

## **ST ELECT INVESTS IN VSAT SYSTEMS COMPANY IN CANADA**

Singapore, 25 February 2003 – Singapore Technologies Electronics Limited (“ST Elect”), the electronics arm of ST Engg, through its subsidiary, Agilis Communication Technologies Pte Ltd (“Agilis”), has taken a 33.3% stake in a newly formed company, PolarSat Inc (“PolarSat”). ST Elect is a wholly-owned subsidiary of public-listed Singapore Technologies Engineering Ltd (“ST Engg”), and consequently, PolarSat has become an associated company of ST Engg.

PolarSat, based in Quebec, Canada, has a paid-up capital of CAD\$9 million. ST Elect has invested CAD\$3 million for a 33.3% equity interest in PolarSat, with the remaining equity held by Telenor Satellite Networks AS, Infinium (India) Ltd and the management of PolarSat. The 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.

PolarSat has been set up for the purpose of acquiring the assets of Quebec-based NSI Communication Systems Inc (“NSI”), a lead manufacturer of Very Small Aperture Terminal (VSAT) systems. PolarSat has successfully secured rights to acquire the assets through a court supervised auction in Quebec, Canada.

PolarSat will acquire assets previously owned by NSI which include products and services such as VSAT*Plus II*, FlexiDAMA / SkyIP, and its L-Band Transceiver. This acquisition will enable PolarSat to provide satellite-based broadband communication services and sell superior VSAT solutions to customers.

ST Elect’s strategic investment in PolarSat underscores its plan to strengthen and grow its global VSAT communication business.

*“PolarSat’s range of communication products will augment ST Elec solutions. The resulting synergies and expanded line of products will allow ST Elect to provide its customers around the world with a range of comprehensive communication solutions. This will further grow our business in satellite-based and broadband communications, covering markets in Asia, Europe and the Americas.”*

**~ 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 Agilis**

Agilis, a subsidiary of ST Elect, is a leading supplier of Very Small Aperture Terminals (VSATs), microwave communications and RF equipment. Agilis' customers include telecommunications service providers, financial institutions, government agencies, corporate enterprises as well as oil and gas industry. With customers spanning some 50 countries worldwide, Agilis' innovative products and solutions enable the customers in turn to provide quality and value-added service to the end-users.

#### **About PolarSat**

PolarSat Inc is a newly formed company set up to acquire the assets of NSI Communication System Inc and to build a viable business in providing satellite-based broadband communication services and deliver VSAT solutions and services of superior value to the end-users for the long term.

#### **About Telenor Satellite Networks AS**

Telenor Satellite Networks provides satellite-based communication networks and services to a wide variety of governmental, inter-governmental and commercial organisations in Europe, the Middle East and Africa. Acting as a network integrator and operator, Telenor Satellite Networks effectively aggregate all levels of the value chain to deliver complete network service solutions to their customers. Telenor Satellite Networks is a subsidiary of the Norwegian telecommunications group, Telenor ASA, a leading distributor of voice, information, knowledge and entertainment through a broad range of modern communications services.

#### **About Infinium (India) Ltd**

Infinium (India) Ltd. is a privately held company having business interests in VSAT Services, Internet Bandwidth as well as turnkey satcom solutions. It is one of the companies in the Infinium Group having business interests mainly in the field of Automobiles, Construction, Finance besides Satcom services.

The Satcom services are being provided to various corporate and government/semi-government organizations in strategic alliance with a Government company using products formerly provided by NSI Communications Inc. “

#### **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\$5 billion.

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