

■ DisplaySearch Reports Global LCD TV E-Tail Prices Fell by an Average of 22% Y/Y in September

Austin, Texas, October 27, 2008—According to the latest [DisplaySearch Monthly Global TV E-Tail Pricing & Specification Database](#), the global average e-tail, or internet-based, price for LCD TVs fell by an average of 22% Y/Y, while the average PDP TV e-tail price fell 27% Y/Y in September 2008. CRT TV e-tail prices, on the other hand, rose 4% Y/Y. The report tracks e-tail price trends for LCD TVs, PDP TVs and CRT TVs by major screen size in the North America, Europe, Japan and China regions.

DisplaySearch's research also shows that for LCD TVs, Europe experienced the biggest drop, down 30% Y/Y, followed by China, North America and Japan, down 20%, 16% and 4%, respectively. But for PDP TVs, China had the biggest decline, falling 33% Y/Y, followed by Europe, North America and Japan.

In general, the larger screens had more Y/Y price erosion. For example, 52" LCD TVs fell almost 30% Y/Y, while 20" LCD TVs fell only 4%. As shown below in Table 1, the average e-tail price of 52" LCD TVs in North America fell 30% Y/Y to \$1,951 from \$2,791 a year ago. Meanwhile, 40" LCD TVs fell 21% Y/Y from \$1,915 to \$1,508. In Europe, 46" had the biggest e-tail price reduction, falling 37% from \$2,491 to \$1,569 in September 2008.

Japan continued to have the highest LCD TV pricing during September in almost all screen sizes. Japan's average LCD TV e-tail price was nearly 25% higher than the global average in September. Details can be seen in Table 1. For a given screen size, the difference in e-tail pricing between regions was dramatic. For example, a 32" LCD TV ranged in price from \$921 in Japan to \$658 in North America.

Table 1: LCD TV E-Tail Average Price by Size and Region

NA	Sep-07	Aug-08	Sep-08	M/M	Y/Y	Japan	Sep-07	Aug-08	Sep-08	M/M	Y/Y
20"	\$392	\$431	\$381	-12%	-3%	20"	\$586	\$545	\$570	5%	-3%
32"	\$750	\$680	\$658	-3%	-12%	32"	\$1,045	\$951	\$921	-3%	-12%
40"	\$1,451	\$1,161	\$1,115	-4%	-23%	40"	\$1,515	\$1,393	\$1,525	9%	1%
46"	\$1,915	\$1,503	\$1,508	0%	-21%	46"	\$2,423	\$2,209	\$2,263	2%	-7%
52"	\$2,791	\$2,009	\$1,951	-3%	-30%	52"	\$3,177	\$2,788	\$2,788	0%	-12%

Europe	Sep-07	Aug-08	Sep-08	M/M	Y/Y	China	Sep-07	Aug-08	Sep-08	M/M	Y/Y
20"	\$491	\$476	\$436	-8%	-11%	20"	\$366	\$350	\$351	0%	-4%
32"	\$1,025	\$790	\$804	2%	-22%	32"	\$700	\$696	\$678	-3%	-3%
40"	\$1,673	\$1,177	\$1,191	1%	-29%	40"	\$1,409	\$1,017	\$1,028	1%	-27%
46"	\$2,491	\$1,456	\$1,569	8%	-37%	46"	\$1,769	\$1,479	\$1,412	-5%	-20%
52"	\$3,908	\$2,596	\$2,512	-3%	-36%	52"	\$3,473	\$2,458	\$2,302	-6%	-34%

For PDP TVs, there was a M/M e-tail price increase in Europe, due to the introduction of many new models. During the past year, 63" PDP TVs had the biggest price drop in China, falling 30%, while 32" prices rose slightly, up 1%. See Table 2.

Table 2: PDP TV E-Tail Average Price by Size and Region

NA	Sep-07	Aug-08	Sep-08	M/M	Y/Y	Japan	Sep-07	Aug-08	Sep-08	M/M	Y/Y
32"	-	\$512	\$489	-4%	-	32"	-	-	-	-	-
42"	\$1,113	\$966	\$928	-4%	-17%	42"	\$1,643	\$1,551	\$1,487	-4%	-9%
50"	\$1,755	\$1,393	\$1,427	2%	-19%	50"	\$2,425	\$2,201	\$2,103	-4%	-13%
63"	\$4,363	\$3,719	\$3,523	-5%	-19%	63"	-	-	-	-	-

Europe	Sep-07	Aug-08	Sep-08	M/M	Y/Y	China	Sep-07	Aug-08	Sep-08	M/M	Y/Y
32"	\$902	\$813	\$845	4%	-6%	32"	\$550	\$571	\$557	-2%	1%
42"	\$1,512	\$1,087	\$1,130	4%	-25%	42"	\$1,094	\$990	\$966	-2%	-12%
50"	\$2,268	\$1,575	\$1,775	13%	-22%	50"	\$2,031	\$2,298	\$1,586	-31%	-22%
63"	\$6,718	\$6,326	\$6,520	3%	-3%	63"	\$6,824	\$6,282	\$4,780	-24%	-30%

When looking at the differences in pricing between competing technologies, 32" LCD TVs were 18% more expensive than 32" PDP TVs in China. However, 42" LCD TVs proved to be a tough competitor with just a 7% higher price than PDP TVs of the same size. See Table 3.

Table 3: E-Tail Price Comparison of LCD TV vs. PDP TV in China

Size	LCD	PDP	Gap (\$)	Gap (%)
32"	\$678	\$557	\$121	18%
37"	\$885	\$753	\$132	15%
42"	\$1,034	\$966	\$68	7%
65"	\$11,440	9915	\$1,525	13%

The report also includes price indexes, which measure the relative pricing between similar-sized TV sets using different technologies. As shown in table 4, the price index for 32" LCD TVs vs. 25-29" CRT TVs has been falling over the last several months, indicating faster price declines for LCD TVs relative to CRT TVs as costs continue to decline. Similarly, the average e-tail price of 40" HD LCD TVs has been falling rapidly relative to 30-34" CRT TVs, now at just over 2.5x the price. Price indexes also compare the average set prices for LCD and PDP TVs to the average prices of the panels used in those sets.

Table 4: TV Price Index

Matchup	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
32" LCD TV vs. 25-29" CRT TV	3.03	2.94	3.21	3.12	2.99	2.83
40" HD LCD TV vs. 30-34" CRT TV	2.96	2.78	2.71	2.64	2.71	2.53
40-42" HD LCD TV vs. 42" HD PDP TV	1.02	1.04	1.02	1.12	1.13	1.08

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Contact

To contact DisplaySearch, call 1.888.436.7673 or 1.516.625.2452 or email

contact@displaysearch.com

Media contact Stacey Voorhees, 1.925.336.9592 or email media@displaysearch.com

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