

ANNUAL SURVEY ON INFOCOMM INDUSTRY FOR 2009

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¹ Due to rounding, data may not add up to the total or 100%.

PART I: SURVEY COVERAGE AND METHODOLOGY

INTRODUCTION

The 2009 Annual Survey is the eleventh in the series conducted since 1999 with the objective of tracking the market performance of the infocomm industry.

SURVEY METHODOLOGY

The survey covered a representative sample of infocomm establishments which are grouped into the following five main segments within the infocomm industry cluster:

- Hardware
- Software
- IT Services
- Telecommunication Services
- Content Services

The sample was selected from the Establishment Sampling Frame maintained by the Singapore Department of Statistics (DOS).

PART II: SURVEY FINDINGS

1. EXECUTIVE SUMMARY

Overall Performance

- The infocomm industry revenue grew by 8.0% to reach \$62.74 billion in 2009, from \$58.10 billion in 2008.
- The *Hardware* segment remained the major contributor to the infocomm industry revenue, with a share of 55% of the revenue. This segment also registered the largest revenue growth of 15.2% in 2009 from 2008.
- Export revenue continued to comprise more than half (64%) of the infocomm industry revenue compared to the share of domestic revenue.

Domestic Market

- Domestic revenue decreased to \$22.29 billion in 2009, a slight drop of 2.3% from 2008.
- The top two contributors to the domestic market, *Telecom Services* and *IT Services* segments grew modestly by 0.2% and 1.5% respectively.

Export Market and Destinations

- Export revenue increased by 14.6% to reach \$40.44 billion in 2009, largely fuelled by growth in the *Hardware* segment (21.0%).
- Overall, ASEAN was the top export destination with a share of 22% of the export revenue followed by North Asia with 21%.
- Within ASEAN, exports to Indonesia and Malaysia formed more than half (61%) of ASEAN export revenue.

2. PERFORMANCE OF THE INFOCOMM INDUSTRY

2.1. Infocomm Industry Revenue

The infocomm industry grew 8.0% to reach \$62.74 billion in 2009 (Chart 2.1). Export revenue contributed 64% to overall infocomm industry revenue, an increase from 61% in 2008 (Chart 2.2). Growth in export revenue rebounded in 2009 with 14.6% compared to 5.1% a year ago; this growth also surpassed that of domestic revenue's growth of -2.3% (Charts 2.3 and 2.4).

Chart 2.1: Overall Infocomm Industry Revenue Growth, 2005 – 2009

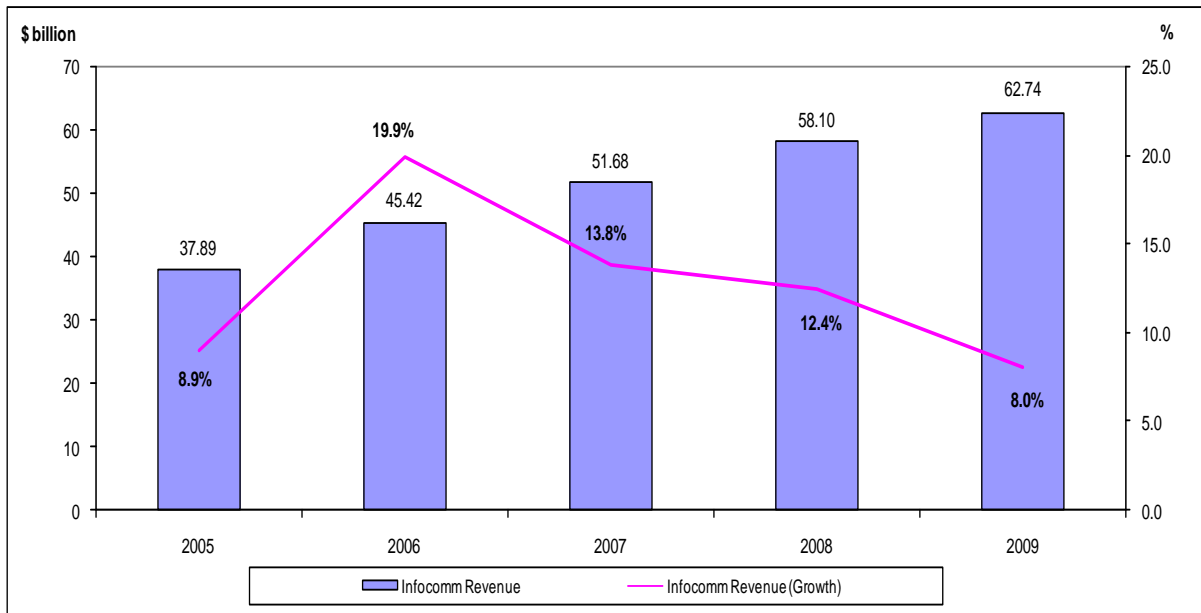


Chart 2.2: Infocomm Domestic/Export Revenue Composition, 2005 – 2009

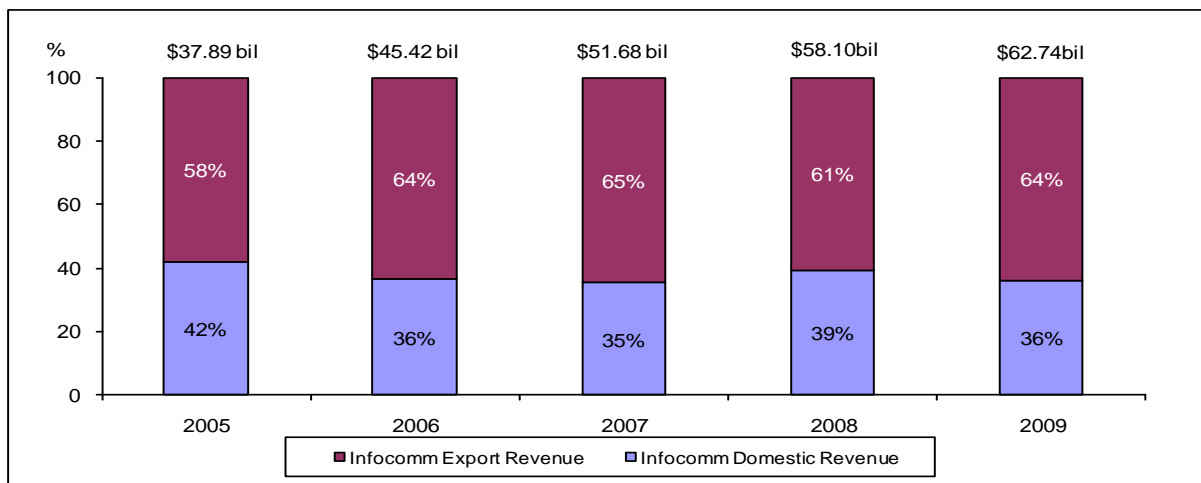


Chart 2.3: Infocomm Export Revenue Growth, 2005 – 2009

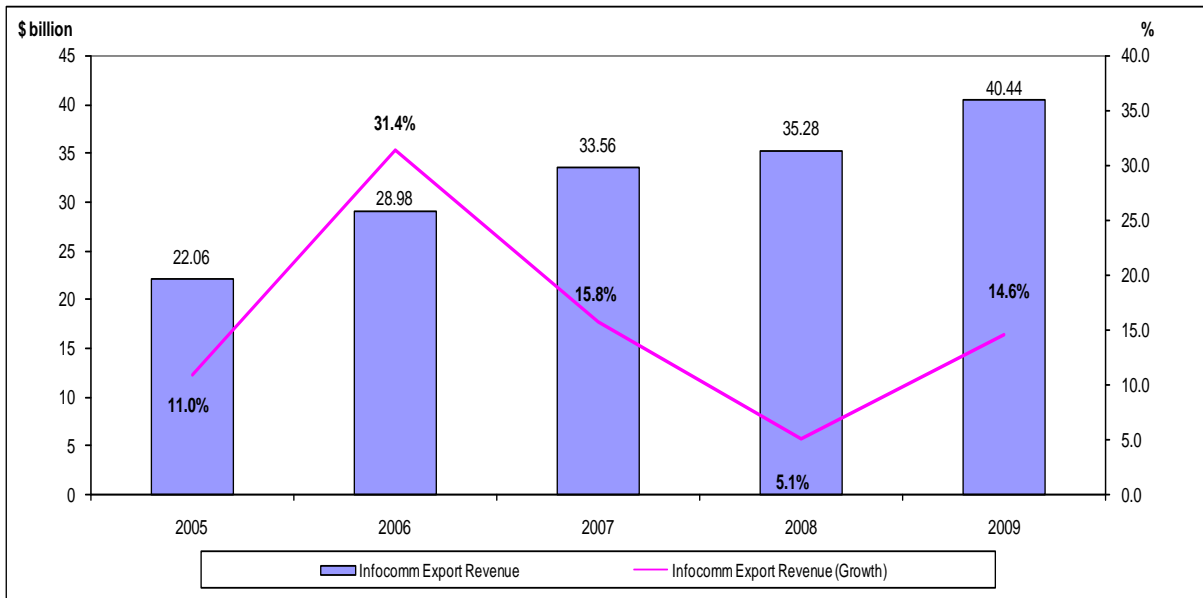
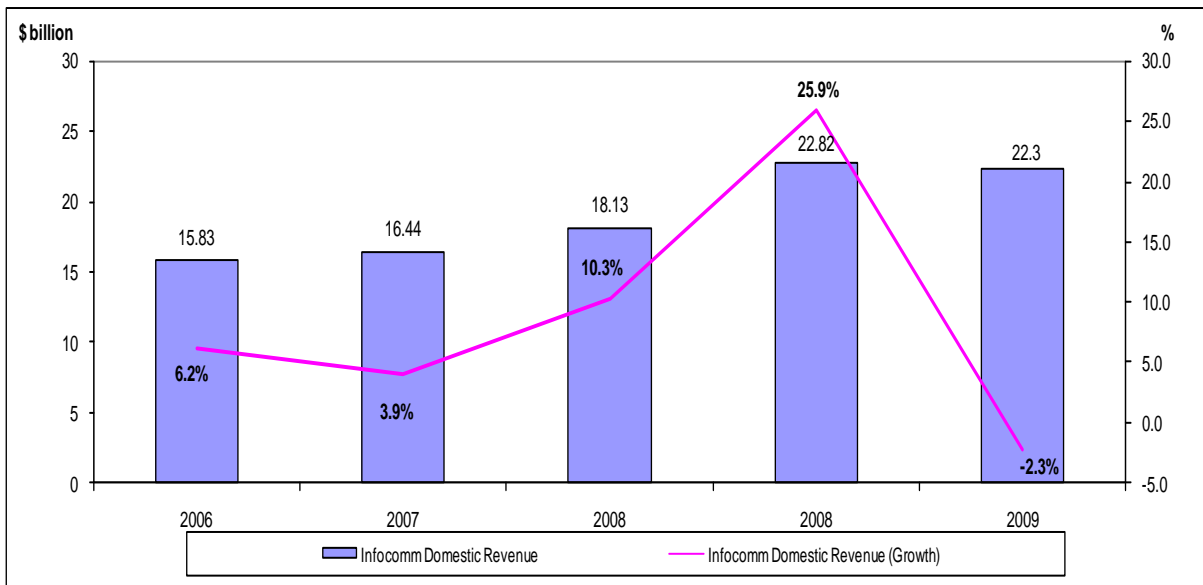


Chart 2.4: Infocomm Domestic Revenue Growth, 2005 – 2009



2.2. Infocomm Industry Revenue by Market Segment

The *Hardware* segment continued to be a major contributor with a share of more than half (55%) of the total infocomm industry revenue in 2009 followed by the *Software* segment with 16% (Chart 2.5). All but the *IT Services* segment showed positive revenue growth in 2009 (Chart 2.6).

Chart 2.5: Infocomm Industry Revenue by Market Segment, 2005 – 2009

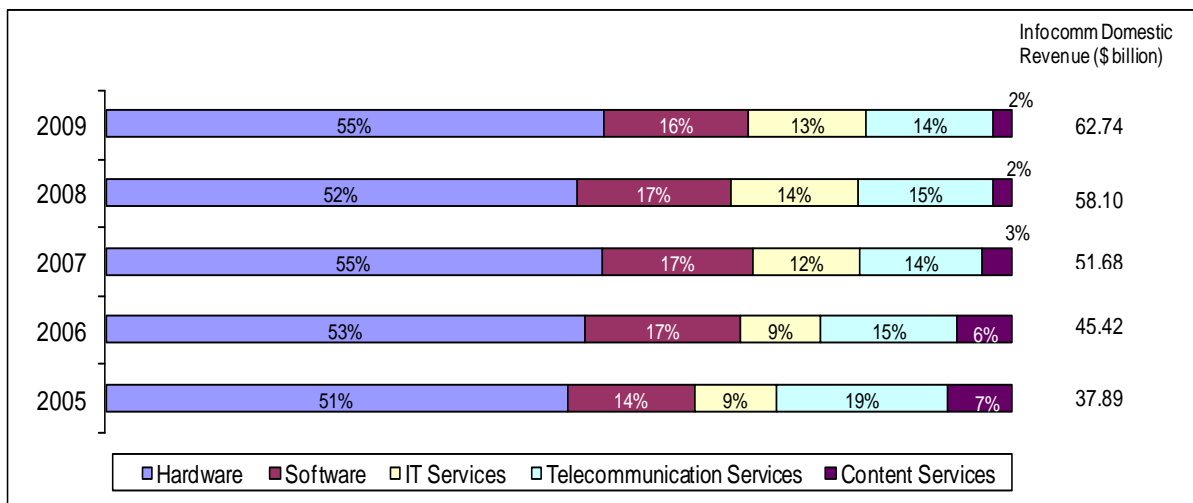
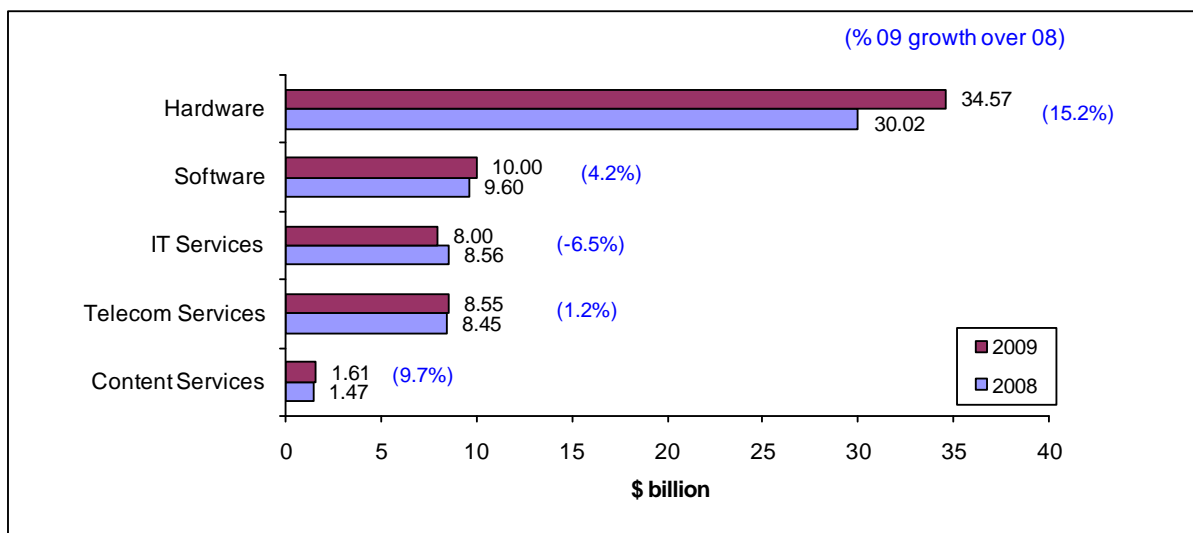


Chart 2.6: Infocomm Industry Revenue Growth by Market Segment, 2009 over 2008



2.3. Infocomm Domestic Revenue by Market Segment

Telecom Services and *IT Services* remained the major contributors to the domestic market with a revenue share of 32% and 28% respectively (Chart 2.7). Though the growth in these two segments was positive, negative growth was observed for the *Software* and *Hardware* segments which shrunk by 10.4% and 7.4% respectively (Chart 2.8).

Chart 2.7: Infocomm Domestic Revenue by Market Segment, 2005 – 2009

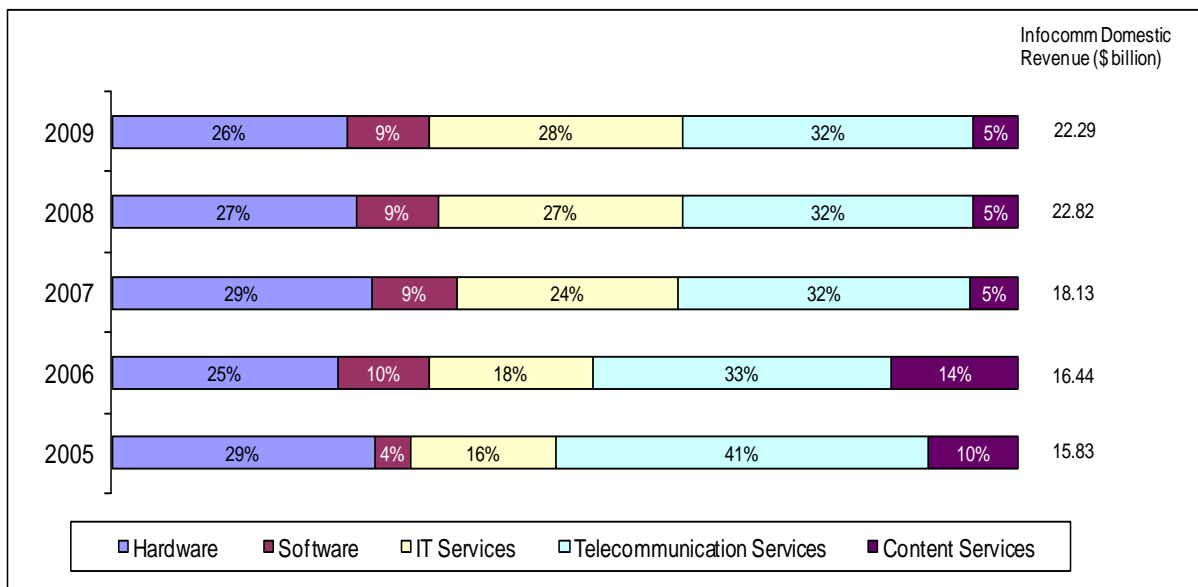
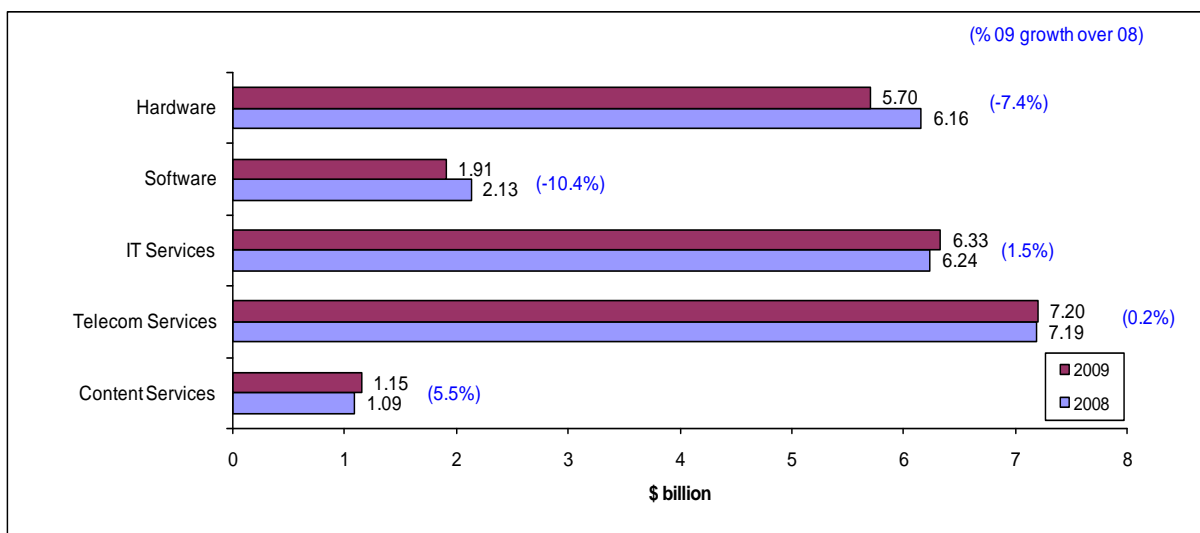


Chart 2.8: Infocomm Domestic Revenue Growth by Market Segment, 2009 over 2008



2.4. Infocomm Export Revenue by Market Segment

As in previous years, the export market continues to be dominated by the *Hardware* segment (Chart 2.9) which also registered a high growth of 21.0%, slightly behind *Content Services* segment which grew by 21.9% (Chart 2.10).

Chart 2.9: Infocomm Export Revenue by Market Segment, 2005 – 2009

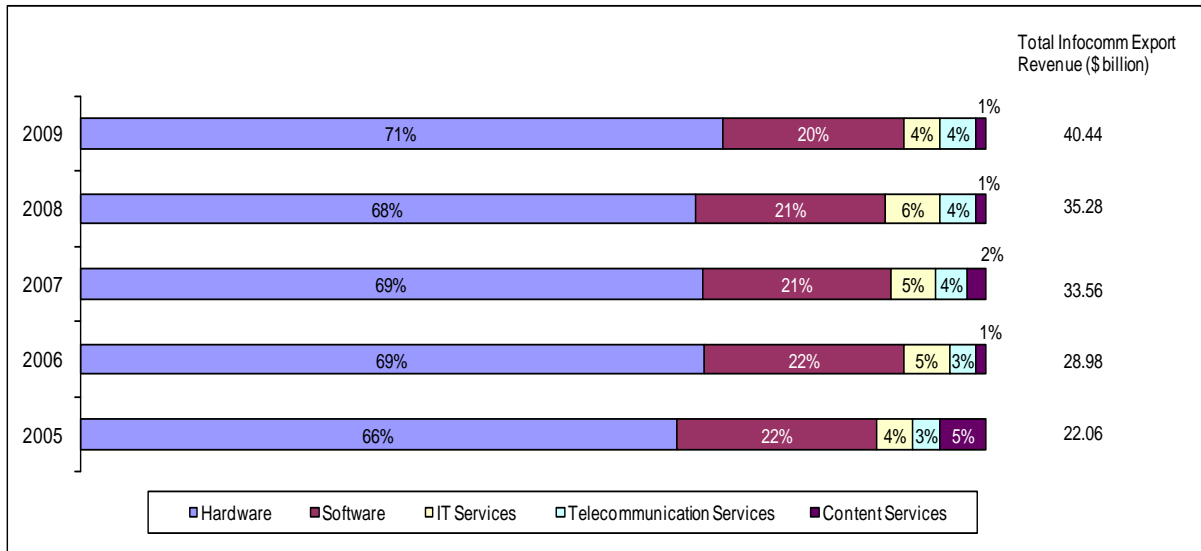
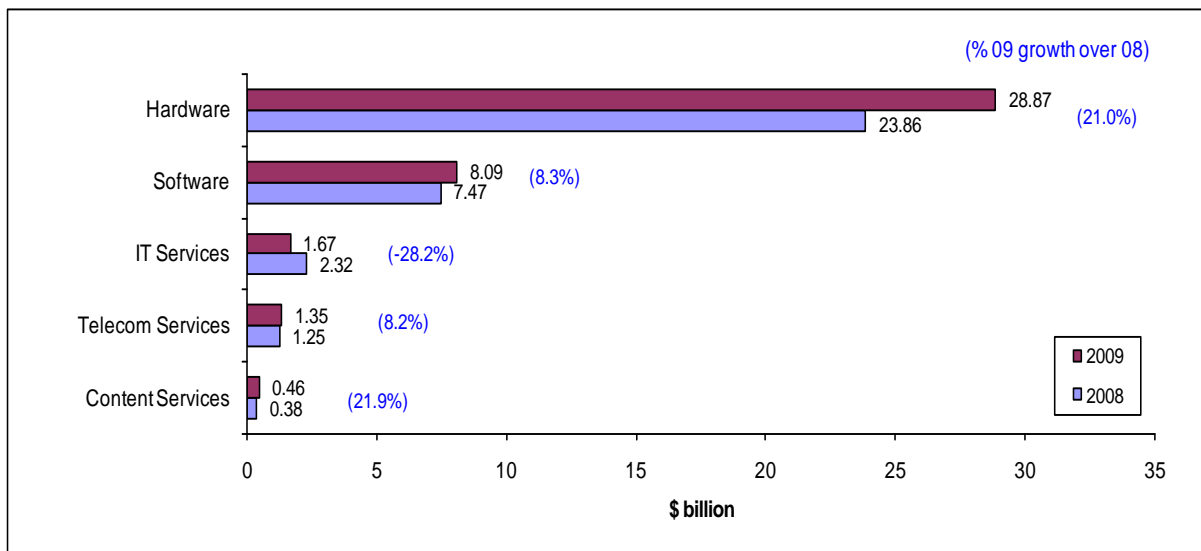


Chart 2.10: Infocomm Export Revenue Growth by Market Segment, 2009 over 2008

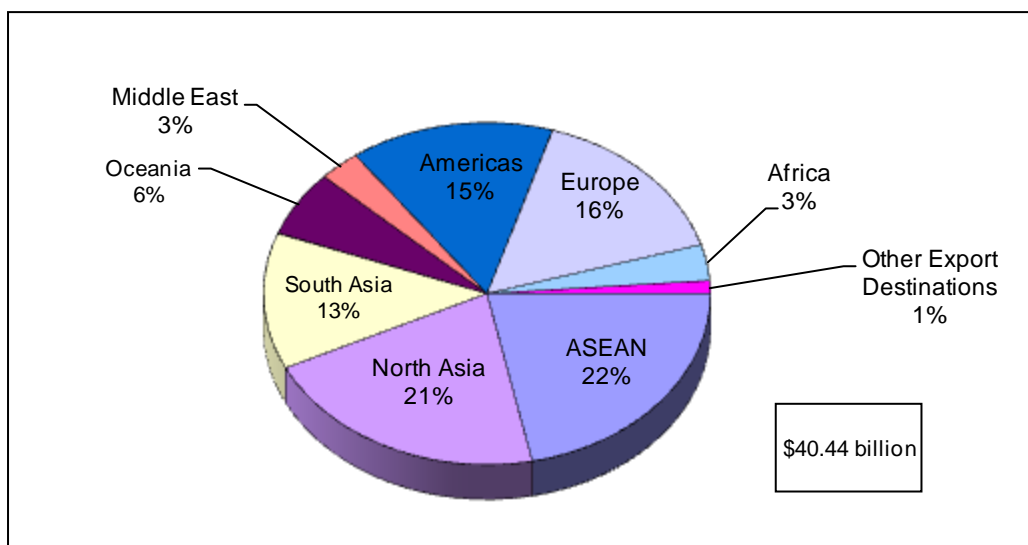


3. EXPORT DESTINATIONS

3.1. By Region

In 2009, the top two export destinations by region² were ASEAN (22%), and North Asia (21%) (Chart 3.1).

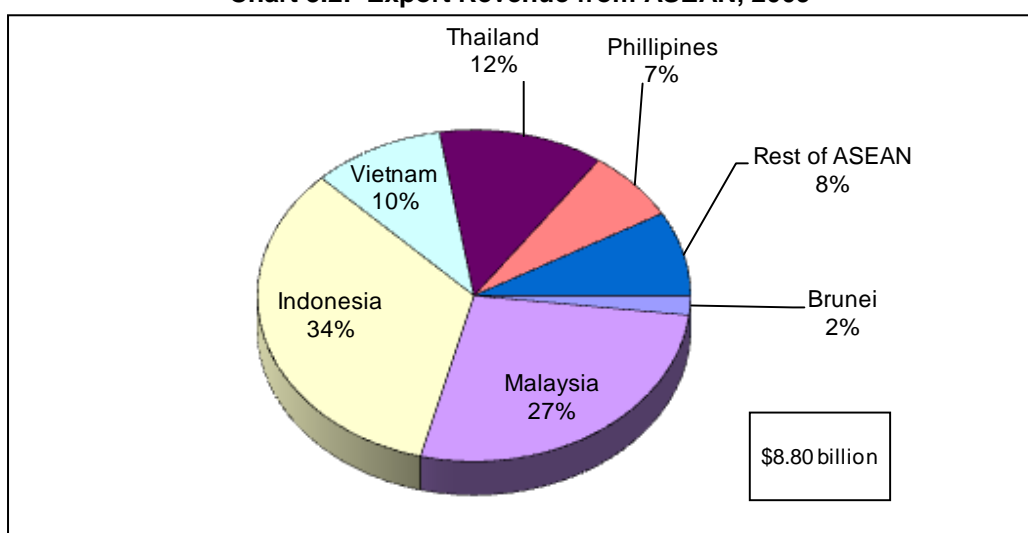
Chart 3.1: Export Destinations, 2009



3.2. Exports to ASEAN

Amongst the ASEAN countries, the revenues from exports to Indonesia contributed the largest share of 34%, followed by Malaysia with 27% (Chart 3.2).

Chart 3.2: Export Revenue from ASEAN, 2009



² The export regions were grouped as follows:

ASEAN: Brunei, Malaysia, Indonesia, Vietnam, Thailand, Philippines and others;

North Asia: Japan, China, Hong Kong, South Korea and others;

South Asia: India, Pakistan and others;

Central Asia: Kazakhstan and others;

Oceania: Australia, New Zealand and others;

Middle East: Saudi Arabia, Kuwait, Qatar, UAE, Bahrain, Oman and others;

Americas: US, Canada, Central America, South America and others;

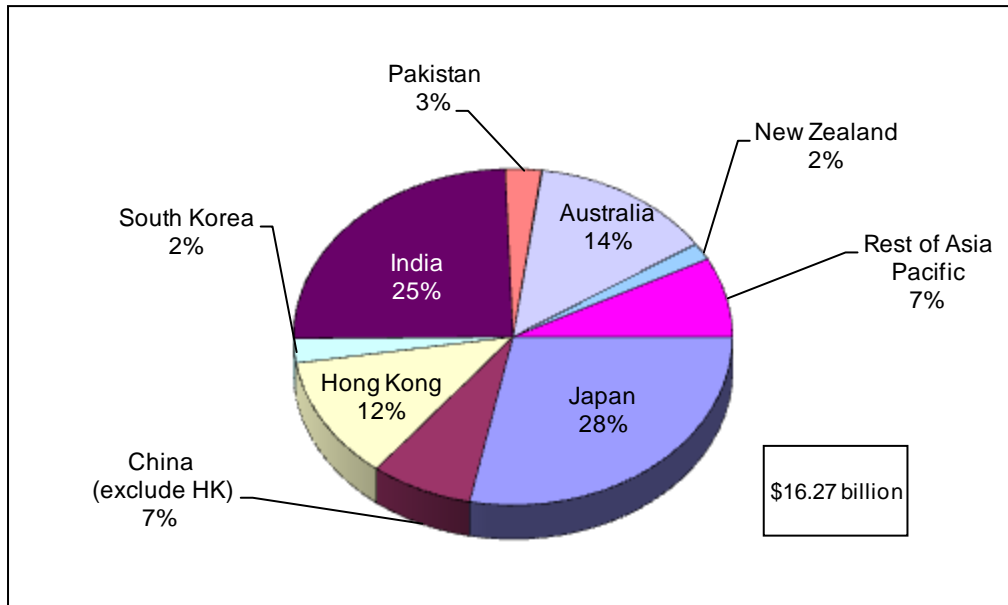
Europe: Western Europe, Central Europe, Eastern Europe and others; and

Africa: North Africa and others.

3.3. Exports to Asia Pacific

Japan (28%), India (25%) and Australia (14%) contributed about 67% of the export revenue for the Asia Pacific region (Chart 3.3).

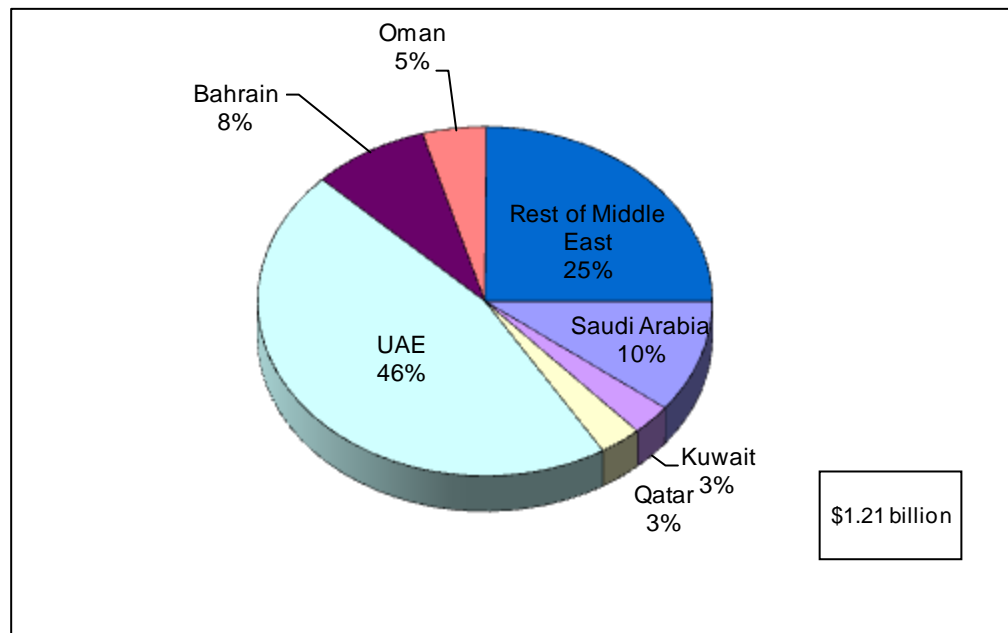
Chart 3.3: Export Revenue from Asia Pacific, 2009



3.4. Exports to Middle East

The UAE was the top export destination in the Middle East with a 46% share of the export revenue (Chart 3.4).

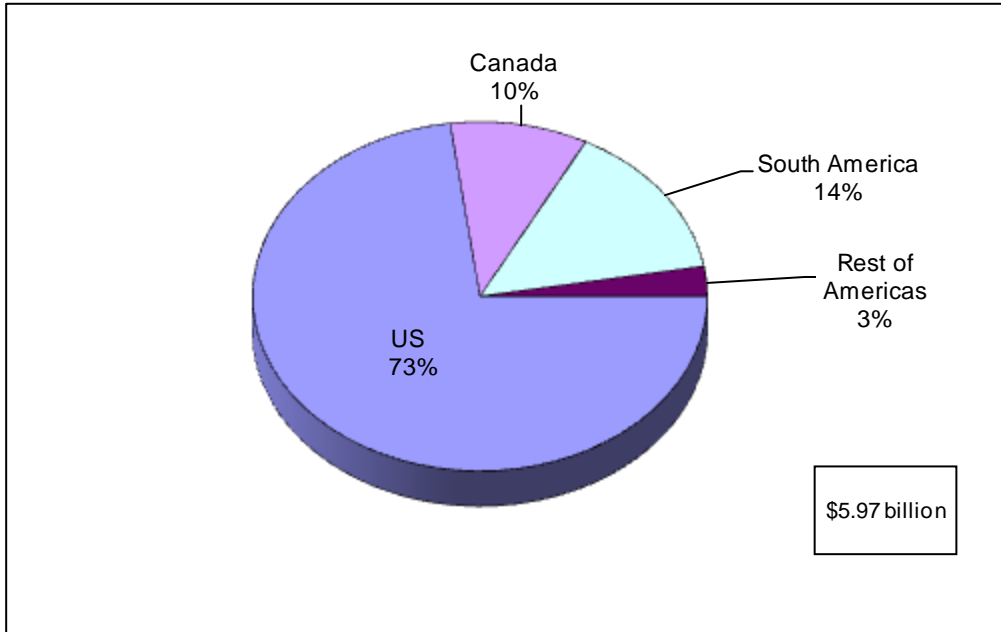
Chart 3.4: Export Revenue from Middle East, 2009



3.5. Exports to Americas

The US was the top export destination in the Americas with a 73% share of export revenue, followed by South America with 14% (Chart 3.5).

Chart 3.5: Export Revenue from Americas, 2009



3.6. Exports to Europe

The rest of Europe (i.e. Northern and Southern Europe) was the top contributor to export revenue from Europe with a 38% share, followed by Western Europe with a 31% share (Chart 3.6).

Chart 3.6: Export Revenue from Europe, 2009

