MALAYSIA
Investment Performance 2011

GLOBAL INVESTMENT SCENARIO


FDI Inflows to Malaysia Surged by 12.3 per cent in 2011

Source: DOSM
### Manufacturing Sector Continues to be the Largest Contributor to FDI Inflows

<table>
<thead>
<tr>
<th>Sector</th>
<th>2010 (RM million)</th>
<th>2011 (RM million)</th>
<th>Percentage of Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Forestry and Fishing</td>
<td>83</td>
<td>123</td>
<td>48.2</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>3,138</td>
<td>7,301</td>
<td>132.7</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>16,107</td>
<td>16,509</td>
<td>2.5</td>
</tr>
<tr>
<td>Services</td>
<td>9,994</td>
<td>8,992</td>
<td>(10.0)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>29,322</strong></td>
<td><strong>32,925</strong></td>
<td><strong>12.3</strong></td>
</tr>
</tbody>
</table>

Source: DOSM

### Global Investment Scenario

**Manufacturing Sector Continues to be the Largest Contributor to FDI Inflows**

- **FDI INFLOWS TO MALAYSIA BY SECTOR**
- **TOTAL INVESTMENTS APPROVED 2011 Manufacturing, Services And Primary Sectors**

**TOTAL INVESTMENTS APPROVED 2011**

- Manufacturing, Services And Primary Sectors
Investments Surged by 40.7 per cent

Total Investments Approved 2011

- RM148.6 Billion
- 4,964 Projects
- 149,496 Jobs

Total Investments Approved 2011

Foreign Investments (RM66.3 billion)
Approved Domestic Direct Investments Continue to Exceed FDI

Domestic Investments (RM82.3 billion)

2010

Domestic Investments (RM61.1 billion)

2011

57.9%
42.1%

Foreign Investments (RM44.4 billion)

55.4%
44.6%

Foreign Investments (RM66.3 billion)
Total Investments Approved by Sectors

Manufacturing
56.1 (37.8%)

Primary
28.1 (18.9%)

Services
64.4 (43.3%)

Total Investments Approved 2011

Approved Investments by State

<table>
<thead>
<tr>
<th>State</th>
<th>RM Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sarawak</td>
<td>RM 14,351</td>
</tr>
<tr>
<td>Penang</td>
<td>RM 14,038</td>
</tr>
<tr>
<td>Sabah</td>
<td>RM 13,682</td>
</tr>
<tr>
<td>Selangor</td>
<td>RM 13,465</td>
</tr>
<tr>
<td>Johor</td>
<td>RM 12,637</td>
</tr>
<tr>
<td>Perak</td>
<td>RM 9,939</td>
</tr>
<tr>
<td>Negeri Sembilan</td>
<td>RM 7,184</td>
</tr>
<tr>
<td>Kedah</td>
<td>RM 6,403</td>
</tr>
<tr>
<td>Melaka</td>
<td>RM 4,825</td>
</tr>
<tr>
<td>Pahang</td>
<td>RM 3,215</td>
</tr>
<tr>
<td>Kuala Lumpur</td>
<td>RM 2,970</td>
</tr>
<tr>
<td>Terengganu</td>
<td>RM 1,405</td>
</tr>
<tr>
<td>Kelantan</td>
<td>RM 107</td>
</tr>
<tr>
<td>Labuan</td>
<td>RM 444</td>
</tr>
<tr>
<td>Perlis</td>
<td>RM 34</td>
</tr>
</tbody>
</table>

Note: Approved investments does not include investments that cut across state boundaries
Approved Investments in the Manufacturing Sector Remain High

- **RM56.1 BILLION**
- **846 PROJECTS**
- **100,533 JOBS**
Approved Investments in the Manufacturing Sector Continue a Recovery Trend (19 per cent growth)

Malaysia Continues to Attract High Levels of Foreign Investments
E&E Industry Continues to Dominate Investment Inflows

Approved Investments in the Manufacturing Sector

Approved Projects in E&E Industry by Sub-Sector, 2011

Approved Investments in the Manufacturing Sector
72 per cent of FDI Comes From Asian Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Approved Investments (RM Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>10,102</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td>5,185</td>
</tr>
<tr>
<td>USA</td>
<td>2,509</td>
</tr>
<tr>
<td>Singapore</td>
<td>2,478</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>2,171</td>
</tr>
</tbody>
</table>

Significant Increase in Approved Domestic Direct Investments

- RM21.9 Bil (2011)
- RM18.1 Bil (2010)

21% Growth in DDI in line with ETP and 10MP
New Investments and Reinvestments

Total: RM56.1 billion

- New Projects (RM33.1 billion) (59.0%)
- Expansion/ Diversification Projects (RM23.0 billion) (41.0%)

Economic Corridors Attracted 62 per cent of Total Investments Approved

- RM15.3 billion
- RM8.2 billion
- RM5.7 billion
- RM4.6 billion
- RM0.9 billion

Total: RM34.7 billion

Note: Investments in Projects Approved Manufacturing Licence
Approved Investments in the Manufacturing Sector by Location

<table>
<thead>
<tr>
<th>Location</th>
<th>RM Million</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Penang</td>
<td>9,106 (109)</td>
<td></td>
</tr>
<tr>
<td>Selangor</td>
<td>8,741 (263)</td>
<td></td>
</tr>
<tr>
<td>Sarawak</td>
<td>8,453 (43)</td>
<td></td>
</tr>
<tr>
<td>Johor</td>
<td>6,585 (188)</td>
<td></td>
</tr>
<tr>
<td>Kedah</td>
<td>6,136 (42)</td>
<td></td>
</tr>
<tr>
<td>Negeri Sembilan</td>
<td>5,905 (38)</td>
<td></td>
</tr>
<tr>
<td>Melaka</td>
<td>4,364 (39)</td>
<td></td>
</tr>
<tr>
<td>Pahang</td>
<td>3,038 (25)</td>
<td></td>
</tr>
<tr>
<td>Terengganu</td>
<td>1,393 (15)</td>
<td></td>
</tr>
<tr>
<td>Perak</td>
<td>985 (30)</td>
<td></td>
</tr>
<tr>
<td>Sabah</td>
<td>921 (27)</td>
<td></td>
</tr>
<tr>
<td>Kuala Lumpur</td>
<td>308 (19)</td>
<td></td>
</tr>
<tr>
<td>Kelantan</td>
<td>129 (5)</td>
<td></td>
</tr>
<tr>
<td>Perlis</td>
<td>23 (3)</td>
<td></td>
</tr>
</tbody>
</table>

Note: Figures in parentheses refer to number of projects approved.

Implementation of Projects Approved Between 2007-2011 as at 31 December 2011

76.4% of approved projects were implemented

Total: RM258.6 billion

- Production: 3,121 (71.1%)
- Site Acquired: 76 (1.7%)
- Active Planning: 779 (17.8%)
- Not Implemented: 180 (4.1%)
- Machinery Installation & Factory Construction: 234 (5.3%)
Quality Employment Created in Projects Approved During 2007-2011 and Implemented

Total Employment: 338,555
68% in the Managerial, Technical, Supervisory and Skilled Categories

Managerial & Professional
21,837 (6%)

Technical & Supervisory
42,321 (13%)

Skilled Workers
167,576 (49%)

Others
106,821 (32%)

Note: Category of Employment from Projects Approved Between 2007-2011 and Implemented as at 31 December 2011

Quality Employment Created in Projects Approved During 2010-2011 and Implemented

Total Employment: 72,704
73% in the Managerial, Technical, Supervisory and Skilled Categories

Managerial & Professional
4,775 (7%)

Technical & Supervisory
9,618 (13%)

Skilled Workers
38,857 (53%)

Others
19,454 (27%)

Note: Projects Approved Between 2010 & 2011 and Implemented as at 31 December 2011
Approved Investments in Services Sector Underpin Economic Growth

- RM64.4 BILLION
- 3,957 PROJECTS
- 43,784 JOBS

Note: Statistics on investments in the services sector are preliminary.
Services Sector Registered Significant Increase in Investments- Almost Reaching the Pre-Crisis Level

Note: * Preliminary

Approved Investments in the Services Sector

The Share of Approved Foreign Investments in the Services Sector Increases

Approved Investments in the Services Sector
Real Estate and Transport Remain the Major Sub-Sectors

Approved Investments in the Services Sector

Approved Investments in the Primary Sector
Oil & Gas Propels Investments in the Primary Sector

Total: RM28.1 billion

Mining → RM26.7 billion
Plantation & Commodities → RM989.5 million
Agriculture → RM417.5 million

Note: Statistics on investments in the primary sector are preliminary.

PRIVATE INVESTMENTS
Target & Achievement
Realised Private Investments* Surpass Target

113.3%

Target for 2011

Investments Realised

RM 94.0 billion

RM 83.0 billion

Source: DOSM
Note:* Gross Fixed Capital Formation (GFCF)
+ Estimates

Private Investments
Malaysia’s economy is projected to sustain a growth of between 5% and 6% in 2012.

Global FDI inflows expected to strengthen from 2011 till 2013.
(UNCTAD’s World Investment Prospects & Survey, 2011-2013)

Malaysia is ranked as 21st top host economies for FDI in 2011-2013.
(UNCTAD’s World Investment Prospects & Survey, 2011-2013)

Outlook cont’d...

Malaysia’s strong performance in international rankings will support investment promotion drive:
- 10th most attractive destinations for FDI (A.T. Kearney’s FDI Confidence Index)
- 18th in ease of doing business (World Bank Doing Business Report)
- 21st most competitive economy (WEF Global Competitive Report)

Efforts to be intensified to target and attract industries in which Malaysia has strong foundations and in new growth areas to achieve the target of RM115 billion per annum.
Thank You