



ST Elect wins Mexican Deal from MVS Multivision

Singapore, 12 June 2002 – Singapore Technologies Electronics Limited ("ST Elect"), the electronics arm of Singapore Technologies Engineering Ltd ("ST Engg"), together with GFM Electronics, S.A. de C.V. ("GFME") have been given an exclusive supplier right to supply MMDS (Multichannel Multipoint Distribution System) access control downconverters to MVS Multivision S.A. de C.V. ("MVS"), a leading cable television provider in Mexico, over a four year period.

ST Elect, together with its joint-venture company, GFME will provide the hardware and software solutions of the MMDS access control downconverters. ST Elect expects to see a potential order of US\$50 million from MVS for this device over the four year period from this contract. For a start, the company has been awarded an initial order of US\$ 4.7 million to be delivered by October 2002.

The contract 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.

ST Elect has worked closely with MVS to design and modify the solution to meet the customer's specific need and have successfully carried out trials prior to the contract award.

MMDS is a system for wireless broadband communication that allows service providers to deliver services to the homes of individual users over rooftop antennas mounted within the range of powerful cellular-transmission towers. MMDS enables a wide coverage that will allow providers to target areas that have no broadband access, be they small cities or bypassed neighborhoods in big metro areas.

Under this project, MVS will utilise the technical solution from ST Elect to deliver pay-to-view television or cable programmes to the Mexican public. MVS is one of Mexico's largest entertainment service providers.

"By winning this contract from MVS, ST Elect has achieved a breakthrough in the Mexican market. We aim to deliver a quality solution that will provide MVS the right conduit to bring quality pay-to-view programmes to the Mexican public. ST Elect views Mexico as a growth market for our other products and solutions, in particular our communications solutions. Our strength is in being able to offer a full range of integrated and comprehensive solutions for such various industries. In addition, our continuing product development efforts as well as our efficiency and safety standards have stood us in good stead when breaking into new markets."

~ Seah Moon Ming, President of ST Elect

"MVS, the largest wireless television network in Mexico, is pleased to have selected ST Elect to supply the MMDS access control downconverters for the most important wireless television project in MVS to be implemented nation wide. ST Elect was selected not only for its product's superior technology and performance but also its ever ready response to our requirement changes, which distinguished it from the rest of the vendors."

~ Lic. Ignacio Rodriguez, Vice President of MVS

MVS Comunicaciones (the parent company of MVS) is a diverse communications company with operations in the area of radio broadcasting, pay television and Internet services.

About ST Elect

ST Elect, the electronics arm of ST Engg, is one of the largest electronics systems 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.

GSME

Incorporated in May 2000, GFME is a joint-venture company set up in Mexico and is owned equally by ST Elect and Grupo Ferrominero, S.A. de C.V. (of Monterrey, Mexico). GFME markets and distributes ST Elect's system-based and electronic, high-tech products and services in Mexico.

MVS

MVS is the largest wireless television network in Mexico. MVS was Mexico's first MMDS operator and produces television programming, and offers direct-to-home satellite television service in Mexico. MVS launched its MMDS service in Mexico City in September 1989. It is now one of the largest MMDS system operators in the world with about 400,000 subscribers, serving the Mexico City, Guadalajara, Monterrey, Leon, Tuxtla Gutierrez, Villahermosa, and Merida areas.

Media Contact:

Magdalen Loh
AVP / Head, Corporate Communications
ST Elect
Tel: (65) 64131788
Fax: (65) 64848840
Email: lohlm@stee.st.com.sg