

## Press release

### Global telecommunications increasing slightly

- Telecommunication services growing despite the global financial crisis
- Large amount of growth in emerging markets India, Brazil and China
- New momentum through smartphones and mobile data services

**Berlin, 3 September 2009**

The global telecommunications market will continue to grow this year despite the economic crisis. According to current data from the European Information Technology Observatory (EITO), total revenue for telephone and Internet services as well as communications technology in 2009 will rise 1 percent to 1.32 trillion euro. In the coming year, EITO predicts the market will increase by 3.5 percent to 1.36 trillion euro. "Especially telecommunication services are only marginally affected by the economic crisis. The number of mobile telephone and Internet users is continuing to increase at high rates around the world," according to EITO Chairman Bruno Lamborghini. Around 80 percent of the total revenue is allotted to telephone and Internet services, the rest to end-user devices and infrastructure for communications networks. According to the prognosis, total revenue for telecommunications services in 2009 will grow by 2.7 percent to around 1.1 trillion euro. In contrast, the global hardware market will lose 5.6 percent, falling to 246 billion euro.

Nevertheless the number of mobile phone users will this year exceed the 4 billion mark for the first time according to the EITO. This means that two-thirds of the world's population are using mobile phones. The heaviest growth is currently in the emerging markets of Asia, South America and Eastern Europe. At the top of this list is India, with an expected increase in revenue of 12 percent to around 35 billion euro. Brazil's telecommunications market is set to grow 6 percent in 2009 to 52 billion euro and China's total revenue will increase by 2.2 percent to 107 billion euro. China has become the third-largest telecom market in the world, trailing the USA and Japan.

European Information  
Technology Observatory -  
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Bitkom Research GmbH

Albrechtstraße 10 A  
10117 Berlin-Mitte  
Tel. +49.30.944002-60  
Fax +49.30.944002-45  
[www.eito.com](http://www.eito.com)  
[www.bitkom-research.de](http://www.bitkom-research.de)

#### Contact

Maurice Shahd  
EITO Press Spokesman  
Tel. +49.30.27576-114  
Fax +49.30.27576-400  
[m.shahd@eito.com](mailto:m.shahd@eito.com)

Dr. Axel Pols  
Chairman EITO Task Force  
Tel. +49.30.27576-120  
Fax +49.30.27576-400  
[a.pols@eito.com](mailto:a.pols@eito.com)



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"After an interruption in growth, most industrialised nations will return to the plus side in 2010," said Lamborghini. "New momentum is being generated by the rising popularity of modern smartphones and the use of mobile data services." In the EU, the market levels out in 2009 with a volume of 362 billion euro (rise of 0.1 percent). In the coming year, an increase of 1 percent is expected. In Great Britain, total revenue should drop by 0.7 percent in 2009 to 58.9 billion euro. In 2010 revenues will reach the same level. The Italian market will lose 0.7 percent (41.4 billion euro) in 2009 and return to a growth rate of 1.5 percent (42 billion euro) in 2010. France is expecting an increase of 0.7 percent to 55.7 billion euro even in 2009 and plus 1.1 percent to 56.3 billion euro in the coming year. In the USA, the market falls 0.4 percent to 313 billion euro and is expected to rise 1.3 percent to 317 billion euro in 2010.

Since 1993 the European Information Technology Observatory ([www.eito.com](http://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.