

**iTS Technologies Pte Ltd in New Venture
to make a General Offer for
B.V.R. Systems (1998) Ltd**

Singapore, 24 November 2003 – iTS Technologies Pte Ltd (iTS), a wholly-owned subsidiary of Singapore Technologies Electronics Limited (ST Elect), together with Mr Aviv Tzidon and Aeronautics Defense Systems Ltd (Aeronautics) (together called the “Bidder Group”) has commenced a tender offer for B.V.R. Systems (1998) Ltd. (BVR). In the offer, CHUN Holdings Ltd. (CHUN), an Israeli entity formed by the Bidder Group on 19 November 2003, is offering USD 0.18 in cash for each ordinary share of BVR. The transaction has a total net value of approximately USD 1.9 million. ST Elect is a wholly owned subsidiary of Singapore Technologies Engineering Ltd (ST Engg).

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.

iTS has subscribed for a 33.33% interest in CHUN Holdings Ltd. for a cash consideration of 100 New Israeli Shekels (NIS100). The Bidder Group has provided a combined loan of USD3.6 million to CHUN. The Bidder Group has agreed, if the offer is completed successfully, to extend a USD 5 million line of credit to BVR.

The tender offer is conditional upon a tender of a number of shares sufficient so that CHUN will own or control at least 48% of the issued share capital of BVR. The offer is not conditional on obtaining financing. The Bidder Group has deposited the full amount of cash payable in the tender offer in a trust account for the benefit of BVR.

The full terms and conditions of the offer are set forth in the tender offer materials that have been filed with the appropriate regulatory agencies and mailed to registered shareholders of BVR.

The investment into BVR will allow BVR and iTS to work together to access each other's markets and complementary technologies, to the mutual benefit of both companies.

BVR is a world leader in advanced training and simulation systems.

About Aviv Tzidon

Aviv Tzidon was the co-founder of BVR Technologies Ltd. and served as chief technology officer and a director since it commenced operations in 1987. From October 1998, upon the spin-off of BVR Systems (1998) Ltd. from BVR Technologies Ltd., until April 2000, Mr. Tzidon served as chairman of the board of directors and chief executive officer of BVR Systems (1998) Ltd. Prior to working in BVR, he worked with Israel Aircraft Industries as an independent consultant for three years. Mr. Tzidon has been serving as a combat pilot with the Israeli Air Force (including reserve service) for approximately 20 years.

About Aeronautics

Aeronautics Defense Systems Ltd. is an Israeli company that specialises in the research, development, manufacturing and integration of advanced command, control, computers, communications and intelligence systems in aerial, maritime, and ground platforms and providing services for government and commercial customers.

About iTS

iTS, a subsidiary of ST Elect, is a Singapore registered private limited company. The principal activities of iTS are those relating to IT professional services and systems consultancy; including the development, marketing and maintenance of advanced simulation and training systems for defense and other industries.

ST Elect delivers 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, rail & traffic management, real-time command & control, training & simulation, intelligent building management, 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 providing quality solutions to customers.

ST Engg is an integrated engineering group specialising in the fields of aerospace, electronics, land systems and marine. Headquartered in Singapore, the Group has over 11,500 employees worldwide and sales of S\$2.6 billion in FY2002. ST Engg is one of the ten largest companies listed on the Singapore Exchange with a market capitalisation of about S\$5 billion.

Media Contact:

Magdalen LOH
AVP / Head, Corporate Communications
Singapore Technologies Electronics Limited
Tel: (65) 6413-1788
Fax: (65) 6484-8840
Email: loh1mm@stee.st.com.sg