

ST Elect announces additional investment in mPayment Pte Ltd

Singapore, 1 April 2002 - Singapore Technologies Electronics Limited ("ST Elect"), has on 1 April 2002 exercised its options to purchase an additional 100,000 ordinary shares of S\$1.00 each in the share capital of mPayment Pte Ltd ("mPayment") for a cash consideration of S\$100,000. ST Elect's shareholding in mPayment is thereby increased from 19.8% to 31.8% of the total issued share capital of mPayment.

With the increase, mPayment has become an associated company of ST Elect.

The additional investment is not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of ST Engg for the current financial year.

mPayment is one of ST Elect's vehicles that will bring new mobile payment solutions to market as part of its Mobile Commerce initiative. To date, mPayment has successfully deployed its mPurse solution, a SMS (short message service) based micro-payment solution, with NETS and National Library Board. The additional investment from ST Elect would increase its overall participation in mPayment as mPayment begins to develop new markets in the region and in China.

About ST Elect

ST Elect, the electronics arm of ST Engg, is one of the largest electronics system houses in the region. ST Elect prides itself in delivering innovative system solutions to defence, commercial and industrial customers worldwide. It specialises in the design, development and integration of advanced electronics systems, such as communications, m-commerce solutions, microwave, traffic and rail management, real-time command and control system, training & simulation, and intelligent building management. ST Elect applies new technologies and design applications to the demands and stringent requirements of customised electronics systems and solutions. It undertakes continuing research and development to help create cost-effective proprietary products at system and component levels, delivering innovative and quality solutions to customers.

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