%	8%
UK	119.7	95%	4%	6%
Netherlands	95.5	104%	19%	5%
Australia	74.7	106%	11%	4%
Canada	62.6	131%	9%	3%
Brazil	44.8	45%	15%	2%
Italy	31.5	294%	5%	2%

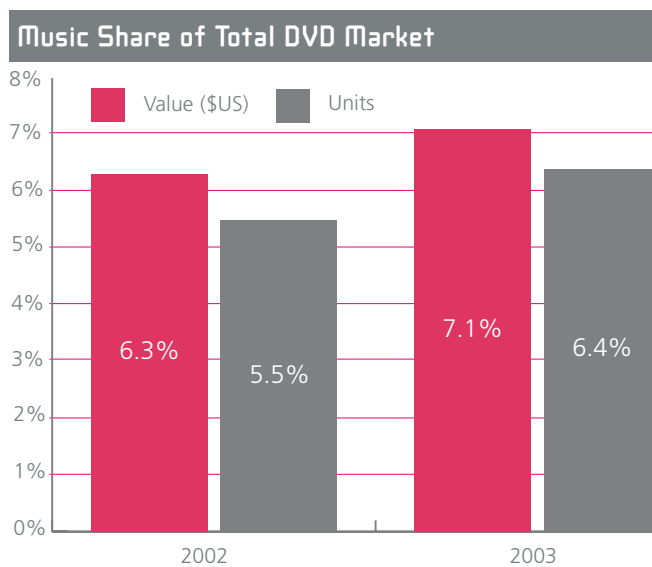
Music Share of Total DVD Sales

Screen Digest data on total DVD sales (film, television, music and other) suggests that DVD music video reflects growth in the overall DVD market.

Total DVD Sales			
	2001	2002	2003
Units - Retail (million)	508	889	1,399
Growth - Units	104%	75%	57%
\$US - Retail (billion)	10.5	17.1	25.8
Growth - Value	72%	63%	51%

Source: Screen Digest Video Intelligence, April 2004

A comparison between Screen Digest and IFPI data suggests that music video made up 7.1% share of the total DVD market by value in 2003, up from 6.3% in 2002.



Source: Screen Digest Video Intelligence, IFPI

Growth in music video DVD outperformed the overall DVD market to take a greater share in 2003. Music makes up a slightly larger share of value than volume – possibly reflecting the lower proportion of catalogue product currently on the market in music than in film and television.

Key Market Drivers

DVD music video has the potential to keep on growing steadily for several more years. Alongside further high-profile releases from big international stars, music videos from local repertoire and lesser-known artists can be expected.

The key market drivers of music video DVD sales are as follows:

- > Increasing releases and marketing campaigns
- > Improvements in retailing & merchandising
- > Continued growth of households with DVD playing devices

Quality & Quantity in DVD Music Video Releases

The music industry has both fuelled and responded to consumer demand for DVD music video by providing both quantity and quality in the form of product releases. The best-selling titles in 2003 (released by majors) are shown.

Majors Best-Selling DVD Titles 2003		
Artist	Title	Company
Coldplay	Live 2003	EMI
U2	Go Home/Live From Slane Castle	Universal
Michael Jackson	Number Ones	Sony
Avril Lavigne	My World	BMG
Led Zeppelin	Led Zeppelin	Warner

An increasing number of CD-DVD packages were released in 2003, with a DVD often included as a bonus. Although no bonus DVD product is included in this analysis, around 10% of DVDs produced have been featured as bonus material to a CD album. In the short term, this has helped to improve the value of CD albums in consumers' minds, reflected in part by higher album sales in the UK and US, where these packages have been released in considerable numbers. However, longer term, both the CD album and DVD video will remain high value consumer propositions in their own right.

Improved Retailer Merchandising & Promotion

Until recently, there was a relatively low awareness amongst consumers about DVD music video – both of the format and the range of titles available. Consumers were also confused about where they could find titles in retail stores, as many retailers displayed music product mixed in with movies or segregated from the main CD racks. However, by late 2002 this began to improve, with retailers supporting the product through a combination of in-store advertising, prime positioning (along the top of the main CD rack, for example) and in-store DVD music video charts.

Key developments in DVD marketing:

- > Co-ordinated campaigns for complementary CD album and DVD video releases. Examples in 2003 include integrated campaigns for Led Zeppelin, The Rolling Stones and Michael Jackson
- > Product development, including more 'upstream' planning and production (for example during the making of the album or in planning a tour)
- > Higher profile campaigns for DVD in specific markets such as Australia and Canada, now experiencing rapid growth
- > New release strategies – new DVDs by David Bowie and Coldplay were given theatrical release before sold through retail
- > Launch and priority displays for DVD music video charts – both national charts and specific in-store charts compiled by retailers

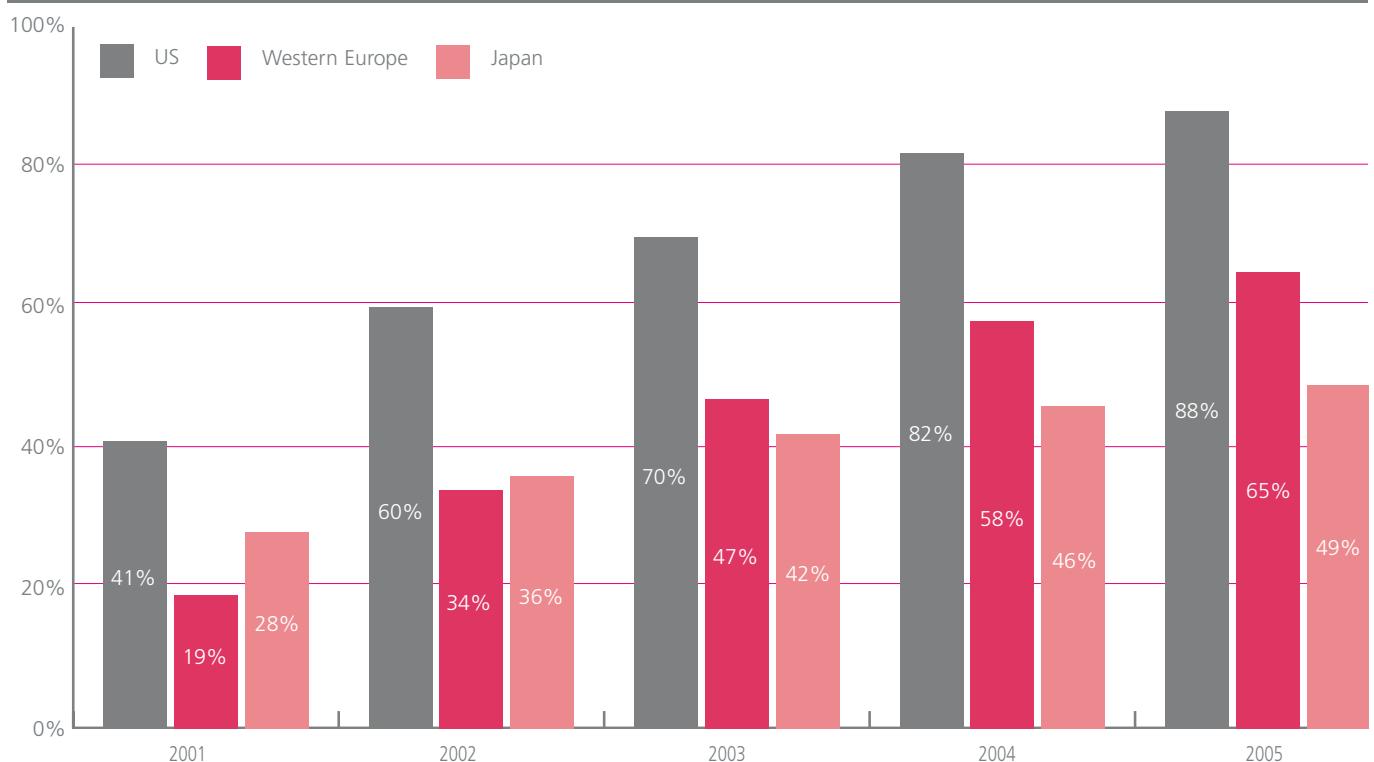
Strong growth is expected again in 2004 as consumers extend DVD buying beyond just their favourite artists and choice is widened. Key releases will again drive the bulk of sales. Some of the high-profile releases are shown.

Key DVD Releases for 2004

Artist	Title
Shakira	Live and Off the Record
Beyoncé	Live
Christina Aguilera	Stripped: Live in the UK
Bon Jovi	This Left Feels Right
Black Eyed Peas	Behind The Bridge To Elephunk
R.E.M.	Perfect Square

DVD Player Penetration

DVD players caught on very quickly with consumers and household ownership of devices continues to grow steadily. The number of households with at least one DVD playing device is expected to reach nearly 90% in the US next year, reaching 65% in Western Europe and 50% in Japan. Growth is also coming from an increasing number of homes with two or three DVD players.

Installed Base of DVD Player Devices

Source: Understanding & Solutions, April 2004. Chart shows % of households with at least one device with DVD playback capability.

2003 world retail sales

Figures in millions

Country	UNITS						RETAIL VALUE			ANNUAL GROWTH	
	Singles	LPs	MCs	CDs	DVD	VHS	USD	Local Currency	Units	Local Currency	
North America											
Canada	0.9	-	0.4	53.1	4.0	0.8	676.0	CAD	946.4	-4.2%	-2.9%
Jamaica	-	-	-	-	-	-	-	JMD	-	Not Comparable	
USA	12.1	1.5	17.2	746.0	17.5	1.6	11,847.9	USD	11,847.9	-7.6%	-6.0%
TOTAL	13.0	1.5	17.6	799.1	21.5	2.3	12,523.9				
Europe											
Austria	2.2	0.1	0.2	14.3	0.5	0.02	282.1	EUR	251.1	0.4%	-5.9%
Belgium	5.0	0.04	0.005	16.1	0.8	0.06	250.7	EUR	223.2	-7.9%	-10.0%
Bulgaria	neg	-	0.8	0.4	0.02	0.002	6.0	BGL	10.3	-32.5%	-21.7%
Croatia	0.002	neg	0.4	1.5	0.02	0.004	17.5	HRK	117.5	37.9%	43.4%
Czech Republic	0.01	-	0.7	3.4	0.1	0.03	40.6	CSK	1,144.3	-5.5%	-2.7%
Denmark	0.4	0.007	0.04	9.8	0.2	0.09	176.9	DKK	1,165.8	-14.6%	-12.5%
Estonia*	0.001	0.001	0.3	0.7	0.008	neg	6.4	EEK	88.1	-34.5%	-23.8%
Finland	0.6	0.01	0.09	10.4	0.3	0.03	140.7	EUR	125.2	7.2%	2.8%
France	30.9	0.4	2.5	117.9	6.9	0.5	2,114.7	EUR	1,882.1	-9.3%	-14.4%
Germany	26.8	1.1	15.5	146.8	9.0	1.9	2,022.1	EUR	1,799.7	-14.5%	-19.0%
Greece*	0.7	0.01	0.2	6.5	0.2	0.05	86.2	EUR	76.7	-5.7%	-10.0%
Hungary	0.06	0.001	1.6	3.3	0.1	0.02	65.4	HUF	14,672.6	5.0%	6.0%
Iceland	-	-	-	0.8	-	-	15.6	ISK	1,196.8	8.0%	10.2%
Ireland	1.5	0.01	0.03	7.2	0.1	0.3	129.2	EUR	115.0	-10.5%	-15.4%
Italy	2.8	0.03	1.3	36.2	1.3	0.05	644.6	EUR	573.7	-5.5%	-4.4%
Latvia	-	-	0.3	0.4	0.01	-	7.0	LVL	4.0	1.9%	8.2%
Lithuania	-	-	-	-	-	-	-	LTL	-	Not Comparable	
Netherlands	3.2	0.2	0.07	24.6	4.8	0.2	498.8	EUR	444.0	-1.9%	-5.1%
Norway	1.1	-	0.03	12.9	0.3	-	255.7	NOK	1,810.5	-10.9%	-9.7%
Poland	0.1	0.006	2.0	10.1	0.3	0.03	90.7	PLZ	352.8	-11.2%	-1.5%
Portugal	0.2	neg	3.2	11.6	0.8	0.01	154.4	EUR	137.4	3.1%	-12.3%
Romania	-	-	13.9	3.0	0.009	-	27.0	ROL	897,779.2	4.0%	11.4%
Russia	0.2	0.1	85.0	30.3	0.05	0.1	326.2	RUB	10,010.0	1.8%	23.7%
Slovakia	0.001	-	0.2	1.4	0.04	0.001	9.0	SKK	330.1	22.3%	3.6%
Slovenia*	0.006	0.001	0.2	1.1	0.002	neg	12.6	SIT	2,599.2	1.7%	-14.6%
Spain	3.8	0.01	1.0	53.9	1.5	0.008	595.9	EUR	530.3	-11.5%	-9.4%
Sweden	2.4	0.03	0.2	23.7	0.9	0.07	295.0	SEK	2,386.9	-9.3%	-14.7%
Switzerland*	2.3	0.1	0.5	18.6	0.5	0.02	256.3	CHF	346.0	-12.3%	-12.3%
Turkey*	-	-	25.1	10.6	-	-	142.5	TRL	217,871,753.0	27.9%	19.3%
UK	36.4	2.0	0.9	233.9	6.4	0.6	3,215.7	GBP	1,961.6	3.3%	0.1%
Ukraine	0.02	-	10.8	6.9	0.009	0.03	42.1	UAH	224.3	3.3%	33.8%
TOTAL	120.4	4.3	141.9	807.6	35.2	4.1	11,785.1	EUR	10,568.8		
Asia											
China*	-	-	41.9	34.3	39.5	-	198.3	CNY	1,642.1	36.4%	21.7%
Hong Kong	0.03	neg	-	10.8	0.9	0.09	94.2	HKD	734.0	4.8%	-5.1%
India	-	-	137.7	15.3	-	-	144.5	INR	6,728.5	-10.6%	-19.7%
Indonesia	-	-	33.6	2.6	1.1	-	77.6	IDR	665,422.9	8.9%	7.6%

*Notes on page three

Figures in millions

2003 world retail sales

Country	UNITS						RETAIL VALUE			ANNUAL GROWTH	
	Singles	LPs	MCs	CDs	DVD	VHS	USD	Local Currency	Units	Local Currency	
Asia continued											
Japan	86.5	1.4	4.0	205.8	18.2	1.1	4,909.7	JPY	569,183.5	-5.2%	-9.2%
Malaysia	0.002	-	2.8	2.2	0.4	-	32.6	MYR	123.9	1.9%	8.0%
Pakistan	-	-	36.0	1.9	0.1	0.07	23.3	PKR	1,393.2	Not Comparable	
Philippines	0.03	-	2.4	3.2	1.3	-	28.0	PHP	1,515.8	21.5%	4.8%
Singapore	0.6	-	-	5.0	0.3	-	49.0	SGD	85.3	1.0%	-3.7%
South Korea	0.1	-	3.9	15.6	0.2	-	162.4	KRW	193,489.3	-31.4%	-30.2%
Taiwan	0.4	0.001	0.02	15.1	0.7	0.2	139.8	TWD	4,821.0	-16.2%	-13.8%
Thailand	-	-	14.1	9.1	15.6	-	130.1	THB	5,397.3	-12.2%	-3.5%
TOTAL	87.7	1.4	234.4	286.7	38.9	1.5	5,791.1				
Latin America											
Argentina	0.01	-	0.8	10.4	0.1	0.03	52.3	ARP	151.6	85.0%	77.7%
Brazil	0.007	0.001	-	58.1	3.7	0.2	304.9	BRL	939.0	-25.0%	-17.4%
Central America	0.02	-	0.07	2.0	0.02	-	22.8	USD	22.8	-32.0%	-19.4%
Chile	0.1	-	0.6	4.7	0.4	-	36.3	CLP	25,131.9	-21.6%	-18.5%
Colombia	0.004	-	0.08	7.2	0.09	0.01	47.9	COP	137,901.8	-5.2%	-17.3%
Ecuador*	-	-	-	0.9	0.01	-	7.2	ECS	178,917.8	26.8%	-22.3%
Mexico	0.3	0.004	2.1	53.5	-	1.1	346.5	MXP	3,738.7	3.4%	-16.2%
Paraguay	-	-	0.005	0.1	-	-	0.6	PYG	4,014.7	-52.5%	-24.0%
Peru	neg	-	neg	0.7	-	-	2.3	PEN	8.1	59.3%	4.2%
Uruguay	-	-	0.002	0.2	-	-	3.0	UYP	84.2	94.8%	100.1%
Venezuela	0.002	-	-	0.7	0.01	-	5.5	VEB	8,842.1	-65.2%	-52.9%
TOTAL	0.5	0.005	3.7	138.5	4.4	1.4	829.3				
Australasia											
Australia	10.0	0.05	0.4	52.9	5.1	0.1	673.8	AUD	1,037.6	9.6%	5.9%
New Zealand	0.7	0.003	0.1	6.9	0.6	0.002	110.6	NZD	190.3	-5.7%	-3.6%
TOTAL	10.6	0.05	0.5	59.8	5.7	0.1	784.4				
Middle East											
Bahrain	-	-	0.6	0.1	-	-	3.8	BHD	1.5	-8.4%	-2.0%
Egypt	-	-	8.4	0.09	-	-	14.4	EGP	84.0	-27.1%	-27.3%
Israel	-	-	0.05	6.0	0.1	-	41.4	ILS	188.6	Not Comparable	
Kuwait	-	-	1.8	0.1	-	-	8.5	KWD	2.5	-4.5%	6.9%
Lebanon	-	-	1.0	0.3	-	-	6.4	LBP	9,585.6	-17.9%	-12.5%
Oman	-	-	0.6	0.06	-	-	3.1	OMR	1.2	-7.5%	-4.0%
Qatar	-	-	0.8	0.08	-	-	3.7	QAR	13.6	3.1%	5.1%
Saudi Arabia	-	-	6.6	0.4	-	-	28.0	SAR	105.1	-9.8%	-9.5%
UAE	-	-	3.4	1.2	-	-	28.6	AED	105.0	-5.1%	-3.1%
TOTAL	-	-	23.1	8.4	0.1	-	138.0				
Africa											
South Africa	0.2	neg	6.1	11.5	0.4	0.08	160.4	ZAR	1,212.9	0.3%	0.1%
Zimbabwe	-	-	-	-	-	-	-	ZWD	-	Not Comparable	
TOTAL	0.2	neg	6.1	11.5	0.4	0.08	160.4				
GRAND TOTAL	232.5	7.3	427.2	2,111.6	105.7	9.4	32,012.2				

*Notes on page three

2002 world retail sales

Figures in millions

UNITS							RETAIL VALUE			ANNUAL GROWTH		
Country	Singles	LPs	MCs	CDs	DVD	VHS	USD (2003 rates)	USD (2002 rates)	Local Currency	Units	Local Currency	
North America												
Canada	0.6	-	1.1	57.0	1.6	1.2	696.3	621.2	CAD	974.8	-5.4%	-8.4%
Jamaica	0.4	0.09	0.02	0.4	-	-	5.5	6.5	JMD	316.5	Not Comparable	
USA	8.4	1.7	32.4	803.3	10.7	3.5	12,609.4	12,609.4	USD	12,609.4	-10.4%	-8.2%
TOTAL	9.5	1.8	33.5	860.7	12.3	4.7	13,311.2	13,237.1				
Europe												
Austria	2.1	0.09	0.2	14.5	0.2	0.02	299.9	251.2	EUR	267.0	-9.3%	-7.1%
Belgium	6.2	0.04	0.04	17.8	0.3	0.03	278.7	233.4	EUR	248.0	-8.4%	-7.1%
Bulgaria	-	-	1.4	0.4	-	0.003	7.6	6.3	BGL	13.2	-10.2%	-1.8%
Croatia	0.003	neg	0.5	0.8	0.008	neg	12.2	10.4	HRK	81.9	Not Comparable	
Czech Republic	0.01	-	1.2	3.3	0.05	0.03	41.7	35.9	CSK	1,176.0	-31.2%	-19.6%
Denmark	0.6	0.007	0.03	11.8	-	-	202.2	168.8	DKK	1,332.4	-17.7%	-15.3%
Estonia	-	-	0.5	0.9	-	-	8.3	7.0	EEK	115.6	22.5%	8.6%
Finland	0.6	0.01	0.1	9.8	0.08	0.05	136.8	114.6	EUR	121.8	-9.9%	-6.4%
France	40.5	0.5	5.0	130.4	3.1	0.8	2,471.5	2,070.1	EUR	2,199.6	3.1%	4.1%
Germany	39.0	1.1	14.3	179.4	3.8	3.3	2,496.2	2,090.8	EUR	2,221.6	-4.7%	-7.5%
Greece	1.1	0.01	0.2	7.0	-	-	95.9	80.3	EUR	85.3	4.0%	6.3%
Hungary	0.3	0.001	1.8	2.9	0.05	0.03	61.7	53.7	HUF	13,838.5	Not Comparable	
Iceland	-	-	-	0.7	-	-	14.2	11.9	ISK	1,086.3	Not Comparable	
Ireland	2.0	0.01	0.2	8.0	0.03	0.3	152.7	127.9	EUR	135.9	-6.7%	-6.7%
Italy	3.5	0.02	3.4	36.8	0.4	0.2	674.5	564.9	EUR	600.2	9.3%	1.1%
Latvia	-	-	0.3	0.4	0.006	-	6.5	6.0	LVL	3.7	-47.6%	-11.4%
Lithuania	0.03	-	0.4	0.8	0.004	0.002	6.1	5.1	LTL	18.8	-1.1%	1.7%
Netherlands	3.6	0.2	0.1	27.9	2.0	0.2	525.7	440.3	EUR	467.8	-7.0%	-6.2%
Norway	1.1	-	0.05	14.7	0.2	0.009	283.2	251.1	NOK	2,005.1	9.5%	2.2%
Poland	0.2	0.003	4.2	9.5	0.2	0.04	92.1	87.9	PLZ	358.1	-44.4%	-26.6%
Portugal	0.3	neg	2.2	12.5	0.4	0.02	176.1	147.5	EUR	156.7	-0.1%	7.7%
Romania	-	-	12.4	3.8	0.003	0.008	24.3	24.4	ROL	806,111.3	Not Comparable	
Russia	0.3	0.1	95.0	18.2	0.03	0.1	263.6	258.1	RUB	8,090.1	Not Comparable	
Slovakia	0.002	-	0.3	1.0	-	-	8.7	7.0	SKK	318.6	-40.4%	-28.3%
Slovenia	-	-	0.3	1.1	-	-	14.7	12.7	SIT	3,042.0	-8.6%	-22.0%
Spain	2.2	0.01	2.4	61.7	0.5	0.03	657.8	551.0	EUR	585.4	-17.9%	-15.6%
Sweden	4.0	0.05	0.3	26.4	0.2	0.06	345.8	287.3	SEK	2,797.3	0.2%	-5.7%
Switzerland	3.0	0.2	0.9	21.3	-	-	292.3	253.2	CHF	394.6	1.4%	-2.5%
Turkey	-	-	23.4	4.5	-	-	119.5	121.2	TRL	182,689,997.3	-7.3%	8.1%
UK	52.5	2.2	1.9	221.6	3.6	1.5	3,211.4	2,936.0	GBP	1,959.0	-0.9%	-2.2%
Ukraine	0.06	-	14.0	3.0	0.003	0.1	31.4	31.5	UAH	167.6	Not Comparable	
TOTAL	163.2	4.5	163.8	848.2	15.1	6.8	12,893.6	11,126.2				
Asia												
China	-	-	31.1	23.3	30.4	-	163.0	163.1	CNY	1,349.8	25.5%	22.5%
Hong Kong	0.2	0.001	-	10.0	1.2	-	99.3	99.2	HKD	773.8	-2.4%	-8.9%
India	-	-	162.5	8.6	-	-	179.8	172.3	INR	8,375.0	-14.5%	-22.6%
Indonesia	-	-	32.0	1.8	0.5	-	72.1	66.4	IDR	618,237.8	-32.8%	-18.8%

*Notes on page three

2002 world retail sales

Figures in millions

Country	UNITS						RETAIL VALUE			ANNUAL GROWTH		
	Singles	LPs	MCs	CDs	DVD	VHS	USD (2003 rates)	USD (2002 rates)	Local Currency	Units	Local Currency	
Asia continued												
Japan	77.1	2.2	4.6	228.9	11.0	2.1	5,408.9	5,000.9	JPY	627,053.0	-9.9%	-9.3%
Malaysia	0.004	-	3.1	1.9	0.3	neg	30.2	30.2	MYR	114.7	Not Comparable	
Pakistan	0.03	-	7.1	1.1	-	-	4.8	4.6	PKR	287.6	Not Comparable	
Philippines	0.03	-	2.8	2.8	0.1	-	26.7	28.0	PHP	1,446.3	-24.6%	-15.0%
Singapore	0.05	-	0.001	5.2	0.3	-	50.9	49.4	SGD	88.5	7.7%	3.3%
South Korea	0.05	-	7.1	21.4	0.4	-	232.7	221.6	KRW	277,254.0	-30.6%	-19.2%
Taiwan	0.6	-	0.2	16.6	1.3	1.0	162.2	161.7	TWD	5,591.4	-1.3%	-9.7%
Thailand	-	-	19.3	9.7	15.2	-	134.8	130.2	THB	5,592.0	10.4%	12.8%
TOTAL	78.0	2.2	238.7	308.0	30.2	3.1	6,402.3	5,964.5				
Latin America												
Argentina	0.05	-	0.6	5.5	0.06	0.004	29.4	27.9	ARP	85.3	-44.7%	-21.6%
Brazil	0.08	-	-	79.5	2.8	0.4	368.9	388.9	BRL	1,136.1	3.4%	7.4%
Central America	-	-	0.1	3.0	0.005	-	28.3	28.3	USD	28.3	-6.5%	9.5%
Chile	0.02	-	1.1	5.9	0.2	0.04	44.6	44.8	CLP	30,836.0	26.8%	14.0%
Colombia	0.009	0.003	0.1	7.7	0.02	0.02	58.0	66.6	COP	166,814.0	-24.7%	-27.1%
Ecuador	neg	-	0.003	0.7	-	-	9.2	9.2	ECS	230,201.4	-13.4%	-14.9%
Mexico	0.6	0.02	2.9	51.1	-	0.9	413.5	462.1	MXP	4,462.1	-3.3%	-16.4%
Paraguay	-	-	0.07	0.2	-	-	0.8	0.9	PYG	5,283.3	6.2%	-39.5%
Peru	0.01	-	0.04	0.4	-	-	2.2	2.2	PEN	7.8	-56.9%	-65.3%
Uruguay	-	-	0.004	0.1	-	-	1.5	2.0	UYP	42.1	-69.5%	-61.3%
Venezuela	0.002	-	0.001	2.1	-	-	11.7	16.2	VEB	18,781.3	-59.0%	-48.8%
TOTAL	0.7	0.02	4.9	156.0	3.1	1.3	968.2	1,049.1				
Australasia												
Australia	11.9	0.03	0.6	49.2	2.4	0.2	636.0	532.2	AUD	979.5	-3.0%	-5.9%
New Zealand	0.7	0.003	0.2	7.6	0.2	0.006	114.7	91.3	NZD	197.3	-1.2%	-2.1%
TOTAL	12.6	0.04	0.8	56.8	2.6	0.2	750.7	623.4				
Middle East												
Bahrain	-	-	0.7	0.1	-	-	3.9	4.0	BHD	1.5	1.2%	-5.1%
Egypt	-	-	11.5	0.07	-	-	19.7	25.7	EGP	115.4	-23.6%	4.7%
Israel	-	-	0.1	3.5	0.04	0.001	39.6	38.1	ILS	180.4	-11.3%	-8.5%
Kuwait	-	-	1.9	0.09	-	-	7.9	7.8	KWD	2.4	6.4%	5.6%
Lebanon	-	-	1.2	0.3	-	-	7.3	7.3	LBP	10,957.0	-43.6%	-28.1%
Oman	-	-	0.7	0.06	-	-	3.3	3.2	OMR	1.2	0.0%	5.7%
Qatar	-	-	0.7	0.08	-	-	3.5	3.5	QAR	12.9	0.0%	4.7%
Saudi Arabia	-	-	7.3	0.4	-	-	31.0	31.0	SAR	116.2	-30.2%	-39.2%
UAE	-	-	3.7	1.1	-	-	29.5	29.5	AED	108.3	-4.0%	-5.9%
TOTAL	-	-	27.9	5.7	0.04	0.001	145.8	150.1				
Africa												
South Africa	0.9	-	5.9	11.6	0.3	-	160.3	115.0	ZAR	1,211.7	4.8%	13.7%
Zimbabwe	-	-	3.5	0.2	neg	-	1.6	15.8	ZWD	902.4	-30.2%	-43.2%
TOTAL	0.9	-	9.3	11.8	0.3	-	161.8	130.7				
GRAND TOTAL	265.0	8.6	478.9	2,247.1	63.6	16.1	34,633.6	32,281.2				

*Notes on page three



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