

## PIVOT TABLE

### IDC Enterprise Thin Client Q-View, Q4 2005

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#### IN THIS PIVOT TABLE

The unit shipments and revenues for the worldwide enterprise thin client market in Q4 2005 are included in this report, along with a quarterly breakdown of shipments from 2005. The table includes breakouts by vendors, by region (US, Canada, Western Europe, Asia/Pacific and Rest of World), by operating system (Windows CE, Windows NT Embedded, Windows XP Embedded, Linux and Custom/Other) and by form factor (Standalone, Integrated w/CRT, Integrated w/LCD and Mobile).

#### HIGHLIGHTS

- ☒ The enterprise thin client market continued its tremendous growth in Q4 2005, reaching over 712,000 units shipped on a worldwide basis, representing a 52.3% year-over-year and 16.1% sequential improvement. The 2005 total reached 2.375 million units, an impressive 42.9% increase versus 2004.
- ☒ The worldwide revenues for the quarter surpassed the \$200 million mark for the first time ever, hitting \$215 million, a 44.9% year-over-year and 11% sequential improvement. Annual revenues topped \$743 million, a 26.6% increase over last year.
- ☒ Linux-based thin clients were once again the big winners in Q4, climbing to nearly 200,000 units, or 28% of the total. Windows CE shipments, on the other hand, only grew by 4,000 units and slipped to 34% of the total.
- ☒ Standalone units utterly dominated Q4 2005 and total shipments, achieving 95% of the fourth quarter and 94.6% of the full year. Other form factors continued to struggle.
- ☒ Market share leaders Wyse, Neoware and HP continued their dominance, with the triumvirate representing 73.3% of worldwide, 85.6% of US, and 67.3% of Western European shipments in Q4.

## EXECUTIVE SUMMARY

The momentum that's been driving the enterprise thin client market forward throughout 2005 continued its presence in the fourth quarter, with the market jumping up 16.1% sequentially to 712,000 units. Even more impressively, that represents a 52.3% rise versus the fourth quarter of last year. On an annual basis, the market enjoyed a 42.9% improvement—an impressive figure for any kind of market. Clearly, the messages about server-based computing—including improved security, lower management costs, and general ROI (return on investment) advantages—are beginning to resonate with IT managers around the world and their growing interest is reflected in these figures. As a result, IDC continues to be bullish on the future of the thin client marketplace.

At a regional level, there were no significant shifts in the fourth quarter, with the US continuing to lead, followed very closely by Western Europe. The US market did not grow as quickly as the overall market, however, so its share slipped to 41.4% of the worldwide total, while the European region grew faster than the worldwide market and climbed to 38.5% share. Smaller regions, including Canada and ROW, also outgrew the market, while the Asia Pacific region lagged slightly at a 12.2% sequential improvement. For the year, the US ended up with just over 1 million shipments and 42.4% of the total market, while Western Europe had almost 918,000 and a 38.4% share. Canada grew to 42,615 units for the year, representing 1.8% of the total; Asia Pacific climbed 70% annually to just over 275,000 units and an 11.6% share; while the Rest of World (ROW) region showed a 52.2% improvement to about 138,000 units, or a 5.8% share of the worldwide total.

The revenue figures for the quarter and the year tell a similar story, with the total market reaching \$215 million in Q4 and \$743 million for the year, a 44.9% and 29.5%, respectively, improvement versus the previous time periods. In the case of regional revenues, the US maintained the largest share, but Western Europe took a larger percentage of the total. Specifically, while the US had revenues of \$86,972,000 for the quarter, Western Europe had \$86,542,000, or 40.2% of the worldwide total compared to the US' 40.4%. For the year, US revenues achieved over \$310 million, or 41.9% of the worldwide total, versus Western Europe's \$295 million and 39.4% share. Canadian revenues reached about \$3.2 million for the quarter and \$13.8 million for the year, year-over-year improvements of 46.3% and 85.5%, respectively. Asia Pacific revenues came close to \$25 million for the quarter and about \$84.5 million for the year, representing annual increases of 99.4% for the quarter and 63.5% for the year. Rest of World revenues see-sawed back up to \$13.9 million for the quarter and achieved almost \$45 million for the year—annual revenue increases of 61.2% and 58% respectively.

The form factor story for thin clients continues to be utterly dominated by standalone products, with the fourth quarter's share numbers increasing by a full percentage to 95% of shipments and the full year numbers hitting 94.6%, or over 677,000 and nearly 2.45 million for the quarter and year, respectively. Not surprisingly, CRT-based units continue to decline, slipping under 5,000 shipments for the quarter and 32,525, or 1.4% of the total, for the year. LCD-based shipments continue to improve, but in the fourth quarter they did not grow as fast as the market, with 27,427 units shipped,

representing only a 12.4% increase versus the total market's 16.1% growth rate. For the year, LCD-based units represented just over 85,000 shipments or 3.6% of the worldwide total. Finally, mobile thin clients continued to struggle, with the fourth quarter's 2,900 shipments representing 0.4% of the worldwide total. Compared to Q3 that was a good improvement, but for the year, the category still represents a tiny 0.5% of the total.

One of the big stories for Q4 was the very impressive growth of Linux-based thin clients, with shipments for the category falling just shy of 200,000 units for the quarter. Not only does that represent 28% of the quarter's total, it's also an 89.8% year-over-year and 47.3% sequential increase in shipments. For the year, Linux-based units grew to 550,000 units or 23.2% of the total. Windows CE shipments were up for the quarter, but only slightly and well below market growth rates. CE still represented 34% of the market in Q4 with 242,500 shipments, but that's only a 1.7% increase versus Q3. On an annual basis, CE shipments hit 911,000 and 38.4% of the total. Windows NT Embedded finally seemed to disappear in Q4, but Windows XP Embedded grew 19.6% sequentially and 67.9% year-over-year to 137,000 units for the quarter. In the 2005 totals, XP Embedded reached 19.2% share, or 456,600 units. The combined Windows total remained at just under 60% for the year. Finally, in the Custom/Other category, the fourth quarter saw a modest 8.8% sequential improvement to nearly 134,000 units or 18.8% of the worldwide total. For the year, the share was also 18.8% of the total—just behind Windows XP Embedded—and represented 447,600 shipments.

The worldwide market share leaders in Q4 continued to be Wyse, Neoware and HP, with 34.8%, 20.4% and 18.1% share, respectively. The growth leader for the quarter, however, was HP—they saw their shipments rise 33% sequentially, versus only 12% for Neoware and 9% for Wyse. On an annual basis, the worldwide share figures are 35.9% Wyse, 20.9% Neoware and 17.4% HP. Rounding out the worldwide top 5 for Q4 were Igel at 3% and Fujitsu-Siemens at 2.5%. For the year, VXL Instruments held number four with 3% while Igel took fifth with 2.9%.

In the US market, the top three leaders for the quarter maintain their same positions, but the share levels are 44.2% for Wyse, 31.2% for Neoware and 10.2% for HP. The number four position belonged to top ten newcomer Devon IT at 3.7% while Sun took number five at 2.1%. For 2005 US totals, Wyse held number 1 at 44.4%, Neoware was second at 30.3%, HP was third at 9.7%, VXL Instruments was fourth at 2.3% and Sun was fifth with 2.0%.

In Western Europe, Wyse and HP maintained their number one and two spots, with HP increasing their lead over number three Neoware this quarter. Specifically, Wyse held onto 27.2% share, HP grew slightly to 21.5% and Neoware slipped two points to 18.5% for Q4. Igel's share also slipped, but only slightly, to 6.7% but they still held onto the number four share spot. Fujitsu-Siemens grew strongly in Q4, reaching 6.1% for the quarter. On an annual basis, Wyse achieved 29% for 2005, with HP at 22.4%, Neoware at 20.2%, Igel at 5.7% and Fujitsu-Siemens at 4.9%.

Finally, in the Asia Pacific market, Wyse continued its sweep with 37% share in Q4, followed by HP at 16.3%, a 3% increase versus last quarter. The number three spot for the quarter belonged to HCL Peripherals at 11.4%, while NComputing held

number four with 11% and Changchun Xingyu took number five at 5.9%. For the year, Wyse maintained a 35.5% share, HP a 16.2% share, HCL a 13.6% share, Changchun Xingyu an 8.1% share and NComputing took number five with a 6.7% share.

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## **Regional Breakdowns**

Tables 1 and 2 and Figures 1 and 2 show the development of the worldwide thin client market in terms of both shipments and revenues over the last four calendar quarters and forecast through 2007.

**TABLE 1**

Quarterly Worldwide Enterprise Thin Client Unit Shipments by Region, 2005-2007

Region	Q1 05	Q2 05	Q3 05	Q4 05	05 Total	Q1 06*	Q2 06*	Q3 06*	Q4 06*	06 Total*	Q1 07*	Q2 07*	Q3 07*	Q4 07*	07 Total*
US	202,624	239,454	263,867	294,819	1,000,764	298,062	324,291	355,099	405,168	1,382,621	409,220	447,927	487,344	560,588	1,905,078
Y/Y Growth	30.1%	27.8%	36.5%	47.5%	35.9%	47.1%	35.4%	34.6%	37.4%	38.2%	37.3%	38.1%	37.2%	38.4%	37.8%
Sequential Growth	1.4%	18.2%	10.2%	11.7%		1.1%	8.8%	9.5%	14.1%						
Canada	9,539	14,289	8,523	10,264	42,615	9,905	10,430	10,972	11,751	43,058	11,457	12,340	12,512	14,151	50,460
Y/Y Growth	59.1%	206.1%	74.6%	52.6%	91.3%	3.8%	-27.0%	28.7%	14.5%	1.0%	15.7%	18.3%	14.0%	20.4%	17.2%
Sequential Growth	41.8%	49.8%	-40.4%	20.4%		-3.5%	5.3%	5.2%	7.1%						
Western Europe	183,924	224,881	234,054	274,737	917,596	263,748	281,587	292,458	393,092	1,230,884	380,119	403,687	473,067	534,093	1,790,966
Y/Y Growth	7.7%	61.9%	55.2%	44.9%	41.1%	43.4%	25.2%	25.0%	43.1%	34.1%	44.1%	43.4%	61.8%	35.9%	45.5%
Sequential Growth	-3.0%	22.3%	4.1%	17.4%		-4.0%	6.8%	3.9%	34.4%						
Asia/Pacific	53,221	56,676	78,203	87,719	275,819	91,579	100,187	107,100	120,487	419,353	130,729	133,866	150,466	176,496	591,557
Y/Y Growth	55.1%	35.9%	82.5%	102.9%	70.1%	72.1%	76.8%	37.0%	37.4%	52.0%	42.8%	33.6%	40.5%	46.5%	41.1%
Sequential Growth	23.1%	6.5%	38.0%	12.2%		4.4%	9.4%	6.9%	12.5%						
ROW	26,250	36,832	29,393	45,382	137,857	42,478	47,235	50,353	55,942	196,007	51,970	56,439	58,415	66,709	233,533
Y/Y Growth	5.3%	113.1%	49.3%	58.2%	52.2%	61.8%	28.2%	71.3%	23.3%	42.2%	22.3%	19.5%	16.0%	19.2%	19.1%
Sequential Growth	-8.5%	40.3%	-20.2%	54.4%		-6.4%	11.2%	6.6%	11.1%						
Worldwide Total	475,558	572,132	614,040	712,921	2,374,651	705,770	763,730	815,981	986,440	3,271,922	983,495	1,054,258	1,181,804	1,352,038	4,571,595
Y/Y Growth	21.4%	46.7%	49.2%	52.3%	42.9%	48.4%	33.5%	32.9%	38.4%	37.8%	39.4%	38.0%	44.8%	37.1%	39.7%
Sequential Growth	1.6%	20.3%	7.3%	16.1%		-1.0%	8.2%	6.8%	20.9%						

\*=Forecast

Source: IDC, 2006

**TABLE 2**

Quarterly Worldwide Enterprise Thin Client Value of Shipments by Region, 2005-2007 (\$000s)

Region	Q1 05	Q2 05	Q3 05	Q4 05	05 Total	Q1 06*	Q2 06*	Q3 06*	Q4 06*	06 Total*	Q1 07*	Q2 07*	Q3 07*	Q4 07*	07 Total*
US	\$ 65,475	\$ 74,452	\$ 83,730	\$ 86,972	\$ 310,628	\$ 90,313	\$ 98,909	\$ 104,754	\$ 115,473	\$ 409,449	\$ 114,991	\$ 124,076	\$ 134,507	\$ 152,480	\$ 526,053
Y/Y Growth	1.1%	1.1%	25.5%	35.8%	15.4%	37.9%	32.8%	25.1%	32.8%	33.5%	27.3%	25.4%	28.4%	32.0%	28.5%
Sequential Growth	2.2%	13.7%	12.5%	3.9%		3.8%	9.5%	5.9%	10.2%						
Canada	\$ 3,129	\$ 4,450	\$ 3,081	\$ 3,182	\$ 13,842	\$ 2,971	\$ 3,045	\$ 3,160	\$ 3,232	\$ 12,408	\$ 3,116	\$ 3,307	\$ 3,316	\$ 3,708	\$ 13,447
Y/Y Growth	31.9%	160.9%	93.9%	46.3%	76.5%	-5.0%	-31.6%	2.6%	1.6%	-20.1%	4.9%	8.6%	4.9%	14.7%	8.4%
Sequential Growth	43.9%	42.2%	-30.8%	3.3%		-6.6%	2.5%	3.8%	2.3%						
Western Europe	\$ 61,818	\$ 71,207	\$ 75,399	\$ 86,542	\$ 294,966	\$ 81,234	\$ 85,039	\$ 86,567	\$ 114,390	\$ 367,231	\$ 109,474	\$ 113,436	\$ 130,567	\$ 144,739	\$ 498,216
Y/Y Growth	-12.9%	39.9%	39.1%	41.2%	24.3%	31.4%	19.4%	14.8%	32.2%	21.9%	34.8%	33.4%	50.8%	26.5%	35.8%
Sequential Growth	0.8%	15.2%	5.9%	14.8%		-6.1%	4.7%	1.8%	32.1%						
Asia/Pacific	\$ 19,014	\$ 18,798	\$ 21,987	\$ 24,649	\$ 84,448	\$ 26,100	\$ 28,052	\$ 29,345	\$ 32,532	\$ 116,029	\$ 34,905	\$ 35,475	\$ 39,272	\$ 45,889	\$ 155,540
Y/Y Growth	75.3%	38.4%	47.1%	99.4%	63.2%	37.3%	49.2%	33.5%	32.0%	34.9%	33.7%	26.5%	33.8%	41.1%	34.1%
Sequential Growth	53.9%	-1.1%	17.0%	12.1%		5.9%	7.5%	4.6%	10.9%						
ROW	\$ 9,239	\$ 12,047	\$ 9,716	\$ 13,932	\$ 44,934	\$ 13,126	\$ 14,076	\$ 14,653	\$ 15,887	\$ 57,742	\$ 14,500	\$ 15,634	\$ 15,830	\$ 17,878	\$ 63,842
Y/Y Growth	214.1%	229.8%	62.4%	61.2%	111.8%	42.1%	16.8%	50.8%	14.0%	-8.9%	10.5%	11.1%	8.0%	12.5%	10.6%
Sequential Growth	6.9%	30.4%	-19.4%	43.4%		-5.8%	7.2%	4.1%	8.4%						
Worldwide Total	\$ 158,675	\$ 180,954	\$ 193,913	\$ 215,277	\$ 743,354	\$ 213,744	\$ 229,122	\$ 238,480	\$ 281,513	\$ 940,165	\$ 276,986	\$ 291,927	\$ 323,491	\$ 364,694	\$ 1,231,010
Y/Y Growth	4.5%	26.1%	35.2%	44.9%	26.6%	34.7%	26.6%	23.0%	30.8%	26.5%	29.6%	27.4%	35.6%	29.5%	30.9%
Sequential Growth	6.8%	14.0%	7.2%	11.0%		-0.7%	7.2%	4.1%	18.0%						

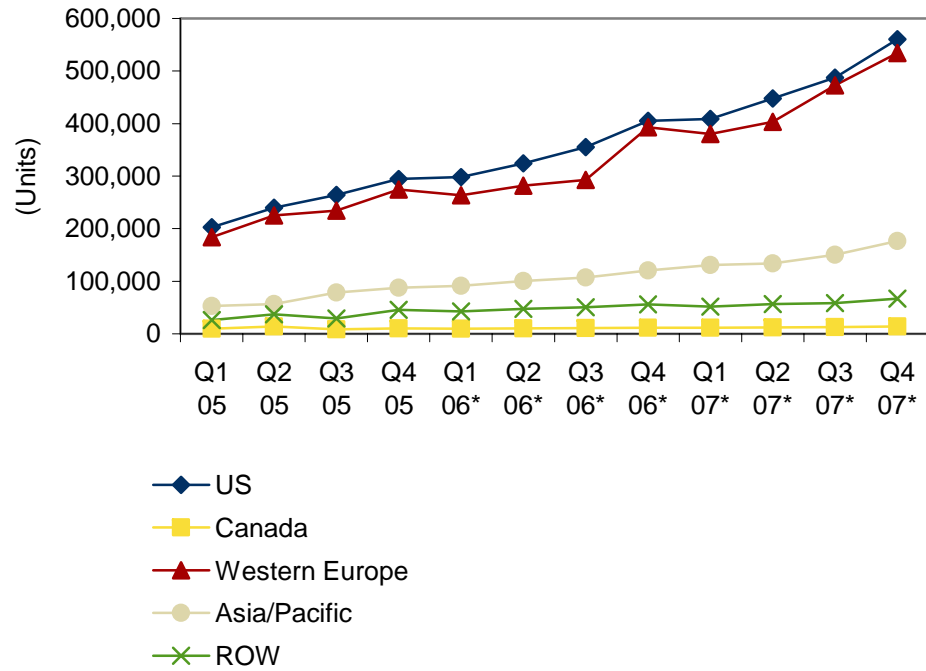
\*=Forecast

Source: IDC, 2006

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**FIGURE 1**

Quarterly Worldwide Enterprise Thin Client Unit Shipments by Region, Q1 2005-Q4 2007

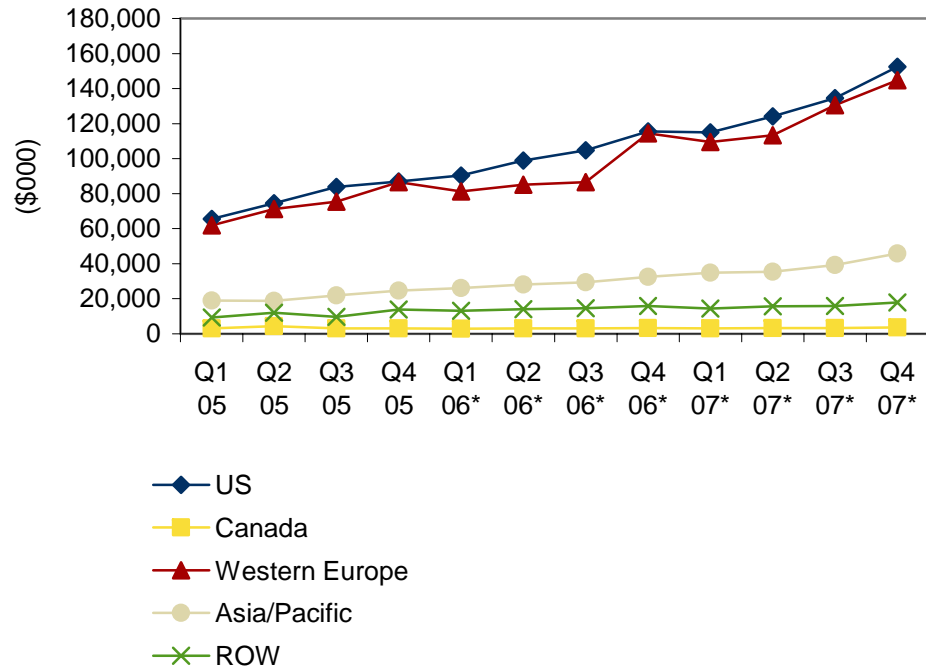


\*=Forecast

Source: IDC, 2006

**FIGURE 2**

Quarterly Worldwide Enterprise Thin Client Value of Shipments by Region, Q1 2005-Q4 2007  
(\$000s)



\*=Forecast

Source: IDC, 2006

### Splits by Operating System and Form Factor

Tables 3 and 4 and Figures 3 and 4 show the last four quarters worth of data for the thin client market split out by several other categories; specifically, operating system and form factor. Once again, the markets are also forecast out to the end of 2007.

**TABLE 3**

Quarterly Worldwide Enterprise Thin Client Unit Shipments by OS, 2005-2007

OS	Q1 05	Q2 05	Q3 05	Q4 05	05 Total	Q1 06*	Q2 06*	Q3 06*	Q4 06*	06 Total*	Q1 07*	Q2 07*	Q3 07*	Q4 07*	07 Total*
Windows CE	191,359	238,773	238,458	242,508	911,098	269,604	288,690	304,361	361,037	1,223,693	356,025	374,262	414,813	470,509	1,615,609
Y/Y Growth	7.4%	30.5%	28.0%	19.0%	21.3%	40.9%	20.9%	27.6%	48.9%	34.3%	32.1%	29.6%	36.3%	30.3%	32.0%
Sequential Growth	-6.1%	24.8%	-0.1%	1.7%		11.2%	7.1%	5.4%	18.6%						
Windows NT Embedded	3,360	2,890	2,500	-	8,750	-	-	-	-	-	-	-	-	-	-
Y/Y Growth	100.7%	328.1%	215.3%	-	140.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sequential Growth	574.7%	-20.6%	-25.6%	100.0%		0.0%	0.0%	0.0%	0.0%						
Windows XP Embedded	92,019	113,018	114,560	137,055	456,652	144,683	158,856	176,252	215,044	694,835	215,385	232,991	262,360	302,856	1,013,593
Y/Y Growth	46.7%	52.2%	37.8%	67.9%	51.4%	57.2%	40.6%	53.9%	56.9%	52.2%	48.9%	46.7%	48.9%	40.8%	45.9%
Sequential Growth	12.7%	22.8%	1.4%	19.6%		5.6%	9.8%	11.0%	22.0%						
<b>Windows Total</b>	<b>286,738</b>	<b>354,681</b>	<b>355,518</b>	<b>379,563</b>	<b>1,376,500</b>	<b>414,287</b>	<b>447,546</b>	<b>480,613</b>	<b>576,081</b>	<b>1,918,527</b>	<b>571,411</b>	<b>607,253</b>	<b>677,174</b>	<b>773,366</b>	<b>2,629,203</b>
Y/Y Growth	18.2%	37.6%	31.6%	32.7%	30.3%	44.5%	26.2%	35.2%	51.8%	39.4%	37.9%	35.7%	40.9%	34.2%	37.0%
Sequential Growth	0.3%	23.7%	0.2%	6.8%		9.1%	8.0%	7.4%	19.9%						
Linux	98,470	117,258	135,395	199,428	550,551	167,268	177,949	190,940	237,732	773,888	242,923	264,619	298,996	347,474	1,154,012
Y/Y Growth	10.6%	70.9%	85.8%	89.8%	64.0%	69.9%	51.8%	41.0%	19.2%	40.6%	45.2%	48.7%	56.6%	46.2%	49.1%
Sequential Growth	-6.3%	19.1%	15.5%	47.3%		-16.1%	6.4%	7.3%	24.5%						
Custom/Other	90,350	100,193	123,127	133,930	447,600	124,216	138,235	144,429	172,627	579,507	169,161	182,387	205,634	231,198	788,380
Y/Y Growth	50.3%	57.7%	79.6%	73.7%	66.2%	37.5%	38.0%	17.3%	28.9%	29.5%	36.2%	31.9%	42.4%	33.9%	36.0%
Sequential Growth	17.2%	10.9%	22.9%	8.8%		-7.3%	11.3%	4.5%	19.5%						
<b>Worldwide Total</b>	<b>475,558</b>	<b>572,132</b>	<b>614,040</b>	<b>712,921</b>	<b>2,374,651</b>	<b>705,770</b>	<b>763,730</b>	<b>815,981</b>	<b>986,440</b>	<b>3,271,922</b>	<b>983,495</b>	<b>1,054,258</b>	<b>1,181,804</b>	<b>1,352,038</b>	<b>4,571,595</b>
Y/Y Growth	21.4%	46.7%	49.2%	52.3%	42.9%	48.4%	33.5%	32.9%	38.4%	37.8%	39.4%	38.0%	44.8%	37.1%	39.7%
Sequential Growth	1.6%	20.3%	7.3%	16.1%		-1.0%	8.2%	6.8%	20.9%						

\*=Forecast

Source: IDC, 2006

**TABLE 4**

Quarterly Worldwide Enterprise Thin Client Unit Shipments by Form Factor, 2005-2007

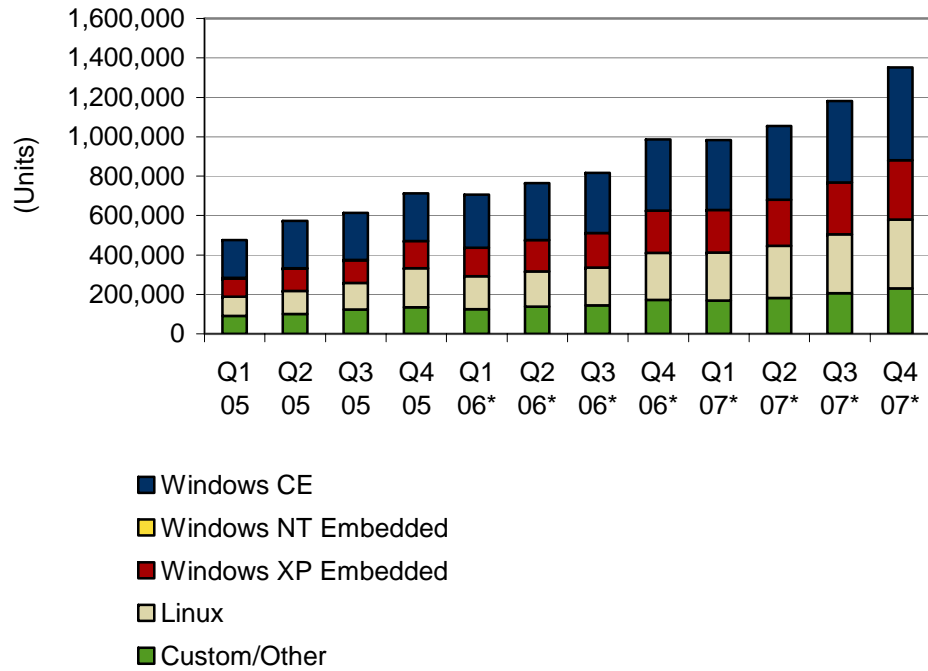
Form Factor	Q1 05	Q2 05	Q3 05	Q4 05	05 Total	Q1 06*	Q2 06*	Q3 06*	Q4 06*	06 Total*	Q1 07*	Q2 07*	Q3 07*	Q4 07*	07 Total*
Standalone	450,042	540,459	577,491	677,620	2,245,612	665,542	720,197	767,838	926,267	3,079,845	922,518	986,786	1,101,441	1,258,747	4,269,492
Y/Y Growth	23.9%	48.4%	49.7%	52.3%	44.1%	47.9%	33.3%	33.0%	36.7%	37.1%	38.6%	37.0%	43.4%	35.9%	38.6%
Sequential Growth	1.1%	20.1%	6.9%	17.3%		-1.8%	8.2%	6.6%	20.6%						
Integrated w/CRT	8,064	9,498	9,997	4,966	32,525	1,412	-	-	-	1,412	-	-	-	-	-
Y/Y Growth	100.3%														
Sequential Growth	54.9%														
Integrated w/LCD	14,727	18,593	24,398	27,427	85,145	33,877	38,187	41,615	51,295	164,973	52,125	57,984	68,545	81,122	259,776
Y/Y Growth	-21.1%	39.4%	51.0%	89.8%	36.0%	130.0%	105.4%	70.6%	87.0%	93.8%	53.9%	51.8%	64.7%	58.1%	57.5%
Sequential Growth	1.9%	26.3%	31.2%	12.4%		23.5%	12.7%	9.0%	23.3%						
Mobile	2,725	3,582	2,154	2,908	11,369	4,940	5,346	6,528	8,878	25,692	8,851	9,488	11,818	12,168	42,326
Y/Y Growth	-54.0%	-39.1%	-57.6%	-16.5%	-44.2%	81.3%	49.2%	203.1%	205.3%	126.0%	79.2%	77.5%	81.0%	37.1%	64.7%
Sequential Growth	-21.7%	31.4%	-39.9%	35.0%		69.9%	8.2%	22.1%	36.0%						
Worldwide Total	475,558	572,132	614,040	712,921	2,374,651	705,770	763,730	815,981	986,440	3,271,922	983,495	1,054,258	1,181,804	1,352,038	4,571,595
Y/Y Growth	21.4%	46.7%	49.2%	52.3%	42.9%	48.4%	33.5%	32.9%	38.4%	37.8%	39.4%	38.0%	44.8%	37.1%	39.7%
Sequential Growth	1.6%	20.3%	7.3%	16.1%		-1.0%	8.2%	6.8%	20.9%						

\*=Forecast

Source: IDC, 2006

**FIGURE 3**

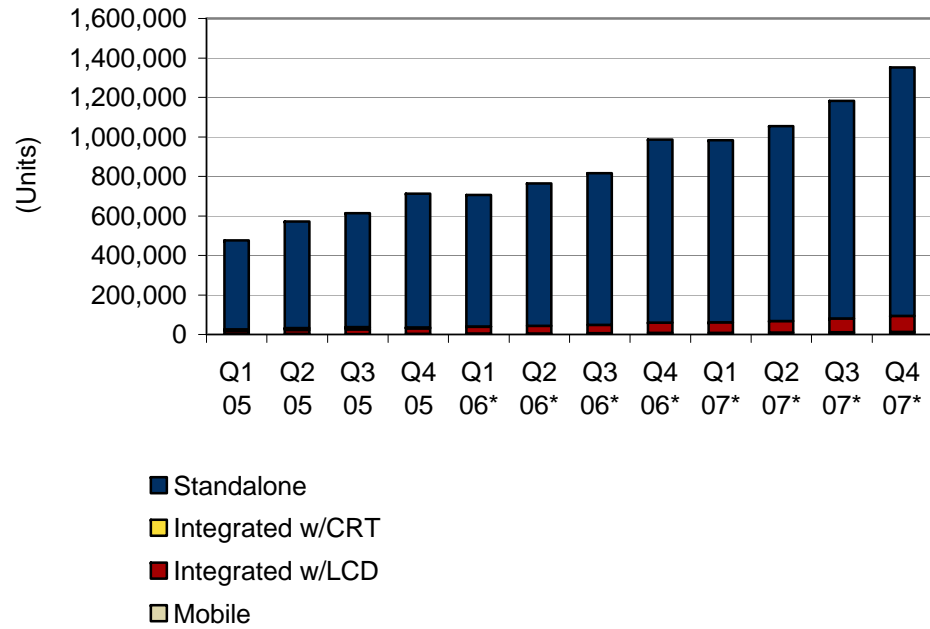
Worldwide Enterprise Thin Client Shipments by Operating System, Q1 2005-Q4 2007



Source: IDC, 2006

**FIGURE 4**

Worldwide Enterprise Thin Client Shipments by Form Factor, Q1 2005-Q4 2007



Source: IDC, 2006

## Market Share

Tables 5-8 show the last eight quarters worth of market share information for thin clients on a worldwide basis, as well as split out by the three major regions: the US, Western Europe and Asia/Pacific. Figures 5-8 illustrate market share for Q4 2005 in all those regions.

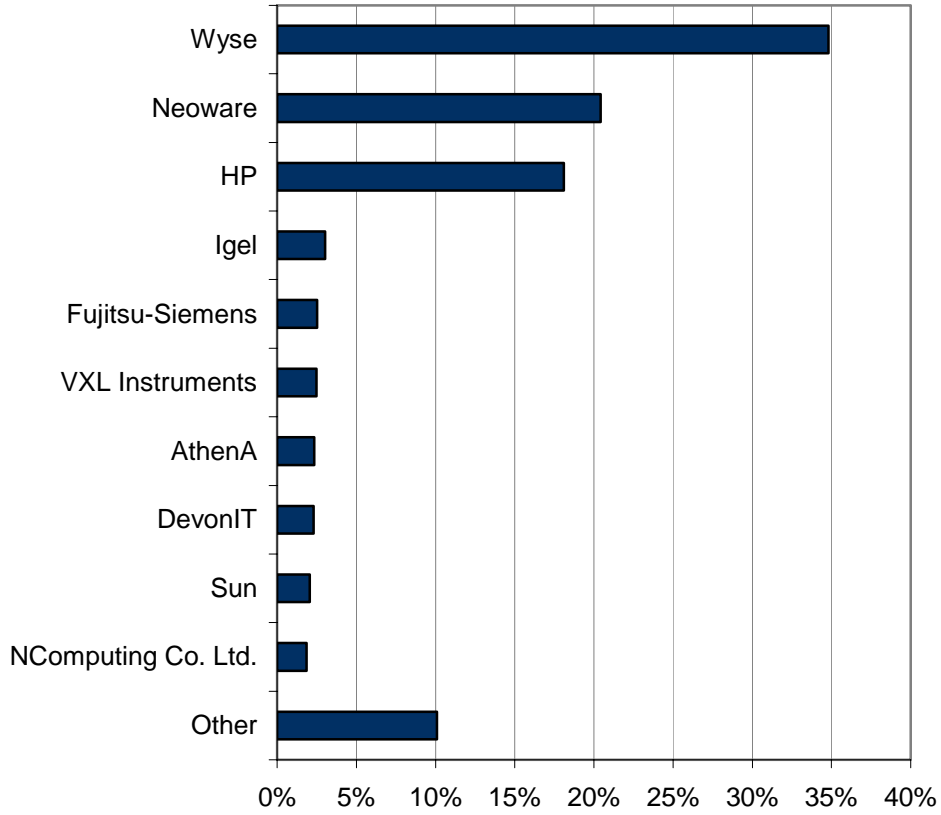
**TABLE 5**

Worldwide Enterprise Thin Client Unit Shipments by Vendor, Q1 2004-Q4 2005

Vendor	Q1 04	Q2 04	Q3 04	Q4 04	Q1 05	Q2 05	Q3 05	Q4 05
Wyse	124,852	137,276	149,364	156,595	179,594	197,067	227,311	248,190
Y/Y Growth					43.8%	43.6%	52.2%	58.5%
Sequential Growth		10.0%	8.8%	4.8%	14.7%	9.7%	15.3%	9.2%
Neoware	68,600	74,500	78,225	94,100	99,800	121,756	129,977	145,574
Y/Y Growth					45.5%	63.4%	66.2%	54.7%
Sequential Growth		8.6%	5.0%	20.3%	6.1%	22.0%	6.8%	12.0%
HP	52,535	58,519	68,882	79,301	80,543	107,043	96,875	129,086
Y/Y Growth					53.3%	82.9%	40.6%	62.8%
Sequential Growth		11.4%	17.7%	15.1%	1.6%	32.9%	-9.5%	33.3%
Igel	6,965	8,757	8,498	12,012	9,964	13,512	23,022	21,623
Y/Y Growth					43.1%	54.3%	170.9%	80.0%
Sequential Growth		25.7%	-3.0%	41.4%	-17.0%	35.6%	70.4%	-6.1%
Fujitsu-Siemens	26,791	11,244	9,705	11,250	11,152	9,751	13,155	17,921
Y/Y Growth					-58.4%	-13.3%	35.5%	59.3%
Sequential Growth		-58.0%	-13.7%	15.9%	-0.9%	-12.6%	34.9%	36.2%
VXL Instruments	20,500	11,000	8,500	18,620	15,850	19,000	18,500	17,700
Y/Y Growth					-22.7%	72.7%	117.6%	-4.9%
Sequential Growth		-46.3%	-22.7%	119.1%	-14.9%	19.9%	-2.6%	-4.3%
AthenA	4,050	3,685	3,130	2,500	2,300	4,331	7,345	16,701
Y/Y Growth					-43.2%	17.5%	134.7%	568.0%
Sequential Growth		-9.0%	-15.1%	-20.1%	-8.0%	88.3%	69.6%	127.4%
DevonIT								16,367
Y/Y Growth								
Sequential Growth								
Sun	6,518	7,935	5,804	12,500	10,400	11,550	12,012	14,655
Y/Y Growth					59.6%	45.6%	107.0%	17.2%
Sequential Growth		21.7%	-26.9%	115.4%	-16.8%	11.1%	4.0%	22.0%
NComputing Co. Ltd.							11,967	13,165
Y/Y Growth								
Sequential Growth								10.0%
Other	80,954	77,073	79,455	81,254	65,955	88,122	73,876	71,939
Y/Y Growth					-18.5%	14.3%	-7.0%	-11.5%
Sequential Growth		-4.8%	3.1%	2.3%	-18.8%	33.6%	-16.2%	-2.6%
N=	391,765	389,989	411,563	468,132	475,558	572,132	614,040	712,921

**FIGURE 5**

Worldwide Enterprise Thin Client Shipments by Vendor, Q4 2005



Source: IDC, 2006

**TABLE 6**

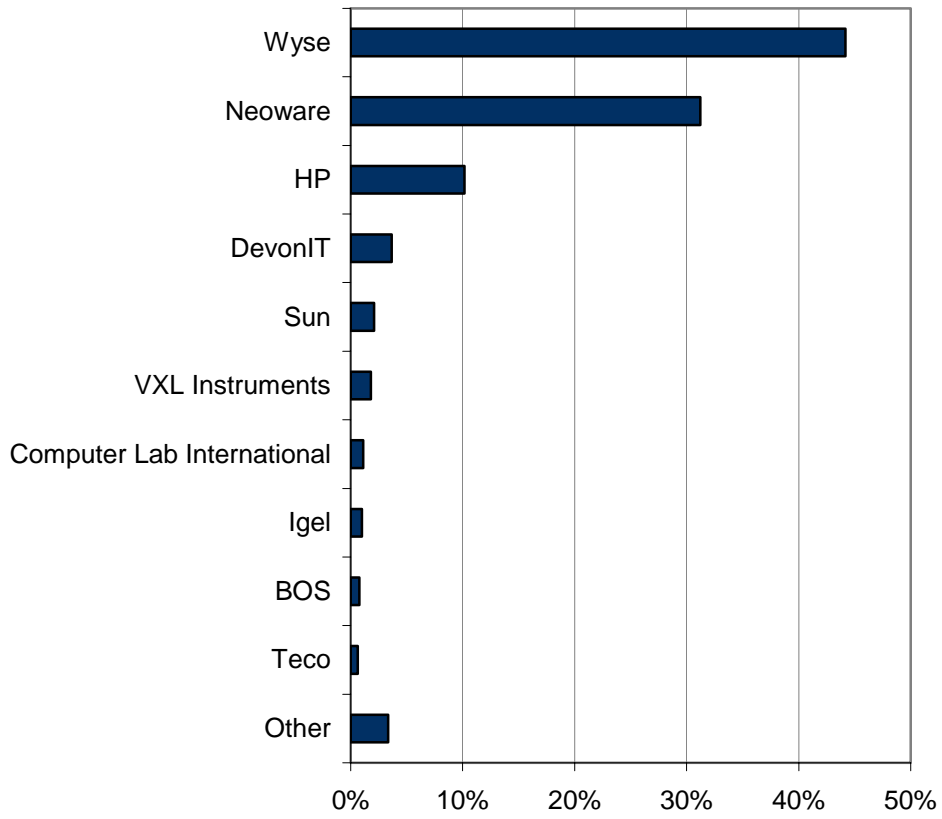
## US Enterprise Thin Client Unit Shipments by Vendor, Q1 2004-Q4 2005

Vendor	Q1 04	Q2 04	Q3 04	Q4 04	Q1 05	Q2 05	Q3 05	Q4 05
Wyse	58,805	77,012	87,678	80,473	90,193	100,245	123,182	130,275
Y/Y Growth					53.4%	30.2%	40.5%	61.9%
Sequential Growth		31.0%	13.8%	-8.2%	12.1%	11.1%	22.9%	5.8%
Neoware	40,476	43,957	46,150	57,402	58,682	72,932	79,610	92,074
Y/Y Growth					45.0%	65.9%	72.5%	60.4%
Sequential Growth		8.6%	5.0%	24.4%	2.2%	24.3%	9.2%	15.7%
HP	13,869	19,399	17,922	20,393	20,585	23,608	22,911	29,948
Y/Y Growth					48.4%	21.7%	27.8%	46.9%
Sequential Growth		39.9%	-7.6%	13.8%	0.9%	14.7%	-3.0%	30.7%
DevonIT								10,801
Y/Y Growth								
Sequential Growth								
Sun	4,236	4,364	2,902	6,250	4,680	4,640	4,826	6,178
Y/Y Growth					10.5%	6.3%	66.3%	-1.2%
Sequential Growth		3.0%	-33.5%	115.4%	-25.1%	-0.9%	4.0%	28.0%
VXL Instruments	2,000	1,000	1,000	7,600	6,000	5,700	6,000	5,300
Y/Y Growth					200.0%	470.0%	500.0%	-30.3%
Sequential Growth		-50.0%	0.0%	660.0%	-21.1%	-5.0%	5.3%	-11.7%
Computer Lab International	5,035	4,827	5,012	4,517	4,083	5,011	3,899	3,293
Y/Y Growth					-18.9%	3.8%	-22.2%	-27.1%
Sequential Growth		-4.1%	3.8%	-9.9%	-9.6%	22.7%	-22.2%	-15.5%
Igel	1,681	1,229	924	1,054	2,041	3,419	5,642	2,907
Y/Y Growth					21.4%	178.2%	510.6%	175.8%
Sequential Growth		-26.9%	-24.8%	14.1%	93.6%	67.5%	65.0%	-48.5%
BOS	400	500	700	1,000	850	2,511	2,260	2,300
Y/Y Growth					112.5%	402.2%	222.9%	130.0%
Sequential Growth		25.0%	40.0%	42.9%	-15.0%	195.4%	-10.0%	1.8%
Teco	-	-	-	-	2,850	3,200	1,999	1,875
Y/Y Growth								
Sequential Growth						12.3%	-37.5%	-6.2%
Other	-126,502	-152,288	-162,288	-178,689	-189,964	-221,266	-250,329	-284,951
Y/Y Growth					50.2%	45.3%	54.2%	59.5%
Sequential Growth		20.4%	6.6%	10.1%	6.3%	16.5%	13.1%	13.8%
N=	155,726	187,391	193,338	199,904	202,624	239,454	263,867	294,819

Source: IDC, 2006

**FIGURE 6**

US Enterprise Thin Client Shipments by Vendor, Q4 2005



Source: IDC, 2006

**TABLE 7**

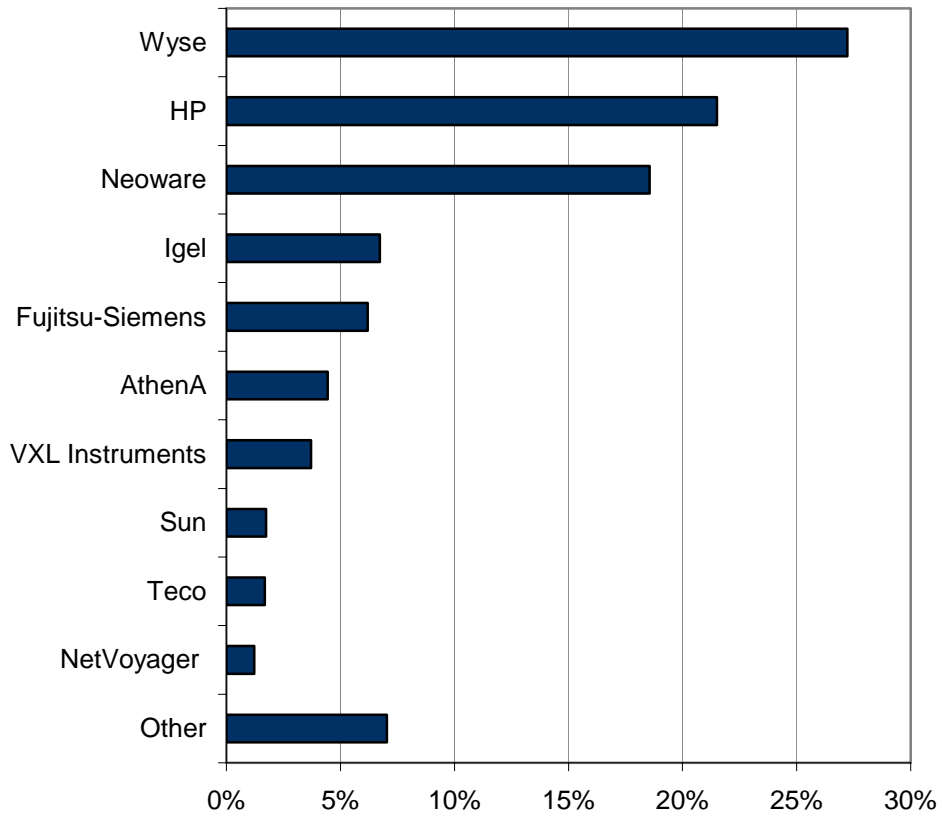
## WE Enterprise Thin Client Unit Shipments by Vendor, Q1 2004-Q4 2005

Vendor	Q1 04	Q2 04	Q3 04	Q4 04	Q1 05	Q2 05	Q3 05	Q4 05
Wyse	50,315	36,377	43,001	56,140	63,127	62,903	65,376	74,781
Y/Y Growth					25.5%	72.9%	52.0%	33.2%
Sequential Growth		-27.7%	18.2%	30.6%	12.4%	-0.4%	3.9%	14.4%
HP	30,882	28,246	34,039	42,622	36,855	59,767	49,823	59,084
Y/Y Growth					19.3%	111.6%	46.4%	38.6%
Sequential Growth		-8.5%	20.5%	25.2%	-13.5%	62.2%	-16.6%	18.6%
Neoware	26,066	28,308	29,729	35,568	39,870	46,693	48,092	50,952
Y/Y Growth					53.0%	64.9%	61.8%	43.3%
Sequential Growth		8.6%	5.0%	19.6%	12.1%	17.1%	3.0%	5.9%
Igel	5,284	7,528	7,574	10,739	7,594	9,850	16,785	18,464
Y/Y Growth					43.7%	30.8%	121.6%	71.9%
Sequential Growth		42.5%	0.6%	41.8%	-29.3%	29.7%	70.4%	10.0%
Fujitsu-Siemens	24,947	10,728	8,758	10,484	8,732	8,791	10,667	17,010
Y/Y Growth					-65.0%	-18.1%	21.8%	62.2%
Sequential Growth		-57.0%	-18.4%	19.7%	-16.7%	0.7%	21.3%	59.5%
AthenA	3,645	3,131	2,660	2,500	2,300	1,776	4,554	12,192
Y/Y Growth					-36.9%	-43.3%	71.2%	387.7%
Sequential Growth		-14.1%	-15.0%	-6.0%	-8.0%	-22.8%	156.4%	167.7%
VXL Instruments	14,200	8,000	7,000	6,840	8,000	9,500	9,400	10,200
Y/Y Growth					-43.7%	18.8%	34.3%	49.1%
Sequential Growth		-43.7%	-12.5%	-2.3%	17.0%	18.8%	-1.1%	8.5%
Sun	1,630	2,777	2,031	4,375	3,640	3,767	3,917	4,777
Y/Y Growth					123.3%	35.6%	92.9%	9.2%
Sequential Growth		70.4%	-26.9%	115.4%	-16.8%	3.5%	4.0%	22.0%
Teco	-	-	-	-	3,800	4,499	4,394	4,612
Y/Y Growth								
Sequential Growth						18.4%	-2.3%	5.0%
NetVoyager	-	-	-	-	-	1,993	3,035	3,339
Y/Y Growth								
Sequential Growth							52.3%	10.0%
Other	-156,969	-125,095	-134,792	-169,268	-173,918	-209,539	-216,043	-255,411
Y/Y Growth					10.8%	67.5%	60.3%	50.9%
Sequential Growth		-20.3%	7.8%	25.6%	2.7%	20.5%	3.1%	18.2%
N=	170,809	138,931	150,800	189,599	183,924	224,881	234,054	274,737

Source: IDC, 2006

**FIGURE 7**

WE Enterprise Thin Client Shipments by Vendor, Q4 2005



Source: IDC, 2006

**TABLE 8**

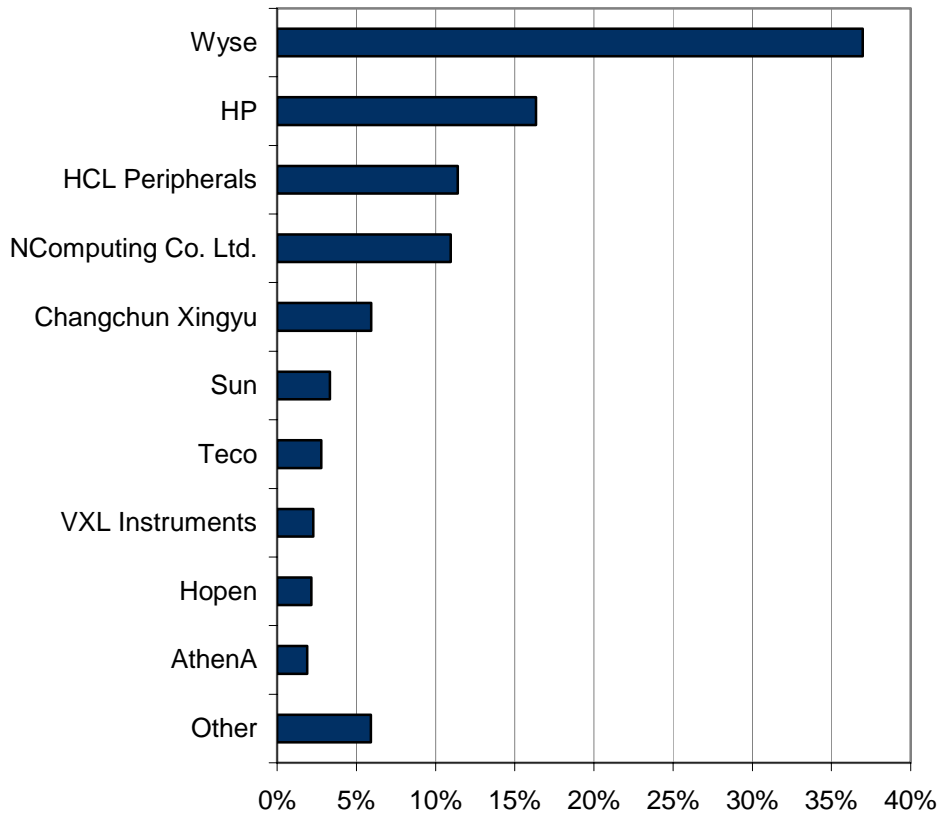
## AP Enterprise Thin Client Unit Shipments by Vendor, Q1 2004-Q4 2005

Vendor	Q1 04	Q2 04	Q3 04	Q4 04	Q1 05	Q2 05	Q3 05	Q4 05
Wyse	10,488	16,748	15,340	11,854	18,193	16,967	30,278	32,438
Y/Y Growth					73.5%	1.3%	97.4%	173.6%
Sequential Growth		59.7%	-8.4%	-22.7%	53.5%	-6.7%	78.5%	7.1%
HP	1,636	5,135	8,306	6,331	11,783	8,304	10,327	14,341
Y/Y Growth					620.2%	61.7%	24.3%	126.5%
Sequential Growth		213.9%	61.8%	-23.8%	86.1%	-29.5%	24.4%	38.9%
HCL Peripherals	2,420	2,420	2,000	4,000	7,000	11,000	9,500	10,000
Y/Y Growth					189.3%	354.5%	375.0%	150.0%
Sequential Growth		0.0%	-17.4%	100.0%	75.0%	57.1%	-13.6%	5.3%
NComputing Co. Ltd.							8,736	9,610
Y/Y Growth								10.0%
Sequential Growth								10.0%
Changchun Xingyu	8,400	8,000	8,000	8,000	6,000	5,681	5,400	5,200
Y/Y Growth					-28.6%	-29.0%	-32.5%	-35.0%
Sequential Growth		-4.8%	0.0%	0.0%	-25.0%	-5.3%	-4.9%	-3.7%
Sun	326	794	871	1,875	2,080	2,297	2,389	2,915
Y/Y Growth					538.0%	189.3%	174.3%	55.5%
Sequential Growth		143.6%	9.7%	115.3%	10.9%	10.4%	4.0%	22.0%
Teco	450	500	500	500	2,850	3,398	2,249	2,450
Y/Y Growth					533.3%	579.6%	349.8%	390.0%
Sequential Growth		11.1%	0.0%	0.0%	470.0%	19.2%	-33.8%	8.9%
VXL Instruments	4,000	2,000	500	3,420	-	1,900	1,600	2,000
Y/Y Growth					-100.0%	-5.0%	220.0%	-41.5%
Sequential Growth		-50.0%	-75.0%	584.0%	-100.0%		-15.8%	25.0%
Hopen	2,000	2,000	2,000	2,000	2,000	1,987	1,800	1,900
Y/Y Growth					0.0%	-0.6%	-10.0%	-5.0%
Sequential Growth		0.0%	0.0%	0.0%	0.0%	-0.6%	-9.4%	5.6%
AthenA	-	-	-	-	-	953	955	1,670
Y/Y Growth								
Sequential Growth							0.2%	74.9%
Other	-29,720	-37,597	-37,517	-37,980	-49,906	-52,487	-73,234	-82,524
Y/Y Growth					67.9%	39.6%	95.2%	117.3%
Sequential Growth		26.5%	-0.2%	1.2%	31.4%	5.2%	39.5%	12.7%
N=	34,313	41,714	42,855	43,222	53,221	56,676	78,203	87,719

Source: IDC, 2006

**FIGURE 8**

AP Enterprise Thin Client Shipments by Vendor, Q4 2005



Source: IDC, 2006

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