

## ■ Global TV Shipments Up 6% Y/Y in Q3'08 But Signs Point to Weaker Q4; North America Maintains #1 in LCD TV Sales for Second Consecutive Quarter, Despite Economic Downturn

IAUSTIN, TEXAS, November 24, 2008—Global TV shipments remained strong in Q3'08 after a surge in shipment growth during Q2'08. Q3'08 shipments were up 11% Q/Q and 6% Y/Y to more than 53M units worldwide. This strong growth came from shipments made to retailers prior to the significant weakening of demand that materialized at the end of the quarter, which will almost certainly impact Q4 growth.

Among the regions that saw growth from a year ago, China had the largest gain at 15% and was up 21% Q/Q to a record 12M units as Chinese retailers prepared for the early October Golden Week shopping season. North America also saw stronger growth than expected, given the state of economic conditions and the stellar growth during the preceding quarter, with Q3'08 shipments rising 12% Y/Y to 10M units. Much of the consumer demand deterioration didn't come until the last few weeks of the quarter, so a positive selling environment during the rest of the quarter kept shipments flowing to retail.

Globally, flat panel TV share rose from 56% in Q2'08 to 57% in Q3'08 as PDP retained about 7% of shipments and LCD grew to 50% unit share for the first time. The annual growth rate for LCD TVs was slowing though, from 47% Y/Y during the first two quarters of 2008 to 32% Y/Y in Q3'08 as the share of shipment volume in developed regions begins to saturate and PDP TV prices fall at a quicker pace. Some other highlights from Q1'08 include

- LCD TV took share in every region except North America, where it was flat at about 80% of units shipped, and climbed above 87% of shipments in Japan and Western Europe. LCD TV shipments rose to nearly 27M units with North America maintaining its position as the largest LCD TV market for the second consecutive quarter at 8M units. LCD TV shipment growth was strongest in developing markets like Latin America, Eastern Europe and the Middle East & Africa (MEA). In Latin America, LCD TVs rose quickly in popularity against CRT, growing about 120% Y/Y for the second straight quarter. The majority of LCD TV shipments were at 32", which had a 36% share of all LCD TVs in Q3'08, while the 40"+ share was unchanged from Q2 at about 27% after more than nine straight quarters of share increases.
- Plasma TV shipments continued to enjoy a renaissance in Q3 with unit shipments rising 37% Y/Y to 3.8M units, stronger shipment growth than LCD for the second straight quarter. Much of the recent plasma TV growth can be attributed to more aggressive pricing from leading brands and continued strong performance of 32" models in Asia. However, in Q3'08 50" sets saw the strongest share gain, rising from 25% of units in Q2'08 to 28% in Q3'08.
- CRT TVs continue to be the most popular technology in the emerging markets of China, Latin America, Asia Pacific and MEA where unit share for CRT TVs was at least 60%. Price is still a major factor inhibiting explosive growth of flat panel TVs, but many manufacturers are hoping to hit price points that will spur faster adoption next year, which is particularly important in light of rapidly dwindling CRT component supplies. CRT shipments in Q3'08 fell about 15% Y/Y to about 23M units.

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

Table 1: Q3'08 Worldwide TV Shipments by Technology (000s)

Technology	Q3'08 Units	Q3'08 Unit Share	Q/Q Growth	Y/Y Growth
LCD TV	26,759	50.0%	13%	32%
PDP TV	3,788	7.1%	12%	37%
OLED TV	1	0.0%	-7%	N/A
CRT TV	22,871	42.7%	8%	-15%
RPTV	90	0.2%	-5%	-76%
Total	53,509	100%	11%	6%

Samsung was the global brand share leader in revenues for the eleventh straight quarter, holding their revenue share nearly unchanged at 22.5%, more than 9 points higher than #2 Sony. Samsung's 36% Y/Y growth was the strongest among the top five brands. Samsung also had the top ranking on a unit basis and led both LCD and MD RPTV categories on a unit and revenue basis with #2 rankings in CRT and PDP. Sony was #2 on a revenue basis for the fifth straight quarter and had the second strongest Q/Q growth among the top five, picking up about a point of share

from Q2 to Q3. LGE remained #3 even though their share was down about a half a point to 10.9% on a revenue basis. LGE led in global CRT shipments. Given the technology's strong position in emerging markets, this made LGE #1 in emerging markets on a unit basis. A complete review of the top five brands can be seen in the following table:

Table 2: Q3'08 Worldwide TV Brand Rankings by Revenue Share

Rank	Brand	Q2'08 Share	Q3'08 Share	Q/Q Growth	Y/Y Growth
1	Samsung	22.6%	22.5%	7%	36%
2	Sony	12.4%	13.3%	15%	26%
3	LGE	11.4%	10.9%	2%	27%
4	Panasonic	8.3%	8.6%	11%	33%
5	Sharp	6.7%	8.0%	28%	4%
	Other	38.6%	36.7%	1%	-10%
	Total	100.0%	100.0%	7%	10%

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 (512) 687-1505 or [Carl\\_Holec@displaysearch.com](mailto:Carl_Holec@displaysearch.com) or your local DisplaySearch representative for details and pricing.

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