

EMBARGOED TILL AFTER DELIVERY
PLEASE CHECK AGAINST DELIVERY

**Speech by Mr Lee Yi Shyan
Minister of State for Trade & Industry and Manpower
at Trek 2000 International Ltd New Product Launch
on 20 Jan 2010 (Wed), 7pm at Hilton Singapore**

Mr Henn Tan,
Chairman & CEO, Trek 2000,

Mr Hiroto Nakai,
Senior Manager, Flash Business Strategy Development,
Toshiba Corporation Japan,

Ladies and gentlemen,

Good evening.

1. I am pleased to be here this evening to witness the launch of Trek 2000's latest innovation – the FluCard^{TM1}.

In March 2000, Trek 2000 introduced the world's

¹ The FluCardTM is a plug and play solid state memory card with built-in Wi-Fi and security features, which enables seamless peer-to-peer sharing between devices as well as transfer of contents to a data storage server.

smallest external storage device, the ThumbDrive®, which is now ubiquitous. Now, the FluCard™, with its unique features, is expected to add to the transformation in the digital and video industry by introducing a new digital way of life to the world.

Electronics is a key pillar of Singapore's economy

2. I am especially proud that Trek 2000, a home-grown company, is using Singapore to launch its new product to Asia and the world. Indeed, a successful launch of the FluCard™ will inject new vibrancy to our vision for Singapore to be a centre of innovation for the electronics industry.

3. The Electronics industry contributed 26% of our manufacturing value-add in 2008, and has been amongst the most productive sectors in Manufacturing, with value-add per worker amounting to about

S\$154,800. Semi-conductors and data storage are the two most important economic components in our Electronics cluster. These two sectors require a broad spectrum of R&D capabilities and technological solutions, ranging from those in the basic materials and other sciences, devices, systems and platforms, to applications. Electronics is also a key demand driver for the logistics, chemicals and precision engineering industries, and it supports capability development in other sectors such as avionics, medical technology and clean energy.

4. Singapore remains committed to further enhance our competitiveness in the Electronics sector. We hold leadership positions in semi-conductors and hard disk media, and we want to continue to attract strong manufacturing interest from electronics companies. For the first three quarters of 2009, the Electronics

industry committed S\$4.25 billion in fixed asset investments and S\$1.55 billion in total business spending. Overall, Singapore's Electronics industry did well against a challenging macroeconomic environment last year.

5. R&D is also an integral part of the Singapore electronics value chain. Today, Singapore hosts the full value chain of R&D activities from components to product development. In 2008, the Electronics industry accounted for 81% of the manufacturing sector's R&D expenditure, and employed 56% of the manufacturing sector's research engineers. Nine out of the world's top 10 fabless semiconductor companies have also established R&D activities in Singapore. With our firm foundations in semiconductor R&D and strong working relationships with major industry players,

Singapore will continue to be an attractive location for companies to base their activities here.

6. In line with global industry trends, the EDB has also identified four new growth areas for the electronics industry. They are green electronics, bio-electronics, plastic electronics and security. Singapore can harness on its cross-disciplinary capabilities in electronics and existing strengths in material physics and biotechnology to help anchor more activities in these new growth segments moving forward.

Significance of Trek's activities in Singapore

7. Against rapid technological obsolescence, our Electronics industry needs to quicken innovation and create useful intellectual properties to stay ahead. Trek 2000 is an excellent example of a home-grown company that has acted on this need for innovation,

through R&D and commercialisation of the FluCard™. In addition, the company is also able to tap on Singapore's electronics ecosystem by outsourcing chip manufacturing to a wafer foundry in Singapore.

8. I hope to see more of such partnerships in our electronics ecosystem as the industry enters its next wave of growth.

Conclusion

9. On this note, let me extend my heartiest congratulations to the management and staff of Trek 2000. We look forward to more innovative ideas from you.

10. Thank you.