

## 1. Providing broadcast, video and communication solutions to the world from Brazil



Hitachi Kokusai Linear Equipamentos Eletrônicos S/A (hereinafter, "HKL") was established in October 2011 through the friendly acquisition of Linear Equipamentos Eletrônicos S/A, which had been a leading Brazilian manufacturer of broadcast equipment (established in 1977). Brazil is now entering an era of disseminating the digital terrestrial television broadcasting systems, and will host the FIFA\* World Cup Brazil in 2014 and Rio de Janeiro Summer Olympics in 2016. The acquisition was made while many American

and European corporations were attempting to access the Brazilian market, and our new company is now playing a part in the Hitachi Kokusai Electric Group's growth strategy by becoming a base for the Group's globalization. This new company will endeavor to evolve as a Brazilian corporation while demonstrating the synergy effects of an amalgamation of human resources and technologies, know-how, corporate culture, management systems, and all other factors of Japan and Brazil. We are contemplating how to contribute to the evolution of both the local community and Brazilian society through our implementation of not only production activities but also research and development, design and other activities, by leveraging collaboration with an eminent local engineering college and the deployment of the sales activities based on trustful customer relations nurtured over a long time, so as to achieve continuous growth. In addition, we shall promote our global expansion including exports to Latin

American, African and other countries. We shall also aim to become a top global company in transmitters, as well as a corporation that proposes new solutions from Brazil to the world.

Shigeru Kimura  
Chairman and CEO

Hitachi Kokusai Linear Equipamentos Eletrônicos S/A



Location of HKL



Broadcast-use transmitters made by HKL



HKL headquarters facility

\* FIFA: Fédération Internationale de Football Association

### Voice

**Interviewer:** How will you make the most of your characteristics and strong points in the new company?

**V. Souza:** I think I'm persistent as a character. The new company combines the two different corporate cultures of Japan and Brazil, and I will do my job responsibly as an officer in charge of design and development, in order to contribute to the company's evolution.

**Interviewer:** How do you perceive Hitachi Kokusai Electric's new access to Brazil, and what are your expectations?

**E. Calil:** I think the acquisition of Linear by Hitachi Kokusai Electric was a wonderful opportunity for the company to further evolve. In the beginning, I heard voices of anxiety from some employees, but now they are beginning to show pride as members of a global Hitachi Kokusai Electric Group company.

**Interviewer:** This question is for both of you. What do you think about the company's future potential?

**Souza & Calil:** In Brazil and other Latin American countries, a digital market will be launched within several years from now. HKL should also grow positively by leveraging this opportunity. To that end, we must apply the practice of Monozukuri in order to manufacture excellent products that will satisfy the needs of our customers.



Eduardo Calil  
General Manager, Production  
HKL



Vanessa Souza  
General Manager, R&D  
HKL



## 2. Capturing our customers' needs closely to respond faster than ever

In line with its motto of Customers First, Kokusai Electric Korea Co., Ltd. (hereinafter, "KEK") provides consistent services in research and development, production, remodeling and maintenance as the only company of its kind in the Hitachi Kokusai Electric Group's eco- and thin film processing business. All staff and employees of the company work together as a single body to capture customers' needs closely from the customers' perspective regarding the highest quality, shortest delivery term, and continuous investment for research and development, so that they can delight customers by offering proposals that go two steps ahead. Since nationalization and the shortest delivery term for products are the most important needs in Korea, KEK began constructing its Pyeontaek Works and extending its Cheonan



Clean room at the Cheonan Works



Pyeontaek Works (Research laboratory)

Works (where the company will develop new processes and conduct process demonstrations), and has completed the local responding system in October 2011. The company is now promoting accelerated design and procurement, cost reduction, and the operation of its newly structured Web system intended to centralize information.

**Voice**

The design team of KEK is endeavoring to make KEK a corporation that is trusted by its customers, giving top priority to the manufacture of quality products that are both attractive and competitive on the basis of Hitachi Kokusai Electric's production technologies. We aim to become a corporation that provides top world-class semiconductor manufacturing equipment by capturing our customers' needs and taking action before our competitors can respond.



A scene of design review



Y. S. Park  
General Manager,  
Design Office, KEK

## 3. Collaboration of our Group and agency staff reached the heart of a Mexican TV company

Our Company has made a significant sales achievement in Latin America by selling 38 units of our top of the line HD<sup>\*1</sup> Camera System to a major Mexican TV company. This achievement was attained through the close collaboration of our Group and the local agent.

The same camera systems were purchased by other countries like Panama for 22 units and Chile for 4 units and we believed that these HD camera systems will have significant contribution in the development of HD broadcast in Latin America.

Our main marketing strategy in Mexico was to convince the end user to switch from Triax system (i.e. transmission system that connects SD<sup>\*2</sup> cameras and a control device) to our more advanced and stable optical fiber camera systems which features the technology of the future. This task was not easy as the company has already existing Triax infrastructure installed in their facility used with their SD cameras.

After a thorough explanation, the customer having a clearer view of the advantages of optical camera systems – longer cable distance for transmission, larger bandwidth capacity for future technology like 1080p<sup>\*3</sup> or 3G, opted to adopt this system as a standard for their company.

Customer satisfactory experienced of local agent's service plus our product quality features and competitive pricing made decision making easy and decisively awarded the order to our Company.

Last November, a leading engineer of the TV company together with our local agent visited Japan. The purpose of the visit was to attend the 2011 International Broadcast Equipment Exhibition where the latest product and technology were exhibited. They were invited to our Koganei Works where they were shown advance manufacturing methods and new

broadcast products. Together, we discussed the application and potential of these products towards the future development of the broadcast industry in Mexico.



"High-vision" camera supplied to the Mexican TV company

\*1 HD: High Definition (high definition broadcast-use camera system introduced with the digitalization of terrestrial TV broadcasting)

\*2 SD: Standard Definition (conventional broadcast-use camera system)

\*3 1080p: This refers to the Progressive Scanning method in terms of a digital broadcast standard. 1080p is a high-resolution system with 1920 x 1080 pixels and wide-screen images with an aspect ratio of 16:9.

**Voice**

Recognizing the competitive nature of the broadcast camera market, I worked hard to explain to the TV program producers and engineers our product advantages in terms of pricing and technology. Emphasizing our optical cable camera systems design for future expansion, combined commitment from our Group and local agent to provide after sales service and training enabled us to gain customer's confidence and trust.



P. Manalang (far right) and the personnel concerned from our Group and agency staff

P. Manalang  
Manager, Latin America Sales  
Hitachi Kokusai Electric America, Ltd.