

GLOBAL SMBs TO BUY 1.1 MILLION NETBOOKS IN 2009

Total Shipments of Netbooks into Commercial Segment to be over 1.4 Million units

Global SMBs' Notebook shipments' Forecast on track for 5.4% growth rate in 2009

San Jose, CA, May 5, 2009: The global economic crisis continues to impact SMBs worldwide. As SMBs rein in IT spending, the latest casualty is spending on replacing existing desktops and notebooks which accounts for the largest chunk of SMB IT related spend.

Techaisle is forecasting that SMBs worldwide will purchase 1.1 million Netbooks in 2009 jumping to to 3.5 million units in 2010. Overall, between 22% and 30% of SMBs state they are looking at Netbook purchases as they consider upgrading their core desktop and notebooks. A recent survey conducted by Techaisle suggests that while some SMBs are looking at Netbooks as possible replacement for desktops and notebooks, it is more likely that Netbooks will be used to augment rather than replace desktops and notebooks. Based on the survey, it found that among SMBs two factors are contributing to the adoption of Netbooks:

1. Highly price sensitive SMBs are taking advantage of lower prices sacrificing computing power, screen size and gaming ability
2. A new segment of mobile device buyers are entering the market expanding the market for mobile computing devices.

Techaisle believes that while overall SMB notebook shipments are on track for a 5.4 percent growth rate, purchases of Netbooks will ultimately lead to lower average selling prices (ASPs) and exert downward margin pressure on PC manufacturers.

“What Netbook adoption among SMBs has exposed is a latent need for small, lightweight devices. This demand is being filled by Netbooks and smartphones today. However, larger screen sizes are driving Netbook prices up and eroding the differences between Netbooks and notebooks, putting further expansion of the Netbook marketplace at somewhat of a risk. For the Netbook market to expand there needs to be a greater “value proposition differential” - the subjective and objective differences in user experience between products”, says Abhijeet Rane, Partner and Senior Vice President, Techaisle.

About Techaisle

Techaisle is a market research and consulting company providing actionable data and lead generation on emerging markets. Techaisle believes that companies need a consistent source of normalized market intelligence data on emerging markets Techaisle's core premise is that data is inherently more

valuable when it can be aggregated, made available in real time and delivered as an answer to a specific question. Techaisle has pioneered a business model, very different from the traditional market research organizations, providing flexible data delivery, sales & marketing data Integration to manage opportunity vs. planning, online slicing-dicing for all market opportunity data analytics, customer segmentation that is easily understood, easily deployable and drives actual sales. Techaisle's ReadyRespondent database can be leverage for marketing services including channel lead generation in emerging markets.

Survey data and analytics referred to in the release are available for purchase. For more information on Techaisle or our global products, please visit www.techaisle.com or call 408-914-2989.