

SANYO ENERGY & ECOLOGY DRIVES EUROPEAN EXPANSION

Submitted by: Spreckley Partners

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SANYO Electric Company Ltd announces the launch of its new Energy & Ecology Business in Europe, representing an investment of 150million euros by 2006. The company expects the European market for environmentally-friendly products to grow dramatically, driven by support for 'Feed-In Tariffs' also known as the 'buy-back programme'.

SANYO's Energy & Ecology products are based on the company's advanced proprietary technology and are intended to lessen the burden on the environment, with the concept of 'harmony' at their core. The products include rechargeable batteries, solar energy systems, air conditioning equipment, fuel cells, water processing systems, and heat pump water heaters.

The company is also extending its production facility near Budapest in the Republic of Hungary, which is already Europe's largest lithium-ion rechargeable battery production factory employing over 1500 people. An immediate investment of over 20million euros will expand it by a further 10,000 m², and the facility will become one of Europe's largest photovoltaic module and air conditioning production facilities. The factory will be in full-scale operation by October 2005 rising to a production capacity of 120,000 units a year by September 2006.

Mr Hiromoto Sekino, Senior Officer & Director of the Board of SANYO Electric Co. Ltd and COO of International Business Group said: "We at SANYO believe that our mission is to offer solutions to create an environment that is comfortable and enjoyable. 43% of our R&D expenditure is invested in Energy & Ecology products, and we anticipate that this business will deliver 32% of our sales. We plan to achieve European sales of 3.7billion euros by 2010."

SANYO aims to improve all round business efficiency from production to distribution, and with the improved facility in Hungary, it will actively drive 'Energy & Ecology' business initially in Europe and ultimately globally.

About Sanyo Electric Company Ltd

SANYO Electric Company Ltd, is one of the global consumer electronics giants leading the way in technology innovation for its strategic business domains 'Digital & Device' and 'Energy & Ecology'. SANYO's businesses cover a broad range from AV/Information and communication equipment, home appliances, commercial equipment, electronic devices, and batteries. The SANYO Group is a truly international organisation, consisting of 109 subsidiaries and 67 affiliates globally with consolidated sales of \$23,729million for the fiscal year ended March 31,2004. For further information please visit www.global-sanyo.com

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