

## ■ Global Flat Panel TV Revenues Fall for First Time Ever in Q4'08; 40" + and 1080p Over 20% of TV Shipments; Share of LCD TVs with 120 Hz+ Frame Rates Reaches 10%

AUSTIN, TEXAS, February 18, 2009—As global economic conditions deteriorated during Q4'08, consumer demand for discretionary purchases suffered, including flat panel TVs. According to the latest findings from the DisplaySearch [Quarterly Global TV Shipment and Forecast Report](#), global TV shipments fell more than 5% Y/Y in Q4'08 to 57.7M units from more than 60M units a year earlier. This is the first Y/Y decline in total TV shipments for more than two years. Due to ASP declines, total TV revenues fell even more, declining by 7% to just over \$30 billion despite flat panel technologies picking up more than 10% unit share.

Combined flat panel TV revenues—which includes LCD, plasma and OLED technologies—posted the first annual decline in a given quarter, falling 3% Y/Y despite 17% growth in unit volume with falling prices affecting revenues.

Globally, flat panel TV share surged from 57% in Q3'08 to 66% in Q4'08 as rapidly falling LCD prices stimulated a shift from CRT to LCD, especially at smaller screen sizes under 40". The 1080p share of global TV shipments exceeded 20% of units for the first time, and a new metric available from DisplaySearch in TV tracking shows that more than 10% of LCD TV sets shipped were equipped with 120 Hz+ frame rates.

Annual LCD TV shipment results for 2008 as a whole were 105M units, up 33% Y/Y and in line with DisplaySearch's forecast in Q3'08, which was made prior to the global economic crisis. These positive results also pushed LCD TV past CRT TV worldwide for the first time on an annual basis and mark significant progress in the transition from tube to flat panel technologies.

China remained the largest market for TVs on a unit basis, accounting for just over 19% of units, followed by Western Europe and North America at just less than 19%. However, on a revenue basis, North America remains the world's largest TV market despite strong Q/Q revenue growth in Western Europe. LCD TV picked up market share in every region, with especially strong share gains in China and Eastern Europe.

Despite the difficult economy and concerns about consumer spending during the holidays, demand for larger screen sizes grew during Q4'08. The share of TVs shipped at 40"+ screen sizes reached an all-time high of 23%, up from 19% in Q3'08 and 18% in Q4'07. This was largely the result of significant discounts by manufacturers and retailers, both hoping to avoid excessive inventory after the holidays. The volume weighted average price for 32"+ TV's fell 19% Y/Y during Q4'08, while <32" was unchanged from a year ago.

A review of global TV shipment performance by technology can be seen in Table 1 below:

Table 1: Q4'08 Worldwide TV Shipments by Technology (000s)

Technology	Q4'08 Units	Q4'08 Unit Share	Q/Q Growth	Y/Y Growth
LCD TV	33,528	58.1%	25%	18%
PDP TV	4,439	7.7%	17%	12%
OLED TV	1	0.0%	-22%	-56%
CRT TV	19,601	34.0%	-16%	-30%
RPTV	115	0.2%	28%	-69%
Total	57,683	100%	7%	-5%

On a brand basis, Samsung remained the global brand share leader in revenues for the twelfth straight quarter, holding their revenue share nearly unchanged at 22%, more than 7 share points higher than #2 Sony. However, Sony enjoyed the strongest share growth and Q/Q revenue growth among the top five. Samsung was also the overall unit shipment leader and was in the top three rankings in each technology category (except OLED) and led LCD TV shipments. Sony enjoyed strong Q/Q revenue growth, but their Y/Y revenues declined by 7% due to ASP erosion. LGE rounded out the top three TV brands worldwide at 11.5% revenue share and maintained a very slight advantage over Samsung in the high growth emerging market segment.

A complete review of the top five brands can be seen in Table 2:

Table 2: Q4'08 Worldwide TV Brand Rankings by Revenue Share

Rank	Brand	Q3'08 Share	Q4'08 Share	Q/Q Growth	Y/Y Growth
1	Samsung	22.3%	22.0%	4%	10%
2	Sony	12.9%	14.5%	19%	-7%
3	LGE	10.7%	11.5%	13%	13%
4	Panasonic	8.6%	8.7%	7%	-3%
5	Sharp	8.2%	7.6%	-2%	-2%
	Other	37.2%	35.7%	1%	-21%
	Total	100.0%	100.0%	6%	-7%

DisplaySearch's TV market intelligence including panel and TV shipments, TV shipments by region by brand by size for nearly 60 brands, rolling 16-quarter forecasts, TV cost/price forecasts and design wins can be found in its [Quarterly Global TV Shipment and Forecast Report](#). For more information on this report, please contact Carl Holec at 1.512.687.1505 or [Carl\\_Holec@displaysearch.com](mailto:Carl_Holec@displaysearch.com) or contact your local DisplaySearch representative for details and pricing.

Beginning in Q1'09, DisplaySearch is launching a new report, the Quarterly Advanced TV Shipment and Forecast Report. This report improves upon the [Quarterly Global TV Shipment and Forecast Report](#) by adding a new metric: frame rate. With this new metric, users can evaluate 100/120 Hz vs. 50/60 Hz LCD TV shipments and revenues by brand, size and resolution, providing advanced insight into this emerging high performance market segment.

Learn more about DisplaySearch's Q4 TV results in the "The TV Market – Profitless Prosperity?" session at DisplaySearch's 11th Annual [USFPD 2009](#) Conference "It's a New World, Are You Part of It?" The conference, which will be held March 2-4, 2009 at the Hilton La Jolla Torrey Pines, in San Diego, California will boast two full days of general sessions, more interactive discussions and cutting-edge exhibits. The event will focus on all major and emerging flat panel display applications, as well as key components and materials related to the supply chain.

To register for the conference and view the agenda, visit [www.displaysearch.com/usfpd](http://www.displaysearch.com/usfpd)

Media interested in attending the [USFPD Conference](#) should contact Stacey Voorhees-Harmon at [media@displaysearch.com](mailto:media@displaysearch.com) or call 925-336-9592.

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