

## NEWS RELEASE

### **UOB survey: 76 per cent of Indonesian enterprises are optimistic the ASEAN Economic Community will lead to business growth**

**Jakarta, 20 June 2017** – United Overseas Bank’s (UOB) *Asian Enterprise Survey 2016*<sup>1</sup> has found that 76 per cent of Indonesian enterprises are optimistic that the ASEAN Economic Community (AEC) will provide opportunities for them to expand their businesses within Southeast Asia. Their optimism is second only to that of the 83 per cent of enterprises in Thailand as found in the same survey.

Indonesian enterprises also viewed the AEC as a way to ease rising business costs, which 52 per cent of the respondents cited as a business growth constraint. Almost half of the respondents said as a result of the AEC, they expected to be able to outsource or to procure cheaper products and services. They also listed among the direct benefits of the AEC the ability to access a larger pool of investors and capital as well as being able to employ more skilled labour.

Mr. Frederikus Weoseke, Head of Global Markets of PT Bank UOB Indonesia (UOB Indonesia), said that Indonesian enterprises were ready to seize the opportunities and benefits that regional initiatives, such as the AEC, create.

“Our survey has found that Indonesian enterprises are the most optimistic in the region about their growth prospects<sup>2</sup>. They have enjoyed solid financial performance over the last three years and are looking forward to growing their business further by capitalising on the greater regional connectivity arising from that AEC,” Mr Weoseke said.

“Their optimistic outlook is also supported by the Indonesian government’s economic reforms and infrastructure investments which were designed to spur economic growth. Such initiatives under the leadership of President Joko Widodo have provided wider opportunities for Indonesian companies to benefit from inbound trade and investment flows and regional initiatives.”

<sup>1</sup> The survey was conducted by UOB in May and June 2016 among 2,500 enterprises across China, Hong Kong, Malaysia, Singapore and Thailand. The objective was to explore how Asian enterprises, including Indonesian enterprises, are capitalising on business opportunities amid global and regional economic trends and trade flows.

<sup>2</sup> Indonesia (83 per cent), Thailand (80 per cent), China (77 per cent), Malaysia (74 per cent), Hong Kong (64 per cent) and Singapore (63 per cent).

## NEWS RELEASE

The survey also showed that one-third of Indonesian enterprises believed that expansion in Asia would be a main growth driver in the next three to five years, with Singapore being the most preferred expansion destination (43 per cent). This was followed by Malaysia (38 per cent), Japan (36 per cent) and China (34 per cent).

Indonesian enterprises were also focused on attracting a larger customer base from which to grow their business and to remain competitive. UOB's research found that Indonesian businesses were directing their resources to research and product innovation (44 per cent) and marketing (38 per cent) to seize the opportunities arising from the country's burgeoning middle- and affluent class, which was growing at a rate of eight to nine million people each year<sup>3</sup>.

### **The need to invest in technology for growth**

The survey found that Indonesian enterprises placed a lower priority on investing in information technology (IT) systems (33 per cent) as a growth enabler compared with the enterprises from the other Asian countries.

UOB Indonesia recognises that Indonesian businesses could utilise IT systems to be more productive in their business administration. One way in which the Bank has been helping enterprises adopt technology is through its online banking service, UOB Business Internet Banking Plus (BIBPlus), which enables businesses to manage their cash and trade transactions more efficiently.

**Mr. W. Kartyono, Head of Transaction Banking, UOB Indonesia, said,** "Helping our clients to grow their businesses and reduce costs, through the use of information technology, is one of UOB Indonesia's main focus. We launched Business Internet Banking Plus (BIBPlus) to help our clients enhance their efficiency and boost their overall productivity. BIBPlus is designed to help streamline their day-to-day work processes and offers a host of features that can be customised to suit their business needs. We continue to enhance our technology offerings to our clients and we now offer BIBPlus on mobile as well for our clients' to stay connected to their businesses anytime, anywhere."

<sup>3</sup> Source: "Indonesia's Rising Middle-Class and Affluent Consumers", BCG perspectives,  
[https://www.bcgperspectives.com/content/articles/center\\_consumer\\_customer\\_insight\\_consumer\\_products\\_indonesias\\_rising\\_middle\\_class\\_affluent\\_consumers/?chapter=3](https://www.bcgperspectives.com/content/articles/center_consumer_customer_insight_consumer_products_indonesias_rising_middle_class_affluent_consumers/?chapter=3)

## NEWS RELEASE

The survey also found that Indonesian enterprises saw the importance of investing in employee training (37 per cent) and machinery and equipment (28 per cent).

- Ends -

### About PT Bank UOB Indonesia

PT Bank UOB Indonesia (UOB Indonesia) was established in 1956. The bank's service network comprises 41 branch offices, 137 sub-branch offices and 173 ATMs across 32 cities in 18 provinces in Indonesia. UOB Indonesia's banking services are accessible through its regional ATM network, the ATM Prima and Bersama networks and the Visa network.

UOB Indonesia is a subsidiary of United Overseas Bank Limited, a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Europe and North America.

UOB Indonesia is committed to providing quality products and excellent customer services. UOB Indonesia offers various banking products and services categorised into personal financial services, business banking, commercial banking, corporate banking, global markets and investment management.

The bank has a strong retail customer base through its wide range of saving products, mortgage services and credit card. UOB Indonesia banking services are also accessible in Indonesia, Singapore, Malaysia, and Thailand through hundreds of UOB ATMs.

With its full suite of corporate/commercial and personal banking products, UOB Indonesia offer customers a range of treasury and cash management products and services. UOB Indonesia has also been increasingly focused on helping companies with their expansion plans. It has facilitated many enterprises from industries such as construction, mining, real estate and the services sector expanding into Indonesia. UOB Indonesia is rated AAA (idn) by Fitch Ratings.

UOB Indonesia plays an active role in the community, focusing on art, education and children. Since 2010, UOB Indonesia has held the annual art competition, UOB Painting of the Year. UOB Indonesia also encourages its employees to be involved in its regular volunteer activities. These include the annual UOB Heartbeat Run, blood donation and book donation activities.

For further details on UOB Indonesia, please visit [www.uob.co.id](http://www.uob.co.id)

### For media queries, please contact:

Nadya Siregar  
VP – External Communications Head  
Strategic Communications and Customer Advocacy  
Tel: +62 21 2350 6000 ext. 31243  
Email: [nadyasafira@uob.co.id](mailto:nadyasafira@uob.co.id)