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**SPEECH BY MR S ISWARAN, SENIOR MINISTER OF STATE
FOR TRADE AND INDUSTRY,
AT HITACHI DATA SYSTEMS' NEW OFFICE AND BUSINESS
SOLUTIONS CENTRE LAUNCH,
ON 6 FEBRUARY 2009, AT 10.45 AM,
THE CONCOURSE**

Mr Ravi Rajendran,

Vice President and General Manager for ASEAN,

Hitachi Data Systems

Ladies and gentlemen,

Good morning.

1. I am delighted to be here today for the opening of Hitachi Data Systems' new Business Solutions Centre and the new office for its ASEAN HQ in Singapore.

2. Hitachi Data Systems Pte Ltd has been operating as the company's regional HQ in Singapore since 1989. It has grown from a niche storage products company, into one of the global leaders in the industry - providing storage technology, services and solutions.

3. To help companies maximise their IT resources, Hitachi Data Systems has expanded its Regional HQ in Singapore and launched a new Business Solutions Centre. This is a testimony to the value that Singapore can offer in the development of new information storage and management solutions for the region.

4. Amidst the current economic turmoil, it is heartening to note that Hitachi has identified and is taking advantage of growth opportunities in Singapore and the region by investing in new facilities and services to prepare itself for the eventual economic upturn.

Data trends and growth

5. Despite the general economic slowdown, companies across many industries are still seeing an exponential growth in data that is generated and utilised. In fact, IDC, a leading provider of market intelligence for the IT sector, had estimated that digital information created, captured and replicated in 2007 had amounted to 281 exabytes. This is projected to increase ten-fold to 1.8 zettabytes (1,800 exabytes) by 2011. In this respect, we are not likely to see a slowdown in data generated even though IT budgets are cut back this year.

6. There is a critical need for companies, big and small, to improve the way business infrastructure is managed while keeping costs low. And it is this challenge – to streamline IT and storage infrastructure in the face of tight budgets - that Hitachi Data Systems has identified as a critical growth opportunity.

Singapore – a leading hub in data storage solutions

7. Starting with Hard Disk Drive (HDD) assembly activities in the 1980s, Singapore has established a strong foundation as a leading hub in data storage solutions in the last two decades. This has been achieved in part by focusing on manpower training and Research and Development.

8. On one hand, R&D and product innovation will enhance companies' long run competitiveness and give them a head start when markets rebound. On the other hand, continued investment in employee training will prime companies for the recovery by maintaining an effective workforce whose skills stay relevant and valuable.

9. Over the years, Singapore has served as a successful gateway for Hitachi Data Systems' activities in the region. Given Singapore's strategic position in the region, I am confident that the new Business Solutions Centre will also become the main training centre for Hitachi's customers and partners across ASEAN. This centre will further cement Hitachi Data System's relationship with Singapore and underscore its commitment to expand the ASEAN storage solutions market - from its trusted business hub in Singapore.

Continued investment in an economic downturn

10. Hitachi Data Systems' new office and Business Solutions Centre represent an investment commitment of over \$10 million. I understand that it entails an increase in office space of 70%, and that headcount will expand by 50%. This is a good example of a company that is growing intelligently - through adversity – to take advantage of current and future growth opportunities in the market.

11. In that regard, I believe that Hitachi Data Systems' new Business Solution Centre in Singapore will address the evolving needs of the storage market by providing the latest storage innovation, subject-matter experts, and training grounds for local and regional companies.

Conclusion

12. I congratulate the management and staff of Hitachi Data Systems on the opening today of its Business Solutions Centre and the new premises for its ASEAN HQ. It is the result of your vision and perseverance in identifying growth opportunities despite the downturn.

13. On its part, the Singapore Government has unveiled a \$20.5 billion Resilience Package to save jobs, help companies stay afloat, build infrastructure, re-train our workers and invest in R&D and education. It is a reflection of our commitment to do what is necessary to bolster the economy and to ensure that Singapore remains a conducive place to do business.

14. I thank Hitachi Data Systems for your trust and confidence in Singapore and we look forward to working with you to make this facility a success.