

Corporate Presentation

PROPOSED RIGHTS ISSUE TO RAISE GROSS PROCEEDS OF APPROXIMATELY S\$1.437 BILLION (THE “PROPOSED RIGHTS ISSUE”)

2 June 2009



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INTRODUCTION

Conducive Market Conditions

The current stock market is conducive for the Proposed Rights Issue as the stock market has improved recently (NOL shares closed at S\$1.53 on 29 May 2009).

Firm Support from Temasek via “Full-Backstop” Commitment

Temasek (through Lentor, its wholly-owned subsidiary) has:

- (a) given an irrevocable undertaking to subscribe for its *pro-rata* entitlements under the Proposed Rights Issue (the “**Pro-Rata Subscription**”); and
- (b) agreed to sub-underwrite the entire Proposed Rights Issue (the “**Full Back-Stop Commitment**”),

in consideration for a commitment fee of 1.75% on the Pro-Rata Subscription and a sub-underwriting fee of 2.25% on the Full Back-Stop Commitment (less the Pro-Rata Subscription).

TERMS OF THE PROPOSED RIGHTS ISSUE

- Issuer: NOL
- Securities: New ordinary shares of NOL
- Issue Type: Renounceable
- Issue Size: 1,105,081,798 Rights Shares
- Rights Ratio: 3 Rights Shares for every 4 Existing Shares
- Rights Price: S\$1.30
(approx. 15% discount to closing price of S\$1.53 as at 29 May 09)
- Gross Proceeds: Approx. S\$1.437B (approx. US\$1B)
- TERP: S\$1.43
- Theoretical Nil-Paid Rights Price[†]: S\$0.13
- Discount to Market Price: Approx. 15.0%
- Discount to TERP: Approx. 9.2%
- Underwriting & Sub-underwriting: Temasek (through its subsidiary, Lentor) to subscribe for Temasek's pro-rata entitlement of approx. 67.4% (approx. 745M Shares) and back-stop the entire Rights Issue through a sub-underwriting agreement with DBS as underwriter. NOL may consider bringing in additional banks as underwriters (on the same rights terms).
- Condition: The Rights Issue is subject to, *inter alia*, the approval in-principle of the SGX-ST for the listing of, dealing in and quotation of the Rights Shares on the Main Board of the SGX-ST. The Company expects to make a formal application to the SGX-ST shortly. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

[†]Theoretical Nil-Paid Rights Price = TERP – Rights Price

USE OF PROCEEDS

- ✓ Based on the existing share capital of NOL, the estimated gross proceeds arising from the Rights Issue will amount to S\$1.437 B (approx US\$1B). After deducting estimated expenses of approximately S\$36M, the estimated net proceeds will be approx S\$1.401B.
- ✓ Intended use of net proceeds:
 - (a) Approximately 50% will be used for the repayment of debts; and
 - (b) The balance will be used for :
 - (i) investments (if opportunities arise); and/or
 - (ii) general corporate and working capital purposes, and/or
 - (iii) further repayment of debts
- ✓ Pending deployment, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, as NOL deems appropriate.

MINORITY SHAREHOLDERS

Minority shareholders who wish to:

- (a) take up their pro-rata entitlements will not face any dilutive effects on their % shareholding;
- (b) decline taking up their pro-rata entitlements may opt to renounce or sell their nil-paid rights; or
- (c) apply for excess Rights Shares will rank ahead of directors and substantial shareholder(s) of NOL (including Temasek Entities[†])

[†]"Temasek Entities" refers to Temasek and its wholly-owned subsidiaries, Lentor and Startree

INDICATIVE TIMELINE

The indicative timeline of the Proposed Rights Issue will be announced to shareholders in due course upon receipt of the approval in-principle of the SGX-ST for the listing of, dealing in and quotation of the Rights Shares on the Main Board of the SGX-ST.