

Press release

IT hardware boom in the UK

- Sales in 2010 grow by 11 per cent
- Consumer electronics stabilise after years of decline
- Positive trend on ICT market as a whole

London, 25 November 2010

The UK market for IT hardware is booming in 2010 with sales of computers, printers and peripherals growing by 11 per cent to 19 billion euros. Figures released by the European Information Technology Observatory (EITO) in London show that sales of PCs alone have risen by almost 13 per cent to just under 16 million units. "Especially strong demand by private consumers is breathing new life into the PC market. That goes both for mobile devices and desktop PCs," says EITO project manager Frank Früh. Although a slowdown is forecast in earnings growth in IT hardware for 2011, it will remain solid at 2.6 per cent.

After years of decline, the market for digital consumer electronics (CE) will also stabilise in 2011. Although at 0.1 per cent the recovery will be modest, in the wake of previous declines in the double figures, it can definitely be termed a turnaround. By comparison, the CE market in Europe looks likely to fall by 6.7 per cent in 2011 to 56.3 billion euros.

Total ICT sales in the UK (including the CE market) are expected to grow in 2011 by 2.2 per cent to 128 billion euros, showing that the IT sector is growing stronger than the telecommunications sector. Total sales of IT are set to grow by 3.5 per cent in 2011 to reach a volume of almost 66 billion euros. The telecommunications sector meanwhile is expected to increase by 1.1 per cent to around 53 billion euros. These figures put the UK ICT market above the EU average.

Market volume (excluding CE) anticipates a growth of 2.3 per cent to 659 billion euros in 2011 across Europe. The IT sector is expanding significantly here, too; with a 3.9 per cent increase for 2011, while the telecommunications sector

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a project of
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expects a growth of just 0.8 per cent. The European CE market will drop by 6.7 per cent in 2011 to 56.3 billion euros.

Information and communications technology are experiencing a surge in sales worldwide, thanks in no small part to the BRIC countries (Brazil, Russia, India and China). The ICT market expects a growth of 5 per cent globally for 2011, with a 7 per cent increase in the Brazilian market, more than 8 per cent in Russia, 12 per cent in China and an incredible 26 per cent in India. Growth rates that mature EU markets can only dream of.

The European Information Technology Observatory (www.eito.com) has been providing high-quality and up-to-date market data on European and international markets in information technology, telecommunications and consumer electronics since 1993. EITO is managed by Bitkom Research GmbH, a wholly owned subsidiary of BITKOM e.V. EITO is sponsored by CeBIT, Deutsche Telekom, KPMG, Messe München, Red.es, Simo and Telecom Italia. EITO collaborates with leading market research institutes such as PAC, IDATE, IDC and GfK. EITO Task Force research activities are supported by the European Commission and the OECD.