



Press Release

NSL GROUP PROFIT BEFORE TAX FELL IN 1Q2017

- Group Turnover increased 3% to \$86.1 million
- However, Group Profit before tax declined 48% to \$2.7 million due to weak demand in Precast & PBU division. The fire incident and the introduction of diesel tax hike in the Budget also adversely affected the Environmental Services division

Financial Highlights (Continuing Operations)	THE GROUP		
	1Q2017 S\$'000	1Q2016 S\$'000 (restated*)	Change %
Group Turnover	86,104	83,277	3
Group Profit Before Tax	2,720	5,245	(48)
Group Profit Attributable to Shareholders	2,585	4,633	(44)
Earnings Per Share (cents)	0.69	1.24	(44)

* Figures have been restated due to the divestment of Dry Mix business in 2016.

Singapore, 11 May 2017 – NSL Group turnover improved 3% to \$86.1 million in 1Q2017 compared to \$83.3 million in 1Q2016 attributable to higher revenue from Environmental Services division as a result of the consolidation of its newly acquired subsidiary in the fuel management service business.

However, Group Profit before Tax declined 48% from \$5.2 million in 1Q2016 to \$2.6 million in 1Q2017 due to weak demand in Precast & Prefabricated Bathroom Unit (“PBU”) division and a fire incident and diesel tax hike in Environmental Services division.

Precast & PBU division recorded a lower Profit before Tax of \$1.5 million this quarter largely due to lower revenue and declining operating margins by its precast operation. This was partially mitigated by improved performance of the division’s PBU business in Finland.



The Environmental Services division suffered a higher loss of \$1.2 million in 1Q2017 compared to 1Q2016 adversely affected by the fire incident in March 2017 and weaker demand for Automotive Diesel Oil following a diesel tax hike in the recent Budget. In addition, an impairment charge was made to the plant assets destroyed by the fire.

After taking into account income tax and non-controlling interests, the Group reported a profit attributable to equity holders of \$2.6 million in 1Q2017 compared to \$4.6 million in 1Q2016.

Outlook

The Precast business across all locations continues to face competitive market conditions with downward pressure on project margins. The division's PBU business in Finland is expected to perform satisfactorily underpinned by healthy order book.

In the Environmental Services division, the performance of waste management services is expected to remain challenging as part of its facilities is shut down for repair work following the recent fire incident. Full operation is expected to resume in 3Q2017. Nonetheless, the division has adequate insurance coverage for property damage and loss from business interruption.

PEINER SMAG Lifting Technologies GmbH is well placed to weather the challenging market conditions following the restructuring of its operations.



About NSL

NSL and its group of companies is a leading industrial group in Asia Pacific. The Group's core businesses are Precast & Prefabricated Bathroom Unit (PBU) and Environmental Services.

The Precast & PBU division is a market leader in manufacturing precast concrete components in Singapore, Malaysia and Dubai while the PBU business is a dominant producer in Scandinavia.

The Environmental Services division is a key player in integrated environmental services in Singapore covering the treatment and logistics services of oily and toxic waste for both land and marine sectors. It is also a major distributor of Automotive Diesel Oil and other petroleum products in Singapore.

In addition, NSL Group has a majority shareholding in Raffles Marina Ltd, Asia's Premier Marina Club in Tuas, Singapore, and an associate company in Germany, PEINER SMAG Lifting Technologies GmbH, which is one of the world's largest producers of lifting accessories for bulk cargo and shipping containers.

NSL Group has an active Research and Development programme that leverages on technology to develop innovative products and process improvements for productivity. It also partners local government agencies and tertiary institutions to develop new and sustainable solutions for industrial applications.

The Group has operations and joint ventures in eight countries and has been listed on the Singapore Exchange since 1964.

For more information, please visit www.nsl.com.sg

For media queries, please contact:

Chia Tong Hee
Senior Vice-President
Finance & Corporate Service
DID: 6513 3913
Email: cth@nsl.com.sg

Yvette Tan
Assistant Vice-President
Corporate Communications
DID: 6513 3911
Email: ytan@nsl.com.sg