

The Competitive Advantages of EIZO

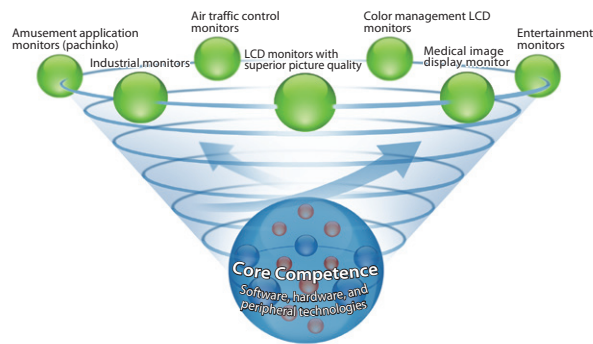
Since its founding, the EIZO Group has consistently focused its technology and passion on creating visual display products. We continue to concentrate our energy and efforts on developing products that are a step ahead of the times by using advanced devices and pursuing cutting-edge technologies. Our goal is to deliver reliable, high-quality products that both satisfy and inspire our customers.

The outcomes of these accumulated efforts are EIZO's competitive advantages: our business model, excellence in development and quality, and our global network.

Business Model

We have built on our core competence of software, hardware and peripheral technologies through our work on general-purpose LCD monitors with superior picture quality in order to expand into the area of monitors for vertical markets by developing new products with the additional performance and functions required in various fields. Leveraging the technology, procurement and production synergies among our business units has enabled us to create advanced products with proprietary features to further develop and expand our business. This unique business model has been the major driver of our growth.

Business Development Based on Synergies among Business Units



Technology	Procurement	Production
Sharing technologies between business units and developing advanced products with proprietary features	Guaranteed device procurement capability	Production line for flexibly responding to orders

Excellence in Development and Quality

Development

In the course of creating visual display products, we have gained the full spectrum of technologies required for developing monitors. This in turn has enabled us to quickly deliver new, cutting-edge products and high-quality products with enhanced functionality.

Quality

Consistent quality control through 100% self-development and self-production

We have always been committed to 100% self-development and self-production. One of our competitive advantages lies in our ability to integrate quality control, from development and manufacturing to after-sales service, and we remain committed to working in concert group-wide to further enhance quality.

Development of environmentally sound products

We have a proven track record of incorporating the principle of environmental preservation into product development, and since the early years of our company, we have been highly regarded in Europe, where environment-related standards are particularly stringent. As public concern for the environment grows, we will work harder to develop environmentally sound products by, for example, actively participate in the formulation of environmental standards.

Rigorous attention to quality control

The key to the success of our products is the stringent inspections we conduct on the image quality of our monitors at different stages, from development to production. We make every effort to ensure that the image quality of all our products is reviewed at the highest level of accuracy from the perspective of the user, through measures such as confirming some inspection criteria by human eye in addition to machine.

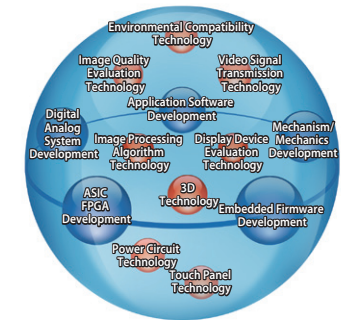


Global Network

We leverage our extensive capabilities by generating synergies in development, production and sales among our 16 Group companies worldwide.

For details on our global network, please refer to page 2 and 22.

Core Competence Software, Hardware, and Peripheral Technologies



Competitive Advantage of EIZO as Described by Employees

What is the competitive advantage of EIZO, a company that has always pursued cutting-edge technologies and created pioneering products? Employees of the planning, development and quality assurance departments discussed this topic.

Our unique strength was developed in the course of our business centered on monitors

Miyata: I am planning industrial and consumer products in the Product Planning Department. The competitive advantage of EIZO as seen from the perspective of planning is the experience of engaging in the monitor business across a wide variety of markets, including medical care, graphics, ships, railway and games in addition to general use. Knowledge of a wide range of settings gained through experience in an array of markets has expanded our horizons, enabling us to develop new proposals for applying proven technologies in one field to a completely different field. For example, the technology used for game monitors to improve the visibility of darker image areas can be redirected to monitors for the security market, which requires clearly distinguishing darker areas as well. This I think is a major, differentiating advantage.



Takahiro Yoneda
Strategic Technologies
Development Department

Yoneda: I belong to the Strategic Technologies Development Department. I think about how to take advantage of the company's technologies in regard to market trends and needs as forecasted by the Product Planning Department, exploring new technologies that meet current trends, and considering EIZO's ideal future from a technical perspective. I believe our competitive advantage in this context is the unrivaled graphic processing and display technologies we have developed by moving into various fields centered on monitors.

Matoba: I belong to both the quality control and system solutions sections of the Quality Assurance Department. In the former, I examine the quality of products, balancing delivery time and cost, starting with the planning stage. In the latter, I am engaged in worldwide quality management, which also encompasses the products of overseas Group companies. I think the company's competitive advantage is its strong sense of security and reliability based on high quality. This is the result of its attitude of pursuing quality earnestly and honestly, and almost to a fault, which has been inherited as our corporate climate.



Naoki Matoba
Naoki Matoba
System Solutions Section
and Quality Control Section,
Quality Assurance
Department

Greater strides forward as a Visual Technology Company

Miyata: We have grown with monitors as a hardware focus, but I think one role of a Visual Technology Company is to look beyond monitors toward other elements and consider what else we could add to our products in order to provide a new imaging environment. In the future, we may also consider using the products of other companies rather than continuing to limit ourselves to our own.

Yoneda: We are also discussing what we should do as a Visual Technology Company in the R&D Department. We could expand the scope of our activities beyond the boundary of a monitor manufacturer, but we should maintain a stable axis for EIZO. Moreover, we should create proposals that draw from EIZO's core competitive advantages, such as our technological and quality capabilities, to convince customers that only EIZO can do this.

Matoba: It may be difficult to require EIZO-level quality from the products of other companies, but we should maintain the strong sense of security and reliability that is our competitive advantage. Up to now we have performed quality management with a focus on monitors as hardware, but we will need a broader approach to quality management to encompass the entire imaging environment of customers.



Koichiro Miyata
Product & Business
Development
Department

