

EMBARGOED UNTIL DELIVERY
PLEASE CHECK AGAINST DELIVERY

SPEECH BY MR LEO YIP, CHAIRMAN, ECONOMIC DEVELOPMENT BOARD, AT THE OFFICIAL OPENING OF ABBOTT NUTRITION R&D ASIA-PACIFIC CENTRE ON 5 MAY 2010, 1500 HRS IN THE BIOPOLIS, MATRIX BUILDING

His Excellency Mr David Adelman,
Ambassador of the United States of America to Singapore;

Mr Holger Liepmann,
Executive Vice President, Nutritional Products, Abbott

Distinguished guests,
Ladies and Gentlemen,

Good afternoon.

Introduction

1. It gives me great pleasure to join you this afternoon for the official opening of Abbott Nutrition R&D Asia Pacific Laboratory. Let me begin by congratulating Abbott Nutrition on the launch of this R&D laboratory, the company's first nutrition R&D laboratory in Asia. This new facility also marks Singapore's first corporate Nutrition R&D lab, and is a significant milestone for the Abbott-Singapore partnership and for Singapore's nutrition industry.

Singapore as Abbott's Hub for Business and Innovation in Asia

2. Abbott has been in Singapore since 1970. Since then, Abbott's partnership with Singapore has grown from strength to strength. Today, Singapore is Abbott's Asia Pacific Headquarters to manage business units such as Nutrition, Pharmaceuticals, Diagnostics and Diabetes Care across the region including markets like China and India.
3. In 2009, Singapore celebrated two strategic investments from Abbott:
 - One, the opening of Abbott's first pharmaceutical analytical laboratory in Southeast Asia at the Biopolis; and
 - Two, the opening of Abbott's largest nutrition manufacturing facility in the world, which would manufacture *Next Generation* products, serving key Asian markets.
4. Today, we welcome the newest addition to the Nutrition family - the establishment of Abbott's only Nutrition R&D laboratory in Asia, which would allow Abbott to be much closer to the Asian consumers that it serves. This will be Abbott Nutrition's home for innovation in Asia for Asia, developing new nutritional products for this region, tailoring ingredients, flavours and packaging to suit the tastes and preferences of Asian consumers. When fully

operationalised, it will hire more than 60 scientists with full capabilities to take a concept from discovery, to clinical research and to final products.

5. Recognizing Singapore's strong connectivity and offering of a wide range of professional services, companies like Abbott have decided to manage essential business functions from here. Our unique Global-Asia proposition makes Singapore a useful location for MNCs, global mid-sized companies and Asian enterprises to create value and manage and integrate their Asian as well as global business activities.
6. Today Abbott uses Singapore as a hub for managing both business and innovation, controlling, managing and integrating its businesses across Asia from Singapore and creating new value here through innovation activities.

Singapore being well-positioned to support the growth of nutrition companies

7. We are excited about this new facility, as nutrition is an area of focus for Singapore. In particular, we recognize that Nutrition R&D is integral to the creation and formulation of science-based products for global nutrition companies to meet consumer needs and drive growth. The establishment of this R&D facility is testament to the value that Singapore brings to the industry.

8. Singapore's location in the heart of Asia and strong connectivity to the region offers companies a valuable pan-Asian perspective. As a cosmopolitan city and a well-trusted location, Singapore also provides an ideal base to understand the unique needs of Asian consumers, develop and refine new product concepts that can be scaled up to the rest of Asia.
9. Singapore's investments in research infrastructure, particularly in the biomedical sciences, enable companies strong access to expertise and partnerships for their R&D work. R&D activities such as the milestone we are celebrating today can also leverage on Singapore's strong intellectual property regime, which provides a trusted environment for companies to carry out knowledge-intensive activities.
- 10.** To ensure a strong talent pool for sustainable growth of the nutrition industry, the government has been working closely with the institutes of higher learning and research institutes. At the diploma level, our polytechnics offer Food Science and Nutrition programmes. The National University of Singapore is working to strengthen its focus on nutrition under the undergraduate Food Science & Technology programme. At the post graduate level, the Singapore Institute for Clinical Sciences is also expanding our capacity to train students in nutrition.

Tapping on the growth potential for nutrition in Asia Pacific

11. Like Abbott, MNCs from around the world are growing their Asian footprint to tap on the strong growth potential of the region. Singapore can certainly play a role to support companies' growth strategy in Asia. For the nutrition industry, serving the nutrition needs of the young and the aged, hold great potential for growth.
12. Asia Pacific is the largest and fastest growing market for baby food. This is fuelled by the growing disposable incomes of parents who seek to provide their children with the best start in life with high-quality nutritional products.
13. At the other end of the age spectrum, ageing populations around the world present a challenge, but also an opportunity. By 2050, the number of people above 60 years or older will triple from 673 million in 2005 to 2 billion. Two thirds of this population will reside in Asia. While there will be added pressure on healthcare costs, there will also be increasing emphasis on health, wellness and proper nutrition as people desire to remain healthy during their golden years.
14. Abbott's investment in the Nutrition R&D laboratory will enable the company to better capture these growth opportunities in the Asia Pacific. We are delighted that this new facility will further boost Abbott Nutrition's business in the region.

Conclusion

15. In closing, let me thank Abbott for your confidence in Singapore through the years and for choosing to partner Singapore in establishing your first nutrition R&D lab in Asia here. We at the EDB look forward to strengthening this partnership to support you to better harness the many exciting opportunities ahead, especially in Asia. I wish you every success.

16. Thank you.