

UPS Asia Business Monitor

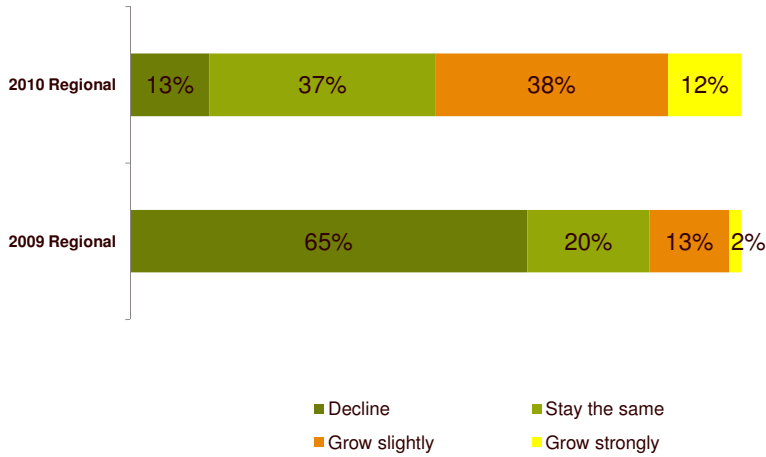
The Singapore Perspective



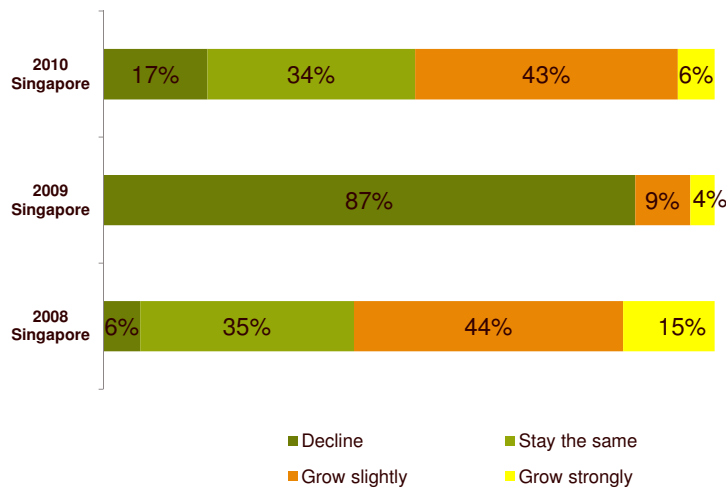
About UPS's Asia Business Monitor

- SMEs play a critical role in Asia's economy, and are looking for support, advice and strong partners in this challenging economy
- ABM, now in its sixth year, is an indispensable and effective resource for SMEs, businesses and stakeholders throughout Asia
- ABM continues to be a barometer of key trends in the marketplace for SMEs; pinpoints the issues and solutions present; helps SMEs to step up their game

More optimistic perceptions about the economic growth of the Asia Pacific



Singapore SMEs on growth prospects - Upswing towards pre-crisis levels



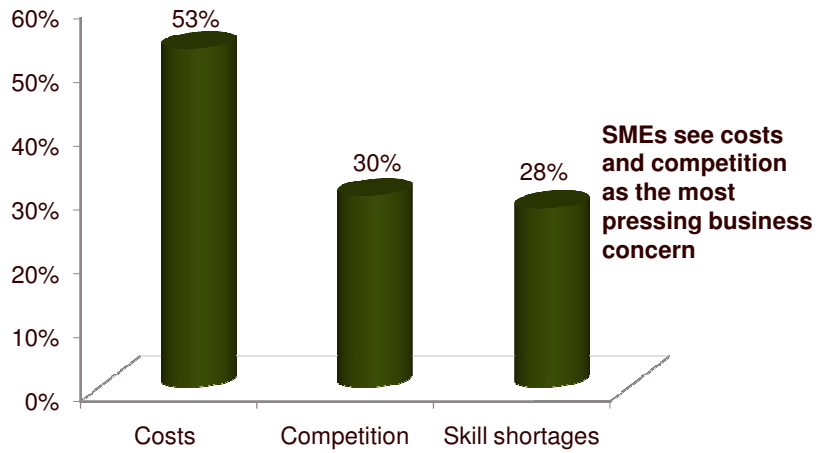
**So how can SMEs stay ahead of competition
and take advantage of the global recovery?**

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By turning challenges into opportunities

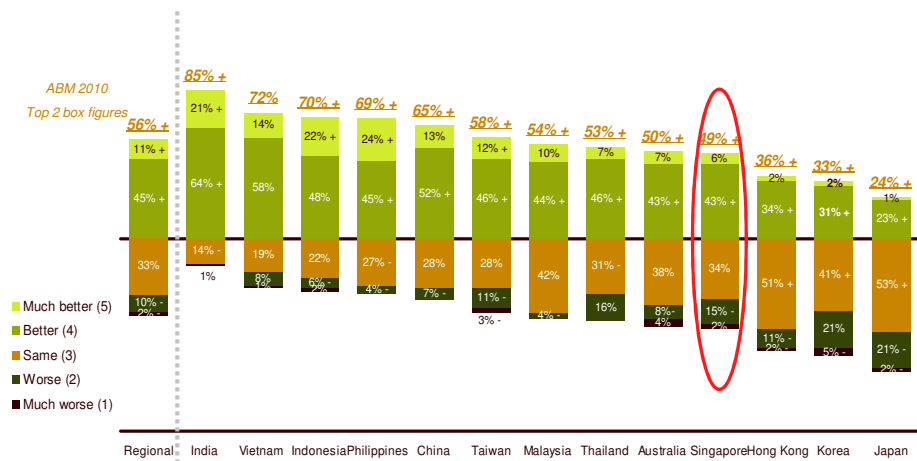
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So what keeps SME leaders awake at night?



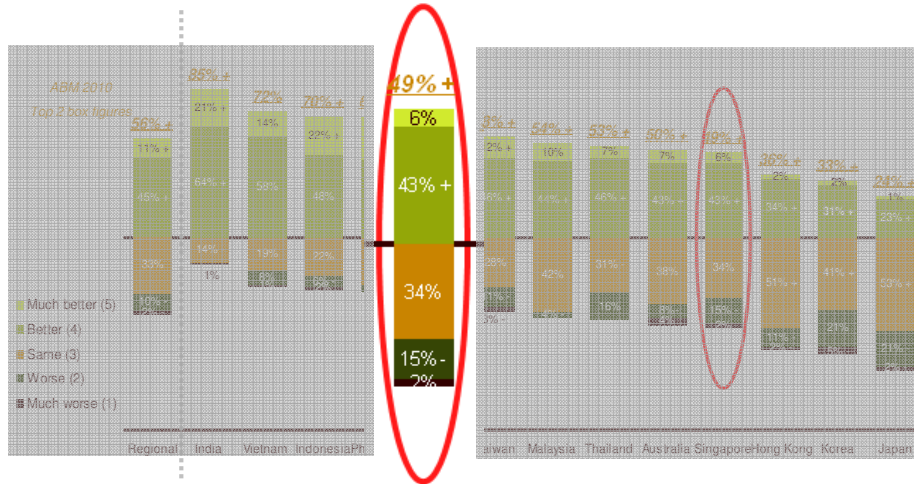
Singapore SMEs are less optimistic about economic growth compared to counterparts in APAC

Do you think your company's overall prospects in 2010 will be better, worse or about the same as 2009?

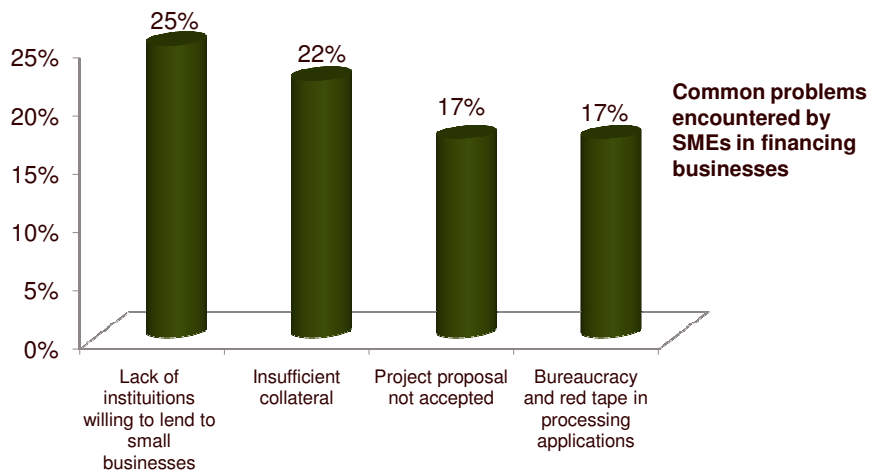


Singapore SMEs less optimistic about economic growth compared to counterparts in APAC

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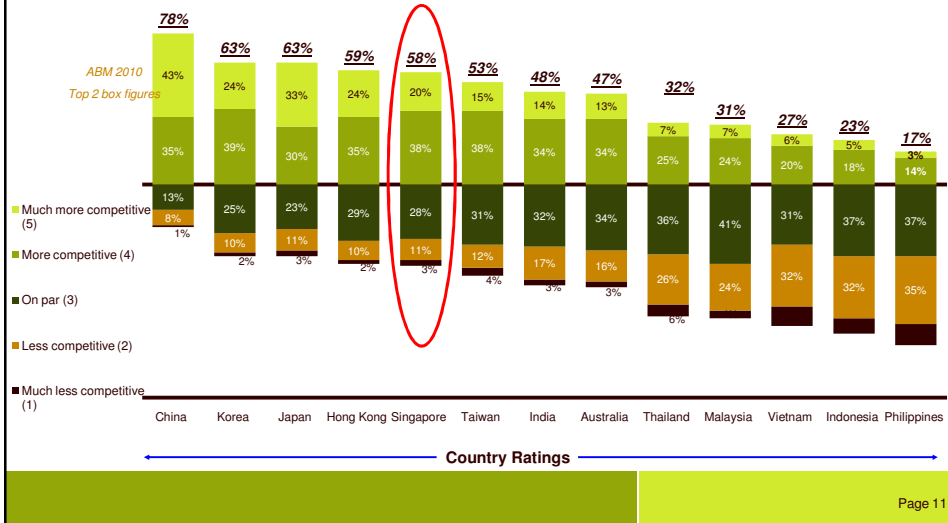


With many still facing financing woes



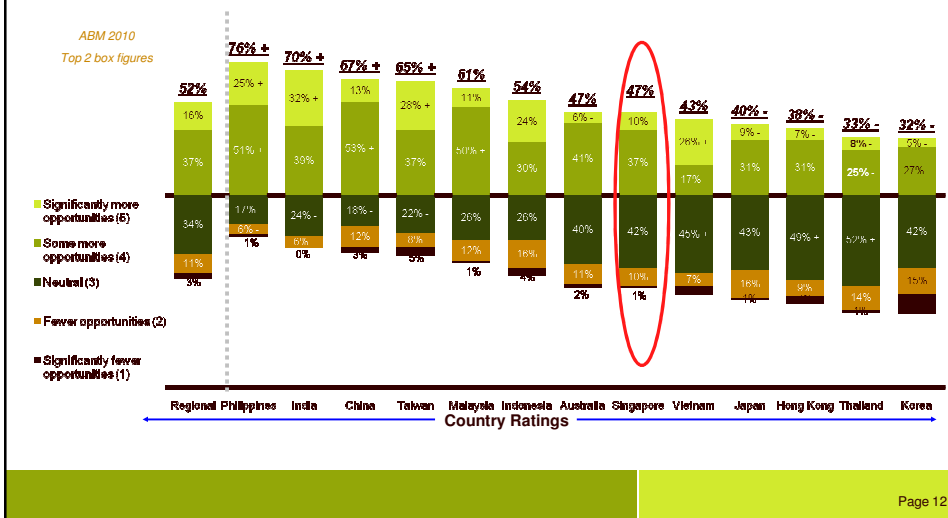
Singapore SMEs consider SMEs in other countries to be more competitive

How would you rate the competitiveness of SMEs in other countries compared with SMEs in your own country?



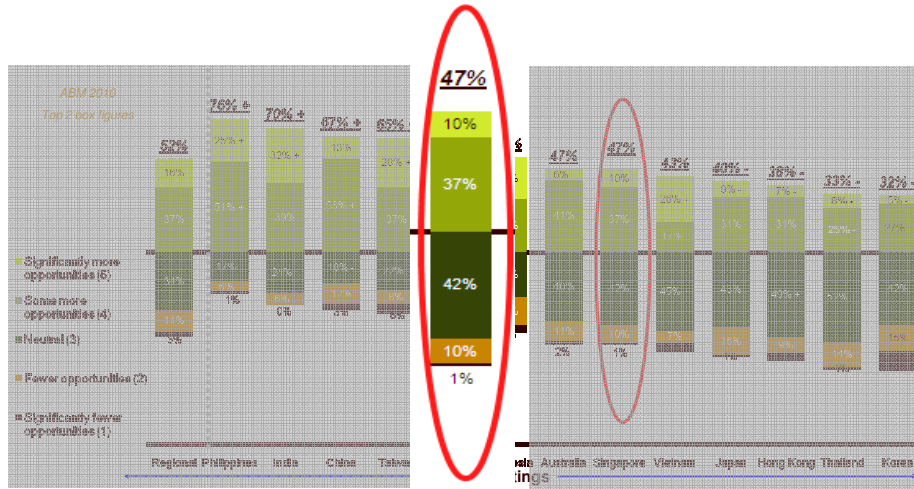
Less than half of SMEs in Singapore are optimistic about business opportunities

What level of opportunities do you see for your business in 2010?



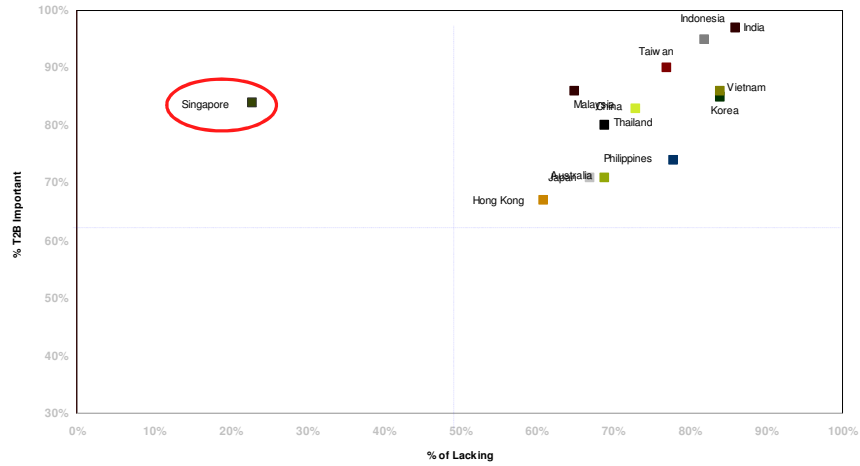
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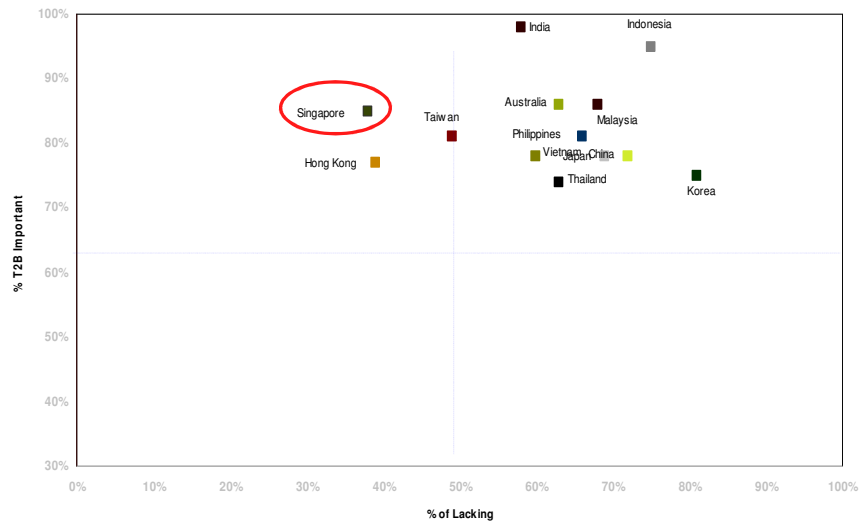


While Singapore SMEs remain guarded, the good news is the country has the right ingredients for SMEs to succeed

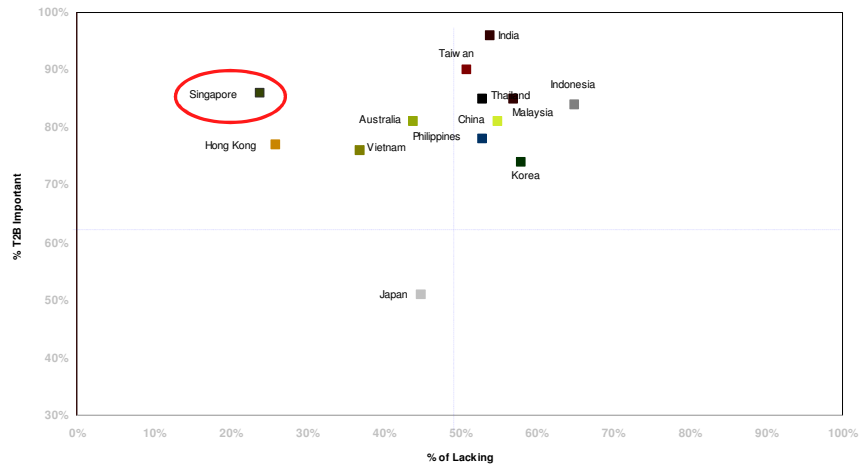
1. The Singapore government provides a strong support to help SMEs remain competitive



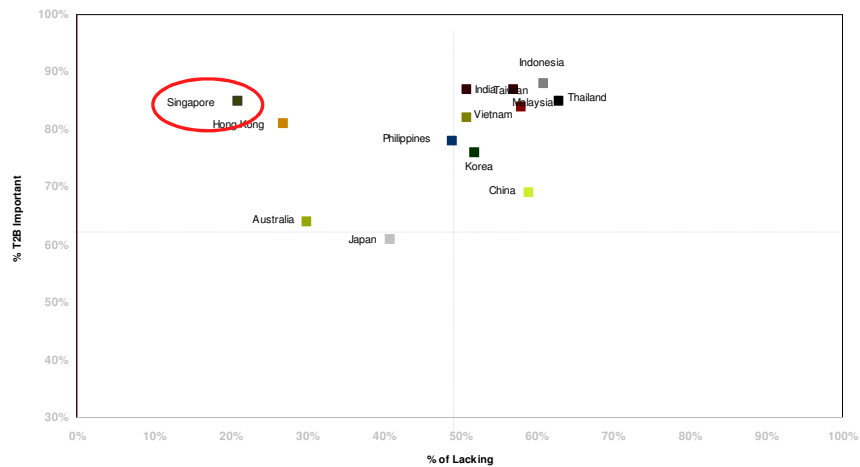
2. Singapore has the best access to funding and working capital vital to the development of SMEs



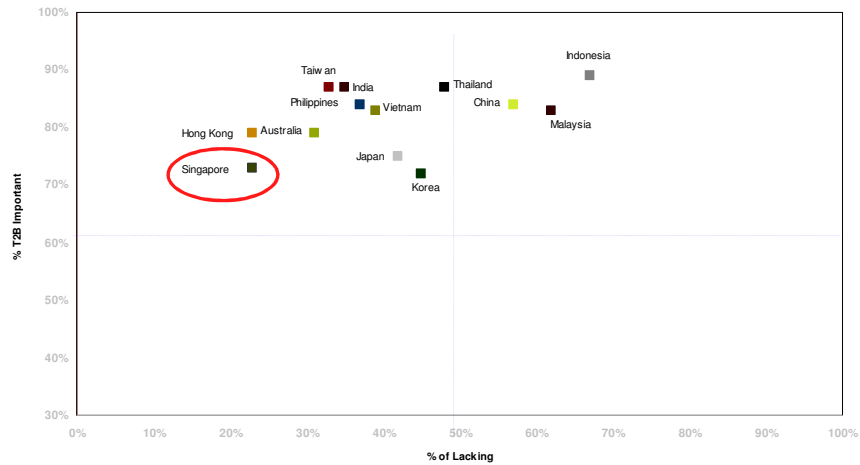
3. Singapore has a high level of supply chain efficiency which contributes to SME competitiveness



4. Singapore as a regional base to grow business in new markets



5. Singapore are leaders in technology adoption and innovation



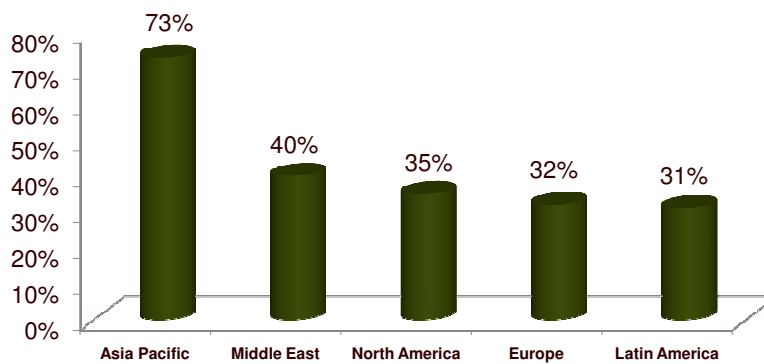
How can Singapore SMEs capitalise on these to take advantage of the global recovery?

1. Leverage Singapore's international status

Use Singapore as a headquarters to expand within the region and beyond

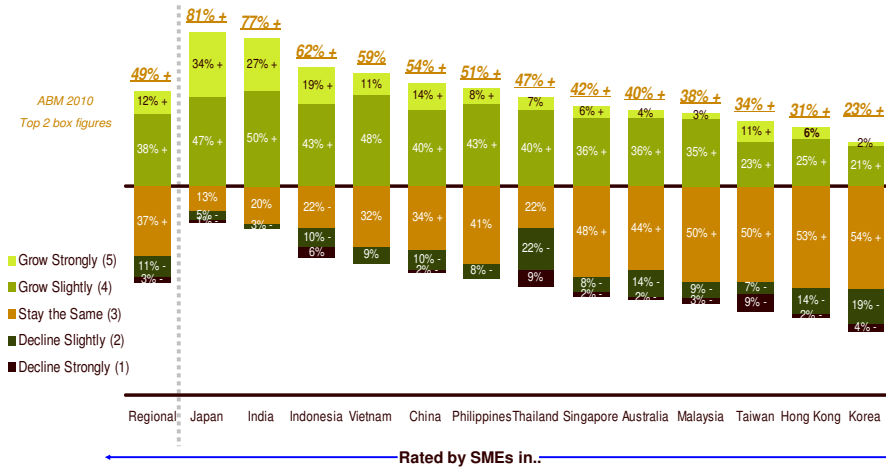
Singapore SMEs bullish about trade growth within APAC

Do you believe that there will be trade growth between your country and the following regions?



With positive sentiment about the growth in APAC shared amongst Asian SME leaders

How do you rate the prospects for economic growth across the region in 2010?



Singapore has a network of 18 FTAs and 24 business partnerships connecting it to the region markets and major economies

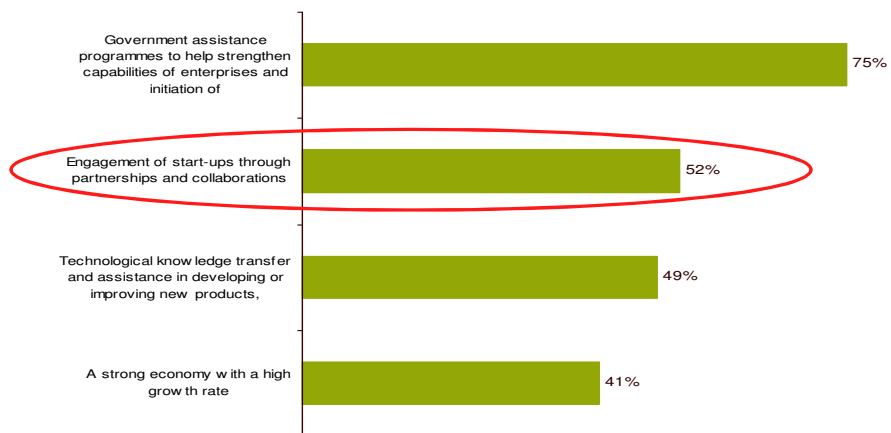


2. Build strategic business partnerships

Smart collaborations to
create win-win situations

SMEs can actively pursue partnerships with start-ups to learn from each other

How do you think Singapore can encourage budding entrepreneurs to start a business in the country?



SMEs can also work with peers for mutual gains



Tap into expertise and connections of global partners to expand across markets

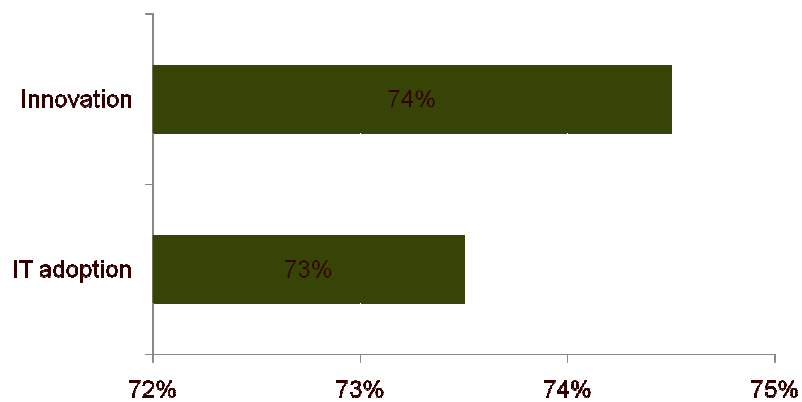


3. Invest in technology and innovation

Use technology to stand out

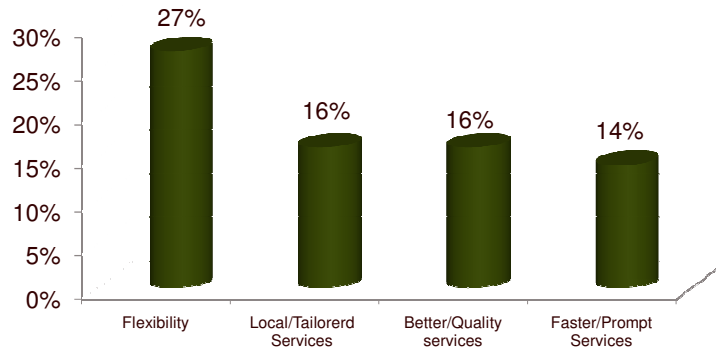
Innovation IT adoption and are important factors for SMEs in Singapore

How important are the following factors in contributing to SME competitiveness in your country?



Creating niches to stay ahead of competition

What can SMEs do/contribute that cannot be offered by big enterprises?



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Use technology as a force multiplier to level the playing field



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How UPS can help businesses enter new markets

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The Nuskin experience



Regional Distribution Center

- 1. Increased delivery speed of Nu Skin products**
 - from 2-3 weeks to 2-3 days
- 2. Enhanced supply chain efficiencies**
- 3. Enhanced resources through manpower and technology**

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The Singapore SME experience

- 1. Presence of strong government support and infrastructure**
- 2. Singapore SMEs have knowledge and expertise both internally and externally**
- 3. Partnership opportunities with established global leaders**

The way forward

