

ST Electronics Secures \$1.16b in First Half with Better Performance in 2Q2016

FINANCIAL HIGHLIGHTS

For the second quarter ended 30 June 2016

	2016 2Q	2015 2Q	GROWTH %
Revenue (\$m)	450	421	7
Earnings before interest and tax (EBIT) (\$m)	47.9	45.1	6
Other income, net (\$m)	4.0	2.7	48
Finance costs, net (\$m)	(0.8)	(0.9)	17
Profit before tax (PBT) (\$m)	51.2	46.6	10
Profit attributable to shareholders (\$m)	41.7	38.0	10

N.B.: All currencies are in Singapore dollars.

“The Electronics sector achieved better results in 2Q2016. Through team effort, coupled with strong technology offerings, we have secured a total of \$1.16b of new orders in the first half of 2016. These project wins will enhance our track record and improve our competitive edge for future opportunities.” - Lee Fook Sun, President, ST Electronics

HIGHLIGHTS

- Revenue of \$450m in 2Q2016 was 7% higher than \$421m in 2Q2015.
- PBT of \$51.2m in 2Q2016 was 10% higher than \$46.6m in 2Q2015.
- Economic Value Added for the first half of 2016 was \$59m.
- New orders secured for first half of 2016 was about \$1.16b.
- New orders in 2Q2016 include:
 - Rail Electronics Package in an ASEAN city
 - Facility upgrade for new Air Traffic Control Tower in Maun Airport, Botswana
 - Maintenance & Support of a Large Public Security project in the Greater China region
 - Telematics Wireless T-Light™ Galaxy Smart City solution for Kiryat Gat of Israel
 - Various contracts to supply satcoms systems to customers worldwide

During the ST Engineering 2Q2016 Financial Results Briefing on 15 August 2016 held at ST Engineering Hub, Mr Lee Fook Sun, President of ST Electronics presented to the analysts and media on Smart Cities in the Electronics sector. He shared how cities need to be smart as they are faced with pressing urbanisation challenges that drive demand for solutions to address Connectivity & Big Data, Safety & Security, Mobility and the Environment.

He then illustrated with examples of the smart solutions that ST Electronics have developed to overcome the challenges as mentioned. These include our M2M Communication solutions which have a global footprint in Brazil, Canada, Denmark, France, Hungary, Israel, New Zealand, UK and the US with over 14 million radio modules deployed globally; our Satellite Communication systems and our Cyber Security solutions to address the Connectivity issue; our Public Security solutions for safety and security; our Intelligent Rail Solutions to realise efficient mobility and our AgilSpace Satellite Imagery Services to address environmental issues.

In a fast changing industry driven by rapid technological advances, the Company's competitive advantage lies in our ability to develop industry-leading high-tech products that can sell in multiple markets overseas. With our experience and proven track record, our hallmarks are delivering innovative and smart quality products that are reliable and competitively priced. ST Electronics will stay ahead of the curve and build globally competitive businesses to bring the Company to greater heights.