

## ***Definition for SMEs***

Sector	Micro-Enterprise	Small Enterprise	Medium Enterprise
Manufacturing, Manufacturing-Related Services and Agro-based Industries	Sales turnover of less than RM250,000 OR full time employees less than 5	Sales turnover between RM250,000 and less than RM10 million OR full time employees between 5 and 50	Sales turnover between RM10 million and RM25 million OR full time employees between 51 and 150
Services, Primary Agriculture and Information & Communication Technology (ICT)	Sales turnover less than RM200,000 OR full time employees less than 5	Sales turnover between RM200,000 and less than RM1 million OR full time employees between 5 and 19	Sales turnover between RM1 million and RM5 million OR full time employees between 20 and 50

Definitions of SMEs Used in a Selection of Countries

Country	Class of SME	Number of Employees	Sales Turnover	Balance sheet Items
Canada	Small			
	Manufacturing	<100	<C\$5mil	-
	Services	<50	<C\$5mil	-
	Medium			
	Manufacturing	100-500	C\$5mil - C\$20	-
	Services	50-500	C\$5mil - C\$20	-
Korea	Small & Medium			
	Manufacturing	<300	-	Won 20-80bil
	Mining & Transport	<300	-	-
	Construction	<200	-	-
	Commerce & Services	<20	-	-
Thailand	Small			
	Manufacturing	<50	-	<B20mil Investment capital
	Medium			
	Manufacturing	50-200	-	B20mil - 100mil Investment capital + B20mil - 100mil

## ***Profile of SMEs in Malaysia***

In Malaysia, there are 552,849 establishments in operations. 99.2% or 548,307 were defined as Small & Medium Enterprises (SMEs).

SMEs by Sector:

<b>Sector</b>	<b>No. of Establishments</b>	<b>Percentage (%)</b>
Agriculture	34,225	6.2
Manufacturing	39,376	7.2
Services	474,706	86.6
<i>Total</i>	<i>548,307</i>	<i>100.0</i>

*Source: Department of Statistics Census 2005*

### Distribution of Enterprises by Category

Country	Percentage of Enterprises by Category			
	Micro	Small	Medium	Large
Australia	80.0	15.8	3.3	0.5
Korea	-	73.2	22.9	3.9
	85.0	8.4	6.2	0.3
Philippines	88.4	9.8	0.8	1.0
Thailand	79.4	18.5	2.0	0.1

*Source: Charles Harvie, Economics Working Paper Series 2004, University of Wollongong*

## ***SMEs Economic Distribution***

<b>Contribution to</b>	<b>(%)</b>
GDP	32.0
• Services	19.7
• Manufacturing	8.4
• Primary Agriculture	3.9
Employment	51.5
• Services	33.9
• Manufacturing	14.5
• Primary Agriculture	3.1
Total Export	19.0
• Services	7.9
• Manufacturing	11
• Primary Agriculture	0.1

*Source: MITI Report 2006*

### Small & Medium Enterprise Statistics

Country	as % of total Establishments	as % of total workforce	as % of contribution of GDP
Malaysia	99.2	56	37
Japan	99.7	70.2	55.3
Taiwan	97.8	77.2	n.a
Korea	99.8	86.7	50
Thailand	99.6	69.0	38.9
Singapore	91.5	51.8	34.7
Germany	99.7	79.0	57.0
Indonesia	99.9	99.6	57.0
China	99.0	69.7	60.0
Philippines	99.6	69.1	32.0

Source: <http://www.bnm.gov.my/files/publication/sme/en/2006>

It's Not  
About  
the  
Coffee







Innovative

A woman with dark hair styled in an updo, wearing a black, low-cut, sleeveless dress, is kneeling on a white floor. She is looking towards the camera with a slight smile. The word "Branding" is written in large, bold, white letters across the middle of the image, partially overlapping her dress and the floor. The background is a plain, light-colored wall. The entire image is framed by a black border on the left and right sides.

**Branding**

