

Press release

IT-Investments increasing worldwide in spite of economic downturn

- 5.2 percent growth in global turnover with information technology
- Business is booming in China, India and Russia
- Strongest growth in demand for software and IT services

Berlin, 11 September 2008

Demand worldwide for information technology (IT) is growing strongly in spite of the general economic turbulence. According to current data of the market research institute EITO the world IT market is expected to grow in 2008 by 5.2 percent to 963.5 billion Euro. The up-and-coming economies of China, India and Russia are experiencing a regular boom, with growth rates between 17 and 18 percent. "The weakening trend in the world economy has hardly affected turnover in the high-tech sector", said EITO-Chairman Bruno Lamborghini. Fears that the international finance crisis and increasing raw materials prices could seriously impair IT investment have so far not been realised. For the year 2009 EITO is expecting a growth of the global IT market of 5.6 percent. Worldwide turnover in computers, software and IT services could for the first time reach more than one trillion Euro.

European Information
Technology Observatory

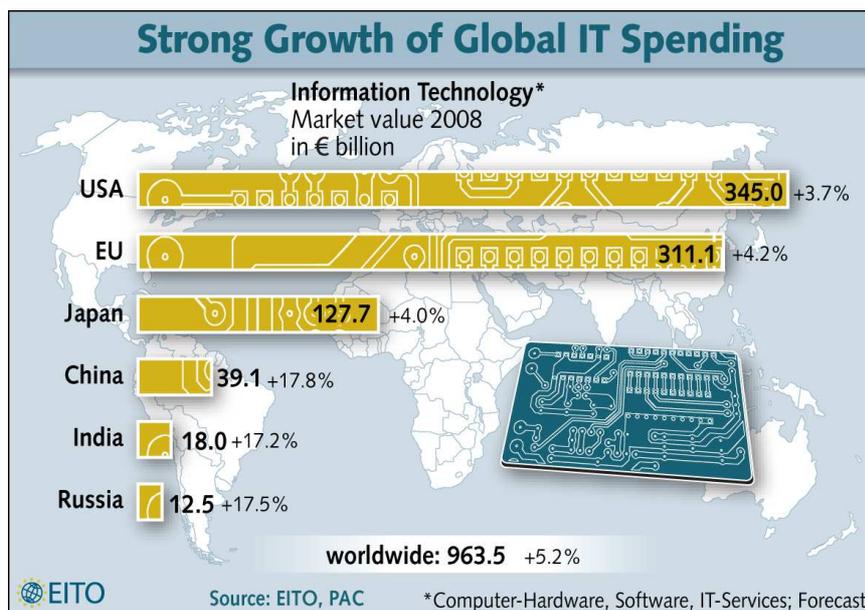
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The three main global markets in terms of turnover are displaying very dynamic development in the current year. In the European Union IT turnovers are growing in 2008 by 4.2 percent to a total of 311.1 billion Euro. The main contributors to growth are here the new EU members such as Poland, the Czech Republic or Rumania which still have a need to catch up in the development of their IT infrastructure. In the coming year growth in the EU, at 4.2 percent, will probably remain at a similar level. In Japan, according to the EITO forecast for 2008, the market is gaining in value by 4.0 percent to 127.7 billion Euro. Even in the USA there are no real signs of a brake on expansion. IT turnover in the United States is increasing in 2008 by 3.7 percent to 345 billion Euro. With a growth of 4.4 percent to 360 billion Euro the US market will gain real momentum again in 2009. "The international market in IT is driven in particular by increasing expenditures for software and IT services", said Lamborghini. The software market worldwide is forecast to grow in 2008 by 6.7 percent to 185 billion Euro and the market for IT services by 6.0 percent to 476 billion Euro.

By far the strongest growth in demand at present is in China, India and Russia although on a lower absolute level than in the leading industrial states. In China the IT market is growing in 2008 according to EITO by 17.8 percent to 39.1 billion Euro. In India turnover is increasing by 17.2 percent to 18 billion Euro and in Russia by 17.5 percent to 12.5 billion Euro. According to the latest forecasts these countries will maintain their rate of growth also in the year to come.

The European Information Technology Observatory (www.eito.com) offers 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 German Association for Information Technology, Telecommunications and New Media. EITO is sponsored by CeBIT, Deutsche Telekom, KPMG, Simo, Systems and Telecom Italia. The research activities of the EITO Task Force are supported by the European Commission and the OECD.