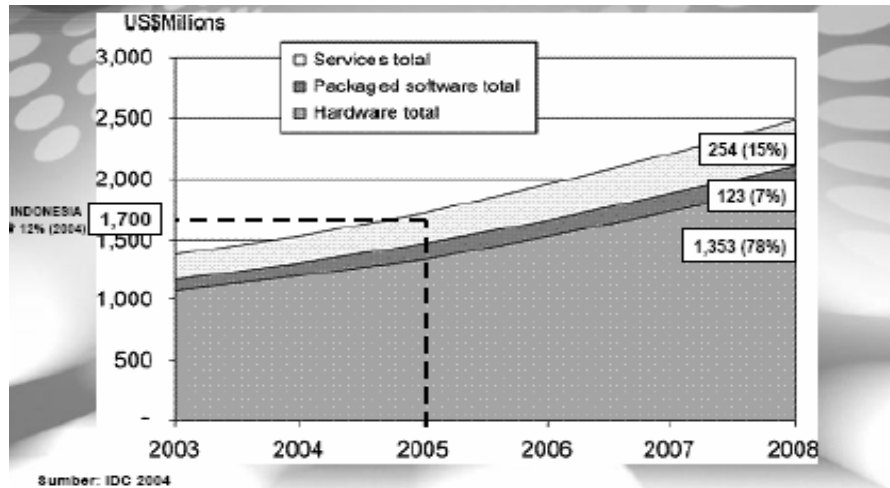


The Growth of IT Industry in Indonesia

1

IT Spending in Indonesia



2

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

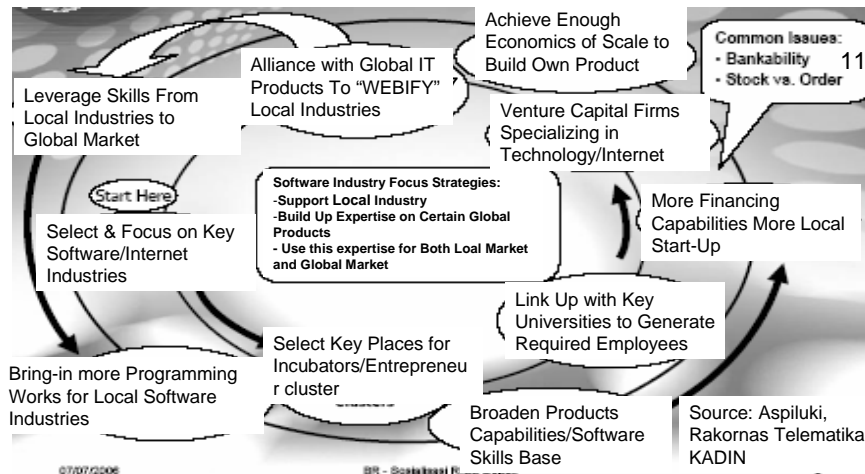
3

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.

4

Building Block IT s/w Industry in Indonesia



5

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;

6

MSC Strategy 2004 - 2010

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 local 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



Roll out of the MSC to the rest of the country and enhancing local ICT industry



Increase usage and adoption of innovative domestic ICT products and service

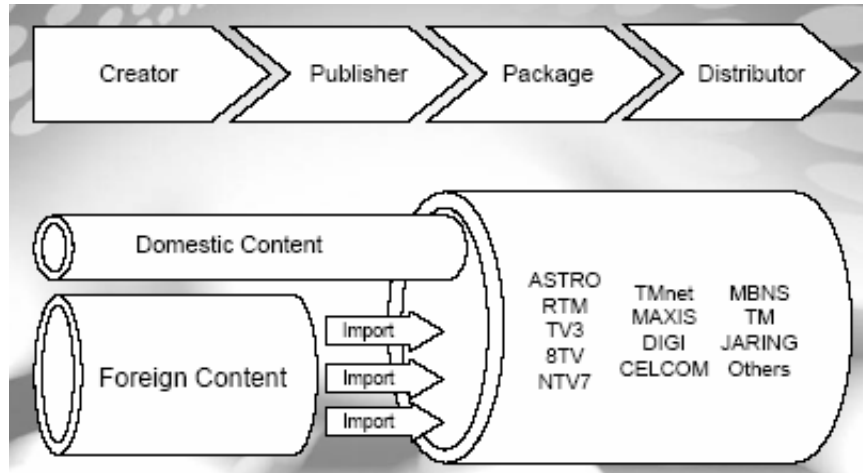


Extending the MSC benefits to the wider community

Bring "ALIVE" the Multimedia Super Corridor/MS!

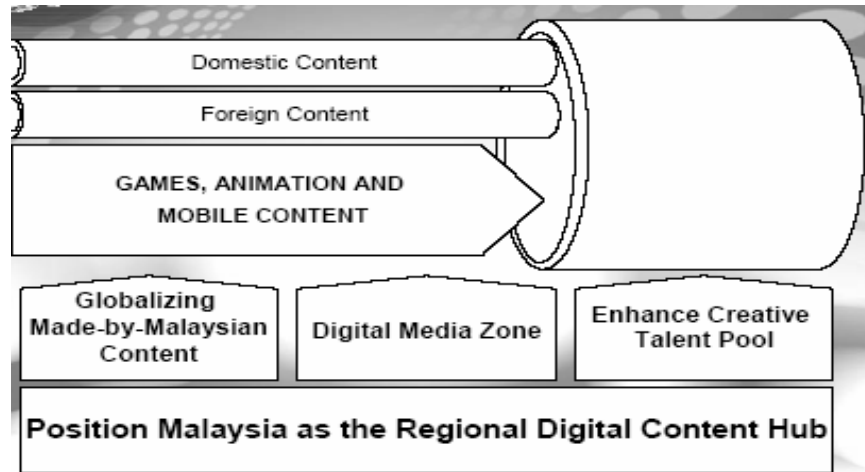
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Current IT Content Industry



8

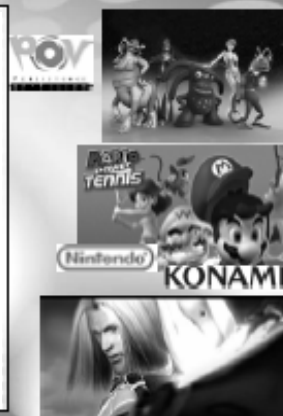
Middle/Long Range Planning



9

Some Achievement and Products

- **POV**
Outsourced Project (Canada) - Tripping the Rift won several International Awards.
- **Silverant**
Outsourced Project (Japan) - World-class animated game intro for Sony, Nintendo & Konami.
- **GameBrains**
Game Developer with 100% Export Orientation – One of the first licensed Gameboy, PSP, PS2, XBOX and Gamecube Developer



10

Gap and Opportunity



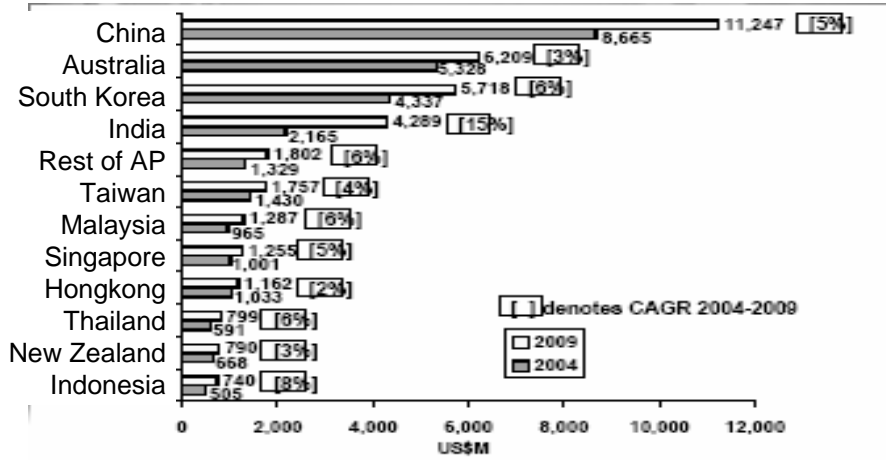
11

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 the industry** via student development schemes and investment strategies
- To **facilitate the provision of accessible content creation infrastructure** for local developers and entrepreneurs

12

IT Budget in Gov.



Source: •

Gov. – Private Partnership

