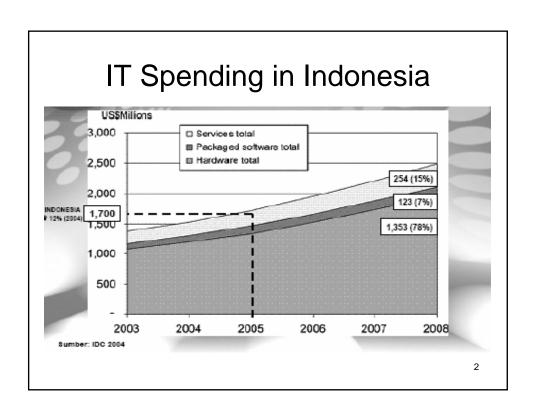
The Growth of IT Industry in Indonesia



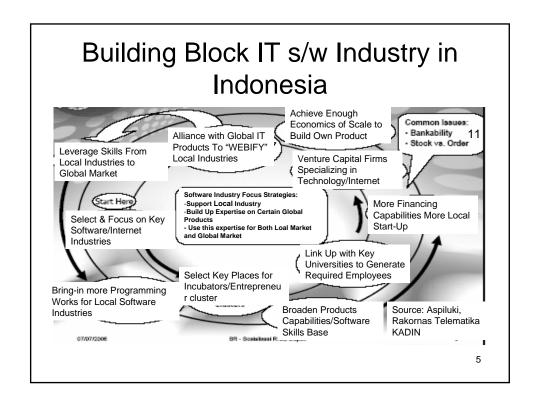
The Growth of IT Market

- IT Spending in Indonesia (source IDC 2004):
- 2005: 1,7 billion USD (inc. 12% from 2004)
- Hardware: 1,353 million USD
- Software package: 123 million USD
- Services: 254 million USD
- 2008: USD 2,5 billion (CAGR 13%)
- Banking, manufacture, and telecommunication dominate IT Spending (50%).
- Software and IT service business gives great opportunity for national business.
- Hardware of IT business are too difficult in competitor

3

Software Package Market

- 30 top level software developer cover 60% of IT market.
- Most of them are foreign vendor
- Software Market:
 - Infrastructure 36%
 - Software Application 44%
 - Application Development 20%
- CAGR (Compound Annual Growth Rate) 7,8% (2002 – 2007).
- Market opportunities are special applications.



Problems

- Unstable National Economic Health;
- Limited available Infrastructure;
- ICT Industry policy;
- IT Professional Human Resource are limited;
- Dependency of Technology from foreign country;
- Gap in National ICT development;



Grow MSC into a Global ICT Hub

[Web of Corridors][MSC Global Companies]
[Enhance current flagship & Introduce new ones to improve national competitiveness]
[Leadership towards harmonized global frameworks of cyberlaws]
[Enhance loal IT Industry especially those centered around services to the people]
[Link to world leading intelligent cities]

Accelerate growth of MSC as a Global ICT Hub and review incentives to encourage R&D and attract greater MNC presence







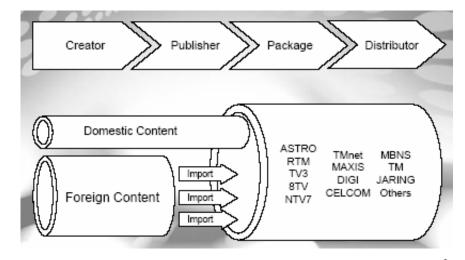


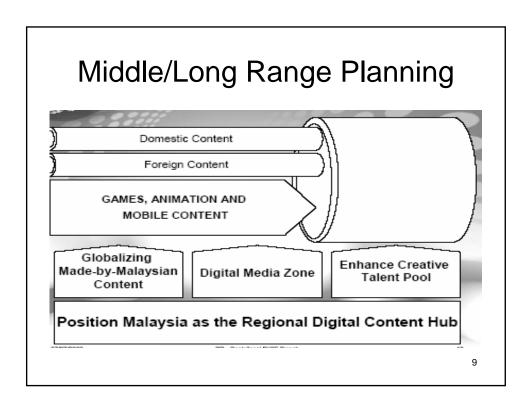
Extending the MSC benefits to the wider community

Bring "ALIVE" the Multimedia Super Corridor/MSC!

7









Gap and Opportunity

- Funding
- Access To Markets
- Core Research and Development
- Mismatch between local and foreign content
- Local Talent, Global Content: Saladin
- Multi-Lingual, Multi-Cultural Workforce
- Content is all about IP
- •Growth Area 1.7 Trillion, 3.8% Global Growth Rate

11

Industry Development Strategic

- To use designated MSC digital zones as international and national hubs for the creative multimedia content industry
- To provide funding access for local content development and to catalyze the creation of IP assets development and their commercialization
- To create strategic alliances with content distributors and local
- ISPs to increase the uptake of Malaysian creative multimedia products and services locally and globally
- To develop a comprehensive skills development program for theindustry via student development schemes and investment strategies
- To facilitate the provision of accessible content creation infrastructure for local developers and entrepreneurs

