



News

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SANYO and Carrier Establish Distribution Arrangement for Absorption Chillers in Europe and the Americas

(FARMINGTON, Conn., Sept. 30) – SANYO Electric Co., Ltd. (Osaka, Japan) and Carrier Corporation have entered into a distribution agreement for absorption chillers.

Under the terms of the agreement, SANYO manufactured absorption chillers will be marketed and sold with both the Carrier and SANYO brand names on the product through Carrier's distribution channels in Europe, North America and South America. The agreement went into effect September 3, 2004. Financial details of the arrangement were not disclosed.

The arrangement allows both companies to use each other's technological and distribution strengths to compete more effectively in global markets. This agreement will effectively combine the resources of both companies to promote the sales of absorption chillers in parts of the world where absorption penetration has been low relative to electric-driven alternatives.

"The addition of a broad range of absorption products will also complement Carrier's well-established electric chiller business in these regions," said Jeff Williard, Carrier's Vice President, Product Strategy. "By providing a

greater range of products, our customers will have a wider choice of solutions for their cooling needs."

"SANYO established 'Energy and Ecology' as one of its business domains and we plan to be a world leader in the clean energy field with low energy consuming and energy producing technology." said Akira Kan, COO of SANYO's Commercial Business Group. "We have confidence that our proprietary absorption chiller technology will contribute to the preservation of the global environment."

Absorption chillers provide a number of environmental benefits, which are in line with Carrier's longstanding commitment to environmental stewardship. The chillers use water as refrigerant, rather than chlorine-based compounds like HCFC or HFC used in electric chillers.

The absorption cycle uses non-electric energy sources like natural gas, steam and waste heat to drive the cooling effect, thereby reducing the demand for electricity (and, consequently, the greenhouse gases produced in generating electricity.) Under these conditions, demand for absorption chillers, which utilize non-electric energy sources and are compatible with co-generation systems, is expected to increase. In addition to environmental benefits, recent improvements in efficiency, compactness and controls technology are making absorption chillers a more economical, easy to install and convenient alternative. SANYO will continue developing new highly efficient absorption chillers with a wide range of uses. The agreement is expected to spur improvements in product development, production, sales capabilities and cost efficiency.

In its commercial air conditioning business, SANYO focuses primarily on absorption chillers, gas heat pump air conditioners and package air conditioners. SANYO is the leader in Japan for absorption chillers and gas heat pumps. In addition to providing coefficient of performance (COP) HVACR products with world class efficiency, SANYO sells, manufactures and develops products in Japan and actively promotes products to markets overseas.

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