

ST Engineering is open and responsive in communicating with investors. This springs from a culture that respects good corporate governance and transparency.

Advocating openness and transparency

The Group provides timely information to investors through channels such as SGXNet, press releases and live webcasts.

For its efforts, ST Engineering won the first ever SIAS Transparency Excellence Award in 2003, which it will hold for three years, after winning the SIAS Golden Circle Award (best in transparency across all categories) for three consecutive years from 2000 to 2002.

Management and Investor Relations (IR) executives are accessible to investors. They interact with investors through investor forums, including results briefings, investor conferences, annual general meetings, quarterly post results lunches and annual roadshows (see page 68).

As part of its ongoing efforts to help investors better understand its operations, ST Engineering hosted fund managers and analysts to facility visits at its Aerospace and Electronics sectors. Senior management from the two sectors gave presentations and chaired Q&A sessions. These were followed by facility tours.

In 2004 alone, ST Engineering hosted over 100 one on one investor meetings and conferences. Through such avenues, management builds long term relationships with investors.

Investors have come to associate the Group with best IR practices. It is a trust that the Group cherishes and does not take for granted.

Providing multiple communications channels

ST Engineering recognises the importance of investor feedback and suggestions for continuous improvement in its IR policies and disclosure practices. Investors are welcome to send their feedback to the Group via the following channels:

- Post feedback online at www.stengg.com/contact/feedback.aspx
- Complete the Annual Report Survey at the end of this report
- Post a question during the live quarterly results webcasts
- E-mail feedback to comms@stengg.com
- Share thoughts at the Annual General Meeting
- Fax feedback to (65) 6720 2293
- Post a feedback letter to:

ST Engineering Ltd
Corporate Communications
51 Cuppage Road
#09-08, StarHub Centre
Singapore 229469



ST Engineering's senior management hosts press and analysts briefings during each quarterly results announcement and broadcasts the event live via webcast.



Fund managers and analysts got a first hand look at the Aerospace operations in Singapore during their visit in April.



Senior management of various divisions in the Electronics sector were on hand to brief on their business operations during the visit by fund managers and analysts in October.

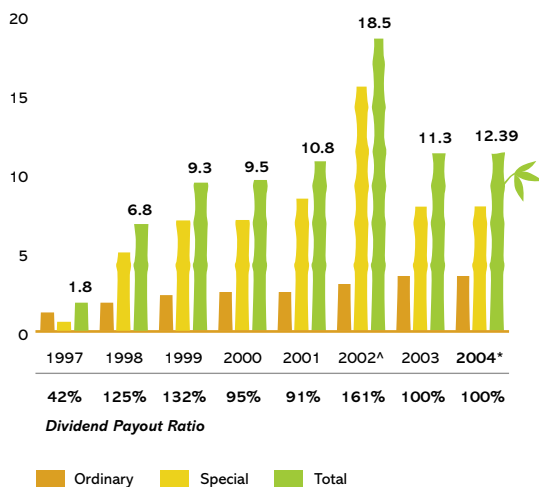
Focussing on shareholder value

Being an EVA driven organisation, the Group measured the performance of its management against its ability to add value by achieving returns above the weighted average cost of capital. ST Engineering is one of the first companies in Singapore to report EVA and adopt it as a key performance measurement, effectively aligning the interests of its management with that of shareholders.

In 2004, management has proposed to pay out 12.39 cents per share as dividends to shareholders, which is equivalent to 100% of full year earnings (see chart on dividend history). This reflected the Group's commitment to maintain shareholder value.

Achieving a record return on equity of 26.4% in 2004, ST Engineering will continue to seek opportunities to enhance shareholder value and reward its shareholders.

ST Engineering Dividend History (cents)



[^] Includes one-off special dividend of 3.5 cents per share

^{*} Proposed dividend payment

WEB FACTS

Did you know?

- ST Engineering's quarterly results and presentations are available on its website at www.stengg.com/investorelations/webcasts.aspx for downloading, typically within half an hour after they are announced
- ST Engineering's quarterly results briefings are broadcast live on its website and archived versions are available for viewing, typically within three hours after the event, at www.stengg.com/investorelations/webcasts.aspx
- Investors can register themselves in the ST Engineering mailing list at www.stengg.com/mediacentre/maillinglistssubscribe.aspx where they can choose to receive various news and updates on the Group via e-mail
- There is always an electronic, user friendly version of the past and the latest annual reports available at www.stengg.com/investorelations/annualreports.aspx
- There is an IR calendar at www.stengg.com/investorelations/ircalendar.aspx for the latest updates on IR events, including upcoming results announcement dates
- ST Engineering's latest stock price performance is charted and can be viewed at www.stengg.com/investorelations/stockperformance.aspx

INVESTOR RELATIONS CALENDAR 2004

| Date | Event |
|-----------------|--|
| 8 January | Webcast of FY2003 results briefing |
| 9 January | Post results investor lunch |
| 26 February | Analysts Tea – Asian Aerospace 2004 |
| 5 March | Release of Annual Report 2003 |
| 6 March | SIAS Investment Seminar – Corporate Presentation |
| 31 March | Annual and Extraordinary General Meetings |
| 7 April | Webcast of 1Q2004 results briefing |
| 8 April | Post results investor lunch |
| 26 April | Fund managers / analysts visit to Singapore Technologies Aerospace |
| 9 July | Webcast of 2Q2004 results briefing |
| 13 July | Post results investor lunch and ST Engineering Corporate Day |
| 13 September | CLSA Investor Forum – Hong Kong |
| 8 October | Webcast of 3Q2004 results briefing |
| 12 October | Post results investor lunch |
| 15 October | Fund managers / analysts visit to Singapore Technologies Electronics |
| 27 – 29 October | US Roadshow |
| 4 November | Morgan Stanley Asia Pacific Summit – Singapore |

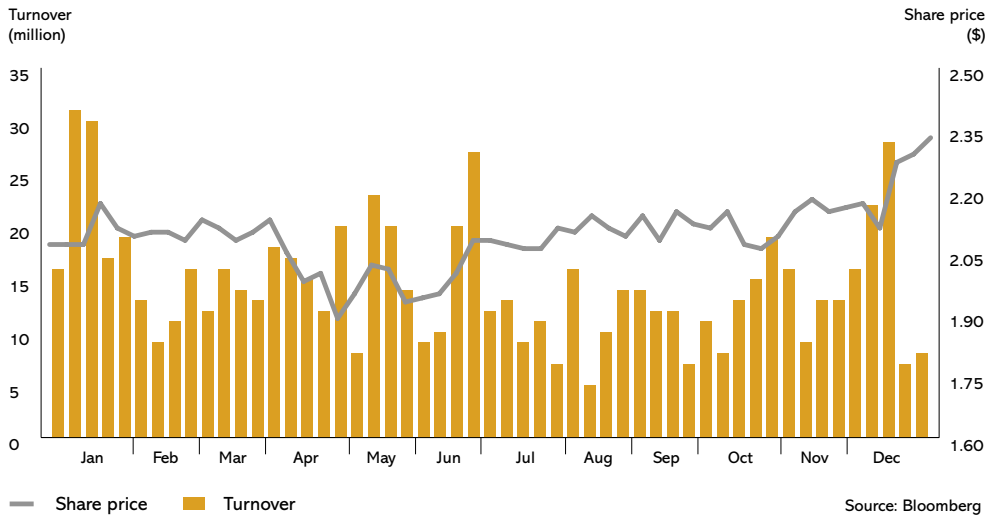
FINANCIAL CALENDAR 2005*

| Date * | Event |
|---------------------------------|--|
| 7 January | Announcement of FY2004 results |
| 10 January | Post results investor lunch |
| 2 nd week of April | Announcement of 1Q2005 results |
| 7 April | Proposed book closure date for dividend entitlement |
| 25 April | Proposed payment of first and final tax exempt (one-tier) dividend of 4.0 cents per share and a special tax exempt (one-tier) dividend of 8.39 cents per share for the year ended 31 December 2004 |
| 2 nd week of July | Announcement of 2Q2005 results |
| 2 nd week of October | Announcement of 3Q2005 results |

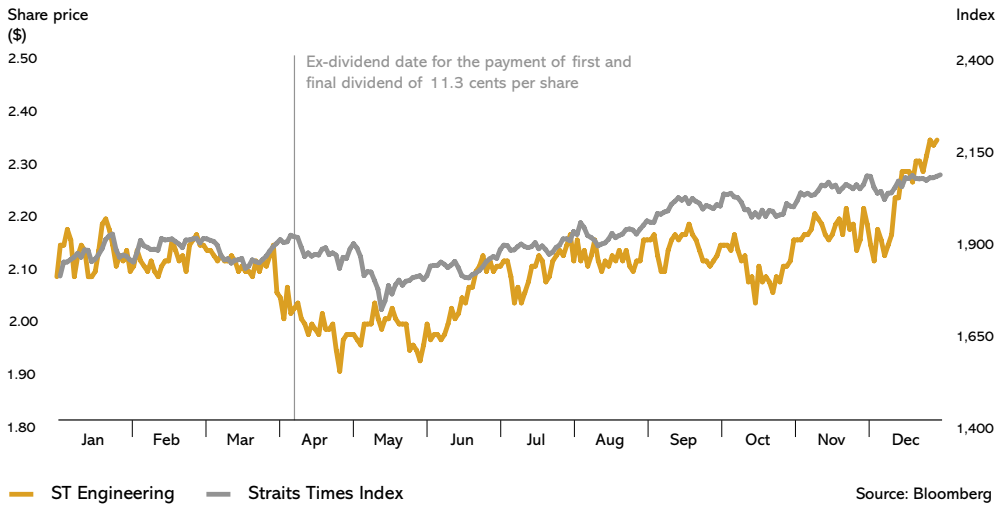
* Dates are indicative and subject to change. Please refer to ST Engineering's website at www.stengg.com under Investor Relations for the latest updates.

Share price performance

ST Engineering Share Price and Turnover for 2004



ST Engineering Share Price compared to the Straits Times Index January to December 2004



ST Engineering share price history

| Year | 2004 | 2003 | 2002 | 2001 | 2000 |
|----------|--------|--------|--------|--------|--------|
| High | \$2.33 | \$2.06 | \$2.56 | \$2.84 | \$2.85 |
| Low | \$1.89 | \$1.47 | \$1.55 | \$1.85 | \$1.84 |
| Average* | \$2.09 | \$1.83 | \$1.99 | \$2.50 | \$2.44 |

* Defined as the average closing prices of active trading days for the year.