



**UNDER EMBARGO Until 8:00 am U.S. Eastern time, Wednesday, June 11, 2008**

## **Growth In Emerging Regions And Robust Portable PC Demand Drive Strong Outlook For PC Market, According to IDC**

**FRAMINGHAM, Mass., June 11, 2008** – Worldwide PC shipments are projected to grow by 15.2% in 2008 to reach 310 million units, according to IDC's Worldwide Quarterly PC Tracker. Growth will remain in double-digits through 2010, followed by high single-digit growth through 2012, boosting annual shipments to over 472 million in 2012. Overall volume growth, combined with a steady transition to Portable PCs, which generally cost more than Desktops, will help offset falling average prices. The total value of PC shipments is projected to grow by 9.6% in 2008 to more than US\$286 billion. Shipment value will continue to grow by 5-6% annually from 2009 through 2012, reaching nearly US\$354 billion by 2012.

Following years of strong growth, Asia/Pacific excluding Japan (APeJ) surpassed the United States as the region with the largest PC market in total annual shipments at the end of 2007. At the same time, Rest Of World (ROW) – composed of Latin America, Central and Eastern Europe, Middle East and Africa, and Canada – is not far behind. ROW led other regions on a quarterly basis in Q4 2007, and is projected to move from third to second rank on an annual basis in 2008. The United States – holding the top rank before 2007 – continues to grow in mid single-digit rates, but has seen growth well behind better than 20% increases in emerging regions. As growth in emerging regions continues to outpace gains in more developed markets, they are expected to expand their lead. By 2012, APeJ and ROW will account for nearly 59% of global volume, up from just over 48% at the end of 2007.

The latest forecast increases 2008 unit growth from 12.8% in IDC's March forecast. The increase is due to a revised outlook for Portables in which IDC expects a longer run of elevated portable PC growth than in earlier projections. Key factors driving the continuing strength of Portable shipments, even in the face of economic pressure, are a greater emphasis on replacing Desktops with Portables and the emergence of ultra low-cost notebook PCs, such as the Eee PC from ASUS, systems built on the Classmate PC platform by Intel, and the XO from the One Laptop Per Child initiative. These systems had previously been excluded due to use of non-traditional PC designs, including the use of embedded or custom operating systems, reduced processing power and storage, and questions about actual production volumes versus declared targets. However, the latest versions of these systems are now more robust, meeting IDC's criteria to be considered PCs, and actual shipment volumes are rising.

"Even as the PC market grapples with slower growth in more developed markets, adoption cycles for new operating systems, processors, and other components, and convergence of media and devices, the success of portable PCs continues to drive the market," said Loren Loverde, director of IDC's Worldwide Quarterly PC Tracker. "Despite recent economic pressure, the consistent gains fueled by Portable adoption, falling prices, and new users – particularly in emerging regions – will continue to drive growth during the forecast."

"Earlier in the year, the U.S. PC industry had held its breath regarding the impact of the economic slowdown on PC shipments," said Richard Shim, research manager of IDC's Personal Computing program. "It's now clear that the commercial market will not see the refresh activity we had previously expected and we have lowered short-term projections as a result. Still, the consumer market remains relatively healthy and the overall U.S. PC market will chug along at decent levels – albeit slower than previous forecasts and other regions – while consumer growth continues."

## PC Shipments By Region And Form Factor (in Millions), 2007-2012

Region	Form Factor	2007	2008*	2009*	2010*	2011*	2012*
<b>USA</b>	Desktop & x86 Server	37.0	35.0	33.0	32.2	31.0	29.5
	Portables	30.0	35.9	41.4	47.5	53.9	61.6
	Total	67.0	70.8	74.3	79.7	84.9	91.1
<b>International</b>	Desktop & x86 Server	124.1	129.7	137.0	144.7	152.7	160.8
	Portables	78.0	109.4	140.2	169.4	194.8	220.7
	Total	202.1	239.1	277.1	314.1	347.5	381.4
<b>Worldwide</b>	Desktop & x86 Server	161.1	164.7	169.9	176.9	183.7	190.3
	Portables	108.0	145.3	181.6	216.9	248.7	282.3
	Total	269.1	310.0	351.5	393.8	432.4	472.5

\*Forecast data

Source: IDC Worldwide Quarterly PC Tracker, June 2008

## PC Shipment Growth By Region And Form Factor, 2007-2012

Region	Form Factor	2007	2008*	2009*	2010*	2011*	2012*
<b>USA</b>	Desktop & x86 Server	-2.8%	-5.5%	-5.7%	-2.4%	-3.7%	-4.8%
	Portables	23.6%	19.4%	15.4%	14.8%	13.5%	14.2%
	Total	7.5%	5.7%	5.0%	7.2%	6.6%	7.3%
<b>International</b>	Desktop & x86 Server	7.7%	4.5%	5.6%	5.6%	5.6%	5.3%
	Portables	38.4%	40.3%	28.1%	20.9%	15.0%	13.3%
	Total	17.8%	18.3%	15.9%	13.3%	10.6%	9.8%
<b>Worldwide</b>	Desktop & x86 Server	5.1%	2.2%	3.2%	4.1%	3.9%	3.6%
	Portables	33.9%	34.5%	24.9%	19.5%	14.7%	13.5%
	Total	15.0%	15.2%	13.4%	12.0%	9.8%	9.3%

\*Forecast data

Source: IDC Worldwide Quarterly PC Tracker, June 2008

**Taxonomy Note:** PCs include Desktop, Notebook, Ultra Portable, and x86 Server and do not include handhelds.

IDC's Worldwide Quarterly PC Tracker gathers PC market data in 55 countries by vendor, form factor, brand, processor brand and speed, sales channel and user segment. The research includes historical and forecast trend analysis as well as price band and installed base data.

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