

## **Hitachi FY2007 global flat-panel business strategy revealed**

**23 April 2007**

Hitachi Flat panel global business strategy has been revealed on the 18 April 2007 in Japan, by Makoto Ebata, Vice President and Executive Officer, Consumer Business Group Hitachi Ltd.

After achieving profitability on an operating income basis in FY 2006 Q4, Hitachi expects to make the business profitable in FY2007. "We've been able to lower procurement costs and increase our product line-up of bigger TVs," Hitachi Senior Vice President Makoto Ebata said. Indeed in FY2006, while starting operations at the third plant, Hitachi managed to strengthen their presence in large size plasma TVs (50 inches and 60 inches) and to operate cost reductions at the same time.

Global market trends show that demand for both LCD and plasma TV markets will considerably grow in the next three years, mentioning an 81% increase in demand for plasma TV units and a forecasted 170% increase in demand for TV units of 50 inches and over [source: Hitachi survey]. For FY2007, Hitachi targets a 13% plasma TV global market share and a 20% market share of plasma TV units of 50 inches and over.

To support its growth strategy, Hitachi will improve its production efficiency and focus on profit-driven management. To improve Supply Chain Management and to reduce costs, the company aims to move from a 3-plant production framework to 5 plants worldwide. Regarding plasma panel production, Hitachi plans to increase the capacity from 3.6 million units to 4 million units per year.

"Locally, Hitachi Australia will benefit from the strategy announcement, expanding our range and accelerating a growth towards Full HD (1920 x 1080) flat panels", says Geoff Hannaford, Hitachi General Manager Sales & Marketing, Consumer Products.

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### **About Hitachi**

Setting the benchmark for quality performance and design, Hitachi has utilised its major investments in research and development to bring a unique, technologically advanced product design that is set to challenge other players in the highly competitive home entertainment market. 2006 marks both the 50<sup>th</sup> anniversary of television manufacturing for Hitachi and the 50<sup>th</sup> anniversary of television broadcasting in Australia. From strong beginnings in Plasma technology in 1999, Hitachi has become renowned for world leading technology and can boast it is one of the most technologically advanced brands on the market. Hitachi satisfies all audiences by providing superior technology in the areas of design, colour, definition and sound, on both the LCD and plasma platforms and remains one of few genuine manufacturers for both.