



**BUSINESS OPPORTUNITIES IN THE
MANUFACTURING AND SERVICES SECTOR
IN MALAYSIA**
18 NOVEMBER 2013



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CONTENT OUTLINE:



Recent Economic Developments in Malaysia



Investment Trends & Trade



Investment Opportunities in the Manufacturing & Services Sector



Investment Policies & Incentives



Malaysia - Gateway to Regional Markets



Facilitation of Investment

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MALAYSIA' VISIBILITY



Diversity

**Multiracial,
multicultural and
multilingual
Malaysians living in
harmony**



Silicon Valley of Malaysia

**H i g h - t e c h
manufacturing hub**

PETRONAS



Petronas

**Ranked 68th in
FORTUNE Global 500®,
with revenue over US
\$97 billion**



Palm Oil

**39 % of world's
palm oil production
and 44% of world's
exports**



Islamic Banking

**Over 30 years of
experience and world
leader in Islamic
banking with a strong
legal and regulatory
Framework**

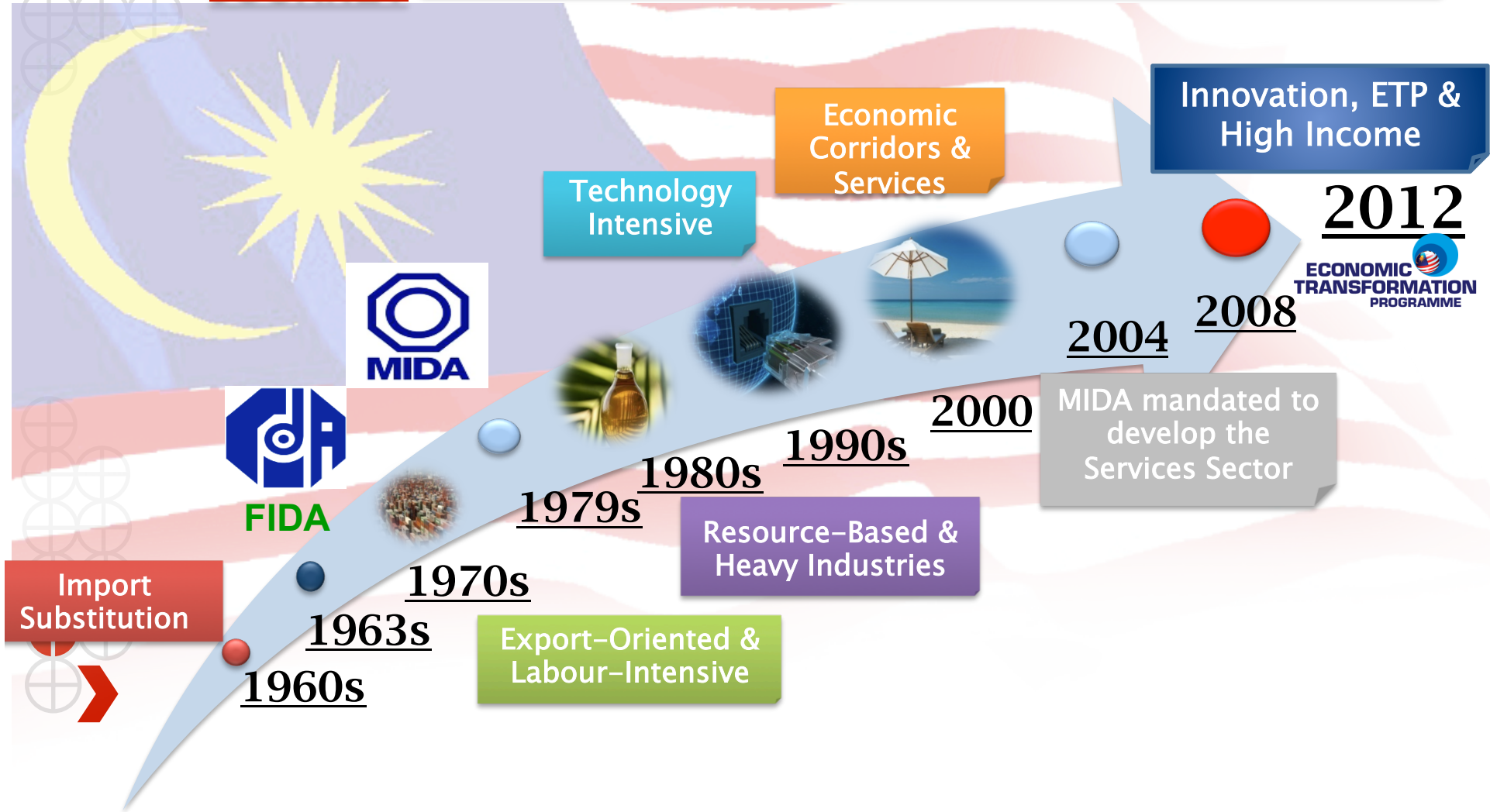


Gloves

**Malaysia is the
largest supplier
of examination
and surgical
gloves - 50% of
the global
demand**

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THE MALAYSIA'S ECONOMIC DEVELOPMENT JOURNEY

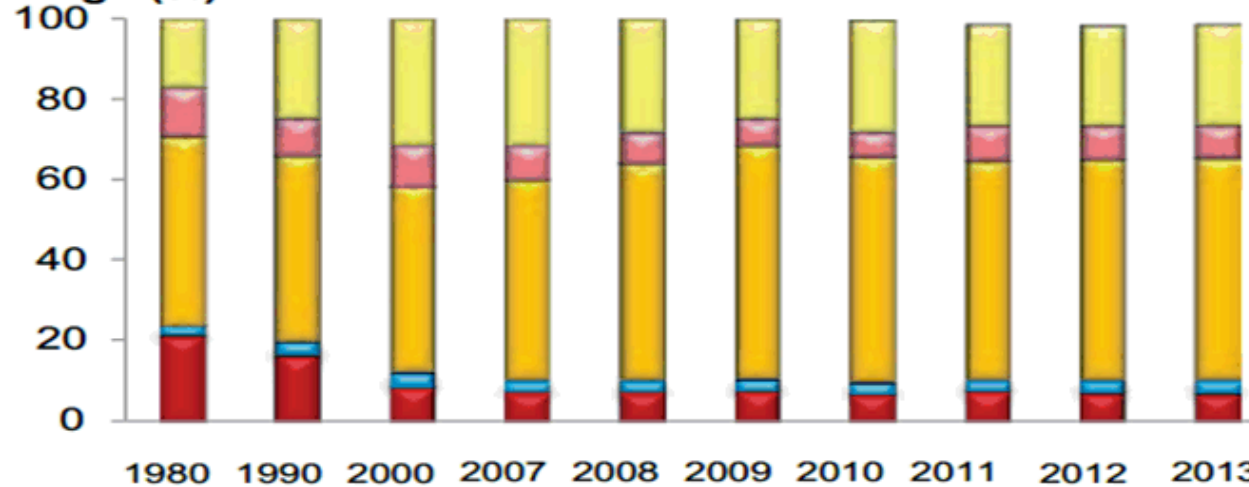


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GDP BY INDUSTRIAL ORIGIN



Percentage (%)



	1980	1990	2000	2007	2008	2009	2010	2011	2012	2013
Manufacturing	17.2	24.6	30.9	27.2	26.1	24.2	25.2	25.1	25.0	25.0
Mining	12.1	9.4	10.6	11.9	11.1	10.5	9.8	8.8	8.5	8.3
Services	43.1	46.8	49.3	50.9	53.2	53.2	53.2	54.2	54.5	54.8
Construction	2.7	3.5	3.9	2.9	2.8	3.1	3.0	3.0	3.3	3.5
Agriculture	21.0	16.3	8.6	7.9	7.8	7.9	7.6	7.7	7.3	7.2

*Notes: Data for 2011 is preliminary & 2012 is forecast
Data excludes import duties*

Source : Economic Planning Unit, Prime Minister's Department



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MALAYSIA'S KEY ECONOMIC INDICATORS



	2011	2012	Q1 2013
Real GDP (%)	5.1	5.6	4.1
Inflation (%)	3.2	1.6	1.5
Per Capita Income (USD)	9,508	9,974	10,134 <i>f</i>
Unemployment (%)	3.1	3.0	3.2
Trade Surplus (USD bil)	39.3	9.8	5.4
International Reserves (USD bil)	133.6	139.7	136.6*
Retained Imports Equivalent (months)	9.7	9.3	9.7*

PERFORMANCE OF THE MANUFACTURING & SERVICES SECTORS



TOTAL APPROVED MANUFACTURING PROJECTS **2008 – [AUG. 2013]**

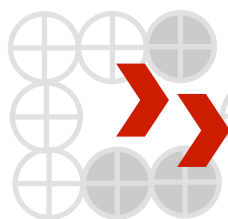


YEAR	NO. OF PROJECTS	PROPOSED INVESTMENT (US\$ Billion)		
		Domestic	Foreign	Total
2008	919	4.8	13.3	18.1
2009	766	3.0	6.5	9.5
2010	910	5.9	9.4	15.3
2011	846	6.9	10.8	17.7
2012	804	6.6	6.8	13.4
2013 (Aug.)	463	3.3	5.7	9.0

NUMBER OF REGIONAL ESTABLISHMENTS AND SUPPORT SERVICES APPROVED, AS AT 31 DEC 2012



No.	Category	No. of Companies Approved
1.	Operational Headquarters (OHQ)	232
2.	International Procurement Centre (IPC)	232
3.	Regional Distribution Centre (RDC)	29
4.	Regional Office (RO)	836
5.	Representative Office (RE)	1,539
6.	Integrated Logistics Services (ILS)	33
7.	International Integrated Logistics Services (IILS)	12



REALISED INVESTMENT IN THE MANUFACTURING SECTOR BY MAJOR COUNTRIES, AS AT 31 DEC 2012

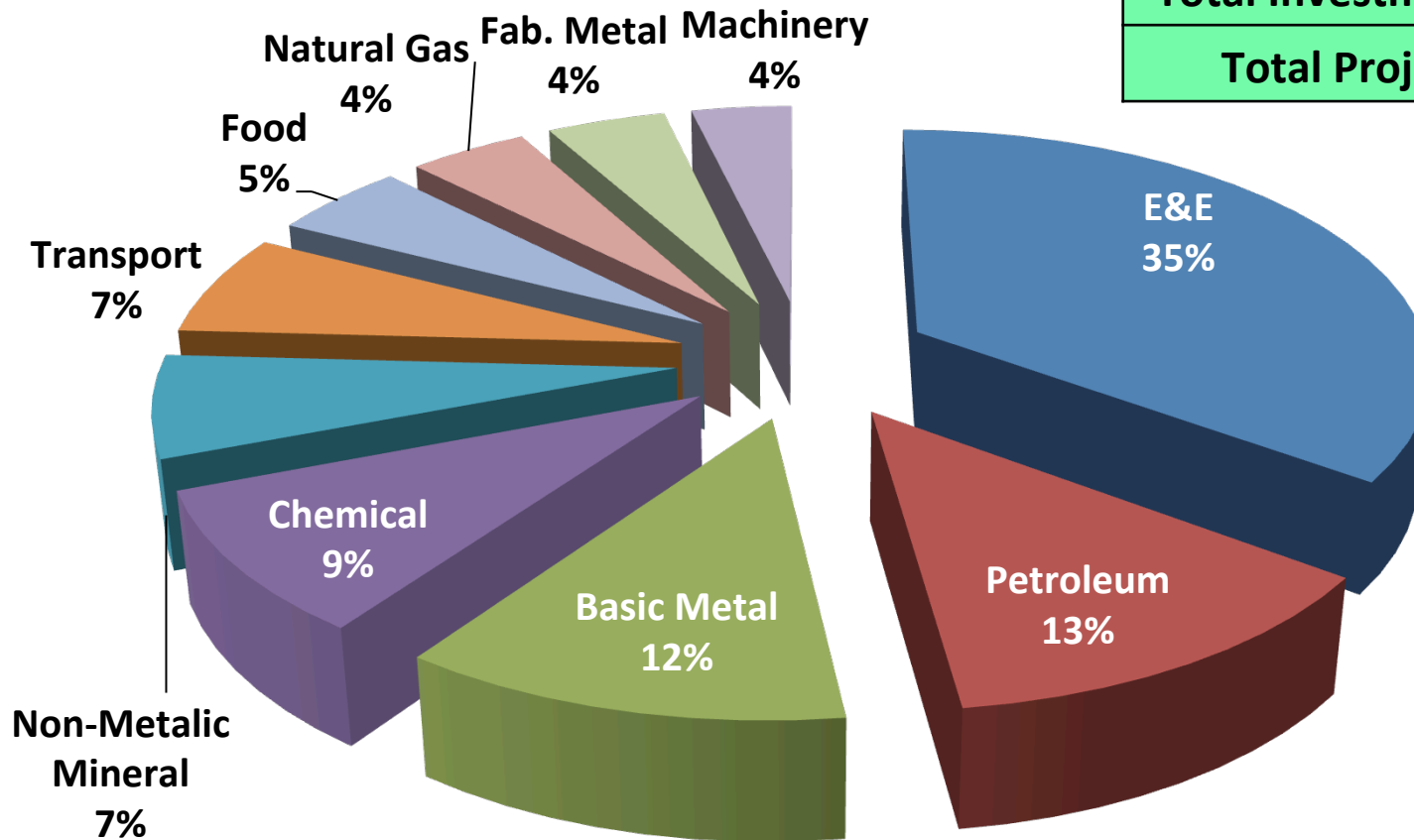


<u>No.</u>	<u>Country</u>	<u>Investment (USD billion)</u>
1.	Japan	22.0
2.	USA	18.9
3.	Singapore	8.0
4.	Germany	6.2
5.	Netherlands	4.6
6.	Taiwan	5.3
7.	South Korea	4.0
8.	United Kingdom	1.8
9.	Hong Kong	1.6
10.	Spain	1.2

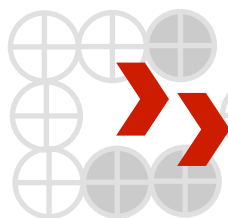
REALISED INVESTMENT IN THE MANUFACTURING SECTOR BY MAJOR SECTORS, AS AT 31 DEC 2012



Total Investment :	USD 132.6 bil
Total Projects :	11,921



Source: Malaysian Investment Development Authority



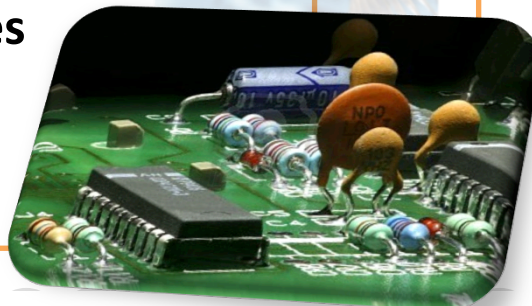
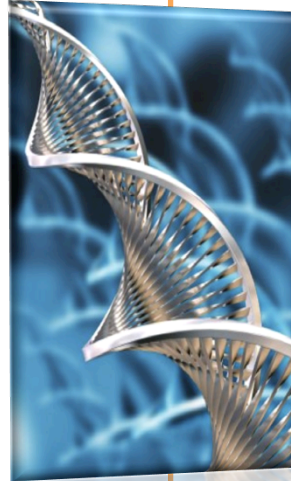
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NATIONAL POLICY ON SECTORS TO BE PROMOTED IN THE MANUFACTURING SECTOR

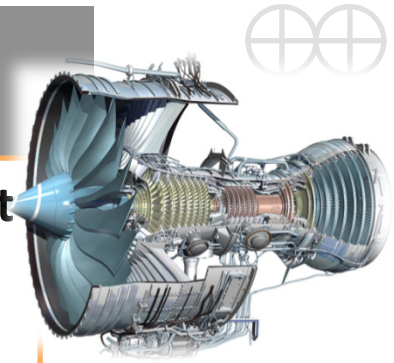
High technology, capital intensive & knowledge driven industries:

- Alternative Energy Sources
- Biotechnology
- Advanced materials
- Advanced electronics
- Optics and photonics
- Petrochemicals
- Pharmaceuticals
- Medical devices
- ICT
- Aerospace



Industries manufacturing intermediate goods:

- Machinery & equipment
- Components & parts
- Moulds and dies



Resourced-based industries:

- Oil & Gas
- Food & Agro based
- Value-added products from natural resources



NATIONAL POLICY ON SECTORS TO BE PROMOTED IN THE SERVICES SECTOR

➤ Regional Establishments

- Operational Headquarters (OHQ)
- International Procurement Centre (IPC)
- Regional Distribution Centre (RDC)

➤ Logistics

- Integrated Logistics Services
- Cold Chain Facilities



➤ Tourism

- Hotel
- Tourist project
- Recreational camp
- Convention centre



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NATIONAL POLICY ON SECTORS TO BE PROMOTED IN THE SERVICES SECTOR



➤ Environmental Management

- Energy conservation/efficiency
- Energy generation, using renewable energy sources
- Storage, treatment and disposal of hazardous waste
- Recycling of agricultural waste and agricultural by-products

➤ Business Services

- Research & Development (R&D)
- Market Support Services
- Central Utility Facilities
- Technical & Laboratory Testing
- Film & Video Production & Post Production

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