



## NSL 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

		<u>THE GROUP</u>		
	Notes	FY 2012 S\$'000	FY 2011 S\$'000	Change %
Sales		419,980	382,301	10
Cost of sales		(343,102)	(302,225)	14
Gross profit		76,878	80,076	(4)
Other income		7,609	3,330	128
Distribution costs		(19,017)	(14,704)	29
Administrative expenses		(37,719)	(36,966)	2
Other expenses		(2,608)	(873)	199
Finance costs		(1,008)	(946)	7
Share of results of associated companies and joint ventures, net of tax		21,956	80,913	(73)
Profit before taxation and exceptional items	1	46,091	110,830	(58)
Exceptional items	2	4,384	2,820	55
Profit before taxation		50,475	113,650	(56)
Taxation	3	(3,834)	(10,817)	(65)
Total profit for the year		46,641	102,833	(55)
Profit attributable to :				
Equity holders of the Company		46,769	100,269	(53)
Non-controlling interests		(128)	2,564	n/m
		46,641	102,833	(55)
Earnings per ordinary share attributable to the equity holders of the Company				
- Basic and fully diluted (cents)		12.52	26.84	(53)

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Comments on Income Statement

- a) Share of results of associated companies and joint ventures  
 The decrease in share of results of associated companies was due to significantly lower profit contribution from Bangkok Synthetic Co. Ltd, the Group's petrochemical associate in Thailand.
- b) Other income  
 The increase in other income was mainly contributed by higher dividend income from available-for-sale investments.
- c) Distribution costs  
 Mainly arising from higher staff costs due to higher headcounts, and higher distribution expenses such as transportation and sales & marketing expenses which rose in tandem with the increase in revenue.
- d) Other expenses  
 The increase in other expenses was primarily due to higher foreign exchange loss in FY2012.
- e) Taxation  
 Tax expense in FY2012 included a write-back of S\$3mil in over provision for tax in respect of prior years. Excluding the write-back, the effective tax rate of the Group at 14% was lower than the Singapore corporate tax rate due mainly to certain income being subject to a lower withholding tax rate.

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

	<b>THE GROUP</b>	
	<b>FY 2012</b>	<b>FY 2011</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Dividend income	4,962	-
Interest income	672	423
Amortisation of intangible assets	(425)	(468)
Depreciation of property, plant and equipment and investment properties	(17,526)	(16,631)
Property, plant and equipment written off	(87)	(119)
Net foreign exchange (loss) / gain	(2,523)	1,589
Fair value gain / (loss) of derivative financial instruments	469	(582)
Net write down of inventories to net realisable value	(619)	(1,663)
Net write back / (provision for impairment) of trade receivables	1,840	(1,176)
Net gain on sale of property, plant and equipment	48	70
Amortisation of deferred income	370	449

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

	<b>THE GROUP</b>	
	<b>FY 2012</b>	<b>FY 2011</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Reversal of impairment of property, plant and equipment	1,300	5,406
Loss on cessation of business of a subsidiary	(346)	-
Reversal of impairment of investment in associated companies	200	37
Reversal of impairment of loans to an associated company	627	66
Impairment of available-for-sale financial assets	-	(77)
Gain / (loss) on disposal of		
- available-for-sale financial assets	706	1,419
- an associated company	1,609	-
- joint venture	-	(6,083)
- other non-current assets	13	-
Insurance compensation	-	2,384
Others	275	(332)
Net gain	<u>4,384</u>	<u>2,820</u>

**Note 3 – Taxation**

	<b>THE GROUP</b>	
	<b>FY 2012</b>	<b>FY 2011</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Taxation charge / (credit) for the financial year comprises:		
- current year taxation	6,905	13,094
- over provision of prior years	(3,071)	(2,277)
	<u>3,834</u>	<u>10,817</u>



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**Statement of Comprehensive Income for Financial Year ended 31 December 2012**

	<b>THE GROUP</b>	
	<b>FY 2012</b>	<b>FY 2011</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Total profit for the year</b>	46,641	102,833
<b>Other comprehensive income:</b>		
Exchange differences on translating foreign operations		
- Losses arising during the year	(9,909)	(10,426)
- Less: losses included in profit or loss on disposal of a joint venture	-	6,083
Available-for-sale financial assets		
- (Losses) / gains arising during the year	(3,199)	1,808
- Less: gains included in profit or loss	(162)	(1,342)
Share of other comprehensive income of associate	3,010	(10,551)
Income tax relating to components of other comprehensive income	(164)	388
Other comprehensive income for the year, net of tax	(10,424)	(14,040)
<b>Total comprehensive income for the year</b>	<b>36,217</b>	<b>88,793</b>
Total comprehensive income attributable to:		
Equity holders of the Company	36,490	86,315
Non-controlling interests	(273)	2,478
	<b>36,217</b>	<b>88,793</b>



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

	THE GROUP		THE COMPANY	
	31.12.12 S\$'000	31.12.11 S\$'000	31.12.12 S\$'000	31.12.11 S\$'000
Share capital	193,839	193,839	193,839	193,839
Reserves	381,567	382,433	69,530	75,548
Shareholders' equity	575,406	576,272	263,369	269,387
Non-controlling interests	13,630	14,439	-	-
Total equity	589,036	590,711	263,369	269,387
<b>Current Assets</b>				
Inventories	66,526	62,759	-	-
Receivables and prepayments	122,201	110,097	29,431	29,961
Tax recoverable	720	2,330	-	1,581
Available-for-sale financial assets	-	153	-	-
Cash and bank balances	135,960	136,734	54,840	51,494
Other assets	56	124	-	-
	325,463	312,197	84,271	83,036
Assets held-for-sale	620	-	-	-
	326,083	312,197	84,271	83,036
<b>Non-Current Assets</b>				
Property, plant and equipment	167,908	161,131	259	368
Investment properties	3,288	3,460	-	-
Subsidiaries	-	-	67,012	61,851
Associated companies	231,978	229,416	-	-
Available-for-sale financial assets	10,089	13,593	9,588	13,297
Long term receivables and prepayments	2,500	3,316	120,510	127,798
Intangible assets	9,419	9,573	-	-
Deferred tax assets	1,408	1,175	-	-
Other non-current assets	122	123	-	-
	426,712	421,787	197,369	203,314
<b>Total Assets</b>	752,795	733,984	281,640	286,350
<b>Current Liabilities</b>				
Amounts due to bankers	(12,004)	(8,984)	-	-
Trade and other payables	(106,795)	(85,039)	(17,992)	(14,442)
Provision for other liabilities and charges	(1,746)	(1,760)	-	-
Taxation	(1,631)	(5,180)	(238)	(2,304)
Deferred income	(356)	(344)	-	-
	(122,532)	(101,307)	(18,230)	(16,746)
<b>Non-Current Liabilities</b>				
Provision for retirement benefits	(1,422)	(1,107)	-	-
Deferred tax liabilities	(25,492)	(26,083)	(41)	(217)
Long term bank loans	(11,232)	(10,933)	-	-
Deferred income	(1,906)	(2,221)	-	-
Other non-current liabilities	(1,175)	(1,622)	-	-
	(41,227)	(41,966)	(41)	(217)
<b>Total Liabilities</b>	(163,759)	(143,273)	(18,271)	(16,963)
<b>Net Assets</b>	589,036	590,711	263,369	269,387



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### Explanatory notes on consolidated balance sheet

a) Receivables and prepayments

The increase was due mainly to higher trade receivables which increased in tandem with the higher revenue in 4Q2012 as compared to 4Q 2011, and higher prepayments and deposits as a result of additional work sites for the Construction Products division.

b) Amounts due to bankers

The increase in amount due to bankers was due to the draw-down of bank facilities for the funding of capital expenditure of the Group.

c) Trade and other payables

The increase in trade and other payables was primarily due to higher advanced payment collected from customers for projects secured and the increase in trade payables of the Construction Products division due to the increased project volume.

### 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 2012		As at 31 December 2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
10,256	2,580	5,978	3,721

#### Amount repayable after one year

As at 31 December 2012		As at 31 December 2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
12,407	-	11,855	700

#### 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\$34,477,000 (31 December 2011: S\$35,034,000) 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 2012</b>	<b>FY 2011</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax for the financial year	50,475	113,650
<i>Adjustments for:</i>		
Depreciation and amortization	17,581	16,650
Interest expense	1,008	946
Interest income	(672)	(423)
Dividend income	(4,962)	-
Provision of retirement benefits (net)	469	486
Share of results of associated companies and joint ventures, net of tax	(21,956)	(80,913)
Exceptional items	(4,384)	(2,820)
Exchange differences and other adjustments	214	(23)
<i>Operating cash flows before working capital changes</i>	<u>37,773</u>	<u>47,553</u>
<i>Changes in working capital</i>		
Inventories	(3,993)	(1,544)
Receivables and prepayments	(9,378)	(13,944)
Deferred income	67	77
Trade and other payables	20,726	(3,051)
<i>Cash generated from operations</i>	<u>45,195</u>	<u>29,091</u>
Income taxes paid	(6,689)	(7,379)
Insurance compensation received	-	2,384
Retirement benefits paid	(104)	(521)
<b>Net cash generated from operating activities</b>	<u>38,402</u>	<u>23,575</u>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	3,207	596
Proceeds from sale of available-for-sale financial assets and other non-current assets	1,080	1,585
Net cash outflow from acquisition of a subsidiary company	-	(110)
Proceeds from disposal of an associated company	2,494	-
Purchases of property, plant and equipment	(31,600)	(21,298)
Purchases of intangible assets	(284)	(358)
Interest received	610	410
Dividends received from associated companies	16,518	33,053
Dividends received from available-for-sale financial assets	4,962	-
Decrease in amounts due from associated companies	636	1,524
Addition of long term receivables	-	(1,222)
<b>Net cash (used in) / generated from investing activities</b>	<u>(2,377)</u>	<u>14,180</u>



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	<b>THE GROUP</b>	
	<b>FY 2012</b>	<b>FY 2011</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	10,103	1,490
Repayment of borrowings	(7,709)	(9,721)
Finance leases and hire purchases	(330)	42
Interest paid	(1,153)	(955)
Bank deposits pledged	(2,470)	-
Dividends paid to shareholders	(37,356)	(37,356)
Dividends / cash distribution paid to non-controlling interests	(536)	(348)
<b>Net cash used in financing activities</b>	<b>(39,451)</b>	<b>(46,848)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,426)</b>	<b>(9,093)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>136,029</b>	<b>145,284</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>(743)</b>	<b>(162)</b>
<b>Cash and cash equivalents at end of year</b>	<b>131,860</b>	<b>136,029</b>
Cash and cash equivalents at end of year comprise:		
- Cash and bank balances	135,960	136,734
- Less: bank deposits pledged	(2,470)	-
- Less: bank overdrafts	(1,630)	(705)
	<b>131,860</b>	<b>136,029</b>

### Acquisition of a subsidiary

	<b>THE GROUP</b>	
	<b>FY 2012</b>	<b>FY 2011</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Fair value of the identifiable assets acquired and liabilities assumed</u>		
Property, plant and equipment	-	18,268
Inventories	-	4,687
Receivables	-	21,599
Prepayments	-	5,846
Cash and bank balances	-	506
Bank overdrafts	-	(616)
Trade and other payables	-	(47,782)
Bank Borrowings	-	(1,950)
Provision for retirement benefits	-	(775)
Total identifiable net liabilities	-	(217)
Less: Non-controlling interests at fair value	-	117
	-	(100)
Less: Fair value of previously held interest in DP as a joint venture	-	100
Total consideration	-	-
Less: Net bank overdrafts of subsidiary assumed	-	110
Cash flow from acquisition of a subsidiary company	-	(110)





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### **Analysis of consolidated statement of cash flows**

The Group generated S\$38.4 mil of operating cash flow in FY2012 as compared to S\$23.6 mil in FY2011. The higher operating cash flow was mainly attributable to higher cash inflows from working capital changes as compared to last year.

Net cash outflow from investing activities in FY2012 was S2.4 mil, mainly used in purchases of property, plant and equipment and partially offset by dividends received from associated companies and available-for-sale investments.

A total of S\$39.5 mil (FY2011: S\$46.8 mil) was used in financing activities in FY2012, mainly for the payment of dividends to shareholders.

Overall, the Group recorded a net cash outflow of S\$3.4 mil in FY2012 as compared to S\$9.1 mil in FY2011. Group cash and cash equivalent stood at S\$131.9 mil as of 31 December 2012.



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**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						Non-controlling Interests	Total Equity	
	Share Capital S\$'000	Revenue Reserve S\$'000	Translation Reserve S\$'000	Revaluation Reserve S\$'000	Fair Value Reserve S\$'000	Other Reserves S\$'000	Total S\$'000	S\$'000	S\$'000
<b>THE GROUP</b>									
<b>Balance as at 1 January 2012</b>	193,839	381,101	(20,956)	1,946	20,042	300	576,272	14,439	590,711
Transfer of reserves	-	(30)	-	-	-	30	-	-	-
Dividends paid	-	(37,356)	-	-	-	-	(37,356)	-	(37,356)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(536)	(536)
Total comprehensive income for the period	-	46,769	(9,764)	-	(515)	-	36,490	(273)	36,217
<b>Balance as at 31 December 2012</b>	<b>193,839</b>	<b>390,484</b>	<b>(30,720)</b>	<b>1,946</b>	<b>19,527</b>	<b>330</b>	<b>575,406</b>	<b>13,630</b>	<b>589,036</b>

	Attributable to owners of the Company						Non-controlling Interests	Total Equity	
	Share Capital S\$'000	Revenue Reserve S\$'000	Translation Reserve S\$'000	Revaluation Reserve S\$'000	Fair Value Reserve S\$'000	Other Reserves S\$'000	Total S\$'000	S\$'000	S\$'000
<b>THE GROUP</b>									
<b>Balance as at 1 January 2011</b>	193,839	318,188	(16,699)	1,946	29,739	300	527,313	14,245	541,558
Changes in group structure	-	-	-	-	-	-	-	(117)	(117)
Dividends paid	-	(37,356)	-	-	-	-	(37,356)	-	(37,356)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(335)	(335)
Distribution to non-controlling interests of a subsidiary upon liquidation	-	-	-	-	-	-	-	(1,832)	(1,832)
Total comprehensive income for the period	-	100,269	(4,257)	-	(9,697)	-	86,315	2,478	88,793
<b>Balance as at 31 December 2011</b>	<b>193,839</b>	<b>381,101</b>	<b>(20,956)</b>	<b>1,946</b>	<b>20,042</b>	<b>300</b>	<b>576,272</b>	<b>14,439</b>	<b>590,711</b>



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	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 2012</b>	193,839	68,519	7,029	269,387
Dividends paid	-	(37,356)	-	(37,356)
Total comprehensive income for the period	-	35,021	(3,683)	31,338
<b>Balance as at 31 December 2012</b>	<b>193,839</b>	<b>66,184</b>	<b>3,346</b>	<b>263,369</b>
<b>Balance as at 1 January 2011</b>	193,839	69,704	6,561	270,104
Dividends paid	-	(37,356)	-	(37,356)
Total comprehensive income for the period	-	36,171	468	36,639
<b>Balance as at 31 December 2011</b>	<b>193,839</b>	<b>68,519</b>	<b>7,029</b>	<b>269,387</b>

**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 2011.

There were no outstanding options as at 31 December 2012 (31 December 2011: 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:-**

	31 December 2012	31 December 2011
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 2012 (31 December 2011: 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.



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**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.

**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**

The Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compared with the audited financial statements for the year ended 31 December 2011, except for the adoption of new or amended Singapore Financial Reporting Standards (FRS) and Interpretations to FRS (INT FRS) applicable for the financial period beginning 1 January 2012.

The amended FRS include:

- Amendments to FRS 107 – Disclosures – *Transfers of Financial Assets*
- Amendments to FRS 12 – Deferred Tax: *Recovery of Underlying Assets*

The adoption of the above amended FRS did not have any significant impact on the financial statements of the Group for the current financial period.

**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 (Aggregate)**

	<b>THE GROUP</b>	
	<b>FY 2012</b>	<b>FY 2011</b>

(a) Based on the weighted average number of ordinary shares in issue (cents)		
- Excluding exceptional items	11.35	26.34
- Including exceptional items	12.52	26.84
(b) On fully diluted basis (cents)		
- Excluding exceptional items	11.35	26.34
- Including exceptional items	12.52	26.84



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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	
	31.12.12	31.12.11	31.12.12	31.12.11
	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	1.54	1.54	0.71	0.72

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. It must include a discussion of (a) 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 and (b) 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 2012	FY 2011	Change
	S\$’000	S\$’000	%
Group Turnover	419,980	382,301	10
Group Profit Before Tax (excluding exceptional items)	46,091	110,830	(58)
Exceptional Items	4,384	2,820	55
Group Profit for the period attributable to equity holders of the Company	46,769	100,269	(53)

Group turnover of S\$420 mil in FY2012 was 10% above the turnover of S\$382.3mil recorded in the previous financial year. Other than the Chemicals division which reported a marginal drop in revenue, all divisions reported strong year-on-year increase in revenue - led by Environmental Services division with revenue growth of 18%, followed by Engineering division (13%) and Construction products division (11%).

Group pre-tax profit however declined 58% to S\$46.1 mil from S\$110.8 mil previously on the back of significantly lower profit contribution from the Group’s petrochemical associate, Bangkok Synthetic Co. Ltd (“BST”) as a result of the fire incident in May 2012. Excluding BST, pre - tax profit fell 14% year-on-year as a result of lower operating performance by both the Construction Products and Chemicals divisions, partially mitigated by higher dividend income from available-for-sale investments and improved performance from the Engineering division.

After taking into account exceptional items and income tax expenses, profit attributable to shareholders decreased 53% to S\$46.8 mil.



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

<b>Turnover (S\$'mil)</b>	<b>FY 2012 S\$'mil</b>	<b>FY 2011 S\$'mil</b>	<b>Change %</b>
Construction Products Division	232.5	210.2	11
Environmental Services Division	79.3	67.1	18
Engineering Division	44.9	39.8	13
Chemicals Division	47.4	49.3	(4)
Others	15.9	15.9	-
	420.0	382.3	10

  

<b>Attributable profit / (loss) before tax (S\$'mil)</b>	<b>FY 2012 S\$'mil</b>	<b>FY 2011 S\$'mil</b>	<b>Change %</b>
<b>Profit before tax</b>			
Construction Products Division	5.3	10.6	(50)
Environmental Services Division	11.1	11.3	(2)
Engineering Division	5.1	4.8	6
Chemicals Division	27.4	90.2	(70)
Others (including unallocated corporate expenses)	(2.8)	(6.1)	(54)
	46.1	110.8	(58)
Chemicals Division excluding BST	5.4	7.4	(27)
<b>Exceptional items</b>			
Construction Products Division	(0.3)	(6.1)	(95)
Environmental Services Division	-	7.6	n/m
Engineering Division	0.6	0.1	500
Chemicals Division	1.3	-	n/m
Others	2.8	1.2	133
	4.4	2.8	55
<b>Total</b>			
Construction Products Division	5.0	4.5	11
Environmental Services Division	11.1	18.9	(41)
Engineering Division	5.7	4.9	16
Chemicals Division	28.7	90.2	(68)
Others (including unallocated corporate expenses)	-	(4.9)	n/m
	50.5	113.6	(56)

n/m: not meaningful



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### Construction Products Division

Turnover of the Construction Products division increased 11% to S\$232.5mil mainly as a result of the consolidation of the full year turnover of Dubai Precast LLC (“DP”) as compared to 6 months in the previous financial year. (DP became a subsidiary of the Group with effect from 3Q 2011). Excluding the effect of DP, the division reported a 3% increase in revenue driven by higher revenue from its E-mix operations in Singapore and overseas, partially offset by lower revenue from the cessation of its quarry operation in 3Q2012.

Pre-tax profit of the division declined to S\$5.3 mil due to losses incurred at a key precast project in DP and lower profit contribution from the Singapore precast operation as a result of construction delays at sites and logistics constraint. The unrealized translation loss from shareholder’s loan extended to DP was also higher in FY2012.

### Environmental Services Division

Turnover of the Environmental Services division rose 18% to S\$79.3 mil from S\$67.1 mil previously driven mainly by volume growth in its automotive diesel oil (“ADO”) business. Despite higher revenue, pre-tax profit of the division declined marginally to S\$11.1m as a result of lower profit margins from its recycled fuel oil (“RFO”) business due to the weakening of RFO prices, and higher operating expenses.

### Engineering Division

Turnover of the Engineering division rose 13% to S\$44.9mil from S\$39.8 mil previously due to improved product mix with a higher proportion of its high-end spreaders. Pre-tax profit of the division improved 6% to S\$5.1 mil in FY 2012.

### Chemicals Division

Turnover of the Chemicals division decreased 4% to S\$47.4 mil due mainly to lower revenue from both its lime and road stone businesses. Revenue of the lime business was lower on the back of lower export sales while the road stone operation was adversely impacted by plant relocation during the year. Consequently, pre-tax performance of the division excluding BST fell to S\$5.4 mil from S\$7.4 mil previously.

Share of profit contribution from BST, its petrochemical associate in Thailand, declined 73% to S\$22.0 mil from S\$82.8 mil previously as a result of the fire incident in May 2012. All production facilities in BST were shut down after the incident. Production was only resumed partially in 4Q2012 with the re-starting of the butadiene plant. The significantly lower performance by BST has taken into account impairment charge for damaged assets and expenses relating to the fire incident mitigated by some interim insurance compensation received from the insurers.



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**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**

With strong order book across its geographical locations, the performance of the Construction Products division is expected to show improvement barring any major project delays by its customers. The division would also continue to focus its attention to turn around its Dubai operation.

In the Environmental Services business, while demand for RFO is expected to remain firm, the weaker RFO price is expected to have a dampening effect on the performance of the division's RFO business. However, overall performance of the division is expected to remain satisfactory, underpinned by healthy growth in its ADO and services & logistics businesses.

Business outlook for the Engineering division is expected to remain satisfactory underpinned by its healthy order book. The division continues to make good progress in securing orders for its newly launched products.

In the Chemicals division, business conditions in our key markets are expected to remain competitive. High cost of raw materials continues to have an adverse effect on operating margins. The division would continue its efforts to institute cost containment initiatives and broaden its market base going forward.

Contribution from BST is expected to remain weak due to the fire incident and time needed for it to restore full operations. Based on updates from BST, the restart date for the SBR (styrene butadiene rubber) facilities owned by its subsidiary BST Elastomers Company ("BSTE") is expected to be in April 2013. However, it remains uncertain when BSTE's BR (butadiene rubber) unit, which was badly damaged by the fire incident, would re-start operation. In addition, product prices have also weakened. Discussions with insurers are still on-going and finalization of insurance claims will take time. However, as and when these claims are successful, BST's overall financial performance could be improved.





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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 FY2012
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	Final FY2011
Dividend Type	Cash
Dividend amount per share	S\$0.10 per ordinary share
Tax Rate	Exempt – one tier
Date paid	23 May 2012

#### ***(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 24 April 2013, the dividend of S\$0.10 per ordinary share will be paid on or about 22 May 2013 or such other date to be determined by the Directors.

#### ***(d) Books closure date***

To be announced after the said AGM on or about 24 April 2013.

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

Not applicable.

### **13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect**

The Group does not have a general mandate from shareholders for IPTs pursuant to Rule 920.



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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)**

**14. 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 2012

	<---- Construction Products ---->			<----- Chemicals ----->			Engineering	Others	Elimination	Total Consolidated	
	Precast & Plaster S\$'000	Other Construction Products S\$'000	Total S\$'000	Environmental Chemicals S\$'000	Other Chemicals Businesses S\$'000	Total S\$'000	Environmental Services S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue</b>											
External sales	175,591	56,926	232,517	47,404	-	47,404	79,256	44,926	15,877	-	419,980
Inter-segment sales	1	2,075	2,076	1,049	-	1,049	1,637	-	18	-	4,780
Total revenue	175,592	59,001	234,593	48,453	-	48,453	80,893	44,926	15,895	-	424,760
Elimination			(2,075)			-				(2,705)	(4,780)
			232,518			48,453	80,893	44,926	15,895	(2,705)	419,980
<b>Profit before Taxation and Exceptional Items</b>											
Exceptional items	2,316	2,988	5,304	5,490	21,925	27,415	11,064	5,098	(2,790)*		46,091
Profit before taxation	12	(346)	(334)	1,300	-	1,300	-	636	2,782		4,384
Interest income	2,328	2,642	4,970	6,790	21,925	28,715	11,064	5,734	(8)		50,475
Interest expense	101	112	213	65	-	65	40	18	342	(6)	672
Depreciation	(855)	(76)	(931)	(30)	-	(30)	(51)	(2)	-	6	(1,008)
Amortisation	(8,230)	(1,474)	(9,704)	(2,208)	-	(2,208)	(3,139)	(1,299)	(1,176)		(17,526)
(Impairment) / reversal of impairment of property, plant and equipment	-	(87)	(87)	-	-	-	-	(338)	370		(55)
Share of results of associated companies and joint ventures, net of tax	-	(231)	(231)	1,300	-	1,300	-	-	-		1,069
	2	-	2	-	21,925	21,925	-	-	29		21,956
<b>Total Assets</b>	198,306	41,345	239,651	54,257	227,955	282,212	63,955	52,563	114,414		752,795
<b>Total Liabilities</b>	80,383	12,968	93,351	10,324	21,156	31,480	10,972	16,450	11,506		163,759
Investment in associated companies	3	-	3	-	227,955	227,955	-	1	4,019		231,978
Additions to:											
- Property, plant and equipment	21,629	591	22,220	2,579	-	2,579	2,023	2,755	334		29,911
- Intangible assets	-	66	66	-	-	-	-	218	-		284

\*Including unallocated corporate expenses



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### Financial year ended 31 December 2011

	<---- Construction Products ---->			<----- Chemicals ----->			Engineering	Others	Elimination	Total Consolidated	
	Precast & Plaster S\$'000	Other Construction Products S\$'000	Total S\$'000	Environmental Chemicals S\$'000	Other Chemicals Businesses S\$'000	Total S\$'000					Environmental Services S\$'000
<b>Revenue</b>											
External sales	152,003	58,227	210,230	49,345	-	49,345	67,105	39,768	15,853	-	382,301
Inter-segment sales	10	2,045	2,055	717	-	717	1,261	117	6	-	4,156
Total revenue	<u>152,013</u>	<u>60,272</u>	<u>212,285</u>	<u>50,062</u>	<u>-</u>	<u>50,062</u>	<u>68,366</u>	<u>39,885</u>	<u>15,859</u>	<u>-</u>	<u>386,457</u>
Elimination			(2,045)			-	-	-	-	(2,111)	(4,156)
			<u>210,240</u>			<u>50,062</u>	<u>68,366</u>	<u>39,885</u>	<u>15,859</u>	<u>(2,111)</u>	<u>382,301</u>
<b>Profit before Taxation and Exceptional Items</b>	7,440	3,148	10,588	7,426	82,782	90,208	11,299	4,800	(6,065)*		110,830
Exceptional items	(6,058)	-	(6,058)	-	-	-	7,584	145	1,149		2,820
Profit before taxation	<u>1,382</u>	<u>3,148</u>	<u>4,530</u>	<u>7,426</u>	<u>82,782</u>	<u>90,208</u>	<u>18,883</u>	<u>4,945</u>	<u>(4,916)</u>		<u>113,650</u>
Interest income	117	74	191	51	-	51	9	5	351	(184)	423
Interest expense	(851)	(65)	(916)	(80)	-	(80)	(113)	(21)	-	184	(946)
Depreciation	(7,329)	(1,935)	(9,264)	(2,410)	-	(2,410)	(2,610)	(1,022)	(1,325)		(16,631)
Amortisation	-	(98)	(98)	-	-	-	-	(370)	449		(19)
Reversal of impairment of property, plant and equipment	26	-	26	-	-	-	5,380	-	-		5,406
Share of results of associated companies and joint ventures, net of tax	(1,891)	-	(1,891)	-	82,782	82,782	-	-	22		80,913
<b>Total Assets</b>	<u>181,012</u>	<u>48,791</u>	<u>229,803</u>	<u>50,669</u>	<u>226,103</u>	<u>276,772</u>	<u>62,010</u>	<u>48,572</u>	<u>116,827</u>		<u>733,984</u>
<b>Total Liabilities</b>	<u>61,361</u>	<u>12,962</u>	<u>74,323</u>	<u>10,529</u>	<u>21,373</u>	<u>31,902</u>	<u>16,064</u>	<u>8,499</u>	<u>12,485</u>		<u>143,273</u>
Investment in associated companies	2	-	2	-	226,103	226,103	-	1	3,310		229,416
Additions to:											
- Property, plant and equipment	12,257	1,592	13,849	869	-	869	3,260	2,924	936		21,838
- Intangible assets	-	39	39	-	-	-	-	319	-		358

\*Including unallocated corporate expenses



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**Geographical Segments**

	Sales <sup>(1)</sup>		Non-current assets <sup>(2)</sup>	
	2012 S\$'000	2011 S\$'000	2012 S\$'000	2011 S\$'000
Singapore	189,343	179,917	60,772	64,678
Malaysia	70,641	71,852	61,387	56,294
China (including Hong Kong)	47,907	44,160	28,418	22,890
Thailand	-	-	224,825	222,777
Others	112,089	86,372	37,313	37,064
	<b>419,980</b>	<b>382,301</b>	<b>412,715</b>	<b>403,703</b>

(1) Sales by geographical segment are determined based on locations of the respective customers.

(2) Non-current assets by geographical segment are determined based on locations of the respective assets. Non-current assets include property, plant and equipment, investment properties, associated companies and joint ventures, intangible assets and other non-current assets.

**15. 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.

**16. A breakdown of sales**

	THE GROUP		Change %
	2012 S\$'000	2011 S\$'000	
Sales reported for first half year	200,639	167,837	20
Operating profit after tax before deducting non-controlling interests reported for first half year	31,088	45,044	(31)
Sales reported for second half year	219,341	214,464	2
Operating profit after tax before deducting non-controlling interests reported for second half year	15,553	57,789	(73)

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**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**Total Annual Dividend (*Refer to Para 16 of Appendix 7.2 for the required details*)

	Latest Full Year (2012)	Previous Full Year (2011)
	S\$'000	S\$'000
Ordinary	37,356	37,356
Preference	-	-
Total:	37,356	37,356

**18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ban Song Long	68	Cousin of Fu Kuo Chen David	Non-Executive Director 2003	None
Fu Kuo Chen David	51	Cousin of Ban Song Long and brother-in-law of Ong Beng Seng (see note below)	Non-Executive Director 2003	None

Note: Ong Beng Seng is deemed to be a substantial shareholder of NSL Ltd through 98 Holdings Pte Ltd, Excel Partners Pte Ltd, Excelfin Pte Ltd and Reef Investments Pte Ltd by virtue of the provisions under Section 7 of the Companies Act, Chapter 50.

**BY ORDER OF THE BOARD**

LIM Su-Ling  
Company Secretary  
28 February 2013



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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, industrial accident(s) in any facility(ies) of NSL Ltd and its group of companies and their effects; 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 and their effects; coup d’etat, civil unrest, civil uprisings, revolutions, demonstrations, protests in 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.