

Press release

Emerging nations driving global high-tech markets

- **Strong growth in the BRIC countries in spite of economic downturn**
- **Increase in revenue most significant in India up 10.5 percent**
- **Lamborghini: “Countries are getting into shape ready for the next upturn.”**

Berlin, 29 September 2009

The up-and-coming industrial nations in Asia, Eastern Europe and South America are driving the international high-tech markets. In spite of the global economic downturn, the revenues with information and communications (ICT) technology are growing significantly in these countries. This is being reported by the European Information Technology Observatory (EITO) on the basis of the current BRIC report for the countries of Brazil, Russia, India and China. On balance, the ICT markets in the BRIC countries are set to grow in 2009, according to the EITO forecast, by 4.9 percent to around 299 billion euro. About three quarters of this revenue is ascribed to products and services relating to telecommunications, and one quarter to information technology, including computers and software. “The newly industrialised countries are getting into shape ready for the next upturn and, in doing so, are stabilising the global high-tech markets”, commented EITO chairman Bruno Lamborghini. “In spite of the economic downturn, the spending on modern technologies is increasing in the BRIC countries.”

The strongest rate of growth in 2009 is being recorded by India, currently experiencing an increase of 10.5 percent to 47 billion euro. Next year, according to EITO, revenue could even grow by as much as 13 percent. The largest single market amongst the BRIC countries is China with a volume of 137 billion euro in 2009. According to the EITO forecast, the Chinese ICT market is set to grow by around 3.6 percent, and will continue to do so in 2010 by around 5.4 percent. Chinese IT spending will increase by 9 percent to 30 billion euro in 2009, whilst the telecommunications market is growing by only 2.2 percent to around 107 billion euro. Brazil has developed into a firmly

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established economy over the years. In 2009, the ICT market in Brazil is expected to grow by 5.2 percent to around 69 billion euro.

In Russia, revenue is set to increase in 2009 according to EITO by 2.9 percent. The market volume is 46 billion euro. Russian ICT spending is being driven above all by telecommunications, which is growing by 5 percent to 35 billion euro. In the information technology segment, Russia has the only economy amongst the BRIC countries to record a decrease of 2.8 percent to 11.4 billion euro. On account of its dependence on commodity prices, Russia is more greatly affected than the other countries by the global economic downturn. However, the other BRIC countries are not totally unaffected. Compared with previous years, the rates of growth in the main market segments of information technology and telecommunications are down from mostly two-figure rates to a more moderate level.

Since 1993 the European Information Technology Observatory (www.eito.com) has been offering high quality and up-to-date information on European and global markets for information technology, telecommunications and consumer electronics. The EITO is managed by Bitkom Research GmbH, a wholly owned subsidiary of BITKOM, the Federal Association for Information Technology, Telecommunications and New Media in Germany. EITO collaborates with leading market research institutes including PAC, IDATE, GfK, and research activities of the EITO Task Force are supported by the European Commission and the OECD. EITO is sponsored by CeBIT, Deutsche Telekom, KPMG, Messe München, Red.es, Simo and Telecom Italia.