



IT Vendors Make a House Call as Opportunities in the Healthcare Industry in Asia Increase

Fragmentation of the market makes local strategies even more important

Singapore – September 11, 2007 – Springboard Research, a leading innovator in the IT Market Research industry, today announced the results of its latest research on IT and Technology in the Healthcare industry in Asia (excluding Japan). Springboard's data shows that the total market for IT in the Healthcare industry in Asia was US\$2.95 billion in 2006 and it is expected to grow at a compound annual growth rate (CAGR) of 13.1% to reach US\$4.83 billion in 2010. China was by far the largest market in the region, comprising 46% of all Healthcare IT spending, followed by Australia with a 25% share.

India was the fastest growing Healthcare IT market with an expected growth rate of 22%, closely followed by China, with Vietnam in third place with growth of about 13%. Surprisingly, Australia, probably the most developed market in the region and the second largest, was also the fourth fastest growing market.

When examining Healthcare IT spending as a percentage of total IT spending, Australia was the highest in the region, followed by China, Malaysia, New Zealand, the Philippines, and Vietnam. Interestingly, many of the more developed Asian markets like Hong Kong, Taiwan, Singapore, and Korea had a much lower percentage of Healthcare IT spending than the emerging markets but still manage to provide high quality healthcare services to their populace.

"While most industries in Asia are very fragmented as far as development, maturity, and growth, we see this even more accentuated in the Healthcare industry," said Jonathan Silber, Research Manager for Springboard Research. "While you can see a definite split in trends and spending patterns by developed and developing countries, even within these groups there is further fragmentation that increases the challenge for IT vendors. For example, you have a mature country like Australia that is a larger market, yet growing faster than many of the emerging markets due to trends unique to Australia. We are seeing more unique drivers across countries, so local strategies are even more important in Asia" added Mr. Silber.

In the more developed markets, Springboard is seeing the shift from clinical to patient focused care driving technology needs as healthcare providers continue to invest to improve efficiencies and the sharing of information across healthcare providers. Other drivers include increased regulations, privacy restrictions in some countries, a replacement of legacy infrastructure, as well as an ageing population in many of the developed countries.

Emerging markets in Asia continue to invest in infrastructure for their Healthcare sector, with a broader push for community care and increased care in the rural areas of most countries. Huge sums of money are being spent in India and China in this regard and, as mentioned above, many of the emerging markets in Asia are spending more on Healthcare as a percentage of total IT spending than the more developed countries.

The leading vendors in the Healthcare industry in Asia tend to fall into two categories- the first category being the larger multinational IT vendors like Microsoft, IBM, HP, Oracle, SAP, Accenture, EDS, and Intel. The second category is comprised of vendors focused on providing Healthcare solutions, which increasingly are leveraging technology as part of these solutions- these vendors include companies like Cardinal Health, McKesson, Emdeon, and GE Healthcare.

Local ISVs and SIs are also quite prominent in the competitive landscape as they both compete and partner with the multinational firms. Springboard sees quite a vibrant landscape emerging as local firms embrace the Healthcare opportunity and leverage their knowledge of the local market and existing relationships.

About This Study

The Springboard Research study, *IT in the Healthcare Industry in Asia-* , examines key trends, market sizing, and forecasts in the Asia (excluding Japan) Public and Private Healthcare industry. A key focus area of the report is the inclusion of an array of market data, including market size and growth forecasts, for key technologies by country. Springboard also analyzes what is driving IT adoption by country as well as what social, economic, and government actions and policies are driving IT spending within each country. This extensive research study aims to help IT vendors identify key target markets and segments in the Healthcare industry to help them better understand and penetrate this industry.

About Springboard Research

Springboard Research's core values are value, integrity and insight. Led by a team of dynamic industry experts, Springboard Research provides its customers with high value IT market research that helps them identify new market opportunities, growth engines and innovative ways to go to market. As a result, Springboard's clients lead rather than follow market trends. Not bound by legacy, Springboard's cutting-edge research model leverages its offshore research centers, the Internet, and an increased use of technology as engines of innovation to deliver unique research value. Provided as an alternative to traditional IT market research, Springboard's reports deliver data and knowledge in a more usable and interactive format for our clients. Springboard Research works with the largest IT companies in the world in the software, services, hardware, and telecommunications sectors.

Founded in 2004, Springboard Research serves the needs of its clients globally through offices in the United States, Australia, Singapore and Japan as well as global research centers in India, Morocco, and Pakistan.

For more information regarding Springboard Research, please visit www.springboardresearch.com

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