News Release

# ST Engineering Secures up to S$2.6b Polar Security Cutter contract from the U.S. Navy

***Singapore, 24 April 2019*** – Singapore Technologies Engineering Ltd (ST Engineering), a global technology, defence and engineering group today announced that the U.S. Department of the Navy has awarded VT Halter Marine, its shipbuilding business in Pascagoula, Mississippi, the Polar Security Cutter (formerly known as the Heavy Polar Ice Breaker) contract.

The U.S. Department of the Navy has awarded VT Halter Marine as the Prime Contractor for a US$745,940,860 (about S$1b) fixed-price incentive-firm contract for the detail design and construction of the U.S. Coast Guard (USCG) Polar Security Cutter (PSC). The PSC contract is a multi-year programme and a USCG major system acquisition to acquire up to three multi-mission PSCs to recapitalise the USCG fleet of heavy icebreakers.

This contract includes options which, if exercised, would bring the cumulative value of this contract to US$1,942,812,266 (S$2.6b). The first ship delivery is scheduled to occur in 2024. If the options are exercised, the second and third vessels are expected to be delivered in 2025 and 2027 respectively. The vessels are 460 feet in length with a beam of 88 feet overall, a full load displacement of about 33,000 long tons at delivery.

VT Halter Marine was involved in the design analysis study of the PSC since February 2017 and is currently in the production engineering studies support work since February 2019.

The above developments are not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of ST Engineering for the current financial year.

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**Singapore Technologies Engineering Ltd**
ST Engineering Hub, 1 Ang Mo Kio Electronics Park Road #07-01, Singapore 567710
T: (65) 6722 1818 F: (65) 6720 2293
*(Regn. No.: 199706274H)*
www.stengg.com

**ST Engineering** is a global technology, defence and engineering group specialising in the aerospace, electronics, land systems and marine sectors. The Group employs about 22,000 people across offices in Asia, the Americas, Europe and the Middle East, serving customers in the defence, government and commercial segments in more than 100 countries. With more than 500 smart city projects across 70 cities in its track record, the Group continues to help transform cities through its suite of Smart Mobility, Smart Security and Smart Environment solutions. Headquartered in Singapore, ST Engineering reported revenue of $6.7b in FY2018 and it ranks among the largest companies listed on the Singapore Exchange. It is a component stock of the FTSE Straits Times Index, MSCI Singapore, SGX ESG Transparency Index and SGX ESG Leaders Index.

Media contacts:

Lina Poa
Head, Corporate Communications & Investor Relations
Tel: (65) 6722 1883
Email: linapoa@stengg.com