



NSL LTD

(Reg. no.: 196100107C)

Second Quarter Financial Statements 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

THE GROUP						
	Quarter ended 30 June			6 months ended 30 June		
Note	2016	2015	Change	2016	2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
	(restated)			(restated)		
Continuing Operations						
Sales	110,364	110,357	0	218,744	210,249	4
Cost of sales	(86,361)	(88,469)	(2)	(173,270)	(171,077)	1
Gross profit	(2) 24,003	21,888	10	45,474	39,172	16
Other income	(3) 1,629	2,046	(20)	4,806	3,008	60
Other gains and losses	(4) 588	(96)	n/m	465	70	564
Distribution costs	(5) (5,404)	(5,041)	7	(10,488)	(9,542)	10
Administrative expenses	(9,885)	(9,858)	0	(19,578)	(19,654)	(0)
Finance costs	(6) (496)	(361)	37	(880)	(699)	26
Share of results of associated companies, net of tax	(7) (201)	79	n/m	67	(21)	n/m
Profit before income tax	(1) 10,234	8,657	18	19,866	12,334	61
Income tax expense	(8) (2,974)	(1,418)	110	(4,133)	(2,405)	72
Profit from continuing operations	7,260	7,239	0	15,733	9,929	58
Discontinued Operations						
Profit from discontinued operations	(9) 8	14,799	(100)	8	40,382	(100)
Total profit for the financial period	7,268	22,038	(67)	15,741	50,311	(69)
Profit attributable to equity holders of the Company:						
- from continuing operations	6,625	6,981	(5)	14,727	9,210	60
- from discontinued operations	8	14,808	(100)	8	40,304	(100)
	6,633	21,789	(70)	14,735	49,514	(70)
Profit attributable to non-controlling interest:						
- from continuing operations	635	258	146	1,006	719	40
- from discontinued operations	-	(9)	n/m	-	78	n/m
	635	249	155	1,006	797	26
Basic and fully diluted earnings per share (cents)						
- from continuing operations - basic and fully diluted	1.77	1.87	(5)	3.94	2.47	60
- from discontinued operations - basic and fully diluted	0.00	3.96	n/m	0.00	10.80	n/m

n/m: not meaningful

Notes to the Group's Income Statement

- (1) Profit before taxation from Continuing Operations is arrived at after crediting / (charging) the following items:

	<u>THE GROUP</u>			
	Quarter ended		6 months ended	
	30 June		30 June	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
	(restated)		(restated)	
Dividend income	1	758	1,481	758
Interest income	1,140	869	2,214	1,590
Amortisation of intangible assets	(46)	(46)	(95)	(94)
Depreciation of property, plant and equipment and investment properties	(3,343)	(3,560)	(6,672)	(7,281)
Allowance for stocks obsolescence	(90)	(156)	(123)	(232)
Write down of inventories to net realisable value, net	(28)	-	(99)	(436)
Allowance for impairment of trade receivables and bad debts written off, net	(78)	(213)	(39)	(271)
Amortisation of deferred income	48	47	96	93

- (2) Gross profit

Gross profit increased 10% and 16% in second quarter of 2016 ("2Q-2016") and half year ended 30 June 2016 ("1H-2016") respectively driven by improved operating margins from the Precast & Prefabricated Bathroom Unit ("PBU") division.

- (3) Other income

The increase in other income in 1H-2016 was due mainly to higher interest income from fixed deposits and higher dividend income from an available-for-sale financial asset received during the first quarter of the year. However, the quarter on quarter decrease in other income came from lower dividend income received.

- (4) Other gains and losses

	<u>THE GROUP</u>			
	Quarter ended		6 months ended	
	30 June		30 June	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
	(restated)		(restated)	
Fair value (losses) / gains on derivative financial instruments	(188)	6	(35)	5
Currency exchange gains / (losses) - net	89	(110)	(185)	(12)
Property, plant and equipment -Gains on disposal and write-off, net	770	5	771	9
Others	(83)	3	(86)	68
	588	(96)	465	70

Notes to the Group's Income Statement (continued)

(5) Distribution costs

The increase in distribution costs in 1H-2016 was due mainly to higher staff costs incurred by the Precast & PBU division in line with increased sales.

(6) Finance costs

The increase in finance costs in 2Q-2016 and 1H-2016 were attributable to increased borrowings incurred by the Environmental Services division to finance the acquisition of a leasehold land.

(7) Share of results of associated companies, net of tax

The negative swing in share of results of associated companies in 2Q-2016 was due mainly to the decline in contribution from PEINER SMAG Lifting Technologies GmbH ("PSLT").

(8) Income tax expense

	THE GROUP			
	Quarter ended		6 months ended	
	30 June		30 June	
	2016	2015	2016	2015
<u>Continuing Operations</u>	S\$'000	S\$'000	S\$'000	S\$'000
	(restated)		(restated)	
Taxation charge for the financial period comprises:				
- Current period taxation	2,322	1,418	3,505	2,405
- Under-provision in respect of prior years	652	-	628	-
	2,974	1,418	4,133	2,405

Tax expenses were higher as compared to the corresponding periods in the previous year due to higher profits before tax. The effective tax rate of the Group in 2Q-2016 and 1H-2016 were higher than the Singapore corporate tax rate due mainly to higher corporate tax rate on profits of certain overseas subsidiaries.

Notes to the Group's Income Statement (continued)

(9) Profit from discontinued operations

An analysis of the results of discontinued operations is as follows:

	<u>THE GROUP</u>			
	Quarter ended		6 months ended	
	30 June		30 June	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
		(restated)		(restated)
Sales	-	2,914	-	10,585
Net expenses	-	(2,042)	-	(10,926)
Loss before tax from discontinued operations	-	872	-	(341)
Income tax expense	-	40	-	(158)
Loss after tax from discontinued operations	-	912	-	(499)
Exceptional gain on disposal of subsidiaries	8	13,887	8	40,881
Profit after tax from discontinued operations	8	14,799	8	40,382

***Breakdown of profit from discontinued operations**

	<u>THE GROUP</u>			
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
		(restated)		(restated)
Engineering operations	-	887	-	(1,066)
Lime and limestones operations	-	25	-	567
Exceptional gain / (loss) on disposal				
- Lime business	8	(237)	8	26,924
- Engineering business	-	14,124	-	13,957
	8	14,799	8	40,382

Notes to the Group's Income Statement (continued)

- a) On 5 December 2014, the Company and its direct wholly-owned subsidiary, NSL Engineering Holdings Pte. Ltd. ("NSEH") entered into agreement with Salzgitter Maschinenbau AG ("SMAG") in relation to the merger of NSL Engineering Pte Ltd ("NSE")'s RAM container spreader business with SMAG's grab business as the world's leading independent lifting device group in both bulk cargo and container handling. Under the agreement, NSEH will inject NSE into SMAG's wholly-owned subsidiary, PEINER SMAG Lifting Technologies GmbH ("PSLT") in exchange for 33.33% equity stake in PSLT, the new holding company of NSE Group, with SMAG holding the remaining 66.67% equity stake (the "Merger").

The NSE Group was a separate major line of business and was responsible for trading and management of spreader business. In accordance with FRS 105, *Non-current Assets Held for Sale and Discontinued Operations*, results of the NSE Group were disclosed as part of discontinued operations in FY 2015.

Following the completion of the Merger on 29 April 2015, the 33.33% non-controlling equity stake in PSLT has been accounted for as an investment in associated company as the Group has significant influence over PSLT and the share of financial results of PSLT has been accounted for based on the equity method under FRS 28 *Investments in Associates and Joint Ventures*.

- b) The divestment of lime business in Singapore and Malaysia was completed on 17 February 2015 for a cash consideration of approximately S\$42.9 mil. The gain on divestment of lime business in Singapore and Malaysia recognised in FY2015 was approximately S\$26.8 mil. An additional and final gain of S\$8,000 was recognised upon finalisation of the completion account adjustments in 2Q-2016.

Pursuant to the completion of divestment of lime business, the Group's wholly-owned subsidiary, NSL Chemicals Ltd ("NSC"), granted a call option to the acquirer of the lime business, Lhoist Singapore Pte Ltd ("Lhoist") or its subsidiary ("Lhoist Acquirer"), to acquire NSC's limestone business in Malaysia for an agreed consideration of S\$4 million. The call option was exercisable by Lhoist Acquirer at any time before 30 June 2015 ("Call Option"). The Call Option has since expired without Lhoist Acquirer exercising its rights under the option.

Following the lapse of the Call Option, management continued to explore alternatives to realise the Group's carrying value in the limestone business via a disposal. Accordingly, the carrying value of the assets and liabilities of the limestone business were classified as held for sale as at 31 December 2015 and disclosed as a discontinued operation.

However, in 1H-2016, as the limestone business had yet to be disposed of and there was no firm purchase commitment, its operating results and the carrying value of its assets and liabilities had to be restated as business under continuing operation in accordance with accounting standards and not as a separate line item in the consolidated income statement and statement of financial position for the period ended 30 June 2016. Comparative operating results for the period ended 30 June 2015 ("1H-2015") have been restated accordingly. Net loss after tax related to the limestone business was S\$31,000 in 1H-2016 (1H-2015: S\$127,000).

- c) The details of assets and liabilities of the disposal group classified as held for sale for the Group are as follows:

	THE GROUP	
	30.06.16	31.12.15
	S\$'000	S\$'000
Assets		
Inventories	-	9
Cash and cash equivalents	-	97
Receivables and prepayments	-	97
Property, plant and equipment	-	4,026
Total assets	-	4,229
Liabilities		
Trade and other payables	-	517
Deferred tax liabilities	-	490
Total liabilities	-	1,007

Statement of Comprehensive Income for Financial Period ended 30 June 2016

	THE GROUP			
	Quarter ended 30 June		6 months ended 30 June	
	2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Total profit for the period	7,268	22,038	15,741	50,311
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Exchange differences on translating foreign operations				
- Losses arising during the period	(2,091)	(3,513)	(2,296)	(3,449)
Available-for-sale financial assets				
- Gains / (losses) arising during the period	651	(806)	(551)	42
Share of other comprehensive losses of associated companies	(1,119)	(188)	(1,740)	(173)
Income tax relating to components of other comprehensive income	-	6	1	11
Other comprehensive losses for the period, net of tax	(2,559)	(4,501)	(4,586)	(3,569)
Total comprehensive income for the period	4,709	17,537	11,155	46,742
Total comprehensive income attributable to:				
Equity holders of the Company	4,160	17,300	10,111	46,084
Non-controlling interests	549	237	1,044	658
	4,709	17,537	11,155	46,742

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	
	30.06.16	31.12.15	30.06.16	31.12.15
	S\$'000	S\$'000	S\$'000	S\$'000
Equity				
Share capital	193,839	193,839	193,839	193,839
Reserves	360,508	366,598	258,014	267,715
Shareholders' equity	554,347	560,437	451,853	461,554
Non-controlling interests	9,574	11,007	-	-
Total equity	563,921	571,444	451,853	461,554
Current Assets				
Inventories	47,050	48,138	-	-
Receivables and prepayments	113,876	116,387	13,807	36,846
Tax recoverable	1,394	1,124	-	-
Cash and cash equivalents	319,189	334,448	243,633	227,033
	481,509	500,097	257,440	263,879
Assets of disposal group classified as held-for-sale (Note 9)	-	4,229	-	-
	481,509	504,326	257,440	263,879
Non-Current Assets				
Property, plant and equipment	145,743	136,751	199	144
Investment properties	8,288	8,376	-	-
Investments in subsidiaries	-	-	85,232	85,232
Investments in associated companies	51,019	52,692	-	-
Long term receivables and prepayments	7,937	822	121,204	121,354
Available-for-sale financial assets	8,768	9,318	8,293	8,836
Intangible assets	9,268	9,306	-	-
Deferred tax assets	3,662	5,290	-	-
Other non-current assets	143	140	-	-
	234,828	222,695	214,928	215,566
Total Assets	716,337	727,021	472,368	479,445
Current Liabilities				
Borrowings	(13,531)	(18,407)	-	-
Trade and other payables	(109,435)	(116,058)	(20,290)	(17,803)
Current income tax liabilities	(2,973)	(2,429)	(225)	(88)
Deferred income	(274)	(282)	-	-
	(126,213)	(137,176)	(20,515)	(17,891)
Liabilities directly associated with disposal group classified as held-for-sale (Note 9)	-	(1,007)	-	-
	(126,213)	(138,183)	(20,515)	(17,891)
Non-Current Liabilities				
Provision for retirement benefits	(2,663)	(2,519)	-	-
Deferred tax liabilities	(4,273)	(3,864)	-	-
Borrowings	(18,105)	(9,842)	-	-
Deferred income	(1,162)	(1,169)	-	-
	(26,203)	(17,394)	-	-
Total Liabilities	(152,416)	(155,577)	(20,515)	(17,891)
Net Assets	563,921	571,444	451,853	461,554

Explanatory notes on consolidated statement of financial position

- a) Long term receivables and prepayments
The increase was due mainly to higher long term receivables recorded by the Group's Precast operations in Singapore and Dubai.
- b) Deferred tax assets
The decrease was due mainly to utilisation of previously unabsorbed capital allowances by the Group's Malaysia Precast operation.
- c) Borrowings
The reduction in current borrowings was due mainly to reclassification of a term loan from current to non-current. Overall, total borrowings increased by S\$3.4 mil due mainly to a bank loan taken by the Environmental Services division to finance the acquisition of a leasehold land.
- d) Assets of disposal group classified as held-for-sale
Liabilities directly associated with disposal group classified as held-for-sale
Amounts as at 31 December 2015 relate to assets and liabilities of the Group's Malaysia limestone business, as disclosed in notes 9(b) and 9(c).

1(b)(ii) Aggregate amount of group's borrowings and debt securities
Amount repayable in one year or less, or on demand

As at 30 June 2016		As at 31 December 2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
12,719	812	17,941	466

Amount repayable after one year

As at 30 June 2016		As at 31 December 2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
18,105	-	9,842	-

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\$19,783,000 (31 December 2015: S\$20,716,000) charged by way of debentures to banks for overdraft and term loan facilities granted.

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

	The Group			
	Quarter ended 30 June		6 months ended 30 June	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
		(restated)		(restated)
Cash Flows from Operating Activities				
Profit from continuing operations	7,260	7,239	15,733	9,929
Profit from discontinued operations	8	14,799	8	40,382
Profit for the financial period	7,268	22,038	15,741	50,311
<i>Adjustments for:</i>				
Taxation	2,974	1,378	4,133	2,563
Amortisation of intangible assets	46	61	95	150
Amortisation of deferred income	(48)	(47)	(96)	(93)
Depreciation of properties, plant and equipment and investment properties	3,343	3,693	6,672	7,970
Property, plant and equipment written off	5	-	8	1
Interest expense	496	369	880	733
Interest income	(1,140)	(870)	(2,214)	(1,594)
Dividend income from available-for-sale financial assets	(1)	(758)	(1,481)	(758)
Gain on disposal of property, plant and equipment (net)	(775)	(5)	(779)	(10)
Provision for retirement benefits (net)	87	131	272	291
Share of results of associated companies, net of tax	201	(79)	(67)	21
Gain on disposal of subsidiaries	(8)	(13,887)	(8)	(40,881)
Exchange differences and other adjustments	(272)	(485)	(842)	341
<i>Operating cash flows before working capital changes</i>	12,176	11,539	22,314	19,045
<i>Changes in working capital, net of effects from disposal of subsidiaries:</i>				
Inventories	(1,290)	1,354	1,097	8,751
Receivables and prepayments	(2,587)	1,791	(542)	(977)
Deferred income	(11)	22	5	116
Trade and other payables	5,607	1,357	(6,676)	(10,893)
<i>Cash generated from operations</i>	13,895	16,063	16,198	16,042
Income tax paid	(1,119)	(1,532)	(2,079)	(2,739)
Retirement benefits paid	-	(7)	(25)	(73)
<i>Net cash generated from operating activities</i>	12,776	14,524	14,094	13,230
Cash Flows from Investing Activities				
Proceeds from disposal of property, plant and equipment	632	132	636	137
Net cash inflow / (outflow) from disposal of subsidiaries	8	(5,240)	8	33,696
Purchases of property, plant and equipment	(13,625)	(3,237)	(16,830)	(7,386)
Purchases of intangible assets	(41)	(30)	(75)	(106)
Interest received	1,007	781	2,286	1,213
Dividends received from available-for-sale financial assets	1	758	1,481	758
<i>Net cash (used in) / generated from investing activities</i>	(12,018)	(6,836)	(12,494)	28,312

	The Group			
	Quarter ended		6 months ended	
	30 June		30 June	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
	(restated)		(restated)	
Cash Flows from Financing Activities				
Proceeds from borrowings	8,094	6,661	11,528	12,113
Repayment of borrowings	(2,503)	(3,383)	(7,613)	(10,699)
Finance leases and hire purchases	(183)	(95)	(528)	(165)
Interest paid	(509)	(375)	(972)	(867)
Bank deposits pledged	19	11	659	(31)
Dividends paid to shareholders	(18,678)	(29,883)	(18,678)	(29,883)
Dividends paid to non-controlling interests	-	(277)	-	(738)
<i>Net cash used in financing activities</i>	(13,760)	(27,341)	(15,604)	(30,270)
Net (decrease) / increase in cash and cash equivalents	(13,002)	(19,653)	(14,004)	11,272
Cash and cash equivalents at beginning of the period	330,042	325,369	331,271	295,038
Effects of exchange rate changes on cash and cash equivalents	(466)	(513)	(693)	(1,107)
Cash and cash equivalents at end of the period	316,574	305,203	316,574	305,203
Cash and cash equivalents at end of the period comprise:				
- Cash and bank balances	319,189	307,143	319,189	307,143
- Cash classified as disposal group asset held for sale	-	994	-	994
- Less: bank deposits pledged	(2,615)	(2,934)	(2,615)	(2,934)
	316,574	305,203	316,574	305,203

Disposal of subsidiaries

	THE GROUP			
	Quarter ended		6 months ended	
	30 June		30 June	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Carrying amounts of assets and liabilities disposed of</u>				
Cash and cash equivalents	-	5,314	-	8,235
Trade and other receivables	-	9,819	-	16,171
Other current asset	-	18,819	-	22,285
Property, plant and equipment	-	14,487	-	23,065
Other non-current assets	-	755	-	770
Total assets	-	49,194	-	70,526
Trade and other payables	-	(16,836)	-	(21,002)
Deferred income tax liabilities	-	-	-	(794)
Other non-current liabilities	-	-	-	(7)
Total liabilities	-	(16,836)	-	(21,803)
Net assets derecognised	-	32,358	-	48,723
Less: Non-controlling interests	-	-	-	(3,059)
Net assets disposed of	-	32,358	-	45,664
The aggregate cash inflow / (outflow) arising from the disposal of subsidiaries were:				
Net assets disposed of	-	32,358	-	45,664
- Reclassification of currency translation reserve	-	(803)	-	1,315
- Reclassification of revaluation reserve	-	-	-	(220)
	-	31,555	-	46,759
Gain on disposal	8	13,887	8	40,881
Total sale consideration, net of transaction costs	8	45,442	8	87,640
Less: Investment in associate	-	(45,338)	-	(45,338)
Less: Cash and cash equivalents in subsidiary disposed of	-	(5,314)	-	(8,235)
Less: Sale consideration received, net	-	-	-	(486)
Add: Professional fees payable, net	-	(30)	-	115
Net cash inflow / (outflow) on disposal of subsidiaries	8	(5,240)	8	33,696



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Analysis of consolidated statement of cash flows

2Q-2016

The Group generated S\$12.8 mil of operating cash flow in 2Q-2016 as compared to S\$14.5 mil in 2Q-2015. The decrease in operating cash flow was mainly attributable to lower cash inflow from working capital changes.

Net cash used in investing activities in 2Q-2016 was S\$12.0 mil compared to S\$6.8m in 2Q-2015 due mainly to higher cash outflow on purchases of property, plant and equipment.

A total of S\$13.8 mil (2Q-2015: S\$27.3 mil) was used in financing activities in 2Q-2016. The decrease in cash compared to the corresponding period last year was due largely to lower dividends paid and proceeds from a bank loan taken by the Environmental Services division to finance the acquisition of a leasehold land.

Overall, the Group recorded a net cash outflow of S\$13.0 mil for 2Q-2016, lower than the S\$19.7 mil used in 2Q-2015. Group cash and cash equivalent stood at S\$316.6 mil as of 30 June 2016.

1H-2016

The Group generated a positive operating cash flow of S\$14.1 mil in 1H-2016 as compared to S\$13.2 mil in 1H-2015. The increase in operating cash flow was mainly attributable to higher profits from continuing operations.

Net cash outflow in investing activities in 1H-2016 was S\$12.5 mil compared to net cash inflow of S\$28.3m in 1H-2015 as a result of net proceeds from disposal of the lime business received last year.

A total of S\$15.6 mil (1H-2015: S\$30.3 mil) was used in financing activities in 1H-2016. The decrease compared to the corresponding period last year was due mainly to lower dividends paid.

Overall, the Group recorded a net cash outflow of S\$14.0 mil for 1H-2016 as compared to net cash inflow of S\$11.3 mil in 1H-2015. Group cash and cash equivalent stood at S\$316.6 mil as of 30 June 2016.



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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								
	Share Capital S\$'000	Revenue Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Revaluation Reserve S\$'000	Fair Value Reserve S\$'000	Other Reserves S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total Equity S\$'000
THE GROUP									
Balance as at 1 January 2016	193,839	378,535	(15,166)	-	2,929	300	560,437	11,007	571,444
Profit for the period	-	8,102	-	-	-	-	8,102	371	8,473
Other comprehensive (losses) / income for the period	-	-	(950)	-	(1,201)	-	(2,151)	124	(2,027)
Total comprehensive income / (losses) for the period	-	8,102	(950)	-	(1,201)	-	5,951	495	6,446
Conversion of preference shares	-	2,477	-	-	-	-	2,477	(2,477)	-
Balance as at 31 March 2016	193,839	389,114	(16,116)	-	1,728	300	568,865	9,025	577,890
Profit for the period	-	6,633	-	-	-	-	6,633	635	7,268
Other comprehensive (losses) / income for the period	-	-	(3,124)	-	651	-	(2,473)	(86)	(2,559)
Total comprehensive income / (losses) for the period	-	6,633	(3,124)	-	651	-	4,160	549	4,709
Dividends paid	-	(18,678)	-	-	-	-	(18,678)	-	(18,678)
Total transactions with owners, recognised directly in equity	-	(18,678)	-	-	-	-	(18,678)	-	(18,678)
Balance as at 30 June 2016	193,839	377,069	(19,240)	-	2,379	300	554,347	9,574	563,921



NSL LTD

(Reg. no.: 196100107C)

THE GROUP

	Attributable to owners of the Company								
	Share Capital S\$'000	Revenue Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Revaluation Reserve S\$'000	Fair Value Reserve S\$'000	Other Reserves S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total Equity S\$'000
THE GROUP									
Balance as at 1 January 2015	193,839	341,486	(11,853)	220	2,479	479	526,650	13,817	540,467
Profit for the period	-	27,725	-	-	-	-	27,725	548	28,273
Other comprehensive income / (losses) for the period	-	-	206	-	853	-	1,059	(127)	932
Total comprehensive income for the period	-	27,725	206	-	853	-	28,784	421	29,205
Dividends paid	-	(11,207)	-	-	-	-	(11,207)	-	(11,207)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(461)	(461)
Total transactions with owners, recognised directly in equity	-	(11,207)	-	-	-	-	(11,207)	(461)	(11,668)
Disposal of subsidiary	-	-	2,118	(220)	-	-	1,898	(3,059)	(1,161)
Balance as at 31 March 2015	193,839	358,004	(9,529)	-	3,332	479	546,125	10,718	556,843
Profit for the period	-	21,789	-	-	-	-	21,789	249	22,038
Other comprehensive losses for the period	-	-	(3,690)	-	(799)	-	(4,489)	(12)	(4,501)
Total comprehensive income / (losses) for the period	-	21,789	(3,690)	-	(799)	-	17,300	237	17,537
Transfer of reserves	-	179	-	-	-	(179)	-	-	-
Dividends paid	-	(18,676)	-	-	-	-	(18,676)	-	(18,676)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(278)	(278)
Total transactions with owners, recognised directly in equity	-	(18,676)	-	-	-	-	(18,676)	(278)	(18,954)
Disposal of subsidiary	-	-	(803)	-	-	-	(803)	-	(803)
Balance as at 30 June 2015	193,839	361,296	(14,022)	-	2,533	300	543,946	10,677	554,623

	Share Capital S\$'000	Revenue Reserve S\$'000	Fair Value Reserve S\$'000	Total S\$'000
THE COMPANY				
Balance as at 1 January 2016	193,839	265,107	2,608	461,554
Total comprehensive income / (losses) for the period	-	9,504	(1,194)	8,310
Balance as at 31 March 2016	193,839	274,611	1,414	469,864
Total comprehensive income for the period	-	16	651	667
Dividends paid	-	(18,678)	-	(18,678)
Balance as at 30 June 2016	193,839	255,949	2,065	451,853
Balance as at 1 January 2015	193,839	223,696	2,089	419,624
Total comprehensive income for the period	-	19,471	880	20,351
Dividends payable	-	(11,207)	-	(11,207)
Balance as at 31 March 2015	193,839	231,960	2,969	428,768
Total comprehensive income / (losses) for the period	-	607	(773)	(166)
Dividends paid	-	(18,678)	-	(18,678)
Balance as at 30 June 2015	193,839	213,889	2,196	409,924

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 2015.
There were no outstanding options as at 30 June 2016 (30 June 2015: Nil).
The Company did not hold any treasury shares as at 30 June 2016 (30 June 2015: Nil).

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:-

	30 June 2016	31 December 2015
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 30 June 2016 (30 June 2015: Nil).

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

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.

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 2015.

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2016.

- FRS 110 Consolidated financial statements and FRS 28 Investments in associates and joint ventures (effective for annual periods beginning on or after 1 January 2016).

These amendments address an inconsistency between FRS 110 and FRS 28 in the sale or contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary.

- FRS 1 Presentation of financial statements (effective for annual periods beginning on or after 1 January 2016).

This amendment clarifies guidance in FRS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

The adoption of the above revised FRS did not have 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)	Quarter ended 30 June		6 months ended 30 June	
	2016	2015	2016	2015
	(restated)		(restated)	
(a) Based on the weighted average number of ordinary shares in issue (cents)				
- from continuing operations	1.77	1.87	3.94	2.47
- from discontinued operations	-	3.96	-	10.80
Total (including discontinued operations)	1.77	5.83	3.94	13.27
(b) On fully diluted basis (cents)				
- from continuing operations	1.77	1.87	3.94	2.47
- from discontinued operations	-	3.96	-	10.80
Total (including discontinued operations)	1.77	5.83	3.94	13.27

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	
	30.06.16	31.12.15	30.06.16	31.12.15
	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	1.48	1.50	1.21	1.24

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**

Group Overview

	THE GROUP					
	Quarter ended 30 June			6 months ended 30 June		
	2016	2015	Change	2016	2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<u>Continuing Operations</u>	(restated)			(restated)		
Group Turnover	110,364	110,357	0	218,744	210,249	4
Group Profit Before Tax	10,234	8,657	18	19,866	12,334	61
Group Profit attributable to equity holders of the Company	6,625	6,981	(5)	14,727	9,210	60

2Q-2016 vs 2Q-2015

Group turnover in 2Q-2016 was comparable to the corresponding period last year.

The Group's profit before tax improved to S\$10.2 mil in 2Q-2016 driven by higher contributions from the Precast & PBU division. The Environmental Services division suffered losses in 2Q-2016 owing to weak demand for Recycled Fuel Oil ("RFO").

After taking into account income tax and non-controlling interests, the Group reported a profit attributable to equity holders of S\$6.6 mil in 2Q-2016 compared to S\$7.0 mil in 2Q-2015.

1H-2016 vs 1H-2015

Group turnover in 1H-2016 was S\$218.7 mil, 4% higher than the S\$210.2 mil achieved in the previous corresponding period 1H-2015. Sales revenue of the Precast & PBU division increased during the period, whereas turnover of the Environmental Services division declined.

The Group recorded an increase in profit before tax of S\$7.6 mil relative to last year, driven by significant contributions from the Precast & PBU division.

After taking into account income tax and non-controlling interests, the Group reported a profit attributable to equity holders of S\$14.7 mil in 1H-2016 compared to S\$9.2 mil in 1H-2015.

Turnover

Turnover (S\$ mil)	THE GROUP					
	Quarter ended 30 June			6 months ended 30 June		
	2016	2015 (restated)	Change (%)	2016	2015 (restated)	Change (%)
<u>Continuing Operations</u>						
Precast & PBU	64.3	57.6	12	127.4	109.0	17
Dry Mix	25.8	27.5	(6)	50.9	53.2	(4)
Environmental Services	14.4	19.2	(25)	28.1	34.9	(19)
Others	5.9	6.1	(3)	12.3	13.1	(6)
	110.4	110.4	-	218.7	210.2	4

Turnover of the Precast & PBU division in 2Q-2016 and 1H-2016 were higher by 12% and 17% respectively, driven by improved revenue from its operations in Dubai and Finland.

Sales of the Dry Mix division in 2Q-2016 and 1H-2016 were lower by 6% and 4% respectively.

Environmental Services turnover declined by 25% and 19% in 2Q-2016 and 1H-2016 respectively due mainly to a significant drop in average selling prices and sales volume for Recycled Fuel Oil ("RFO").

Attributable profit / (loss) before tax

Attributable profit / (loss) before tax (S\$ mil)	THE GROUP					
	Quarter ended 30 June			6 months ended 30 June		
	2016	2015 (restated)	Change (%)	2016	2015 (restated)	Change (%)
<u>Continuing Operations</u>						
Precast & PBU	7.4	3.0	147	12.1	3.7	227
Dry Mix	5.2	5.6	(7)	9.5	10.0	(5)
Environmental Services	(1.1)	1.0	n/m	(1.7)	1.2	n/m
Share of PSLT results	(0.1)	-	n/m	0.3	0.1	200
Others (including unallocated corporate expenses)	(1.2)	(0.9)	33	(0.3)	(2.7)	(89)
	10.2	8.7	17	19.9	12.3	61

n/m: not meaningful

Precast & PBU

Performance of the division improved with pre-tax profit of S\$7.4 mil and S\$12.1 mil for 2Q-2016 and 1H-2016 respectively, contributed by higher pre-tax profit from its overseas operations, on the back of higher revenue and improved operating margins. However, the Singapore operation reported a weak pre-tax performance against the backdrop of a decline in building construction projects in Singapore.

Dry Mix

Pre-tax profit of the division decreased by 7% and 5% in 2Q-2016 and 1H-2016 respectively, attributable mainly to lower profit from the Singapore Dry Mix operations. This was partially offset by improved performance from its operations in China and Hong Kong.

Environmental Services

The division recorded losses of S\$1.1 mil and \$1.7 mil in 2Q-2016 and 1H-2016 respectively. Operating performance was badly impacted by depressed RFO sales and lower contribution from waste management services due to weak demand. The pre-tax performance of the distribution business was however higher than corresponding periods in 2015 due to better margin.

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 month

The outlook of the precast business in Singapore is expected to remain challenging with downward pressure on project margins. However, the overall performance of the Precast & PBU division is anticipated to remain satisfactory underpinned by healthy order book of its Dubai and Malaysia units.

The Dry Mix division's plant in Hong Kong is undergoing a major upgrade of its facilities in third quarter this year which is affecting production, while demand for its products in most of its markets is expected to be satisfactory.

In the Environmental Services division, demand for RFO is expected to remain in the doldrums amidst the severe downturn in the oil and gas sector. The distribution business is expected to remain satisfactory while waste management services continue to be subdued.

The business of our associate PEINER SMAG Lifting Technologies GmbH is expected to be challenging in light of weak market conditions.

11. Dividend

(a) Current Financial Period Reported On

Any interim / final dividend declared / recommended for the current financial period reported on?
None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, 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.

14. Negative confirmation pursuant to Rule 705(5)

Please see confirmation below on page 21.

15. Confirmation that issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has procured undertakings from all directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).



NSL LTD

(Reg. no.: 196100107C)

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

- 16. 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**

Not applicable.

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

Not applicable.

- 18. A breakdown of sales**

Not applicable.

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

Not applicable.

- 20. 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**

Not applicable.

CONFIRMATION BY THE BOARD

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited consolidated financial results for the six months ended 30 June 2016 to be false or misleading.

BY ORDER OF THE BOARD

LIM Su-Ling
Company Secretary
12 August 2016



NSL LTD

(Reg. no.: 196100107C)

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.