

# TIMES

HISENSE INTERNATIONAL

07

December 2008



**Hisense 55-inch LCD TV First Released  
in Chinese Market**

**Hisense**

Marketing Department

# Contents

## Focus

Letter of Thanks .....	3
Hisense 55-inch LCD TV First Released in Chinese Market.....	4

## News Express

Tianjin Hisense Plaza Launched the Christmas Charity Activity.....	5
Hisense Positively Faces the Severe Challenges.....	6
President Shumin Yu Awarded "Top 10 National Women Entrepreneurship Star" .....	7
Xiaotian Zhou Presents As the New President of Hisense Kelon.....	7
Hisense Electronic Wins Many Awards in Consumer Electronics Field.....	8

## Brand Topic

Your Brand Is Your Promise.....	9
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## Culture

Christmas Day in West Country.....	10
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## Communication Platform

Happy New Year.....	11
Hisense Products will Be Showed at CES 2009.....	12

## Focus

### Letter of Thanks

Dear agents and colleagues,

As 2009 approaches, we recall Hisense's overseas brand promotions in 2008 and all of the many unforgettable moments and surprises.

"To make Hisense a century-old business and a global brand" is our common vision. In 2008, our internationalization strategy made significant progress, which is due to efficient leadership and the efforts of our brand partners and our colleagues. In seven key markets, including Australia, Israel, Canada, and Egypt, we achieved great breakthroughs, bringing brand ownership to account for 22 percent of Hisense International's sales revenues, which is a great improvement from 9.6 percent in 2007. All of these achievements could not have been accomplished without all of you. As the old saying goes "God helps those who help themselves". Undoubtedly, it is your hard work, your passion and your dedication that bring us to where we are today – a brand that had virtually no name two years but now is increasingly claiming market share in various regions. On behalf of the whole marketing department, I'd like to say "Thank You" all for your great support and hard work over the past year! We couldn't have done this without you!

Our goal for 2009 is to increase brand ownership to 25 percent (a three percent increase over our current percentage), which means that we will complete a three-year plan within two years. The gauntlet has been thrown and we are faced with a great challenge, but UNITED WE STAND! I firmly believe that as long as we work together, we will someday realize our dream of Hisense becoming a global market leader in TVs and home appliances.

As the English poet, Percy Bysshe Shelley, said, "If winter comes, can spring be far behind?"

I believe there must be a better future after the cold winter.

Thanks again and I wish you all a Happy New Year.

Sincerely  
Catherine, GM Assistant

### 感谢信

亲爱的各位品牌代理客户、各位同事：

2008年已悄然落下帷幕，新的一年将一步步走来。回首2008，我们有太多难忘的回忆，海信海外品牌的发展也给我们太多的意外和惊喜。

“建百年海信，创国际名牌”，这是我们无数海信人共同的愿景。2008年，在集团和国际营销公司各位领导的正确指导下，在各位品牌合作伙伴和各位同事的共同努力下，海信品牌国际化战略取得了重大的进展。海信在澳洲、以色列、

加拿大、埃及等 7 个重点品牌市场取得了重大突破。08 年的海外自主品牌收入占比从 07 年的 9.6% 提升到 22%，而品牌影响力也正在加大，这一切都离不开你们对市场部和品牌推广的大力支持，离不开你们的智慧、汗水和艰辛。

天道酬勤，是大家用勤奋和奉献铸就了海信自主品牌的发展，是大家用青春和激情续写着海信品牌建设的新篇章。在这里，我代表市场部发自内心的向各位表示深深的敬意和感谢，谢谢你们的支持，你们辛苦了！

在新的一年里，我们也将面临更多的危机和挑战！我们的目标是在 09 年内把海信海外品牌占比从 08 年的 22% 再次提升到 25% 的目标，把三年计划完成的目标用两年时间来完成，我坚信只要在大家的团结和努力下，我们定能战胜困难，实现把海信建设成为国际知名家电品牌的目标，在世界舞台上秀出海信的风采。

英国诗人雪莱说到：“冬天到了，春天还会远吗？”我相信寒冬过后，将会迎来更美好的明天。

再次感谢大家。愿大家工作顺利，新年快乐！

总经理助理 方雪玉

## Hisense 55-inch LCD TV first released in Chinese market



On December 8, Hisense TLM55V88GP was formally released in certain malls, realizing its first global appearance and terminating the NONE of China's 55-inch jumbotron LCD TV production line. This indicates that Hisense is fully capable of introducing new products six months to a year ahead of the market.

As for the first 55-inch full HD LCD TV, Hisense TLM55V88GP will bring Chinese consumers unprecedented flat-panel

audio-visual shock with its super-large field of vision, full high-definition, and real +240 Hz image processing technology. In addition, with the application of the latest display technology and production process, this TV will escalate its visual performance by 11.87 percent, and will possess unmatched ultra-high contrast, fast response time, wide color gamut, as well as wide visual angles.

When creating the audio-visual miracles, Hisense TLM55V88GP LCD TV also reflects on the great technology in saving energies and protecting the environment. For instance, the one time spray-free injection molding technology is uncovered, which is both recyclable and healthy. What's even more important, the whole machine's power is only 243W. Therefore, at the time of promoting excellent products, Hisense is also calling on the community to save energy and protect our environment.

Being China's pacesetter for the flat-panel TV market, Hisense, by virtue of 1080P, 120Hz, and LED display technology, sets the new technology standard of the flat-panel TV line. In September of this year, Hisense announced a halt on manufacturing 40-inch+ non-HD products, which leads the Chinese large-size flat-panel TV into the full HD era. Therefore, the TLM55V88GP created the new era of global large-size 55-inch LCD TV, and made the full HD technology standard become the new direction of this line.

## News Express

### Tianjin Hisense Plaza launched the Christmas charity activity



At the evening of Dec. 6, the largest Christmas tree in Tianjin was lit up at Tianjin Hisense Plaza, bringing the festive spirit of Christmas forward, which, at the same time, indicated that the Christmas charity activity was officially launched.

In the second floor of the plaza, reporters noticed that the Christmas tree was 20 meters high with a diameter of six meters, which was covered with blessing cards and gifts. Along with a children's choir's sweet singing, the candle-light ceremony curtain rose. After that, 10 Christmas

elves presented gifts to 10 children from Tianjin Children's Welfare Institute, and they together wrote down their best wishes in the card and hung them on the Christmas tree. Subsequently, the welfare children and teachers together touched the light ball, and lit the Christmas tree.

For this year's charity activity, Hisense Plaza will sponsor a fund-raiser for a children's welfare Home. For the first time, it will recruit Christmas elves throughout the whole city, which receives great support and response. Many parents enrolled their children. Those chosen elves then formed the loving coalition with disabled children from the

Welfare home, too. In addition, many customers generously made donations to them, and reportedly there will be another large-scale charity event held on Christmas Eve.

Dec.24, Christmas Eve, a charity party with the theme “**Love • Christmas**” was held in Tianjin Hisense Plaza.



The teachers and children are all from Tianjin children's Welfare Institute

### Hisense positively faces the severe challenges.

Currently, the U.S financial crisis has been sweeping through every corner of the world. Under this severe situation, Hisense will be presented with great challenges but will face them with great confidence. The crisis is beyond our control. However, we can control our attitude, positivity, and performance during such a time. There are already many well-known companies who have learned a tremendous amount by experiencing these times. This is an opportunity for a company to test and improve itself. Therefore, Hisense is well-equipped and has taken a number of measures to face economic challenges to come in 2009.

First, we adjusted the industry direction. The high-end industries and the top area of industries perform relatively well in competition. Therefore, Hisense focused on improving the industry to the high-end position to promote competitiveness to resist the crisis. As to high-end industries, Hisense has mastered many cutting edge technologies, such as intelligent transportation, optical communication, and has accounted for the largest market share in both the domestic and North American market. In addition, in the top area of industries, from the success of Hi-view to modules, and the current LED Backlight technology, Hisense has reached the upper area of the industrial chain and has broken the monopoly of foreign technology in digital multimedia. This brought Hisense great profits and bargaining leverage. Meanwhile, the vector inverter technology together with 3G technology greatly enhanced the competitiveness of Hisense.

Secondly, we re-shifted our focus on the overseas markets. We all know that the crisis stemmed from oversea countries and had made serious impacts on the developed regions such as Europe and the USA. Inevitably, Hisense's market share in developed countries has been affected, as well. In response to it, we focused on developing areas in Africa, the Middle East and other regions so as to recover losses from other regions.

The third measure is to increase labor productivity. We enhance the productivity for improving company's profitability, and under the current situation, we do this merely for handling risk. Hisense will continuously strive for improving productivity as well as saving energy.

Finally, we replied to exchange fluctuation flexibility. Exchange rate and currency seriously impacts all enterprises. In response, Hisense made the decision on currency exchange rate choice on the one hand, and on the other, we took corresponding technical measures to minimize the loss.



### **President Shumin Yu awarded "Top 10 national women entrepreneurship star"**

On November 28, Chinese women entrepreneur forum was held at the Great Hall of the People, Peking. Excitingly, Hisense president Shumin Yu was awarded "Top 10 national women's entrepreneurship star".

### **Xiaotian Zhou presents as the new president of Hisense Kelon**

On December 4, Hisense Kelon board of directors announced the appointment of Xiaotian Zhou as the new president.

In April of this year, Siemens' former leader of refrigerator technology Xiaotian Zhou officially joined Hisense Kelon as the vice president managing the refrigerator company. Not long afterwards, Mr. Shilei Wang suddenly resigned and Xiaotian Zhou became the new president. Previously, the company's top priority task was to accelerate the process of internationalization and the introduction of "returnees". Xiaotian Zhou would push this process. Moreover, as Mr. Zhou stated before, "I hope Hisense-Kelon is the last stop before my retirement."

#### **About Hisense Kelon:**

Hisense Kelon Electrical Co., Ltd. is one of Hisense Group's subsidiaries. Located in Shunde, Guangdong province, it was founded in 1984 and specializes in producing refrigerators, air-conditioning, freezers, and washing machines. In 1996 and 1999, its stock was listed in both Hong Kong and Shenzhen.

**Brief Introduction of Xiaotian Zhou:**

Mr. Xiaotian Zhou is 47 years old with German nationality. He attended the further education of energy and power engineering at Xi'an Jiaotong University from 1978 to 1985, and acquired both a bachelor's and master's degree.

In Germany, he continued his advanced education, taught, and finally acquired an engineering doctorate. After that, from 1995 to 2008, he worked at Bosch Siemens Group, Germany. From November 2006 to July 2008, Mr. Zhou undertook the job at IEC, serving as Secretary-General of SC61C (representing Germany). And since March 2008, he has been working as the vice president at Hisense Kelon Electronics Co., Ltd.

**Hisense Electronic wins many awards in consumer electronics field**

Recently, "China's fourth annual conference of consumer electronics" was held in Beijing, which summarized the opportunities under the turbulence of the global economic environment, and conferred honors to companies who made the most prominent performance in 2008. Excitingly, Hisense was awarded the three highest honors of "China's most competitive consumer electronics brand in 2008", "The progressing award of Chinese consumer electronics technology in 2008" and "The best performer in the consumer electronics market in 2008". Hisense is the only brand that won three awards.

Looking back, we can see that in the 2008 color TV market, all kinds of brand manufacturers have experienced tremendous trials, such as the scramble for Olympic business opportunities, the foreign brands' frequent depreciation, and, of course, the global financial crisis. Analysts claim that Hisense's winning of awards shows it has become one of the leading brands in the Chinese flat panel TV field and it's greatly competent in dealing with market mutation and catching opportunities.

The 2008 annual Red Star award ceremony, sponsored by the China Red Star Award Committee, ended on December 19, 2008. All candidate products will be evaluated in factors of innovation, craftwork, environment friendliness, which are all on basis of science and art. Hisense LED, eventually won the honor with its superior performance in technology and innovation in design.

## Brand Topic

### Your Brand Is Your Promise! (What are you promising?)

By Phillip Davis, From Internet

When people mention the word "brand" they usually mean a well-known, well-defined company. That's why consumers frequently mention names like Target, Rolex, Apple, BMW and others who have done an excellent job in crafting an image and sticking with it. Buyers know what to expect from these companies, and as long as these companies meet that expectation, they will continue to imprint their brand in the minds of their audience. It's pretty simple really; if you just keep in mind these two principals.

#### Principal One: Know Your Promise

As amazing as this may seem, most companies don't really know what it is they are promising their clients. That's why they have weak brands. They may have mission statements, and can spout off why everyone should use their product or service, but really it's just a rambling list. Out of fear of losing audience, most companies will try to compete on price, quality and service... and that's a recipe for disaster. Who wants to buy a watch from the Discount Overnight Rolex store? If you try to go after all three areas you end up muddled in the mind of the consumer who is trying to put you in a box. And in this case... that's a good thing!

A mental "box" is not that different from a set of mailroom boxes. The customer gets all these incoming "messages" and has to sort them all day. The easier you make it for them to sort your company, and put it in a category, the easier it will be for them to recall it when needed. Try this... think of a fast place to eat. How about the best tasting food? And finally, the place you go if you really want to impress someone? You can probably think of each of these categories rather quickly. And chances are these companies are more than happy to fill that niche without trying to become much more.

Take a moment and write out in two or three sentences (more if you're feeling inspired) exactly what your brand promises. It will usually fall under three main categories... quality, service or price. But there are nuances. Ben & Jerry's image contains both a quality message and a social message... one of commitment to the community and environment.

#### Principal Two: Never Violate Principal One

Once you have firmly established your promise in the minds of consumers, make sure every move you make conforms to that promise. Coke was fine to come out with Diet Coke, Cherry Coke and a host of other flavor variations (brand extension), but they completely missed the mark when they introduced NEW Coke. People believed in Coke, identified with Coke, and it was a part of their history. New Coke was seen as a betrayal of the brand itself, a vote of no confidence in their core product. "What's wrong with the original Coke?" was the immediate question that popped up in most minds.

That's why it is so important to know what it is, and why it is, that people buy from you and believe in you.

Know your promise and keep your promise. Pretty simple. Yet it will go a long way toward making your company resonate with your customer on a deep and lasting level. And that's a promise.

## Culture

### Christmas Day

By Bo Dotson, From Marketing Dept.

As you may know, in Western culture, Christmas day is the most important day of the year. It's a day when family and friends gather together around the Christmas tree, roast chestnuts, eat pumpkin pie, give presents to one another, and go to church for a candlelight ceremony to celebrate the meaning of Christmas.

The Christmas tree is one of the most popular traditions associated with Christmas. It has a long association with Christianity. It began in Germany almost 1,000 years ago when St Boniface, who converted the German people to Christianity, was said to have come across a group of pagans worshipping an oak tree. In anger, St Boniface is said to have cut down the oak tree and to his amazement a young fir tree sprung up from the roots of the oak tree. St Boniface took this as a sign of the Christian faith. But it was not until the 16th century that fir trees were brought indoors at Christmas time.

On the strike of 12 o'clock on Christmas morning, it is believed by most children that Santa Claus slides down their chimney to get inside their home to deliver gifts to them. He places these gifts under the Christmas tree and fills their stockings with candy and toys for the children to find when they wake up early on Christmas morning. In order for children to feel the magic of Christmas, parents will encourage this belief in Santa Claus and will place these gifts under the Christmas tree that say "From Santa Claus". I believed in Santa Claus until I was 10 years old. This is a common age for most children to find out that Santa

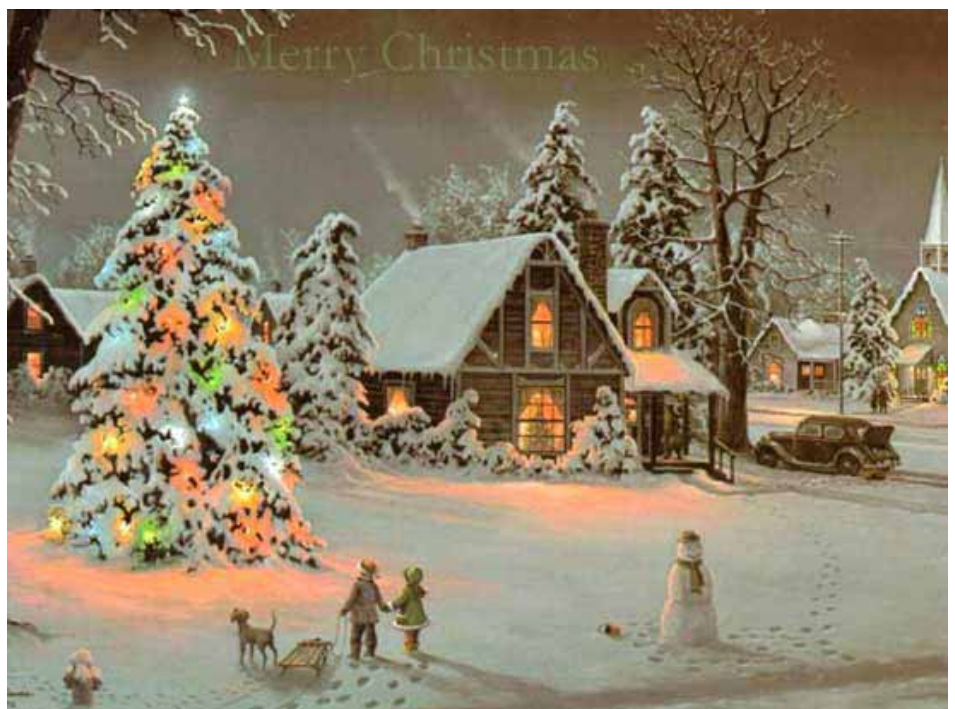
Claus is only a legend and is not real. There have been many movies that have been made about Santa Claus. These movies will usually be about someone of adult age who doesn't believe in Santa Claus and has lost the magical feeling of Christmas. By the end of the story, the person has discovered that there really is a Santa Claus and the tragedies and miracles in this story have brought back the feeling of Christmas. Popular Christmas movies in the West are:

"Miracle of 34th Street"

"It's a Wonderful Life" (this is the most popular one)

"A Christmas Carol"

"White Christmas"



“Holiday Inn”

“National Lampoon’s Christmas Vacation”

“Santa Claus” and “Santa Claus 2”

These are movies that come on television and families will begin watching together after Thanksgiving and through Christmas day. Right now in the US, it is the night before Christmas. My family is watching “It’s a Wonderful Life” together right now. If you have the time tonight, you should try to watch one of these movies. It’ll give you an idea of what Christmas means to us.

Christmas dinner will be eaten sometime between noon and 5 o’clock. The dinner is usually turkey, ham, sweet potatoes, green beans, cranberry sauce, mashed potatoes, and macaroni and cheese. Of course, after our meal, we have to have something sweet, so most families will have pumpkin pie, chocolate pie, or apple pie. These foods are the tradition of the US but popular dishes in other countries will be different.

I cannot emphasize enough how important Christmas is to us. People begin having the feeling of Christmas at the beginning of November and this feeling lasts through Christmas day. It’s a joyous time for everyone. Countries that have traditionally celebrated Christmas as a Christian holiday are USA, Canada, South America, Australia, New Zealand, Belgium, France, The Netherlands, Germany, Great Britain, Spain, Portugal, Italy, Scandinavian countries, and other European countries. Although traditions are different for each country, the reason for celebrating Christmas remains the same.

My wife, Rebecca, and I would like to wish all of you a very Merry Christmas and a Happy New Year!!!

## Communication Platform

### Happy New Year

**MERRY CHRISTMAS AND  
HAPPY NEW YEAR!**

Dear Friend:

There is no better time than the holiday season to say "Thank You" for the support and contribution you have extended to the Hisense this past year. We want to wish you a blessed holiday season and may peace, health, and prosperity be yours throughout the coming New Year!

Yours  
Hisense Group

## Hisense products will be showed at CES 2009



2009 CES will be held in **Las Vegas, from January 8th to 11th, 2009** and promises to be the biggest and best show ever!

Please visit us at the Hisense booth: **No. 20401, South Hall 1, LVCC.**

We will have new and exciting Hisense products on display, including Plasma TVs, LCD TVs, DNet-home and Mobile Phones.

We are sure you will enjoy your visit to Hisense and look forward to seeing you.

Sincerely,

Dr. Lan Lin

Vice President, Hisense Company Limited

General Manager, Hisense International Co., Ltd.

### ■■■■■■■■

Located in China, Hisense is a large, professional electronics and information enterprise, with Hisense Company Limited as its majority investor. From its humble origins as the Qingdao No. 2 Radio Factory in 1969, Hisense brand has emerged as the market leader in many facets of China's electronics industry. Hisense has a major footing in the household appliance, telecommunication, information, real estate, and commerce industries.

### ■■■■■■■■

Hisense has acquired a 26.43 percent share of Kelon, becoming its largest shareholder. The current production capacity of Hisense is 16.1 million color TVs, 9.2 million air-conditioners, 10 million refrigerators, 700 thousand freezers, 4.9 million mobile phones and 480 thousand optical communication products. The sales revenue in 2007 reached USD 6.7 billion (RMB46.9 billion), 2008 saw sales revenue increase to about USD 7.4 billion (RMB50 billion), ranking Hisense among the top 10 electronics manufacturers in China.

### ■■■■■■■■

Hisense has a global R&D system, with R&D centers located in Qingdao, Beijing, Shenzhen, Shunde, South Africa, the USA, and the Netherlands. Hisense has production bases in South Africa, Hungary, and Egypt, and subsidiaries in the USA, Europe, Australia, North Africa, and Japan. Its products are exported to over 100 countries and regions throughout the world. Hisense clearly is your sensible choice!

## About CES

With more than four decades of success, the International CES reaches across global markets, connects the industry and enables CE innovations to grow and thrive.

The International CES is produced by the Consumer Electronics Association (CEA), the preeminent trade association promoting growth in the consumer technology industry. CEA represents more than 2,200 corporate members involved in the design, development, manufacturing, distribution and integration of consumer electronics products. All profits from CES are reinvested into industry services, including technical training and education, industry promotion, engineering standards development, market research and legislative advocacy.

The first CES took place in New York City in June of 1967 with 200 exhibitors and 17,500 attendees. Since then, CES has grown more than eleven-fold. Now, more than 2,700 exhibitors fill more than 1.7 million net square feet of exhibit space to showcase their latest products and services to more than 130,000 attendees.

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