

Subscription Of New Shares In Mobile Solutions & Payment Services

Singapore, 11 April 2003 – Singapore Technologies Electronics Limited (“ST Elect”) has subscribed for an additional 700,000 ordinary shares of S\$1.00 each in its associated company, Mobile Solutions & Payment Services Pte Ltd (“MSPS”) for a cash consideration of S\$700,000. With the concurrent addition of a new shareholder, Singapore Technologies Telemedia, into MSPS, ST Elect’s shareholding in MSPS is effectively reduced from 30% to 21.57%.

This subscription by ST Elect in MSPS 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.

MSPS has recently launched its mobile payment product, Blink™, to the general public. Blink™ allows consumers to make purchases from various retailers using their mobile phones. Blink™ springs out of the Infocomm Development Authority’s (“iDA”) mobile payment call for collaboration (“CFC”), in which ST Elect, MSPS, CET Technologies, BCS Information Systems, ABN AMRO Bank, Citibank, Maybank, MasterCard International, StarHub, mPayment, WizVision and a host of merchants formed a consortium (“MSPS consortium”) to pilot a mobile payment service.

The Blink™ system went live in September 2002 with Metro Paragon and Cathay Cineplexes as its launch clients. Since then, it has added Tangs, Subway (Suntec City and Tampines locations), TicketCharge and National Service Resort & Country Club (“NSRCC”) to its client list. iDA has announced that the MSPS consortium is one of four selected consortia that will commercialise their mobile payment solution.

“MSPS has successfully launched its remote payment systems for the merchants and banks as part of the iDA’s CFC Project. MSPS has begun working towards delivering a complete mobile commerce experience, not only in Singapore but in the region as well. As MSPS’ technology partners, ST Elect and CET will continue to work closely with MSPS as it ventures beyond the Singapore iDA CFC trial.”

**~ SEAH Moon Ming
President, ST Elect**

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 broadband RF & microwave communication systems,

rail & traffic management systems, real-time command & control systems, training & simulation systems, intelligent building management systems, and information security and m-commerce solutions. ST Elect applies leading edge technologies and design methodologies to meet the 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.

About MSPS

Mobile Solutions and Payment Services aims to be a leading mobile payment and mobile commerce service provider in Singapore and the region. MSPS will provide more than mobile payment solutions as it aims to be an innovator in mobile applications and solutions. Besides payments, it will provide new and value-added mobile applications, and end-to-end solutions and services in collaboration with financial institutions, telecommunication companies and content or information providers.

About ST Engg

ST Engg is an integrated engineering group specialising in the fields of aerospace, electronics, land systems and marine. A leader in each of its core businesses, ST Engg provides one-stop services for air, land and sea platforms as well as systems-based solutions. Headquartered in Singapore, the Group employs about 11,500 employees worldwide with a revenue of about S\$2.6 billion in FY 2002. ST Engg is one of the ten largest companies listed on the Singapore Exchange with a market capitalisation of about S\$4.7 billion.

Press Contact:

Magdalen Loh
AVP / Head, Corporate Communications
ST Elect
Tel: (65) 64131788
Fax: (65) 64848840
Email: loh1mm@stee.st.com.sg