

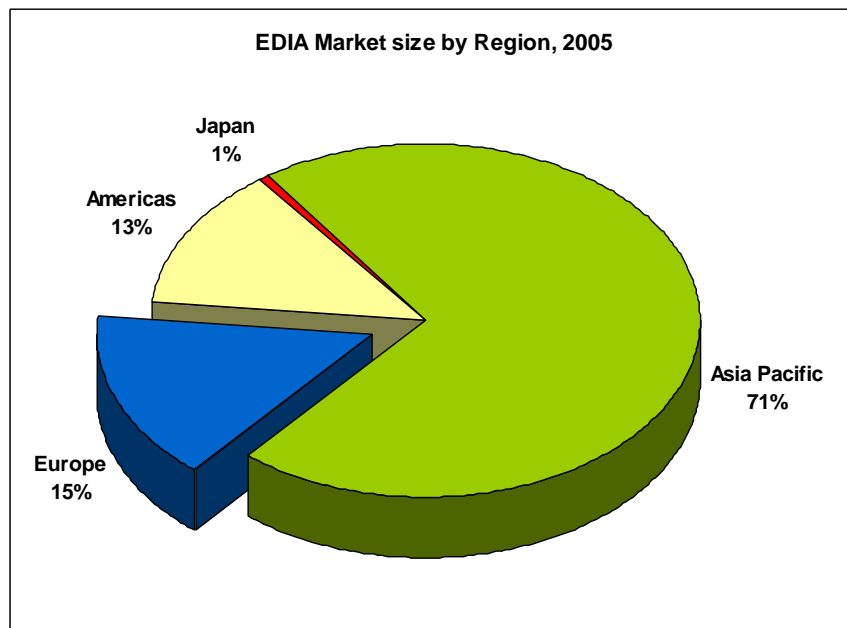
CRT Market development 2005

During 2005 the market for colour CRT showed for the first time a very strong decrease of 21% in volume compared with 2004 (33 million pcs versus 42 million pcs).

Looking into the details of this market decline it appears that in relative terms especially the widescreen (16X9)-tubes are subject to a very strong decrease of 50% versus 2004. This is obviously due to the penetration of LCD and Plasma screens which almost tripled in volume (2004 3.5 million pcs, 2005 10 million pcs).

A further important phenomenon is the fact that in this declining CRT-market the share of imported CRTs improved from 23% in 2004 to 32% in 2005.

Hence, the available market for the local colour CRT-producers moved from around 32 million pieces in 2004 to approximately 22 million pieces in 2005 - a decrease of more than 30%.



Industry Association of :

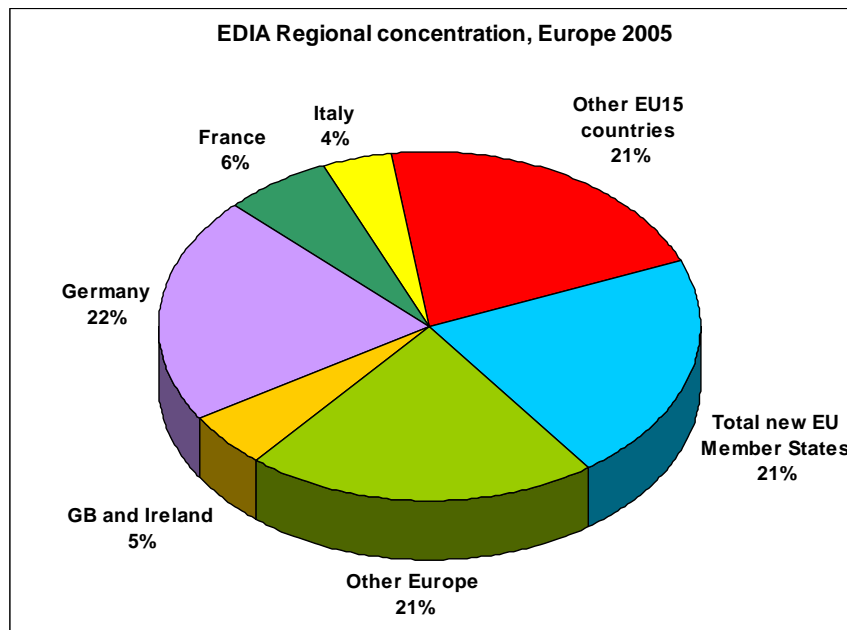
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Industrial situation

The highly competitive situation as described above, re-enforced by a more than double digit price decrease, led to further closure of both colour CRT-production capacity and component-production capacity. This tendency will continue during 2006. The very strong fall in prices for CRTs was mainly due to the extremely low prices of imported tubes which led the industry to successfully file a dumping complaint with the European Commission. Results of the investigations are expected during 2006.



The Association

The difficult situation in the industry is also being reflected in the number of members of EDIA which started to see the first withdrawals in 2005, and this will even get worse in 2006. On a positive note it can be mentioned that the first production of LCD and Plasma screens in Europe is starting to take place. This is an opportunity for our Display Association to start to grow again when these companies and possibly their components suppliers decide to become members.