



Swedish IT investments & trends

Invest in Sweden Agency breakfast May 29th 2009

ACT ON YOUR **FULL POTENTIAL**

EXIDO

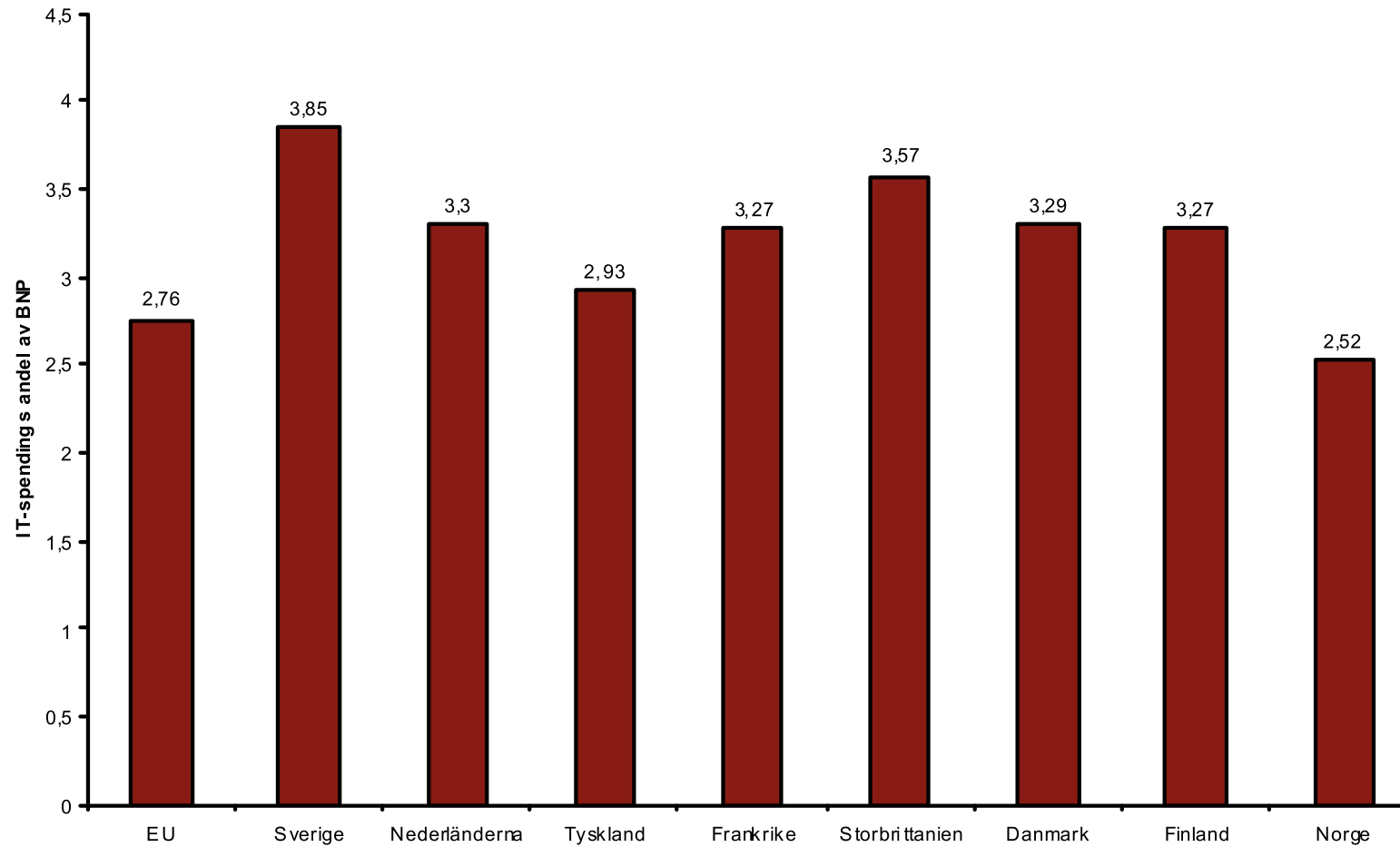


State of the Swedish nation

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ITs share of GDP



Source: EITO

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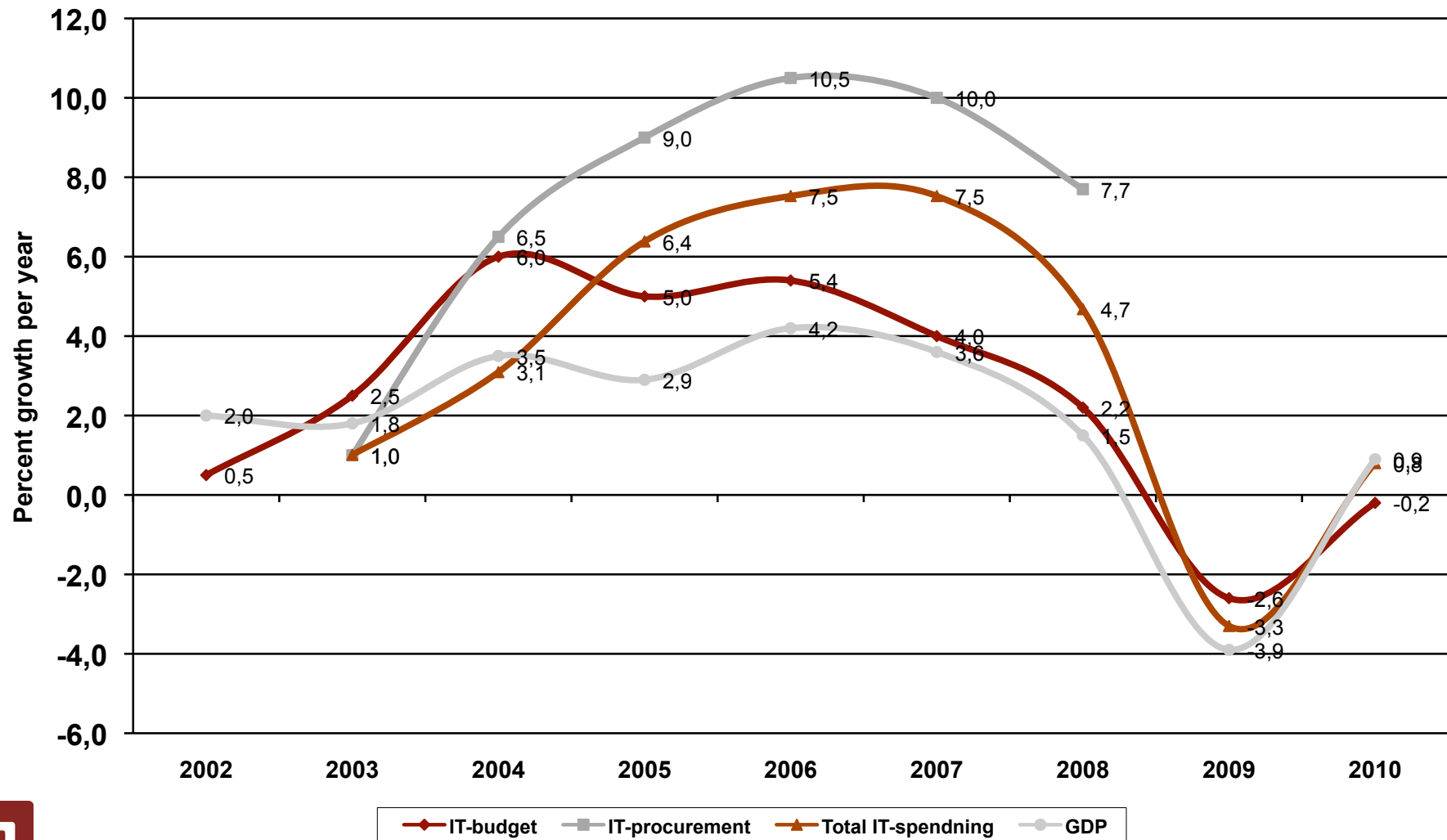
Competitiveness comparison

<u>Ranking</u>	<u>Country</u>	<u>Global Information Technology Report</u>	<u>The Global Competitiveness Report</u>
1	Denmark	5,85	5,58
2	Sweden	5,84	5,53
3	USA	5,68	5,74
4	Singapore	5,67	5,53
5	Switzerland	5,58	5,61
6	Finland	5,53	5,50
7	Iceland	5,50	5,05
8	Norway	5,49	5,22
9	Netherlands	5,48	5,41
10	Canada	5,41	5,37

State of the IT-business

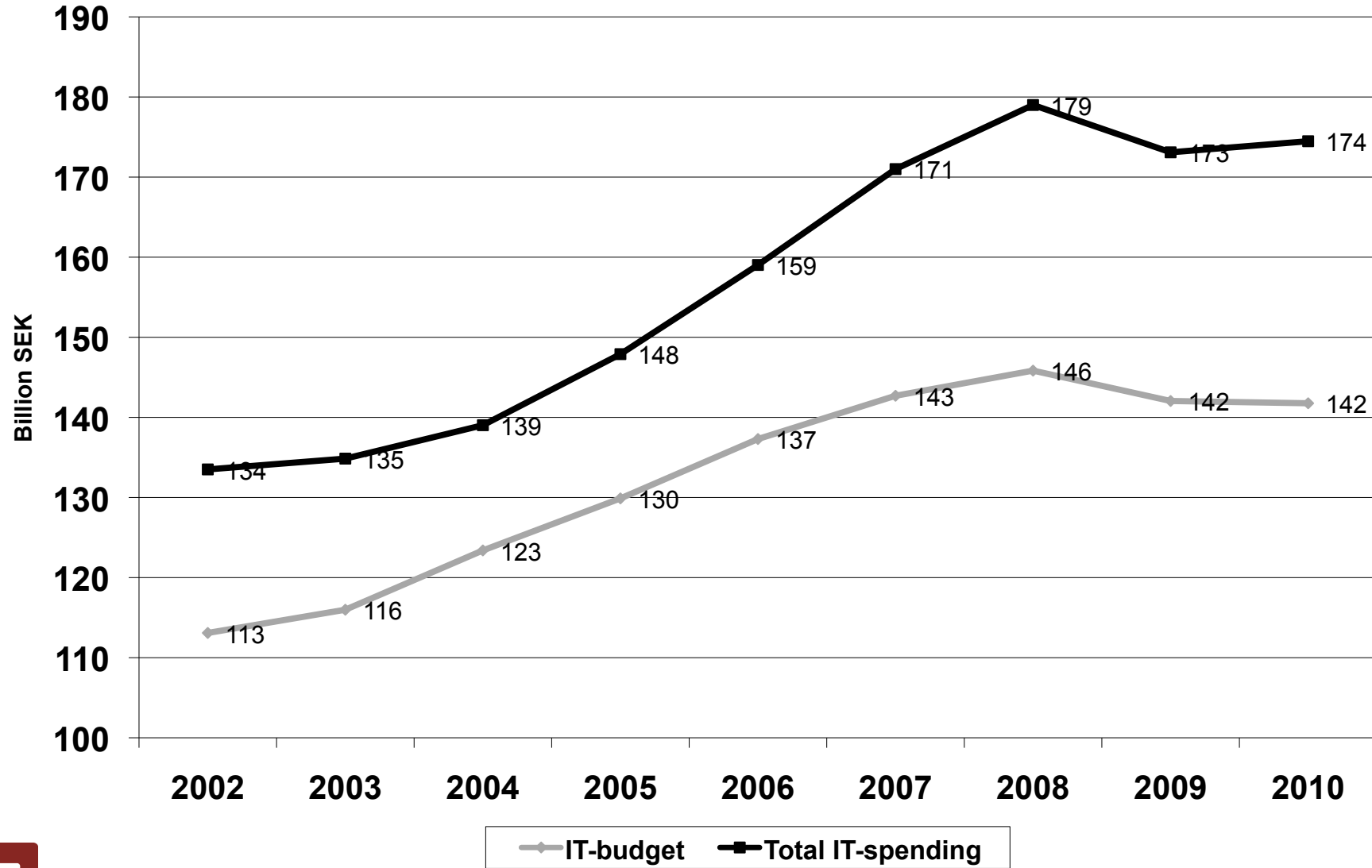
- The top was reached 2007 and the first part of 2008
- IT-budgets will decrease 2009 with at least 2,6 %
- IT-spending, which also includes IT-spending outside IT-departments, will decrease with 3,3 %
- The IT-market's development is not homogeneous
 - Market segment – industry segments are cutting harder than service segments
 - Solution areas – growth for outsourcing and information management
- The Swedish business landscape will change
 - Bankruptcies
 - Consolidations
 - Invaders

Growth rate compared with earlier years



Source: Exido | IT-barometern

Budget and spending



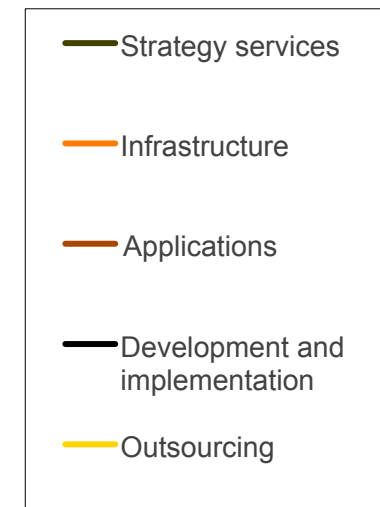
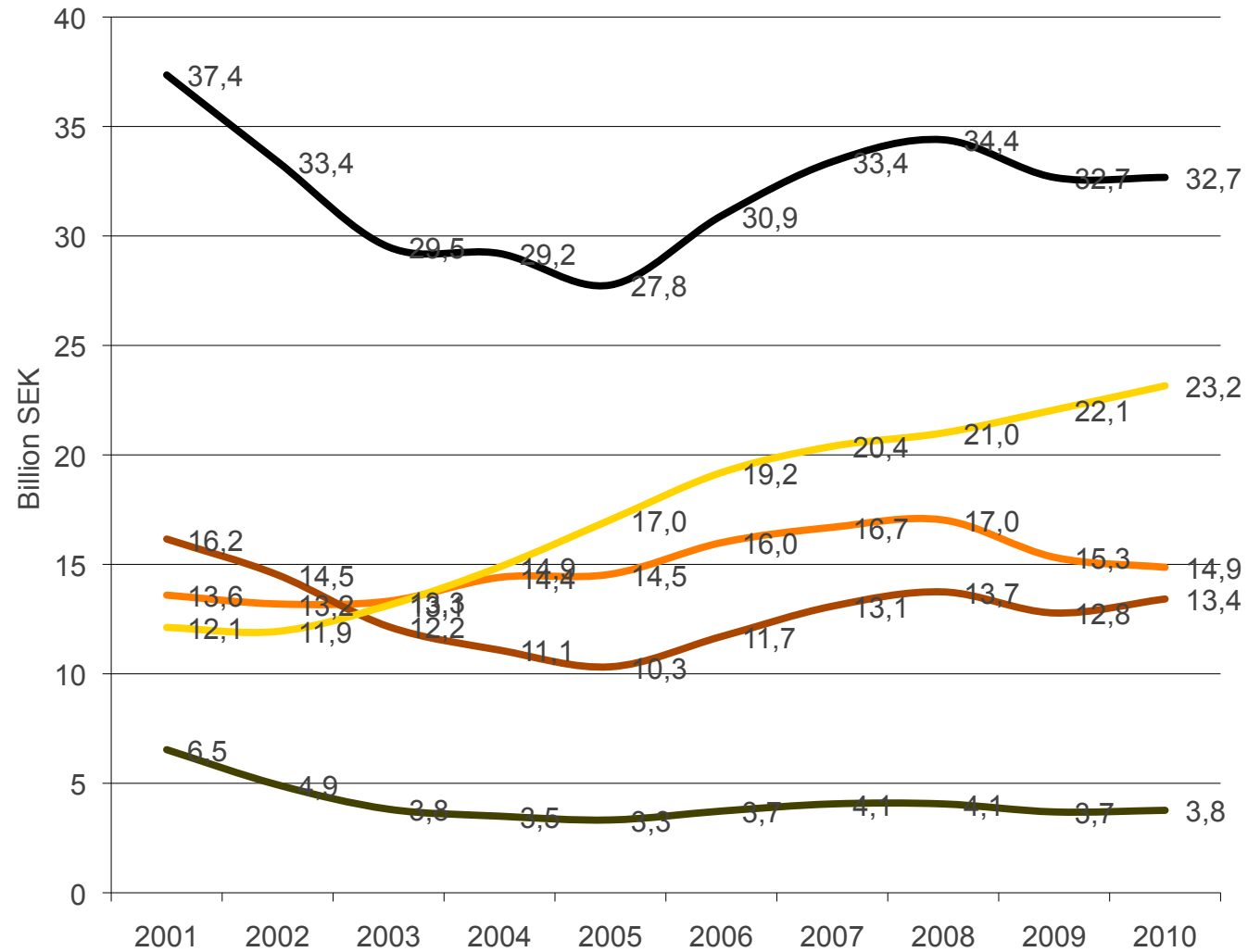
Source: Exido | IT-barometern

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Recessions impact on IT

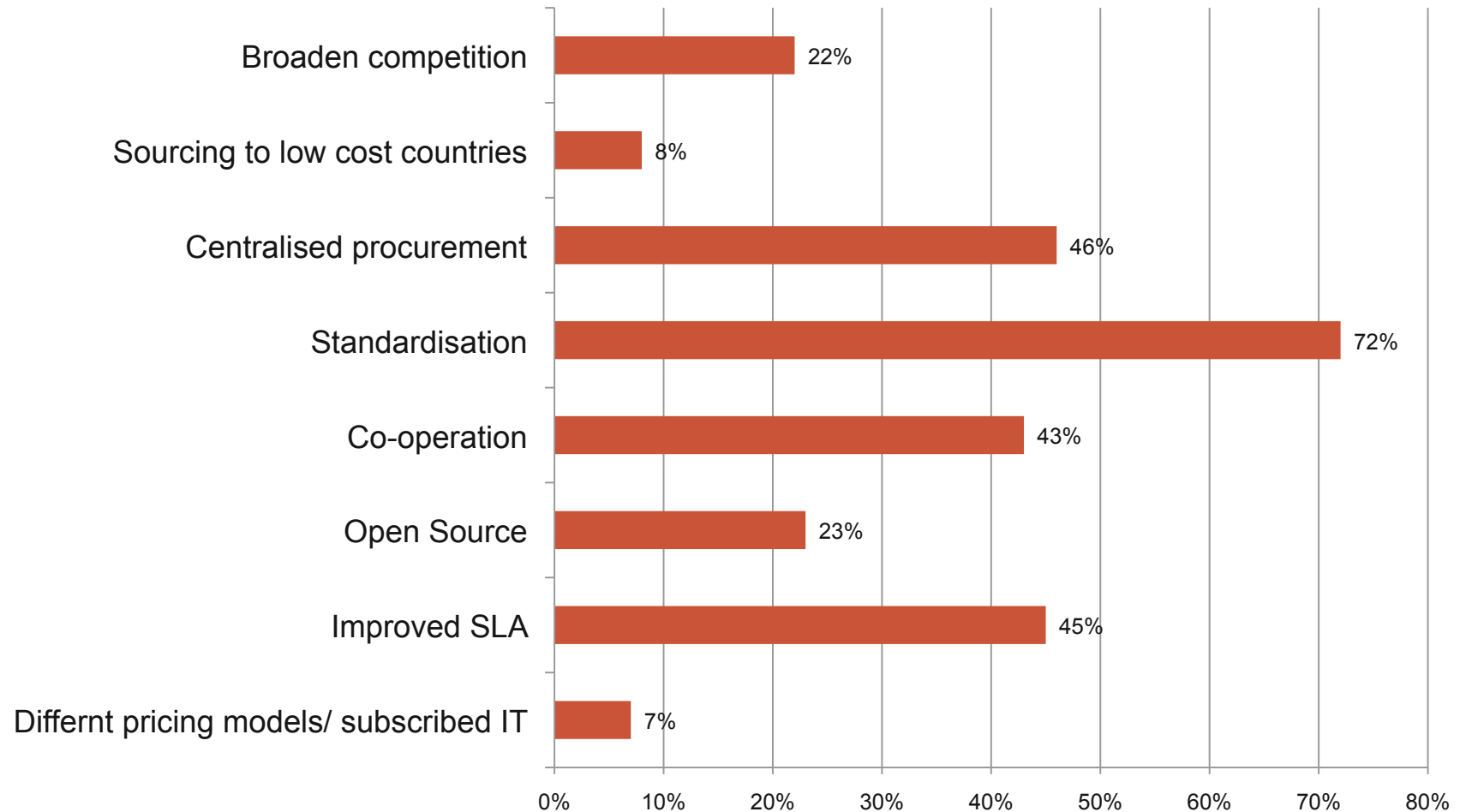
- All costs are looked over
 - Prolonged life cycles – for hardware and software
 - Asset management
- IT-spending will decrease
 - Development projects are stopped or postponed
 - Focus on core and critical systems
 - Fewer projects within the organization
- The growth will come back first 2010
 - In business projects first
 - Openings for new solutions such as cloud computing, IT-brokers, functional outsourcing

Market value per solution area



Source: Exido | IT-barometern

Where are the potentials to reduce IT-costs to meet recession?



Source: Exido | IT-barometern 2008

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Business trends

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Swedish business trends

Dematerialization

- Value constellations
- Outsourcing

Decentralization

- Project organization
- Cloud computing

Co-creation

- Open business models
- Collaboration software / Web 2.0

Sustainable responsibility

- Common objective
- Green IT



Outsourcing

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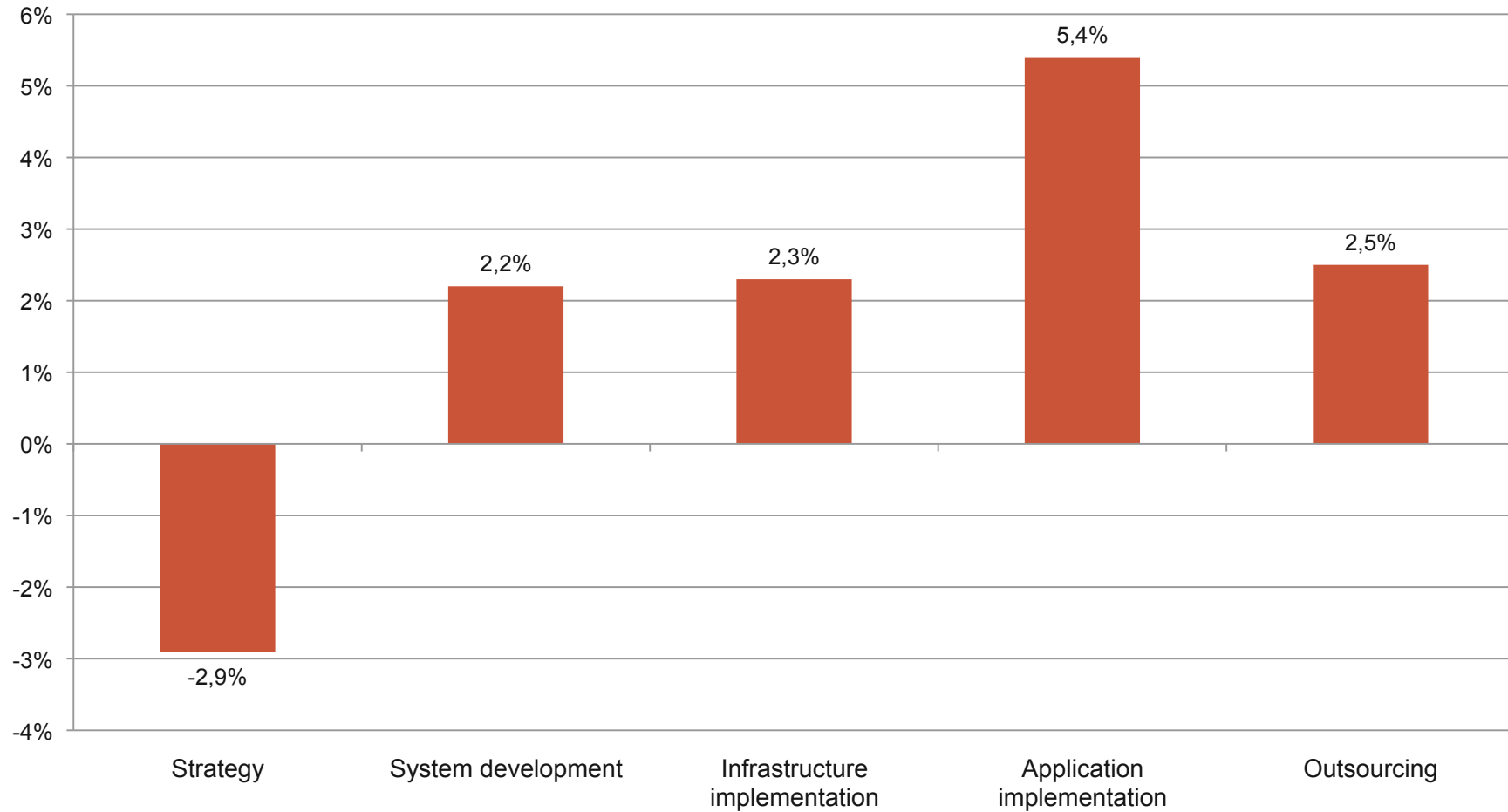
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Outsourcing in brief - 2009

Turnover within IT-budgets 2009	22,1 Billion SEK (3 Billion USD)
Market growth 2009	5 %
Market growth 2010	↗
Share of companies that outsource 2009	36 %
Share of companies with >200 employees that outsource 2009	40 %
Growth number of companies that outsource	→
Growth number of companies that outsource (>200 employees)	→

Price development - outsourcing

2004 - 2009



Source: Exido | IT-barometern 2008

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Outsourcing – what will come?

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Outsourcing is
nothing new

Resources

1960's and 1970's
Competence clusters



Costs

Economies of scale
"The world is flat" – off shoring
Standardization and Open source



Competence

KPIs

Centers of excellence
Value constellations



Outsourcing in Sweden

- Companies have a positive perspective on outsourcing
 - Almost every second company have outsourced parts of IT
 - Companies that are reducing their IT-budgets are more interested in outsourcing solutions than other companies
- Off shoring has a positive trend
 - Indian companies are high ranked in customer satisfaction indexes
 - But the exchange rate is holding back the growth
- Functional outsourcing gains larger acceptance
 - I.e. work stations and help desks
 - New leverage points
- Disruptive business landscape for IT-outsourcing
 - Invaders with other business models



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