



MEDIA RELEASE

SPURRING THE GROWTH OF MALAYSIA AEROSPACE INDUSTRY

1. Malaysia continues to strengthen its position as the Aerospace Hub for South East Asia. The Malaysian aerospace industry has seen significant growth and has provided more than 23,000 jobs opportunities, mainly in aerospace manufacturing and maintenance, repair & overhaul (MRO) with active participation of small and medium-sized enterprises. Total number of companies in operation has reached more than 230. Total revenue recorded in 2017 is RM13.5 billion with aero manufacturing sector contributing 49% and MRO sector contributing 46% of the overall revenue. 2017 was a record year for Malaysia's aerospace exports with RM8.49 billion of exports, an increase of 54% compared with 2016. Malaysia's aerospace exports are mainly in aerospace parts and components.
2. In 2017, thirteen (13) aerospace projects were approved with investments of RM649 million, 80% were domestic investments. The approved projects are expected to generate an additional 1,021 employment opportunities.
3. SMEs involvement in the aerospace industry is also encouraging. The 20 SMEs under the EPP8: Developing SMEs in the Global Aerospace Manufacturing Industry Programme under SME Corp have also shown positive growth and expected to generate more than RM30 million revenue this year. These companies were identified to be further developed as part of the Government's initiative to expand the local aerospace supply chain. The companies are mainly in the parts & components manufacturing (metallic & composites), tooling manufacturing and special processes for aerospace manufacturing.
4. Moving forward in 2018, the industry is expected to grow at 5% with aero manufacturing sector contributing 54% of the overall aerospace industry revenue. Meanwhile, the MRO (Maintenance, Repair & Overhaul) will continue to expand especially in the aero engine and components segment with MRO revenue targeted at RM6.5 billion.
5. The groundbreaking ceremony of Senior Aerospace UPECA sets another important milestone for the aerospace industry development as Senior Aerospace UPECA is the first tenant at the Subang AeroTech Park. Developed by MAHB, the 60-acre site is dedicated for aerospace parts & components manufacturing, engineering services and MRO (Maintenance, Repair & Overhaul).



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

6. This new 178,000 square feet facility will become Senior Aerospace UPECA's showcase facility in Malaysia. This facility represents an addition to the current facility (136,000 sq. ft.) in Shah Alam. The new investment amounting RM151 million will include state-of-the-art automation manufacturing and comprehensive special process capabilities from the Senior Group. It will also boast double the special treatments capacity and non-destructive capability compared to the current facility. It is expected that 360 highly skilled engineering and technical personnel will be employed for the new facility.

7. NAICO and MITI agencies namely MIDA, MATRADE and SME Corporation Malaysia will continue to facilitate the growth of the aerospace industry by providing a facilitative environment and eco-system. Efforts will also be taken to promote quality investments to Malaysia to accelerate local supply chain development as well as to bring in cutting-edge technology to the country. This is in line with the Malaysia Industry 4.0 initiative to enhance Malaysia's competitiveness at the global arena. The export promotion of aerospace services will remain an important activity to promote Malaysia as the regional aerospace hub in South East Asia.

Ministry of International Trade and Industry
13 March 2018

-END-

About MITI:

The Ministry of Commerce and Industry was established in April 1956 then was renamed as The Ministry of Trade and Industry in February 1972. On 27 October 1990, the Ministry was separated into two Ministries which are; Ministry of International Trade and Industry (MITI) and Ministry of Domestic Trade and Consumer Affairs (KPDN).

MITI is the key driver in making Malaysia the preferred destination for quality investments and enhancing the nation's rising status as a globally competitive trading nation. Its objectives and roles are oriented towards ensuring Malaysia's rapid economic development and help achieve the country's stated goal of becoming a developed nation by 2020.

Media enquiries

Ministry of International Trade & Industry
Strategic Communications Unit

Tel +603 6200 0083

Fax +603 6206 4293

E-mail allpegkomunikasikorporat@miti.gov.my