



**NSL LTD (formerly known as NATSTEEL LTD)**

(Co. Reg. no.: 196100107C)

**Full Year Financial Statements and Dividend Announcement**

The figures have not been audited

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),  
HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

		<b>THE GROUP</b>		
		<b>FY 2009</b>	<b>FY 2008</b>	<b>Change</b>
Notes		<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
	Sales	352,424	357,834	(2)
	Cost of sales	(271,244)	(292,182)	
	Gross profit	81,180	65,652	24
	Other income	3,561	9,154	
	Distribution costs	(13,824)	(13,239)	
	Administrative expenses	(32,560)	(35,985)	
	Other expenses	(1,752)	(1,515)	
	Finance costs	(1,546)	(1,816)	
	Share of results of associated companies after taxation	22,859	53,010	
	Profit before taxation and exceptional items	57,918	75,261	(23)
	Exceptional items	15,054	4,517	
	Profit before taxation	72,972	79,778	
	Taxation	(6,080)	(4,393)	
	Total profit for the year	66,892	75,385	(11)
Profit attributable to :				
	Equity holders of the Company	66,136	76,745	(14)
	Minority interests	756	(1,360)	
		66,892	75,385	
Earnings per ordinary share attributable to the shareholders of the Company				
- Basic and fully diluted				
		17.70 cents	20.54 cents	



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### Comments on Income Statement

a) Other income and other expenses

The decrease in other income was due mainly to lower dividend income received from available-for-sale financial assets and lower interest income in FY2009 as compared to the previous financial year.

The gain / (loss) arising from foreign exchange and mark-to-market adjustment of foreign exchange forward hedging contracts (derivative instruments) are recognised as either income or expenses in the respective periods. Foreign exchange loss for FY2009 contributed to the higher "other expenses" for the year.

b) Finance costs

Finance cost was lower in FY2009 as compared to the previous year due mainly to the prevailing low interest rate environment and lower average Group borrowings.

c) Share of results of associated companies

The decrease in share of results of associated companies was due mainly to lower profit contribution from Bangkok Synthetic Co. Ltd (BST), the Group's petrochemical associate in Thailand.

d) Taxation

The effective tax rate for the Group is lower than the Singapore corporate tax rate due mainly to certain income not being subject to tax or are subject to lower withholding tax rate and the effect of tax incentives.

**Note 1** – Profit before taxation and exceptional items is arrived at after (charging) / crediting the following items:

	<b>THE GROUP</b>	
	<b>FY 2009</b>	<b>FY 2008</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Investment income	1,147	4,981
Interest income	615	1,867
Amortisation of intangible assets	(522)	(594)
Depreciation of property, plant and equipment and investment properties	(15,302)	(14,811)
Property, plant and equipment written off	(146)	(425)
Net foreign exchange (loss) / gain	(1,123)	610
Fair value gain / (loss) of derivative financial instruments	734	(539)
Net write down of inventories to net realisable value	(416)	(298)
Net provision for impairment of trade receivables	(526)	(1,107)
Net gain on sale of property, plant and equipment	67	644
Amortisation of deferred income	343	343



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**Note 2** – Exceptional items comprise the following:

	<b>THE GROUP</b>	
	<b>FY 2009</b>	<b>FY 2008</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Gain / (loss) on disposal / liquidation of		
- available-for-sale financial assets	19,500	421
- associated companies	22	(288)
- subsidiary company	-	(317)
(Impairment) / reversal of impairment of investment in associated companies	(916)	1,213
Reversal of impairment of loan to associated company	447	-
Impairment of property, plant and equipment	(4,931)	(4,548)
Impairment of available-for-sale financial assets	(540)	(1,595)
Reversal of impairment of long term receivables	1,589	7,000
Insurance compensation	213	2,500
Others	(330)	131
Net gain	<u>15,054</u>	<u>4,517</u>

**Note 3 – Taxation**

	<b>THE GROUP</b>	
	<b>FY 2009</b>	<b>FY 2008</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Taxation charge for the financial year comprises:		
- current year taxation	6,877	9,992
- over provision of prior years	(797)	(5,599)
	<u>6,080</u>	<u>4,393</u>



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**Statement of Comprehensive Income for Financial Year ended 31 December 2009**

	<b>THE GROUP</b>	
	<b>FY 2009</b>	<b>FY 2008</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Total profit for the year</b>	66,892	75,385
<b>Other comprehensive income:</b>		
Exchange differences on translating foreign operations		
- Gains / (loss) arising during the year	1,327	(10,255)
- Less: (gains) / loss included in profit or loss	(91)	2,024
Available-for-sale financial assets		
- Gains / (loss) arising during the year	2,779	(2,464)
- Less: (gains) / loss included in profit or loss	(6,970)	1,595
Share of other comprehensive income of associate	7,219	(14,119)
Income tax relating to components of other comprehensive income	(757)	1,392
Other comprehensive income for the year, net of tax	3,507	(21,827)
<b>Total comprehensive income for the year</b>	<b>70,399</b>	<b>53,558</b>
Total comprehensive income attributable to:		
Shareholders of the Company	69,680	55,006
Minority interests	719	(1,448)
	<b>70,399</b>	<b>53,558</b>



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**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

	THE GROUP		THE COMPANY	
	31.12.09	31.12.08	31.12.09	31.12.08
	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	193,839	193,839	193,839	193,839
Reserves	301,444	306,476	90,287	130,826
Shareholders' equity	495,283	500,315	284,126	324,665
Minority interests	13,727	13,184	-	-
Total equity	509,010	513,499	284,126	324,665
<b>Current Assets</b>				
Inventories	53,514	69,730	-	-
Receivables and prepayments	76,924	107,198	43,370	74,355
Tax recoverable	2,655	2,461	1,544	1,544
Available-for-sale financial assets	543	15,709	-	-
Cash and bank balances	146,520	171,452	52,437	88,882
Other assets	584	-	-	-
	280,740	366,550	97,351	164,781
<b>Non Current Assets</b>				
Property, plant and equipment	135,645	138,944	95	67
Investment properties	3,920	4,109	-	-
Subsidiaries	-	-	73,402	73,402
Associated companies	171,943	144,853	-	-
Available-for-sale financial assets	14,435	15,852	14,139	14,814
Long term receivables	24,366	6,629	121,366	93,440
Intangible assets	9,559	9,760	-	-
Deferred tax assets	1,728	1,195	273	-
Other non current assets	159	595	-	-
	361,755	321,937	209,275	181,723
<b>Total Assets</b>	642,495	688,487	306,626	346,504
<b>Current Liabilities</b>				
Amounts due to bankers	(12,387)	(26,604)	-	-
Trade and other payables	(69,375)	(96,757)	(18,942)	(18,048)
Provision for other liabilities and charges	(1,950)	(1,792)	-	-
Taxation	(8,068)	(6,980)	(3,271)	(2,984)
Deferred income	(341)	(341)	-	-
	(92,121)	(132,474)	(22,213)	(21,032)
<b>Non Current Liabilities</b>				
Provision for retirement benefits	(287)	(293)	(287)	(293)
Deferred tax liabilities	(17,815)	(17,471)	-	(514)
Long term bank loans	(16,958)	(20,591)	-	-
Deferred income	(3,326)	(3,458)	-	-
Other non current liabilities	(2,978)	(701)	-	-
	(41,364)	(42,514)	(287)	(807)
<b>Total Liabilities</b>	(133,485)	(174,988)	(22,500)	(21,839)
	509,010	513,499	284,126	324,665



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### Explanatory notes on consolidated statement of financial position

- a) The increase in associated companies was due mainly to additional investment in Dubai Precast LLC and share of current year's profit and fair value reserve of associated companies.
- b) The decrease in available-for-sale financial assets was due mainly to the disposal of the Group's 13.1% interest in Capitaland China Residential Fund Ltd.
- c) The increase in long term receivables was due to
  - i. Additional shareholders' loan granted to an associated company on a pro-rata basis.
  - ii. Receivable from 2<sup>nd</sup> tranche proceeds in relation to the sale of investment in PT Ciputra Adigraha amounting to US\$3.8 mil (S\$5.4 mil) to be received by the Group upon completion of the sale.
- d) The decrease in inventories and receivables and prepayment was in line with lower sales for 4Q 2009 as compared to 4Q 2008.
- e) Cash and bank balances were lower following the payment of dividends of S\$74.7 mil in May 2009.
- f) Surplus cash generated from operations were used to partially repay bank borrowings, which resulted in the decrease in the amount due to bankers and long term loans.
- g) The increase in other non current liabilities was due to the increase in finance lease for property, plant and equipment.

### 1(b)(ii) Aggregate amount of group's borrowings and debt securities

#### Amount repayable in one year or less, or on demand

As at 31 December 2009		As at 31 December 2008	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
3,294	9,824	4,696	22,068

#### Amount repayable after one year

As at 31 December 2009		As at 31 December 2008	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
10,406	9,120	8,152	12,720

#### Details of any collateral

Included in the Group's property, plant and equipment are property, plant and equipment of subsidiaries of net book value of S\$27,559,000 (31 December 2008: S\$29,715,000) charged by way of debentures to banks for overdraft and term loan facilities granted.



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**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	<b>THE GROUP</b>	
	<b>FY 2009</b>	<b>FY 2008</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>		
Profit after tax for the year	66,892	75,385
Non-cash and reclassified items	(16,953)	(44,835)
Working capital changes	24,369	(26,322)
Income taxes paid	(5,739)	(3,851)
Insurance compensation received	783	5,000
<b>Net cash generated from operating activities</b>	<b>69,352</b>	<b>5,377</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	243	2,027
Proceeds from sale of available-for-sale financial assets	18,685	1,066
Proceeds from disposal of an associated company	1,617	-
Cash advances received from investment	-	3,509
Purchases of property, plant and equipment, including deposit paid	(20,020)	(22,466)
Purchases of available-for-sale financial assets	-	(74)
Additional investment in associated companies	(14,151)	(2,760)
Proceeds from capital reduction of an associated company	-	6,884
Interest received	595	2,115
Dividends received from associated companies	17,112	34,249
Dividends received from available-for-sale financial assets	1,147	4,981
(Increase) / Decrease in long term receivables	(8,179)	8,848
<b>Net cash (used in) / generated from investing activities</b>	<b>(2,951)</b>	<b>38,379</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	2,478	11,497
Amounts due to bankers	(20,086)	(4,211)
Finance leases and hire purchases	2,858	27
Interest paid	(1,480)	(1,940)
Dividends paid to shareholders	(74,712)	(74,712)
Dividends paid to minority interests	(176)	(128)
Other financing cash flow	-	46
<b>Net cash used in financing activities</b>	<b>(91,118)</b>	<b>(69,421)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(24,717)</b>	<b>(25,665)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>171,210</b>	<b>197,841</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>27</b>	<b>(966)</b>
<b>Cash and cash equivalents at end of year*</b>	<b>146,520</b>	<b>171,210</b>

\* comprise cash and bank balances net of bank overdrafts



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### Analysis of consolidated statement of cash flows

The Group generated S\$69.4 mil of operating cash flow in FY2009 as compared to S\$5.4 mil in FY2008. The higher operating cash flow was due mainly to better operating performance (excluding associated companies) and a reduction in the Group's working capital as compared to the same period last year.

Net cash outflow from investing activities in FY2009 was S\$3.0 mil as compared to a cash inflow of S\$38.4 mil in FY2008 due mainly to lower dividend income from BST, additional investment and loan to an associated company, Dubai Precast LLC. This was partially offset by proceeds from disposal of available-for-sale financial assets.

A total of S\$91.1 mil (FY2008: S\$69.4 mil) was used in financing activities in FY2009, mainly for the payment of dividends to shareholders and repayment of bank borrowings.

Overall, the Group recorded a net cash outflow of S\$24.7 mil in FY2009 as compared to S\$25.7 mil in FY2008. Group cash and cash equivalent stood at S\$146.5 mil as at 31 December 2009.

### **1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Attributable to owners of the Company							Minority Interests	Total Equity	
	Share Capital	Revenue Reserve	Translation Reserve	Capital Reserve	Revaluation Reserve	Fair Value Reserve	Other Reserves			Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>THE GROUP</b>										
<b>Balance as at 1 January 2009</b>	193,839	301,554	(15,205)	6,853	1,946	11,328	-	500,315	13,184	513,499
Transfer of reserves <sup>(1)</sup>	-	6,553	-	(6,853)	-	-	300	-	-	-
Dividends paid	-	(74,712)	-	-	-	-	-	(74,712)	-	(74,712)
Dividends paid to minority interests of subsidiaries	-	-	-	-	-	-	-	-	(176)	(176)
Total comprehensive income for the period	-	66,136	1,273	-	-	2,271	-	69,680	719	70,399
<b>Balance as at 31 December 2009</b>	<b>193,839</b>	<b>299,531</b>	<b>(13,932)</b>	<b>-</b>	<b>1,946</b>	<b>13,599</b>	<b>300</b>	<b>495,283</b>	<b>13,727</b>	<b>509,010</b>

(1) Capital reserve of S\$6,853,000 was transferred to revenue reserve arising from disposal of investments.





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	Attributable to owners of the Company							Minority	Total
	Share Capital S\$'000	Revenue Reserve S\$'000	Translation Reserve S\$'000	Capital Reserve S\$'000	Revaluation Reserve S\$'000	Fair Value Reserve S\$'000	Total S\$'000	Interests S\$'000	Equity S\$'000
<b>THE GROUP</b>									
<b>Balance as at 1 January 2008</b>	193,839	299,521	(7,062)	6,853	1,946	24,924	520,021	14,016	534,037
Dividends paid	-	(74,712)	-	-	-	-	(74,712)	-	(74,712)
Dividends paid to minority interests of subsidiaries	-	-	-	-	-	-	-	(128)	(128)
Total comprehensive income for the period	-	76,745	(8,143)	-	-	(13,596)	55,006	(1,448)	53,558
Changes in group structure	-	-	-	-	-	-	-	744	744
<b>Balance as at 31 December 2008</b>	<b>193,839</b>	<b>301,554</b>	<b>(15,205)</b>	<b>6,853</b>	<b>1,946</b>	<b>11,328</b>	<b>500,315</b>	<b>13,184</b>	<b>513,499</b>

	Share Capital S\$'000	Revenue Reserve S\$'000	Fair Value Reserve S\$'000	Total S\$'000
<b>THE COMPANY</b>				
<b>Balance as at 1 January 2009</b>	193,839	121,695	9,131	324,665
Dividends paid	-	(74,712)	-	(74,712)
Total comprehensive income for the period	-	35,393	(1,220)	34,173
<b>Balance as at 31 December 2009</b>	<b>193,839</b>	<b>82,376</b>	<b>7,911</b>	<b>284,126</b>
<b>Balance as at 1 January 2008</b>	193,839	103,256	11,852	308,947
Dividends paid	-	(74,712)	-	(74,712)
Total comprehensive income for the period	-	93,151	(2,721)	90,430
<b>Balance as at 31 December 2008</b>	<b>193,839</b>	<b>121,695</b>	<b>9,131</b>	<b>324,665</b>



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**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

There have been no changes to the issued share capital of the Company since 31 December 2008.

There were no outstanding options as at 31 December 2009 (31 December 2008: nil).

The Company did not hold any treasury shares.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year:-**

	<b>31 December 2009</b>	<b>31 December 2008</b>
Number of issued shares excluding treasury shares	373,558,237	373,558,237

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.**

There were no sales, transfer, disposal, cancellation and/or use of treasury shares as at 31 December 2009 (31 December 2008: Nil).

**2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed by the Group's external auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements, except for those disclosed under paragraph 5.



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### 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

On 1 January 2009, the Group adopted the new or revised Singapore Financial Reporting Standards (FRS) and Interpretations (INT FRS) that are effective in this financial year. The FRS that are relevant to the Group include:

#### (a) FRS 1(R) Presentation of Financial Statements

FRS 1(R) requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from components of comprehensive income. Components of comprehensive income are presented in a separate Statement of comprehensive income. The 'Balance sheets' and Cash flow statements' have been re-titled to 'Statements of financial position' and 'Statements of cash flows' respectively. Comparatives for 2008 have been represented to conform to the requirements of the revised standard.

#### (b) Revised FRS 23 Borrowing costs

The revised FRS 23 removes the option to recognize immediately as an expense borrowing costs that are attributable to the acquisition, construction or production of qualifying assets, which is defined as assets that necessarily take a substantial period of time to get ready for their intended use or sale. The application of the revised FRS 23 did not result in any significant effect on the Group's financial statements.

#### (c) FRS 108 Operating Segments

FRS 108 Operating Segments replaces FRS 14 Segment Reporting, and requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. Segment revenue, segment profits and segment assets are also measured on a basis that is consistent with internal reporting. The adoption of the standard has no impact on the financial position and results of the Group.

### 6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

THE GROUP	FY 2009	FY 2008
(a) Based on the weighted average number of ordinary shares in issue (cents)		
- Excluding exceptional items	13.52	19.01
- Including exceptional items	17.70	20.54
(b) On fully diluted basis (cents)		
- Excluding exceptional items	13.52	19.01
- Including exceptional items	17.70	20.54



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**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year**

	THE GROUP		THE COMPANY	
	31.12.09	31.12.08	31.12.09	31.12.08
	S\$	S\$	S\$	S\$
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period	1.33	1.34	0.76	0.87

The Company does not have any treasury shares.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

	THE GROUP		
	FY 2009	FY 2008	Change
	S\$'000	S\$'000	%
<b>Group Turnover</b>	352,424	357,834	(2)
<b>Group Profit Before Tax (excluding exceptional items)</b>	57,918	75,261	(23)
<b>Exceptional Items</b>	15,054	4,517	233
<b>Group Profit for the period attributable to equity holders of the Company</b>	66,136	76,745	(14)
<b>Group Earnings Before Interest, Taxation, Depreciation and Amortisation (excluding exceptional items)</b>	74,330	90,272	(18)

Group turnover of S\$352.4 mil for FY2009 was marginally below the turnover of S\$357.8 mil recorded in the previous financial year. Both the Chemicals and Engineering divisions reported lower turnover but the fall was partially offset by higher turnover from the Construction products division.

At the pre-tax profit level, Group earnings declined 23% to S\$57.9 mil due mainly to lower profit contribution from BST, the Group's petrochemical associate in Thailand. Excluding BST, pre-tax profit grew 63% year-on-year on the back of improved operating performance across all its three core business divisions.

The exceptional gain items of S\$15.1 mil reported in FY2009 were mainly from the disposal of the Group's investments in PT Ciputra Adigraha and CapitaLand China Residential Fund Ltd.

After taking into account exceptional items and income tax expenses, profit attributable to shareholders decreased 14% to S\$66.1 mil in FY2009.

EBIDTA (excluding exceptional items) which measures the underlying earnings of the Group before interest, depreciation, taxation and amortisation was S\$74.3 mil, 18% below that of FY2008.



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Below is a summary of the performance of the Group by business divisions:

Turnover (S\$'mil)	FY 2009 S\$'mil	FY 2008 S\$'mil	Change %
Chemicals Division	89.1	91.5	(3)
Construction Products Division	193.8	179.8	8
Engineering Division	55.2	70.9	(22)
Others	14.3	15.6	(8)
	352.4	357.8	(2)

Attributable profit / (loss) before tax (S\$'mil)	FY 2009 S\$'mil	FY 2008 S\$'mil	Change %
<b>Profit before tax</b>			
- Chemicals Division	31.0	54.6	(43)
- Construction Products Division	25.2	17.3	46
- Engineering Division	6.3	5.5	15
- Others	(4.6)	(2.1)	119
	57.9	75.3	(23)
<b>Exceptional items</b>			
- Chemicals Division	(4.9)	(1.1)	345
- Construction Products Division	-	5.0	n/m
- Engineering Division	(0.3)	(0.4)	(25)
- Others	20.3	1.0	n/m
	15.1	4.5	236
<b>Total</b>			
- Chemicals Division	26.1	53.5	(51)
- Construction Products Division	25.2	22.3	13
- Engineering Division	6.0	5.1	18
- Others	15.7	(1.1)	n/m
	73.0	79.8	(9)

n/m: not meaningful

### Chemicals Division

Turnover of the Chemicals division declined 3% to S\$89.1 mil in FY2009 due mainly to lower sales recorded by its environmental chemicals business.

Pre-tax profit decreased 43% to S\$31.0 mil due mainly to significantly lower profit contribution from BST as a result of weaker product prices compared to the previous year. Excluding BST, the division reported a pre-tax profit of S\$10.3 mil, a 5-fold increase from FY2008 driven by stronger operating performance of its environmental chemicals and environmental services. The improved performance of these business units was attributable to better operating margins arising from higher product prices, lower energy costs and productivity improvements.



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### Construction Products Division

Turnover of the Construction Products division increased 8% to S\$193.8 mil in FY2009 from S\$179.8 mil due mainly to higher sales volume delivered by the Precast & Plaster operations in both Singapore and Malaysia. However, revenue from its Finnish operation continued to be affected by the weak marine and housing markets, with a 20% year-on-year decline.

Pre-tax profit increased 46% to S\$25.2 mil in FY2009, driven by stronger performance of its Singapore Precast & Plaster operation. The higher output and deliveries resulted in improved operating margins for the year. Improved performance from the precast operation in Malaysia also contributed to higher pre-tax profit in FY2009.

### Engineering Division

Turnover of the Engineering division decreased 22% to S\$55.2 mil due to lower spreader deliveries.

Despite lower turnover, pre-tax profit rose to S\$6.3 mil as a result of operational streamlining and lower provision for trade receivables.

## **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

## **10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The Construction Products division's Singapore operations benefited from strong demand and product prices in FY2009. The demand and pricing of construction products have since weakened with the slowing down of government-led projects. Although order book for the Construction Products division in FY2010 remains quite healthy, keener competition in Singapore and the region will affect its performance going forward.

In the Chemicals division, demand for environmental chemicals and services is expected to remain stable in FY2010 and operating performance should remain satisfactory. Demand and prices for BST's key petrochemical products may improve in line with the recovering global economy.

The performance of the Engineering division in FY2010 is expected to be adversely affected by the continuing weakness in the global container trade.



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**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Final FY2009
Dividend Type	Cash
Dividend amount per share	S\$0.10 per ordinary share
Tax Rate	Exempt – one tier
Date paid	Refer to para 11(c)

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim FY2008	Final FY2008	Special FY2008
Dividend Type	Cash	Cash	Cash
Dividend amount per share	S\$0.10 per ordinary share	S\$0.10 per ordinary share	S\$0.10 per ordinary share
Tax Rate	Exempt – one tier	Exempt – one tier	Exempt – one tier
Date paid	30 September 2008	26 May 2009	26 May 2009

**(c) Date payable**

Subject to the requisite approvals from shareholders at the annual general meeting (“AGM”) of the Company to be held on or about 21 April 2010, the dividend of S\$0.10 per ordinary share will be paid on or about 25 May 2010 or such other date to be determined by the Directors.

**(d) Books closure date**

To be announced after the said AGM on or about 21 April 2010.

**12. If no dividend has been declared/recommended, a statement to that effect**

Not applicable.



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### PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

#### 13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Financial year ended 31 December 2009

	<---- Construction Products ---->			<----- Chemicals ----->				Engineering	Others	Elimination	Total Consolidated
	Precast & Plaster	Other Construction Products	Total	Environmental Services	Environmental Chemicals	Other Chemicals Businesses	Total	S\$'000	S\$'000	S\$'000	S\$'000
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue</b>											
External sales	152,658	41,141	193,799	39,219	49,864	-	89,083	55,210	14,332	-	352,424
Inter-segment sales	160	4,981	5,141	620	1,486	-	2,106	51	5	-	7,303
Total revenue	<u>152,818</u>	<u>46,122</u>	<u>198,940</u>	<u>39,839</u>	<u>51,350</u>	<u>-</u>	<u>91,189</u>	<u>55,261</u>	<u>14,337</u>	<u>-</u>	<u>359,727</u>
Elimination			(4,981)				(67)	-	(5)	(2,250)	(7,303)
			<u>193,959</u>				<u>91,122</u>	<u>55,261</u>	<u>14,332</u>	<u>(2,250)</u>	<u>352,424</u>
<b>Profit before Taxation and Exceptional Items</b>	<u>24,314</u>	<u>866</u>	<u>25,180</u>	<u>3,262</u>	<u>6,784</u>	<u>20,971</u>	<u>31,017</u>	<u>6,302</u>	<u>(4,581)</u>		<u>57,918</u>
Exceptional items											15,054
Profit before taxation											<u>72,972</u>
Depreciation	(5,698)	(1,803)	(7,501)	(2,259)	(2,996)	-	(5,255)	(1,281)	(1,265)		(15,302)
Amortisation	-	(119)	(119)	-	-	-	-	(403)	343		(179)
Impairment charge of property, plant and equipment	-	-	-	(4,635)	-	-	(4,635)	(296)	-		(4,931)
Share of results of associated companies, after taxation	<u>1,888</u>	<u>-</u>	<u>1,888</u>	<u>-</u>	<u>-</u>	<u>20,971</u>	<u>20,971</u>	<u>-</u>	<u>-</u>		<u>22,859</u>
<b>Total Assets</b>	<u>163,461</u>	<u>53,145</u>	<u>216,606</u>	<u>42,728</u>	<u>52,696</u>	<u>148,565</u>	<u>243,989</u>	<u>52,649</u>	<u>129,251</u>		<u>642,495</u>
<b>Total Liabilities</b>	<u>40,489</u>	<u>12,301</u>	<u>52,790</u>	<u>19,807</u>	<u>14,925</u>	<u>13,211</u>	<u>47,943</u>	<u>16,858</u>	<u>15,894</u>		<u>133,485</u>
Investment in associated companies	20,143	-	20,143	-	-	148,565	148,565	1	3,234		171,943
Additions to:											
- Property, plant and equipment	8,947	4,980	13,927	914	446	-	1,360	2,214	498		17,999
- Intangible assets	-	10	10	-	-	-	-	316	-		326





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Financial year ended 31 December 2008

	<---- Construction Products ---->			<----- Chemicals ----->				Engineering	Others	Elimination	Total Consolidated
	Precast & Plaster S\$'000	Other Construction Products S\$'000	Total S\$'000	Environmental Services S\$'000	Environmental Chemicals S\$'000	Other Chemicals Businesses S\$'000	Total S\$'000				
<b>Revenue</b>											
External sales	124,803	54,950	179,753	37,862	53,681	-	91,543	70,887	15,651	-	357,834
Inter-segment sales	157	5,582	5,739	396	577	-	973	83	15	-	6,810
Total revenue	124,960	60,532	185,492	38,258	54,258	-	92,516	70,970	15,666	-	364,644
Elimination			(5,582)				(141)	-	-	(1,087)	(6,810)
			179,910				92,375	70,970	15,666	(1,087)	357,834
<b>Profit before Taxation and Exceptional Items</b>	14,296	2,987	17,283	201	1,414	52,967	54,582	5,474	(2,078)		75,261
Exceptional items											4,517
Profit before taxation											79,778
Depreciation	(5,585)	(1,711)	(7,296)	(1,653)	(3,439)	-	(5,092)	(940)	(1,483)		(14,811)
Amortisation	-	(131)	(131)	-	-	-	-	(463)	343		(251)
Impairment charge of property, plant and equipment	-	-	-	(926)	(1,432)	-	(2,358)	-	(2,190)		(4,548)
Share of results of associated companies, after taxation	1,837	-	1,837	-	-	52,967	52,967	-	(1,794)		53,010
<b>Total Assets</b>	127,945	53,324	181,269	48,088	77,452	136,049	261,589	65,461	180,168		688,487
<b>Total Liabilities</b>	46,489	9,718	56,207	23,350	24,844	12,140	60,334	34,696	23,751		174,988
Investment in associated companies	4,654	-	4,654	-	-	136,049	136,049	1	4,149		144,853
Additions to:											
- Property, plant and equipment	7,393	1,565	8,958	8,875	1,749	-	10,624	2,139	1,127		22,848
- Intangible assets	-	264	264	-	-	-	-	462	-		726



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**Geographical Segments**

	Sales		Non- current assets	
	2009 S\$'000	2008 S\$'000	2009 S\$'000	2008 S\$'000
Singapore	160,575	143,240	67,029	77,210
Malaysia	74,331	74,122	44,694	40,965
China (including Hong Kong)	50,668	51,266	22,563	24,869
Thailand	-	-	145,632	131,585
Others	66,850	89,206	41,308	23,632
	<u>352,424</u>	<u>357,834</u>	<u>321,226</u>	<u>298,261</u>

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

For discussion of material changes, please refer to paragraph 8.

**15. A breakdown of sales**

	THE GROUP		
	2009 S\$'000	2008 S\$'000	Change %
Sales reported for first half year	187,001	160,694	16
Operating profit after tax before deducting minority interests reported for first half year	25,341	32,149	(21)
Sales reported for second half year	165,423	197,140	(16)
Operating profit after tax before deducting minority interests reported for second half year	41,551	43,236	(4)



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**16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

	Latest Full Year (2009)	Previous Full Year (2008)
	S\$'000	S\$'000
Ordinary	37,356	74,712
Special	-	37,356
Total:	37,356	112,068

**BY ORDER OF THE BOARD**

LIM Su-Ling  
Company Secretary  
23 February 2010



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This release may contain forward-looking statements which may be identified by phrases that the Company or Management or Directors “expects”, “believes” “anticipates” “foresees” or “forecasts”. These forward-looking statements, if any, are based on current expectations and assumptions that are subject to risks and uncertainties. Actual performance, outcome or financial results post the date of this release may differ materially from those expressed in this release. Some factors that may affect the actual performance of the NSL Ltd and its group of companies may include, without limitation, political, economic, geographical, climatic and social conditions in the countries where the NSL Ltd and its group of companies, its customers or its suppliers operate; armed conflict or the effects of terrorist activities or war, acts of God, tsunami, earthquake, natural disasters, floods, effects of global climatic change in any part of the world which may cause disruption in manufacture, supply (availability and costs) of raw or intermediate materials, power, water, fuel, crude oil, import, export, transportation network necessary for the acquisition and supply of goods and services or financial markets; currency fluctuations; fluctuations in the price of raw materials, power, water, fuel, crude oil or demand for natural rubber; volatility of financial markets; general industry conditions, interest rate trends, cost of borrowings and capital availability, intense competition from other companies and venues for the production, sale/distribution of goods and services of the NSL Ltd and its group of companies, changes in industry or market capacity or demands; obsolete inventory, market acceptance or rejection of new goods and services, continued market acceptance of existing goods and services of the NSL Ltd and its group of companies; risk of unanticipated increased costs of power, oil, fuel, crude oil or utilities to operate its various plants; continued ability of NSL Ltd and its group of companies to retain market size and competitiveness for its goods and services; the effect of changes to policies /regulations whether or not resulting in imposition or lifting of anti-dumping duties in countries which the NSL Ltd and its group of companies operate; unavailability of insurance, adverse results on litigation or debt recovery, implementation of operating cost structure that is aligned with revenue growth; SARS, bird flu, killer pig disease, H1N1 flu and their effects; coup d’etat, civil unrest in Southern Thailand or any part of the world where NSL Ltd and its group of companies operate; any factor which may cause revenues and income to fall short of anticipated levels; ability to develop manufacture and market products and services in a rapidly changing environment; management retention and succession; changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. This statement only relates to information available as at the date of release and you are cautioned to seek professional advice from your stock broker, solicitor, accountant or other professional adviser if you are in any doubt as to the meaning of anything herein.