

Panasonic to build Malaysian solar cell plant

November 25 2011

Japanese electronics giant Panasonic said Friday it would build a new solar cell factory in Malaysia, as it looks abroad to cut production costs caused by the surging yen.

The company said it would spend 45 billion yen (\$582 million) on the new factory making cells -- a key component of solar panels -- capable of generating 300 megawatts of power.

The factory, in addition to those owned in Japan, will help Panasonic increase by 50 percent its annual production to 900 megawatts by 2013.

Panasonic has cancelled a plan to convert a plasma-television panel plant in western Japan into one that makes solar panels, Dow Jones Newswires reported, citing an unnamed source.

The change in plan was the latest indication of how Japan's solar-panel makers are struggling, as fast-growing Chinese makers create a global inventory glut, while the strong yen makes Japanese exports more expensive.

Panasonic's plant in the northwestern Malaysian state of Kedah, which would employ 1,500 people and start production in December 2012, will strengthen the firm's cost competitiveness, it said.

Panasonic Chief Financial Officer Makoto Uenoyama said last month the yen's surging value -- it is sitting near post-war highs around 77 to the dollar -- made it "extremely difficult to make new business investments

in Japan now."

The company is betting the clean energy market will keep growing on the back of government subsidies and heightened environmental awareness, with the March Fukushima nuclear crisis boosting the focus on new energy sources.

Panasonic acquired a majority stake in Sanyo in December 2009, taking over one of the world's biggest suppliers of rechargeable lithium-ion batteries and a major player in solar panels, before turning it into a wholly owned unit.

Panasonic and Sanyo are looking to jettison overlapping businesses, with Panasonic aiming to focus on more environmental technology such as rechargeable batteries, solar panels and other energy-saving systems.

The global market landscape for solar panels has changed dramatically in recent years with Chinese solar-cell makers now among the world's biggest producers, helped by Beijing's support for renewable-energy businesses.

(c) 2011 AFP

Citation: Panasonic to build Malaysian solar cell plant (2011, November 25) retrieved 25 April 2024 from <https://phys.org/news/2011-11-panasonic-malaysian-solar-cell.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.