Annual Report 2013/14_

FUTURE READY singapore

EDB singapore

Content

EDB achieved strong investment commitments in 2013 as companies continue to choose Singapore as their strategic Global-Asia hub to drive business, innovation and talent activities. Singapore remains an attractive destination for global companies accessing growth opportunities in Asia, and for Asian companies seeking to grow in international markets.

Singapore a key partner for companies to ride on Asia's growth

For the ninth consecutive year, the World Bank ranked Singapore as the easiest place in the world to do business. The growing number of companies that have established their regional and international HQs in Singapore bears testimony to this ranking. Singapore's strategic location, our insights into emerging markets especially in ASEAN, strong international connectivity, coupled with our multi-cultural talent pool are some attributes which international enterprises find valuable for driving their business growth across Asia.

General Motors moved their international HQ to Singapore to manage and grow their business in Asia and the rest of the world. Kellogg's have also made Singapore their Asia-Pacific HQ to harness growth opportunities in the region. In addition, Singapore is a base for an increasing number of Asian companies seeking to internationalize. Japanese sports apparel and equipment maker ASICS and fellow Japanese brand Mizuno set up their regional HQs here to be closer to their customers. China's biggest water-treatment systems developer Beijing Enterprise Waters Group recently opened its international HQ in Singapore with plans to invest as much as S$2 billion globally in the next five years.

EDB will continue to ensure that Singapore remains a compelling business location to attract good investments and grow our economy.

Creating opportunities for Singaporeans

As companies from around the world grow their activities in and from Singapore, new jobs and exciting career opportunities are being created for Singaporeans. With each industry that we develop, and with each new investment and company that we bring in, EDB seeks to ensure that Singaporeans are equipped with the necessary skills to benefit from these employment opportunities.

In 2013, 21,400 new skilled jobs were created through the projects brought in by EDB. Many Singaporeans are benefiting from these jobs, ranging from cyber-security specialist, to digital marketing professional and master craftsman in precision engineering.

"With each industry that we develop, and with each new investment and company that we bring in, EDB seeks to ensure that Singaporeans are equipped with the necessary skills to benefit from these employment opportunities."

EDB will continue to work closely with international enterprises with significant operations here to recruit and develop Singaporeans for these new jobs, including corporate management roles.

Creating a Future-Ready Singapore

Beyond the growth of Asia, EDB continues to position Singapore for the future to also capture new opportunities from technology.

InfoCommunications Technologies (ICT), for example, is enabling transformative changes across different industries. New growth opportunities abound from the application of digital technologies; pushing new industry frontiers either within existing industries or in new industries such as space and cyber security. Big Data and Applied Analytics will allow companies to learn deeper insights about markets and customers, while The Internet of Things and other digital technologies will enable companies to devise new business models, and offer new services and solutions.

The manufacturing landscape is also changing because of disruptive technologies like 3D printing that will enable new manufacturing activities, transform supply chains and business models. Singapore is in a position of strength to capitalise on these opportunities, building on our strong base of manufacturing industries and capabilities. We aim to have Singapore ready to seize these future growth opportunities and anchor our position as the advanced manufacturing hub in Asia.

EDB is also placing greater focus on attracting investments that not only lead to higher value-added activities but can also generate more productivity-driven growth for Singapore.

Conclusion

I would like to thank my dedicated Team EDB colleagues for their significant contributions. They believe strongly in creating a future-ready Singapore, and have been working tirelessly to achieve that goal. I am also deeply appreciative of the companies who have committed to being in Singapore and to growing together with Singapore.

In collaboration with our partners, EDB will continue to seize new growth opportunities, generate more value for businesses, and create good jobs for Singaporeans.

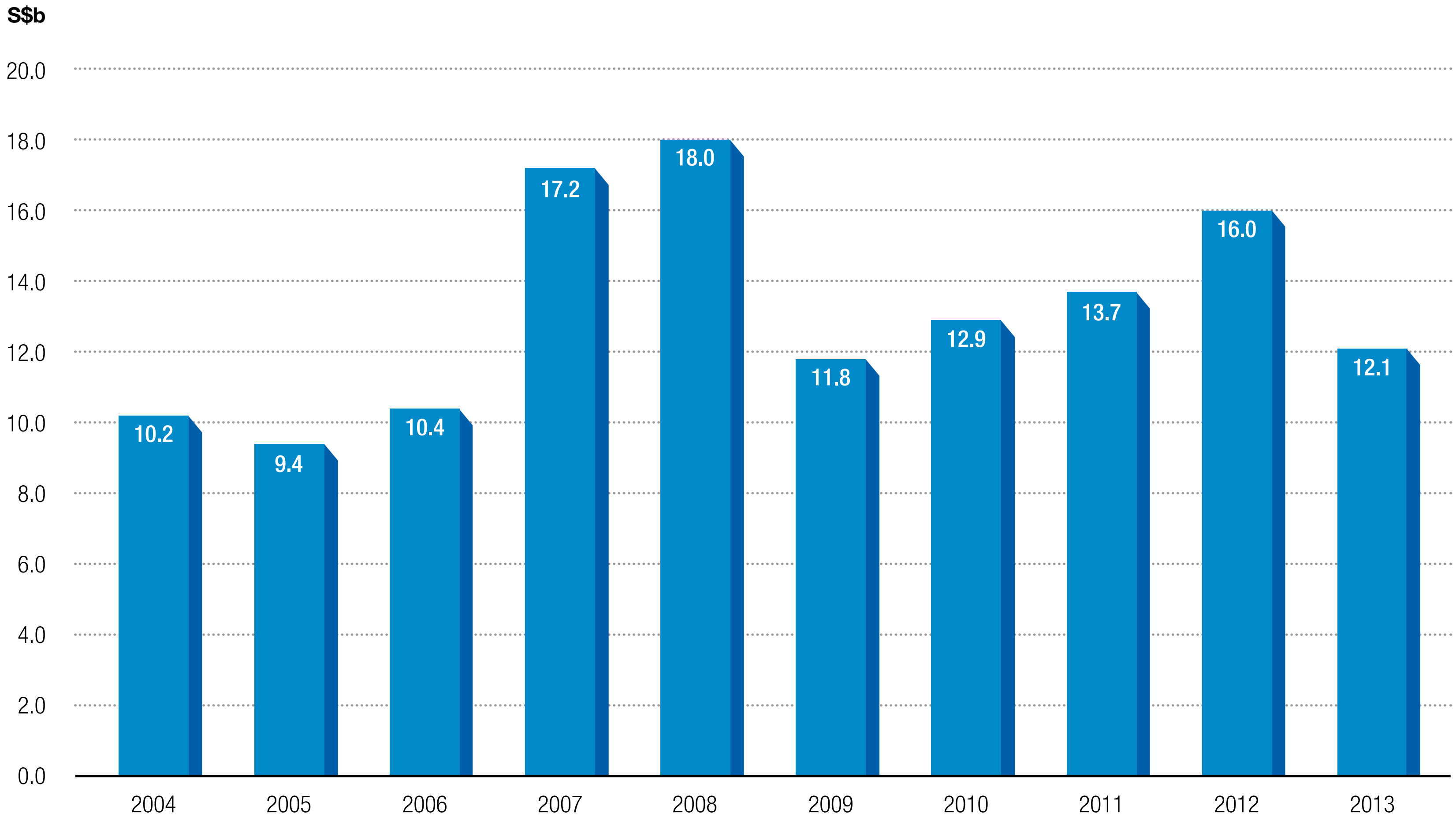
LEO YIP
Chairman
Singapore Economic Development Board

2013 investment commitments by industry

Industry	FAI (S$ billion)	TBE (S$ billion)	Expected VA per annum (S$ billion)	Skilled Employment
Electronics	3.3	0.6	1.8	1,310
Chemicals	2.5	0.3	1.0	700
Biomedical Manufacturing	0.8	0.2	0.8	600
Precision Engineering	0.6	0.2	0.3	650
Transport Engineering	0.7	0.9	1.0	2,910
General Manufacturing Industries	0.1	0.1	0.0	10
Infocommunications & Media	1.5	1.5	1.8	3,610
Headquarters & Professional Services	0.7	1.8	3.8	5,120
Engineering & Environmental Services	0.9	1.8	5.6	4,940
Logistics	0.6	0.2	0.2	820
Education	0.2	0.0	0.1	250
Healthcare Services	0.3	0.1	0.2	480
Total	**12.1**	**7.8**	**16.7**	**21,400**

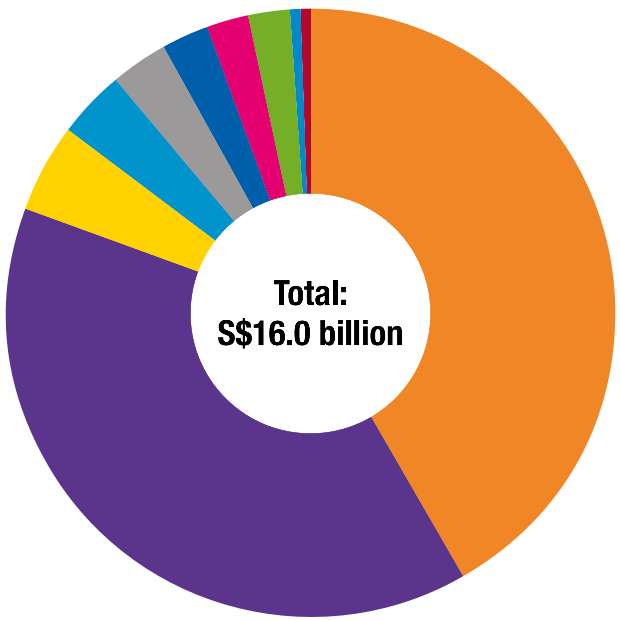
FAI (Fixed Asset Investments) refers to capital investment in facilities, equipment and machinery.
TBE (Total Business Expenditure) refers to a company's incremental operating expenditure in Singapore (excluding depreciation). The major components include wages and rental.
TBE was not measured before 2005.
VA (Value Added) measures the direct contribution to Singapore's Gross Domestic Product (GDP) excluding multiplier effects. The major components include wages and profit.
Skilled employment is defined as occupations in the Professional, Manager, Executive, Technician and Skilled Production Craftsman categories.

FAI investment commitments (2004-2013)



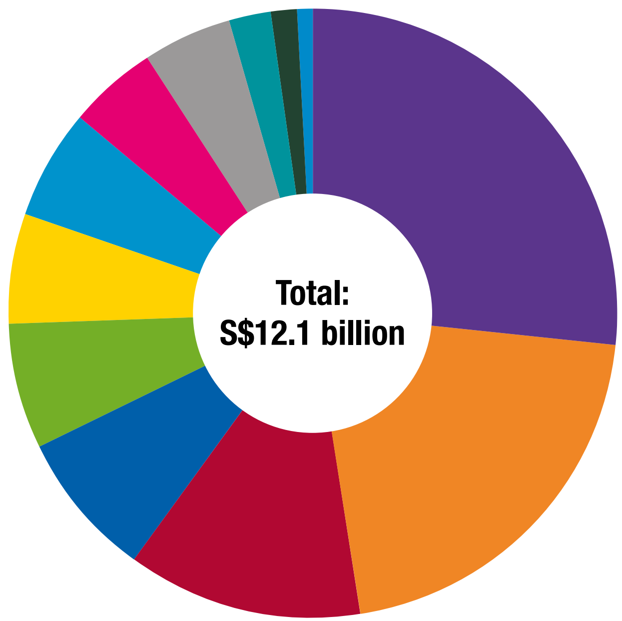
FAI investment commitments (2012, 2013)

By industry, 2012



Chemicals	S$6.7b	41.7%
Electronics	S$6.2b	39.0%
Headquarters & Professional Services	S$0.8b	4.8%
Transport Engineering	S$0.6b	3.6%
Logistics	S$0.5b	3.0%
Engineering & Environmental Services	S$0.4b	2.6%
Precision Engineering	S$0.4b	2.2%
Biomedical Manufacturing	S$0.3b	2.0%
General Manufacturing Industries	S$0.1b	0.8%
Infocommunications & Media	S$0.1b	0.3%

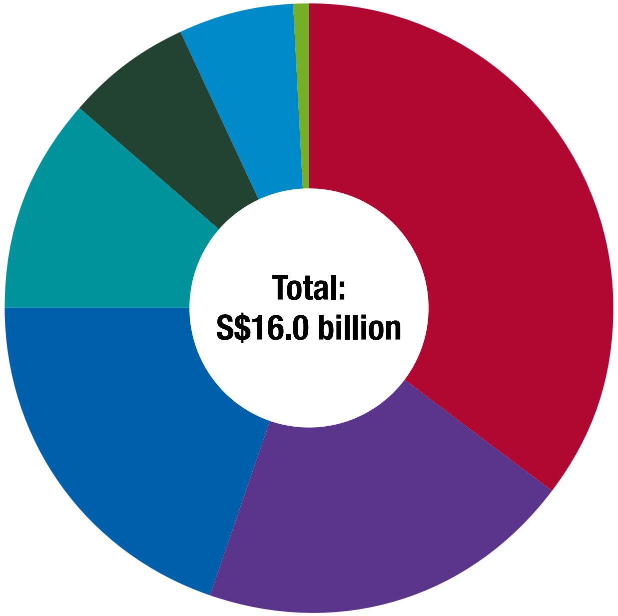
By industry, 2013



Electronics	S$3.3b	26.9%
Chemicals	S$2.5b	20.7%
Infocommunications & Media	S$1.5b	12.5%
Engineering & Environmental Services	S$0.9b	7.8%
Biomedical Manufacturing	S$0.8b	6.6%
Headquarters & Professional Services	S$0.7b	6.0%
Transport Engineering	S$0.7b	5.7%
Precision Engineering	S$0.6b	4.8%
Logistics	S$0.6b	4.8%
Healthcare Services	S$0.3b	2.1%
Education	S$0.2b	1.3%
General Manufacturing Industries	S$0.1b	0.8%

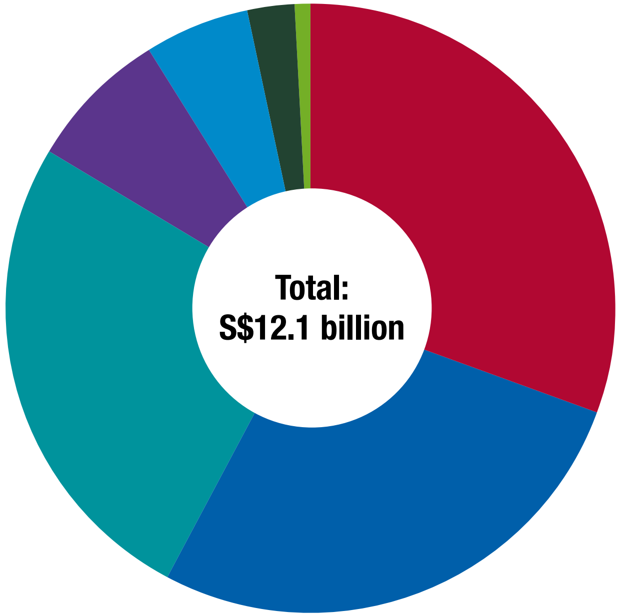
FAI investment commitments (2012, 2013)

By region, 2012



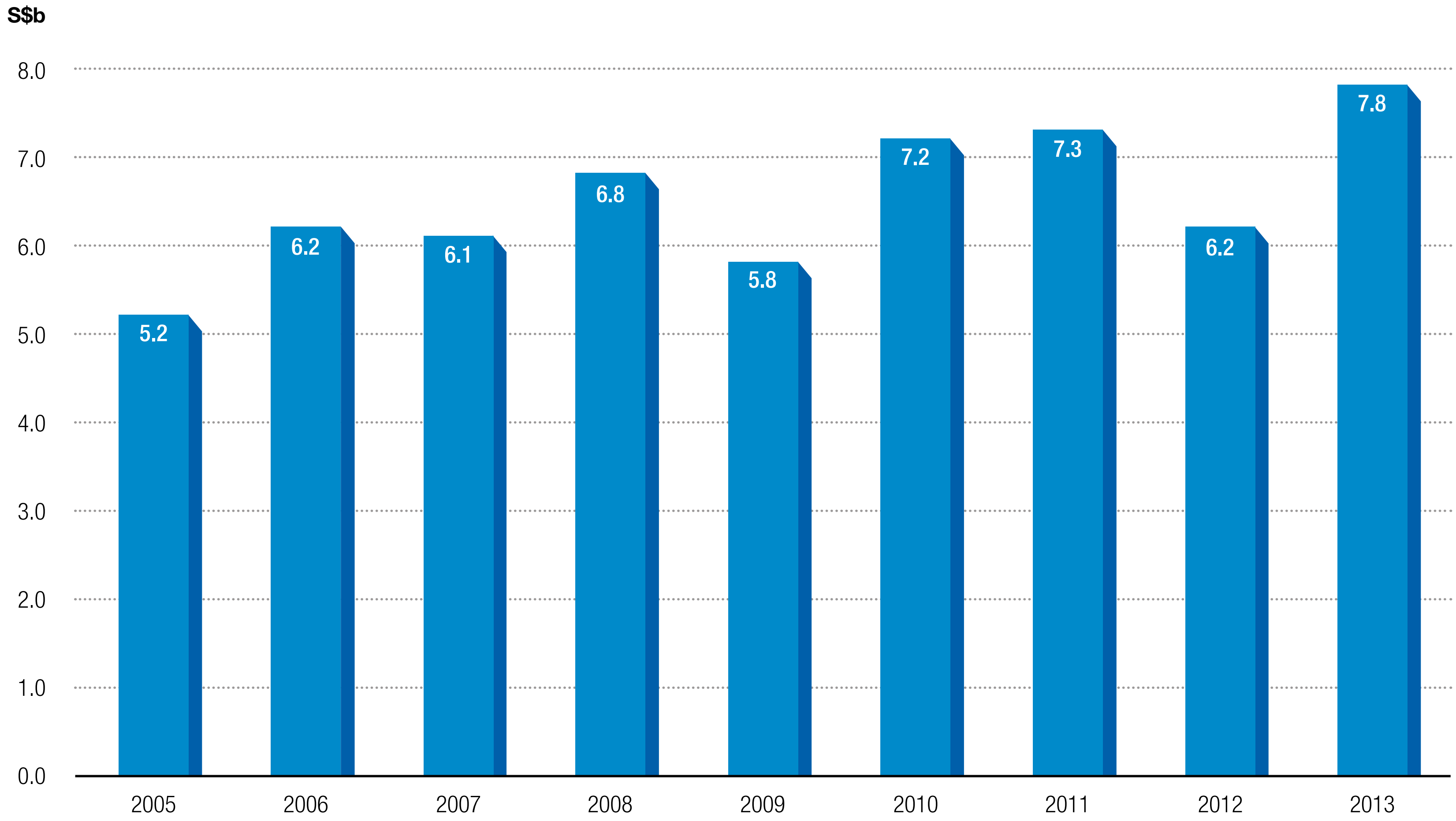
USA	S$5.7b	35.3%
Others	S$3.2b	20.2%
Europe	S$3.1b	19.6%
Singapore	S$1.8b	11.5%
China	S$1.1b	6.7%
Japan	S$1.0b	6.1%
India	S$0.1b	0.6%

By region, 2013



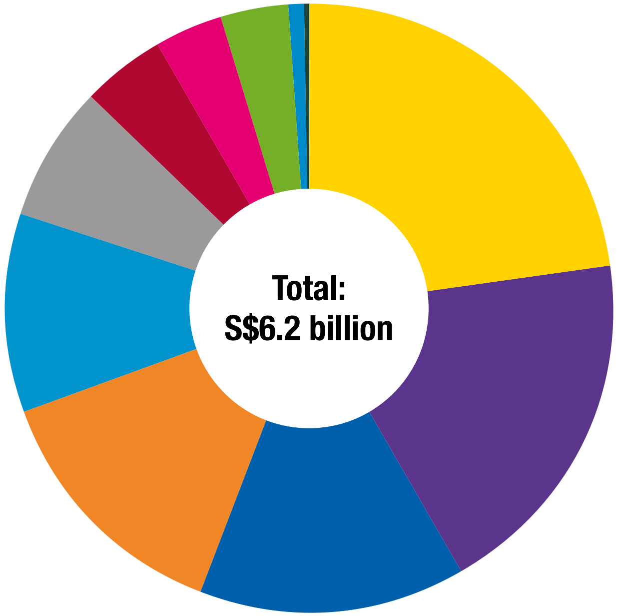
USA	S$3.7b	30.7%
Europe	S$3.3b	27.1%
Singapore	S$3.1b	25.9%
Others	S$0.9b	7.5%
Japan	S$0.7b	5.5%
China	S$0.3b	2.6%
India	S$0.1b	0.7%

TBE investment commitments (2005-2013)



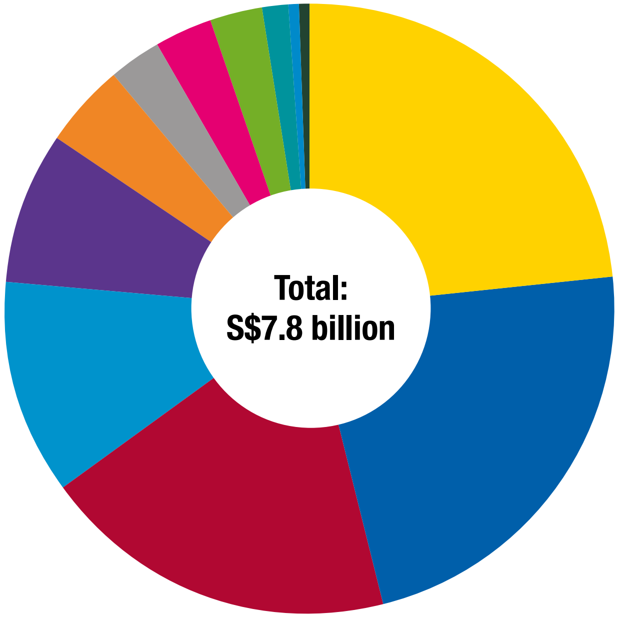
TBE investment commitments (2012, 2013)

By industry, 2012



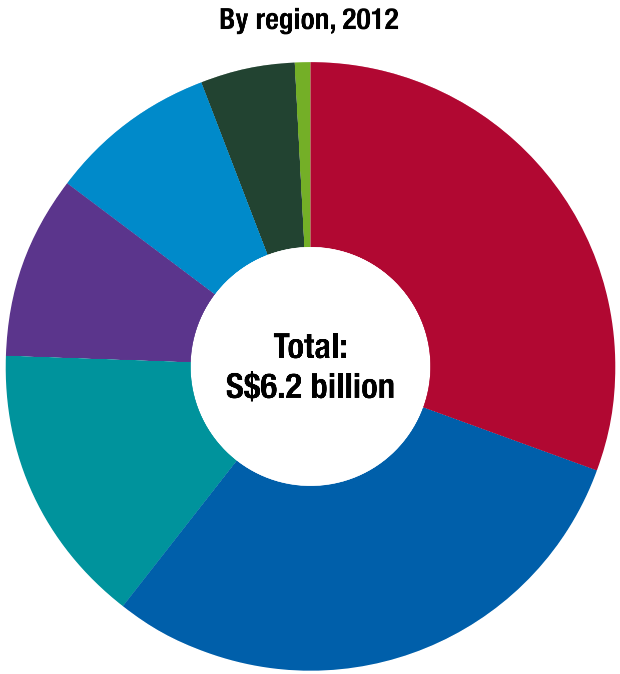
Headquarters & Professional Services	S$1.4b	22.9%
Electronics	S$1.2b	19.0%
Engineering & Environmental Services	S$0.9b	14.1%
Chemicals	S$0.8b	13.5%
Transport Engineering	S$0.7b	10.7%
Logistics	S$0.5b	7.2%
Infocommunications & Media	S$0.3b	4.4%
Precision Engineering	S$0.2b	3.7%
Biomedical Manufacturing	S$0.2b	3.4%
General Manufacturing Industries	S$0.1b	0.9%
Education	S$0.01b	0.2%

By industry, 2013

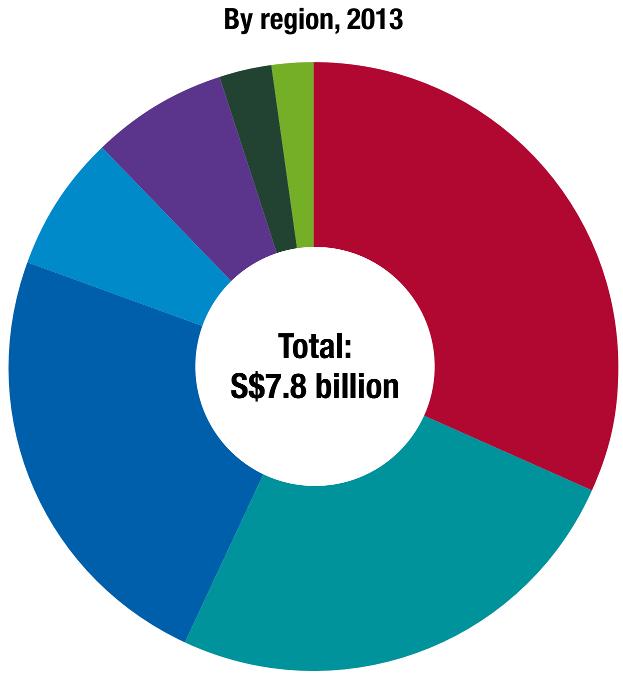


Headquarters & Professional Services	S$1.8b	23.6%
Engineering & Environmental Services	S$1.8b	22.6%
Infocommunications & Media	S$1.5b	18.9%
Transport Engineering	S$0.9b	11.5%
Electronics	S$0.6b	8.1%
Chemicals	S$0.3b	4.2%
Logistics	S$0.2b	3.0%
Precision Engineering	S$0.2b	3.0%
Biomedical Manufacturing	S$0.2b	2.6%
Healthcare Services	S$0.1b	1.4%
General Manufacturing Industries	S$0.1b	0.6%
Education	S$0.04b	0.5%

TBE investment commitments (2012, 2013)

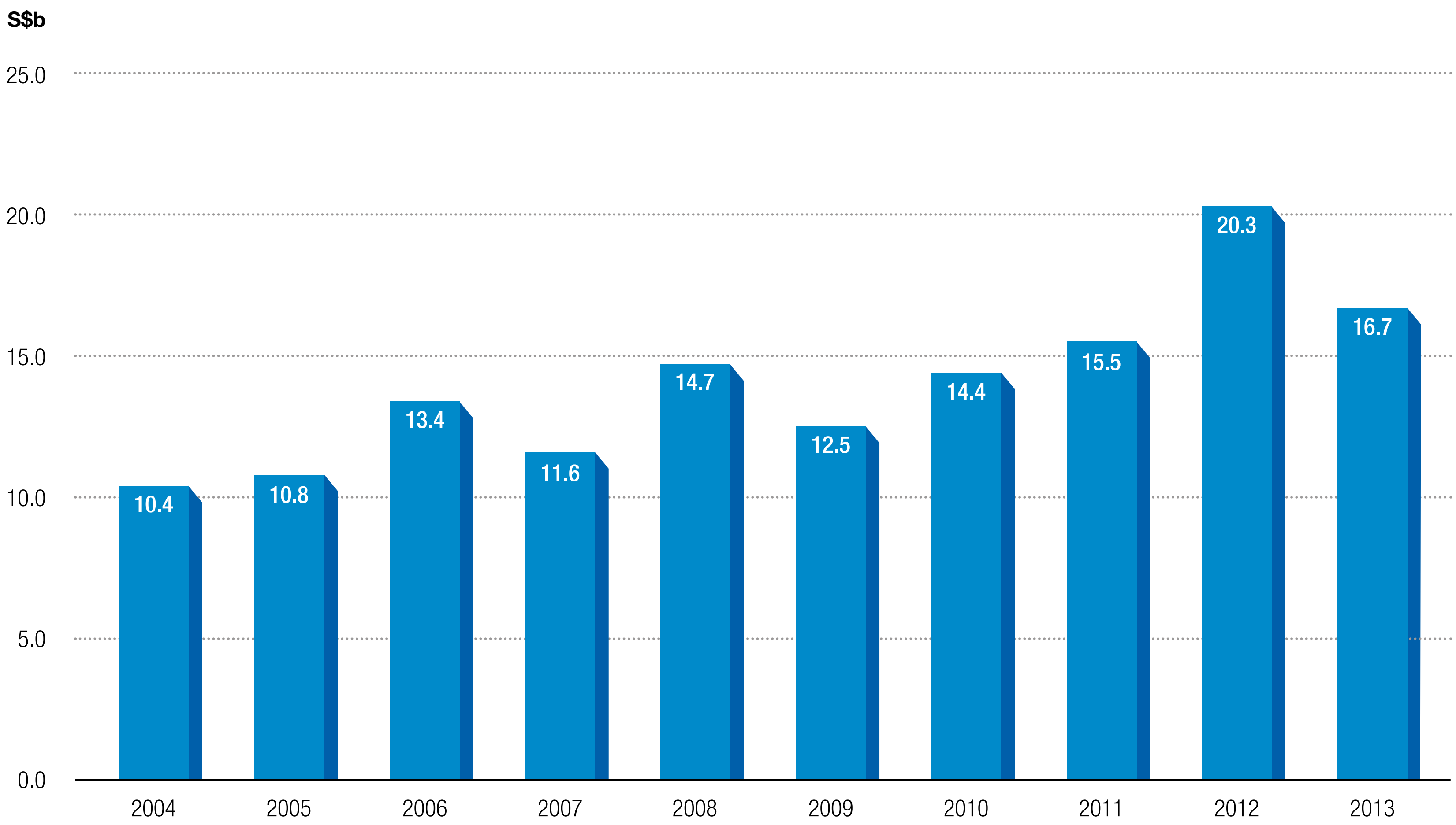


USA	S$1.9b	30.6%
Europe	S$1.9b	30.2%
Singapore	S$0.9b	14.9%
Others	S$0.6b	9.8%
Japan	S$0.5b	8.7%
China	S$0.3b	5.2%
India	S$0.04b	0.6%



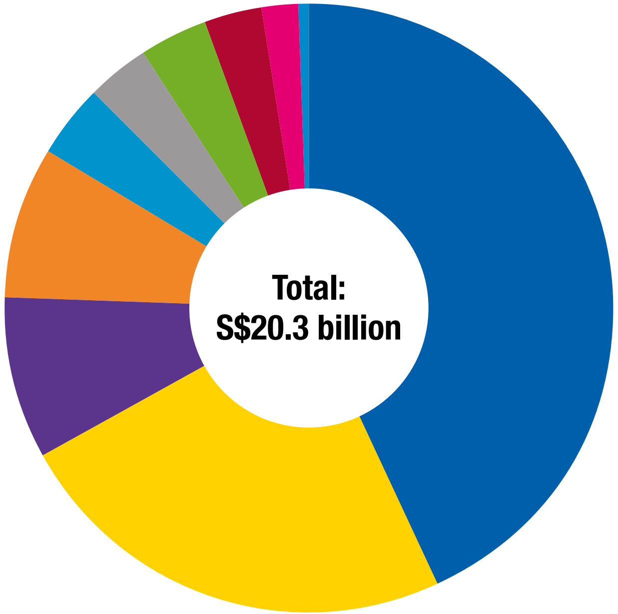
USA	S$2.5b	31.9%
Singapore	S$2.0b	25.1%
Europe	S$1.8b	23.7%
Japan	S$0.6b	7.2%
Others	S$0.6b	7.1%
China	S$0.2b	2.9%
India	S$0.2b	2.1%

VA expected to be generated (2004-2013)



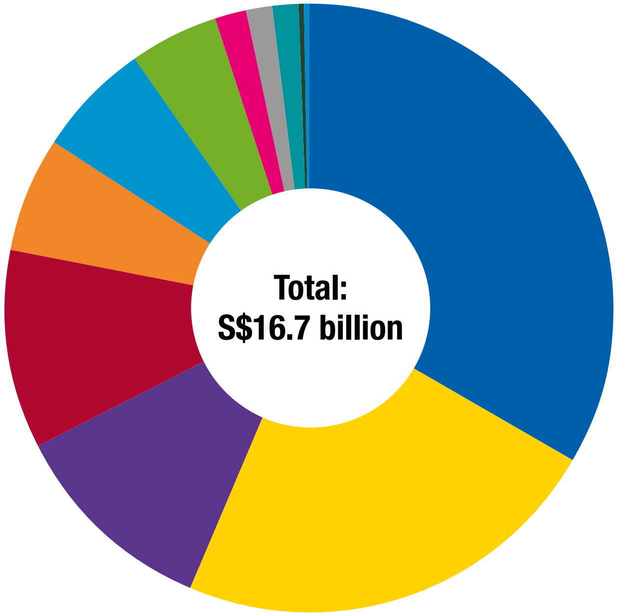
VA expected to be generated (2012, 2013)

By industry, 2012



Engineering & Environmental Services	S$8.8b	43.3%
Headquarters & Professional Services	S$4.9b	23.9%
Electronics	S$1.7b	8.4%
Chemicals	S$1.7b	8.2%
Transport Engineering	S$0.8b	3.8%
Logistics	S$0.7b	3.5%
Biomedical Manufacturing	S$0.7b	3.4%
Infocommunications & Media	S$0.7b	3.2%
Precision Engineering	S$0.4b	2.0%
General Manufacturing Industries	S$0.1b	0.3%

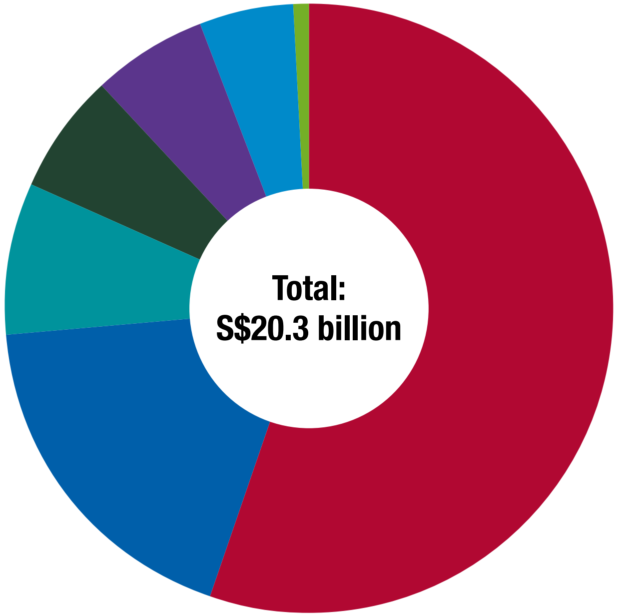
By industry, 2013



Engineering & Environmental Services	S$5.6b	33.6%
Headquarters & Professional Services	S$3.8b	23.0%
Electronics	S$1.8b	11.0%
Infocommunications & Media	S$1.8b	10.5%
Chemicals	S$1.0b	6.2%
Transport Engineering	S$1.0b	6.0%
Biomedical Manufacturing	S$0.8b	4.7%
Precision Engineering	S$0.3b	1.9%
Logistics	S$0.2b	1.4%
Healthcare Services	S$0.2b	1.3%
Education	S$0.1b	0.3%
General Manufacturing Industries	S$0.02b	0.1%

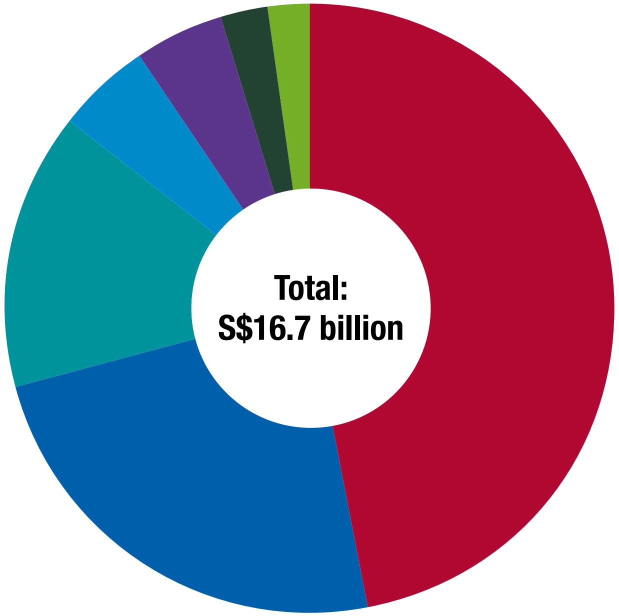
VA expected to be generated (2012, 2013)

By region, 2012



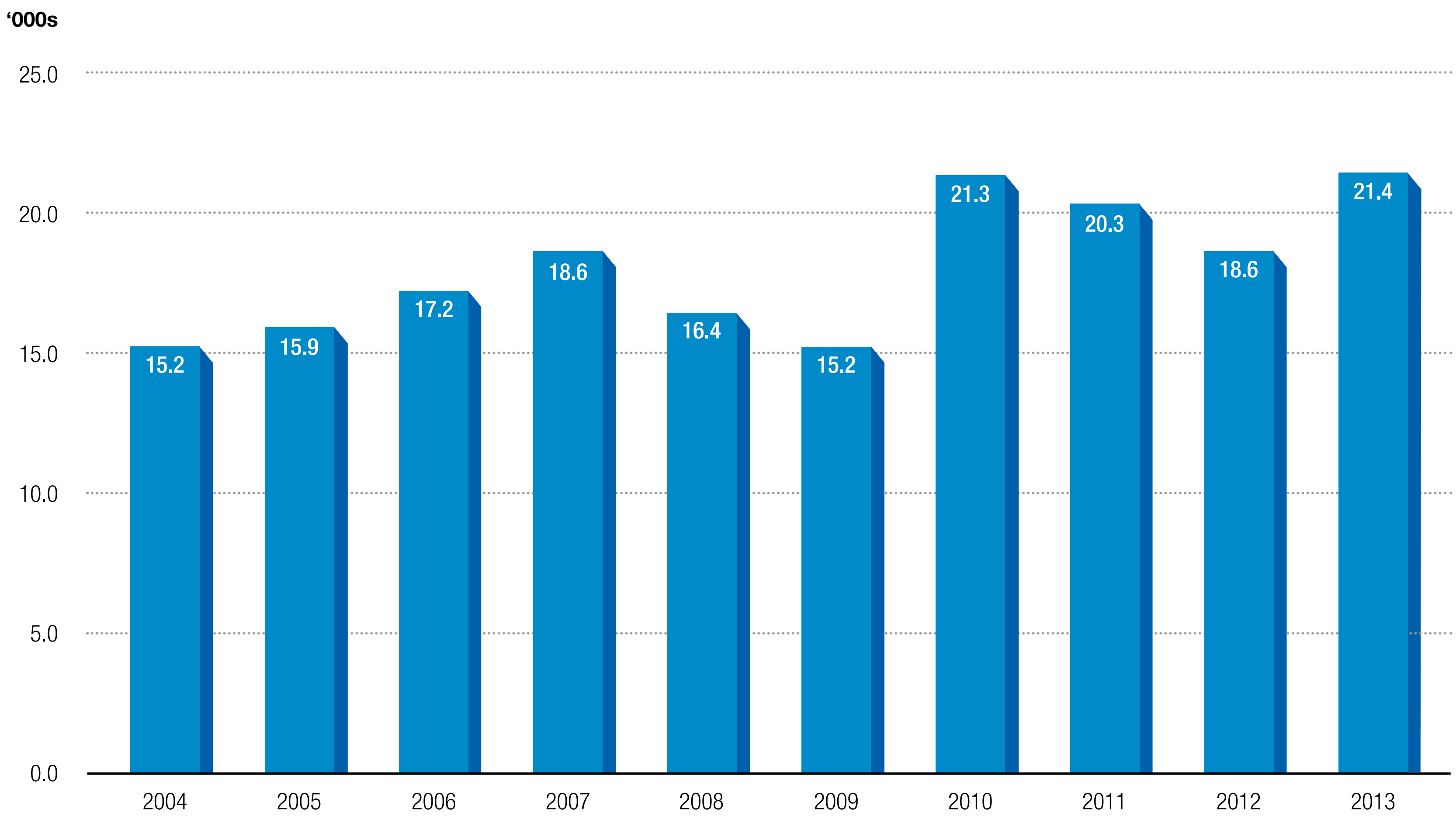
USA	S$11.2b	55.3%
Europe	S$3.7b	18.4%
Singapore	S$1.6b	8.1%
China	S$1.3b	6.4%
Others	S$1.2b	6.0%
Japan	S$1.0b	5.2%
India	S$0.1b	0.6%

By region, 2013



USA	S$7.9b	47.2%
Europe	S$4.0b	23.8%
Singapore	S$2.4b	14.6%
Japan	S$0.8b	5.0%
Others	S$0.8b	4.9%
China	S$0.4b	2.4%
India	S$0.4b	2.1%

Total skilled employment created (2004-2013)



Amgen (United States)

Amgen is a pioneer in the development of biologic products based on recombinant DNA and molecular biology. It broke ground on its new manufacturing facility at Tuas Biomedical Park. This marked Amgen's first major expansion into Asia, using its proprietary "Manufacturing of the Future" technology. The company anticipates investing US$200 million over the next few years to build the new facility. The investment will create around 200 new jobs.

Essilor (France)

Essilor is the world's largest manufacturer of ophthalmic lenses. The company has established its Asia, Middle East, Russia and Africa (AMERA) headquarters in Singapore, which performs global corporate functions such as Corporate Strategy, Corporate Mission and M&A. The AMERA headquarters undertakes R&D of products for the region and designs optical lenses to be sold in emerging markets. It also acts as a product hub by supporting manufacturing and supply chain in the region.

Applied Materials (United States)

Applied Materials is the global leader in providing innovative equipment, services and software. It established Centres of Excellence for talent management and human resource operations in Singapore. The Singapore office presides over key human resource functions for Asia such as strategic development and career planning. The company is building its talent pipeline through programmes such as the Singapore Industry Scholarship and Global-Asia Management Programme. It develops in-house programmes for top executives and high potentials with the Human Capital Leadership Institute.

Medtronic (United States)

Medtronic is the largest standalone medical device company worldwide. The company set up its global Centre of Excellence for Business Model Innovation in Singapore, which is responsible for designing, testing and scaling new business models across Asia. The centre will also develop new commercial models to systematically address market growth barriers. Singapore's ecosystem and geographic proximity to developing Asia help Medtronic address healthcare delivery challenges for this region and beyond.

Dollar figures in this section are in SGD, unless stated otherwise.

NEC (Japan)

NEC is the largest provider of IT services and products in Japan. It announced the establishment of its new research centre, NEC Laboratories Singapore (NLS). The NLS is a sophisticated centre that capitalises advanced technology such as data mining, image analysis and audio analysis to provide social infrastructure solutions to global markets. It undertakes cutting-edge research to develop solutions for a range of urban challenges in areas such as safety, security and smart energy.

NXP Semiconductors (Netherlands)

NXP Semiconductors is a leading semiconductor company founded by Philips. NXP established in Singapore its global headquarters for standard products and operations, and its ASEAN headquarters for sales and marketing. Singapore is host to the first of NXP's corporate R&D labs located outside the Netherlands. NXP increased its R&D investments in the country by $20 million and will spend $125 million upgrading manufacturing capabilities at Systems on Silicon Manufacturing Company, a joint venture with Taiwan Semiconductor Manufacturing Company.

Nielsen (United States)

Nielsen is a global information and measurement company. Nielsen established its regional headquarters for Southeast Asia, North Asia and the Pacific in Singapore. The regional hub, which brings together a team of 360 local and regional executives, positions Nielsen uniquely to drive performance management solutions for clients here. Nielsen launched a first-of-its-kind innovation hub in Singapore. The NielsenLAB develops and leverages cutting-edge technologies and methodologies in consumer neuroscience, shopper technology and measurement science to fuel consumer and market insights.

Pratt & Whitney (United States)

Pratt & Whitney is one of the world's top three aircraft engine original equipment manufacturers. The company maintained its comprehensive aftermarket footprint in Singapore and opened a PW4000-engine part repair capability at the Seletar Aerospace Park. It also completed the construction of its first Singapore manufacturing plant, which will manufacture engine fan blades and high pressure turbine disks for its PurePower® family of engines, deploying its Geared Turbofan™ engine technology that will power five leading aircraft series.

PricewaterhouseCoopers (United Kingdom)

PricewaterhouseCoopers (PwC) is one of the largest accounting networks by revenue globally. The company expanded its consulting capability with a Southeast Asian (SEA) Consulting Hub in Singapore, a joint venture between PwC consulting practices in SEA, New Zealand, Australia and the United States. The new practice gives PwC clients access to an integrated service network and specialist consultants across the region. It delivers pan-Asian consulting solutions with its key leadership based here.

REC Solar (Norway)

REC Solar is a leading solar wafer, cells and modules manufacturer which has set up in Singapore one of the world's largest integrated solar manufacturing facilities. REC Solar also established its global headquarters in Singapore, with its top management based here. The company employs 1,500 people in Singapore, undertaking the full value chain of activities from R&D to manufacturing to global headquarters.

Rakuten (Japan)

Rakuten is the world's third largest e-commerce company and one of the largest online retailers. Rakuten's Asia headquarters in Singapore is responsible for the growth of the company's e-commerce business in Asia. It oversees global marketing, as well as conducts R&D for Rakuten's advertising engine and e-commerce platform. Singapore also hosts Rakuten's first consumer analytics laboratory, which analyses pan-Asian consumer data for personalized recommendations and targeted marketing, allowing Rakuten to address changing needs in Asian markets.

Rohde & Schwarz (Germany)

Rohde & Schwarz is the world's leading supplier of solutions in test and measurement, broadcasting, secure communications, radiomonitoring and radiolocation. The company opened its regional headquarters for the eastern hemisphere in Singapore and expanded its strategic function to become a global hub with the opening of its $58 million facility in Changi Business Park. Its operations include R&D with product charter responsibilities, production, system engineering, and global sourcing and global supply chain management capabilities.

Samsung (South Korea)

Samsung is one of the world's largest electronics companies. Samsung opened its Global Leadership Academy SEA in Singapore, the company's first leadership development centre outside of South Korea. Spanning over 12,000 square feet, the Academy is equipped with the latest digital and convergent technology, including Samsung's smart devices, visual displays, content and services. Over 5,000 Samsung employees, partners and key clients are trained at the Academy annually.

Shell (United Kingdom)

Shell is a multinational oil and gas company and the world's largest company by revenue. Last year, Shell broke ground for several new investments in Singapore. One example is the new production units on Jurong Island that will allow Shell to produce high-purity ethylene oxide and alcohol ethoxylates, catering to growing demand in the region. Shell's investments pave the way for additional downstream specialty chemicals projects such as Solvay Novecare, which is constructing an alkoxylation facility using feedstock from Shell's plant.

Sembcorp Marine (Singapore)

Sembcorp Marine is a leading marine and offshore engineering group. Sembcorp Marine opened its new Sembmarine Integrated Yard at Tuas, which will consolidate the group's shipyards across the island into a single facility by 2024. The completed yard will be 206 hectares, or about the size of 300 football fields, and will be the largest of its kind in Singapore. The company aims to create a shipyard of the future that will significantly increase its productivity.

SICK (Germany)

SICK is a leading producer of sensors and sensor solutions for industrial applications. Singapore serves as its regional headquarters, competence centre and product centre for Southeast Asia. The regional product centre performs R&D and pilot manufacturing functions, and has developed top selling products globally with support from SICK's German engineering team. SICK is also exploring R&D collaborations with local polytechnics and universities. It is one of the Mittelstand Champions in Germany; mid-sized companies that are the top three players in their industry field.

Texas Instruments (United States) **/ DHL** (Germany)

Texas Instruments (TI) is the fourth largest semiconductor company globally. Partnering DHL, the world's largest logistics provider, TI installed the AutoStore® inventory management system in its product distribution centre in Singapore. This state-of-the-art warehouse automation technology allows for four times the volume of products to be stored within the same floor space. The centre increased productivity by 40 percent and strengthened Singapore's position as a leading global logistics hub.

United Microelectronics Corporation (Taiwan)

United Microelectronics Corporation (UMC) is one of the world's top five semiconductor wafer foundries. UMC opened a $110 million Centre of Excellence in Singapore to spearhead the company's efforts in developing 300mm process technologies for specialty integrated circuits. In addition to its pool of nearly 1,600 employees, UMC is hiring 80 specialty process development engineers to undertake R&D collaborations with local research institutes like the Institute of Microelectronics.

Unilever (United Kingdom)

Unilever is one of the world's biggest consumer goods companies. Unilever opened Four Acres Singapore, its first and only global leadership development centre outside of the UK. At $80 million, it is their single largest investment in leadership development globally. Four Acres Singapore will deliver more than half of Unilever's global leadership development programmes. The academic programme has been developed with leading academic and business institutions such as INSEAD, Harvard Business School and Singapore Management University.

Weidmuller (Germany)

Weidmuller is a leading manufacturer of industrial connectors. It owns manufacturing plants, sales companies and representatives in more than 80 countries. Weidmuller set up its first R&D team in Asia in Singapore, which is responsible for developing new generations of connector components to connect sensors and actuators more efficiently. Weidmuller plans to extend its activities in customer-specific assembly. It is one of the Mittelstand Champions in Germany; mid-sized companies that are the top three players in their industry field.

About EDB

The Singapore Economic Development Board (EDB) is the lead government agency for planning and executing strategies to enhance Singapore's position as a global business centre. EDB dreams, designs and delivers solutions that create value for investors and companies in Singapore. Our mission is to create for Singapore sustainable economic growth with vibrant business and good job opportunities. EDB's Home strategy articulates how we are positioning Singapore for the future. It is about extending Singapore's value proposition to businesses not just to help them improve their bottom line, but also to help them grow their top line through establishing and deepening strategic activities in Singapore to drive their business, innovation and talent objectives in Asia and globally.

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