



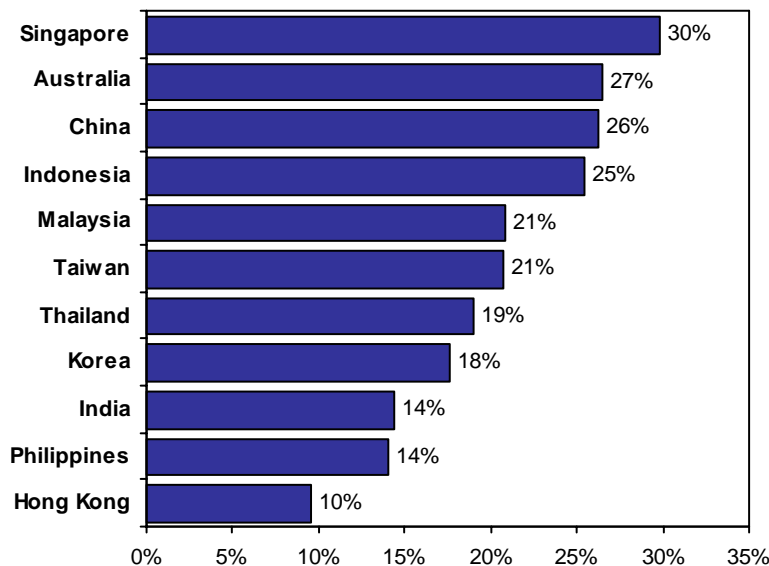
Security & Defence Initiatives Driving IT Expenditure in the Public Sector in Asia

IT in the Internal Security & Defence Segment to Grow to US\$5.4 Billion in 2009

Singapore – August 2, 2006

Springboard Research, a leading innovator in the IT Market Research industry, today released a study showing that Security & Defence initiatives are stimulating strong spending on IT in the Asian Public Sector. The regional market (excluding Japan) for spending by this public sector segment saw IT spending increase to US\$3.8 Billion in 2005, a total Springboard expects to grow to US\$5.4 Billion by 2009. Currently, IT spending in the Security & Defence space is the largest segment of public sector spending, representing 22% of total technology expenditure in the Public Sector.

Percentage of Public Sector IT Spending on Internal Security & Defense, 2005



“With the ever-present threat of terrorism and the continuing modernization of militaries in Asia, we are seeing IT spending in the Security & Defence segment leading other segments as governments in Asia leverage technology as a key part of their security strategies,” said Jonathan Silber, Senior Market Analyst for the Public Sector for Springboard Research. “Technology is now coming to the forefront in defence and internal security, and sophisticated intelligence and border control solutions are receiving far more focus in the post 9-11 world.”

This study revealed that China currently has the largest IT expenditure in the Security & Defence segment in Asia, just slightly higher than Australia, with the market in 2005 being close to US\$1.3 billion. India is expected to be the fastest growing market with a

compounded annual growth rate (CAGR) of 17.6% from 2005-2009. Australia and Singapore are in a near tie when looking at the highest IT Spending on Security & Defence on a per capita basis, while Singapore had the highest percentage of IT spending going into the Security & Defence segment at almost 30% of total Public Sector IT spending in 2005.

“While the Security & Defence segment is by far the largest sub-vertical within the Public Sector for IT spending, the growth rate is on par with other, much smaller sub-verticals like Government Healthcare, Taxation/Finance, Social Services, and Public Works. We believe this continued growth will present increasing opportunities for IT vendors focused on providing solutions to help meet the unique needs of this segment,” added Mr. Silber.

The largest individual body in the region focused on Security & Defence is the Australian Department of Defence, with an estimated IT expenditure exceeding US\$600 million in 2005, followed by the Ministry of National Defence in China with IT expenditures exceeding US\$400 million.

About this Study

This landmark study by Springboard, “IT Spending in the Public Sector in Asia: Opportunities Abound” - examines key trends in the Public Sector in Asia and provides very in-depth and granular information on the Public Sector in each of the 13 markets covered in this study. A key focus of this report was to dive deeper into the Public Sector in each country to measure the Sub-Vertical Industries within the Public Sector such as Defence, Healthcare, Social Services, Taxation/Finance, etc... and to provide granular data on each of these Sub-Verticals. Springboard has also ranked the top 15 Public Sector organizations by IT spending in each country to identify the leading ministries and departments and forecast their future IT expenditure.

About Springboard Research

Springboard Research represents value, integrity and insight. Lead 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, which means Springboard’s customers 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. This means that customers have a real alternative for IT market research and where knowledge is delivered in more useable and interactive formats. Springboard Research works with the largest IT companies in the world across the hardware, software, networking, and services sectors.

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

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

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