



METRO HOLDINGS LIMITED

The Board of Directors of Metro Holdings Limited is pleased to announce the following:-

UNAUDITED RESULTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2017

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

1(a) (i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group			Group		
	3rd Qtr ended 31-Dec-2017 \$'000	3rd Qtr ended 31-Dec-2016 \$'000	% Change	9 months ended 31-Dec-2017 \$'000	9 months ended 31-Dec-2016 \$'000	% Change
Revenue	39,329	37,300	5.44	101,999	97,508	4.61
Cost of revenue	(35,325)	(34,330)	2.90	(96,539)	(91,366)	5.66
Gross profit	4,004	2,970	34.81	5,460	6,142	(11.10)
Other net income/(loss)	11,497	14,745	(22.03)	23,098	27,411	(15.73)
Changes in fair value of short term investments	1,257	(4,017)	n.m.	3,330	(4,324)	n.m.
General and administrative expenses	(8,823)	(6,005)	46.93	(19,200)	(16,691)	15.03
Interest on borrowings	(517)	(94)	450.00	(1,336)	(100)	n.m.
Associates						
- Share of results, net of tax	137,511	9,029	n.m.	149,183	22,379	566.62
- Dilution loss	(2,054)	-	n.m.	(4,552)	(217)	n.m.
	135,457	9,029	n.m.	144,631	22,162	552.61
Joint ventures						
- Share of results, net of tax	5,422	5,050	7.37	(3,507)	15,452	n.m.
- Reversal of write down of amount due from a joint venture	-	-	n.m.	9,472	-	n.m.
	5,422	5,050	7.37	5,965	15,452	(61.40)
Profit from operations before taxation	148,297	21,678	584.09	161,948	50,052	223.56
Taxation	(1,590)	(1,188)	33.84	(3,384)	(3,373)	0.33
Profit net of taxation	146,707	20,490	615.99	158,564	46,679	239.69
Attributable to:						
Owners of the Company	146,608	20,494	615.37	158,393	46,459	240.93
Non-controlling interests	99	(4)	n.m.	171	220	(22.27)
	146,707	20,490	615.99	158,564	46,679	239.69

n.m. - not meaningful

Statement of Comprehensive Income

	Group			Group		
	3rd Qtr ended 31-Dec-2017 \$'000	3rd Qtr ended 31-Dec-2016 \$'000	% Change	9 months ended 31-Dec-2017 \$'000	9 months ended 31-Dec-2016 \$'000	% Change
Profit net of taxation	146,707	20,490	615.99	158,564	46,679	239.69
Other comprehensive income/ (expense):						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	(9,095)	23,734	n.m.	(14,915)	11,750	n.m.
Available-for-sale financial assets						
- net fair value changes	2,267	(6,872)	n.m.	7,224	(5,546)	n.m.
- net fair value changes reclassified to profit or loss	(1,337)	-	n.m.	(1,760)	(3,336)	(47.24)
Share of other comprehensive (expense)/income of associates and joint ventures	(3,424)	(4,535)	(24.50)	10,513	(11,419)	n.m.
Other comprehensive (expense) /income, net of tax:	(11,589)	12,327	n.m.	1,062	(8,551)	n.m.
Total comprehensive income for the period	<u>135,118</u>	<u>32,817</u>	311.73	<u>159,626</u>	<u>38,128</u>	318.66
Total comprehensive income /(expense) attributable to:						
Owners of the Company	135,074	33,060	308.57	159,257	39,234	305.92
Non-controlling interests	44	(243)	n.m.	369	(1,106)	n.m.
	<u>135,118</u>	<u>32,817</u>	311.73	<u>159,626</u>	<u>38,128</u>	318.66

n.m. - not meaningful

Note:

Currency translation adjustments on foreign subsidiaries, associates and joint ventures are mainly a result of the Group's exposure to the effects of fluctuations in foreign currency exchange rates in relation to Chinese Renminbi for the Group's investment properties and development projects situated in the People's Republic of China. There is also a small exposure to British pounds and Indonesian rupiah in respect of the projects in the United Kingdom and Indonesia. Whenever possible, the Group seeks to maintain a natural hedge through the matching of liabilities, including borrowings, against assets in the same currency. Share of other comprehensive income/(expense) of associates and joint ventures also mainly relates to foreign currency translation adjustments.

Changes in fair value of available-for-sale financial assets mainly relate to fluctuations in the fair value of the Group's investments classified under Investments (Non-current assets).

1(a) (ii) Profit from operations before taxation is arrived at after accounting for:-

	Group			Group		
	3rd Qtr ended 31-Dec-2017 \$'000	3rd Qtr ended 31-Dec-2016 \$'000	% Change	9 months ended 31-Dec-2017 \$'000	9 months ended 31-Dec-2016 \$'000	% Change
Cost of revenue and general and administrative expenses includes:-						
Inventories recognised as an expense	(23,140)	(21,606)	7.10	(60,778)	(56,000)	8.53
Depreciation of plant and equipment	(540)	(386)	39.90	(1,540)	(1,262)	22.03
Allowance for obsolete inventories	(9)	17	n.m.	(539)	(533)	1.13
Inventories written down	(1,918)	(457)	319.69	(2,102)	(591)	255.67
Rental expense	(6,111)	(6,012)	1.65	(17,643)	(17,541)	0.58
Other net income/(loss) includes:-						
Interest income	3,380	3,591	(5.88)	10,444	8,047	29.79
Dividends from quoted investments	814	1,054	(22.77)	3,317	2,815	17.83
Gain on disposal of short term investments	240	-	n.m.	531	857	(38.04)
Gain on disposal of available-for-sale investments	1,182	-	n.m.	1,182	-	n.m.
Distribution from available-for-sale investments	524	-	n.m.	1,850	3,336	(44.54)
Gain on disposal of an investment property *	-	-	n.m.	809	-	n.m.
Management fee income from associates	235	250	(6.00)	669	695	(3.74)
Foreign exchange (loss)/gain	(295)	9,294	n.m.	(1,815)	8,980	n.m.
Gain (mainly foreign exchange differences) on liquidation of associates and joint venture	5,099	-	n.m.	5,099	1,248	308.57

n.m. - not meaningful

* The gain on disposal of an investment property relates to the gain arising on the sale of Lakeville Regency, Shanghai, being gross proceeds over and above the valuation as at 31 March 2017.

1(a) (iii) Share of Associates' results (net of tax)

	Group			Group		
	3rd Qtr ended 31-Dec-2017 \$'000	3rd Qtr ended 31-Dec-2016 \$'000	% Change	9 months ended 31-Dec-2017 \$'000	9 months ended 31-Dec-2016 \$'000	% Change
The Group's share of associates' results consists of:						
- Operating results	(10,258)	22,601	n.m.	(6,983)	31,994	n.m.
- Fair value gain on investment properties	6	2,336	(99.74)	9,187	20,037	(54.15)
- Non-operating results	182,748 *	-	n.m.	191,920	-	n.m.
- Taxation	(34,985) *	(16,158)	116.52	(45,145)	(28,995)	55.70
- Others	-	250	n.m.	204	(657)	n.m.
	<u>137,511</u>	<u>9,029</u>	n.m.	<u>149,183</u>	<u>22,379</u>	566.62

n.m. - not meaningful

Note:

* The non-operating results of associates of \$182.7 million refer to the Group's share of a divestment gain from Top Spring International Holdings Limited's ("Top Spring") very substantial disposal of eight property projects, representing approximately 79% of the Top Spring group's total estimated net saleable / leasable gross floor area as at 30 June 2017, for an aggregate value of approximately HK\$14.91 billion. Top Spring completed their sale and purchase of the first tranche of 80% of the Sale Shares on 28 December 2017. The taxation charge includes an estimated tax expense in respect of this divestment gain of \$33.9 million.

In its circular dated 26 October 2017, Top Spring had estimated that, upon successful completion, the Top Spring group will record an unaudited net gain before taxation of approximately HK\$7.40 billion from the disposal, calculated with reference to the gross proceeds less the unaudited net asset value of the project companies as at 30 June 2017. The estimated tax effect of the disposal amounted to HK\$1.39 billion. The unaudited net gain before taxation has not been reviewed by the auditors of Top Spring. The exact amount of gain is to be determined with reference to the fair value attributable to the consolidated net asset value of the project companies to be disposed of as at the date of the Completion.

The Group, in 3QFY2018, has applied the equity method for the operating results of the Top Spring group using financial statements that are prepared as of a different reporting date from that of the Company, after adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Company. As Top Spring releases its results on a half-year basis, with the last financial statements as at 30 June 2018, in accordance with the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited, the Group has equity accounted for Top Spring using estimates of its results for the 3 months to 30 September 2017 and adjusted for the effects of significant transactions or events that occurred between 1 October 2017 and 31 December 2017.

1(a) (iv) Share of Joint Ventures' results (net of tax)

	Group			Group		
	3rd Qtr ended		%	9 months ended		%
	31-Dec-2017	31-Dec-2016	Change	31-Dec-2017	31-Dec-2016	Change
	\$'000	\$'000		\$'000	\$'000	
The Group's share of joint ventures' results consists of:						
- Operating results	8,419	8,408	0.13	32,905	26,858	22.51
- Additional Buyer's Stamp Duty Expenses	-	-	n.m	(27,747)	-	n.m
- Fair value loss on investment properties	(941)	(1,696)	(44.52)	(1,165)	(6,309)	(81.53)
- Taxation	(2,056)	(1,662)	23.71	(7,500)	(5,097)	47.15
	<u>5,422</u>	<u>5,050</u>	7.37	<u>(3,507)</u>	<u>15,452</u>	(122.70)

n.m. - not meaningful

Results of joint ventures include the results of Metro City, Metro Tower and The Crest.

1(a) (v) Taxation

	Group			Group		
	3rd Qtr ended	3rd Qtr ended	%	9 months ended	9 months ended	%
	31-Dec-2017	31-Dec-2016	Change	31-Dec-2017	31-Dec-2016	Change
	\$'000	\$'000		\$'000	\$'000	
Current Year Tax	222	232	(4.31)	2,224	1,102	101.81
Overprovision in respect of prior year	-	-	n.m.	(208)	(12)	n.m.
Deferred Tax	1,364	953	43.13	1,364	2,280	(40.18)
Withholding Tax	4	3	33.33	4	3	33.33
	<u>1,590</u>	<u>1,188</u>	33.84	<u>3,384</u>	<u>3,373</u>	0.33

n.m. - not meaningful

The tax charge of the Group for the third quarter period ended 31 December 2017, excluding share of results of associates and joint ventures which is already stated net of tax, is higher than that derived by applying the Singapore statutory income tax rate of 17% applicable to company profits, mainly due to deferred tax expense in respect of undistributed profits of joint ventures, partially offset by income which are not taxable for tax purposes.

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

Balance Sheets as at	Group		Company	
	31-Dec-2017	31-Mar-2017	31-Dec-2017	31-Mar-2017
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Plant and equipment	4,910	5,062	48	73
Investment properties	98,359	104,423	-	-
Subsidiaries	-	-	17,790	17,790
Amounts due from subsidiaries	-	-	476,283	493,239
Associates	565,655	507,650	500	500
Joint ventures	378,006	382,674	-	-
Investments	94,378	94,921	-	-
Deferred tax assets	1,313	1,102	-	-
	<u>1,142,621</u>	<u>1,095,832</u>	<u>494,621</u>	<u>511,602</u>
Current assets				
Development properties	19,181	-	-	-
Inventories	20,665	19,433	-	-
Prepayments	1,446	1,073	-	-
Accounts and other receivables	7,211	7,819	193	212
Tax recoverable	631	250	-	-
Short term investments	39,028	42,208	-	-
Pledged fixed bank deposits	117,278	111,278	-	-
Cash and cash equivalents	225,345	278,164	3,926	9,192
Assets held for sale	111,709	-	-	-
	<u>542,494</u>	<u>460,225</u>	<u>4,119</u>	<u>9,404</u>
Current liabilities				
Bank borrowings	101,572	65,915	-	-
Accounts and other payables	47,801	39,641	3,021	5,680
Amount due to an associate	31,181	67,457	-	-
Provision for taxation	1,862	2,234	51	69
	<u>182,416</u>	<u>175,247</u>	<u>3,072</u>	<u>5,749</u>
Net current assets	360,078	284,978	1,047	3,655
Non-current liabilities				
Amounts due to subsidiaries	-	-	270,082	244,226
Deferred income	12,806	13,352	-	-
Deferred taxation	18,451	16,759	8	11
	<u>(31,257)</u>	<u>(30,111)</u>	<u>(270,090)</u>	<u>(244,237)</u>
Net assets	<u>1,471,442</u>	<u>1,350,699</u>	<u>225,578</u>	<u>271,020</u>
Equity attributable to owners of the Company				
Share capital	169,717	169,717	169,717	169,717
Treasury shares	(1,768)	(1,768)	(1,768)	(1,768)
Reserves	1,298,132	1,180,277	57,629	103,071
	<u>1,466,081</u>	<u>1,348,226</u>	<u>225,578</u>	<u>271,020</u>
Non-controlling interests	5,361	2,473	-	-
Total equity	<u>1,471,442</u>	<u>1,350,699</u>	<u>225,578</u>	<u>271,020</u>

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-Dec-2017		As at 31-Mar-2017	
Secured	Unsecured	Secured	Unsecured
101,572,000	-	65,915,000	-

Amount repayable after one year

As at 31-Dec-2017		As at 31-Mar-2017	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral for banking facilities

Subsidiaries:

Fixed deposits totaling S\$117.3 million have been mortgaged to banks for banking facilities of GBP60.5 million granted to certain subsidiaries. Total loans drawn on such facilities as at 31 December 2017 amounted to GBP56.5 million (equivalent to S\$101.6 million).

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

Consolidated Statement of Cash Flows for the period ended

	Group		Group	
	3rd Qtr ended 31-Dec-2017 \$'000	3rd Qtr ended 31-Dec-2016 \$'000	9 months ended 31-Dec-2017 \$'000	9 months ended 31-Dec-2016 \$'000
Cash flows from operating activities				
Operating profit/(loss) before reinvestment in working capital	1,820	(922)	(6,237)	(6,413)
Increase in development properties	(19,181)	-	(19,181)	-
(Increase)/decrease in inventories	(2,161)	575	(3,873)	(1,549)
(Increase)/decrease in accounts and other receivables	(553)	14	(149)	2,489
Increase/(decrease) in accounts and other payables	7,948	3,397	8,160	(6,227)
Cash (used in)/from operations	(12,127)	3,064	(21,280)	(11,700)
Interest expense paid	(517)	(94)	(1,336)	(100)
Interest income received	870	2,107	5,888	5,397
Income taxes paid	(531)	(288)	(2,396)	(968)
Net cash flows (used in)/from operating activities	(12,305)	4,789	(19,124)	(7,371)
Cash flows from investing activities				
Purchase of plant & equipment	(509)	(551)	(1,387)	(1,019)
Decrease in investments	856	249	829	2,142
Purchase of short term investments	-	-	-	(19,999)
Proceeds from liquidation of associates	-	-	-	128
Proceeds from disposal of an investment property	-	-	7,833	-
Proceeds from disposal of plant and equipment	-	-	1	41
Proceeds from disposal of short term investments	1,930	3	7,042	6,034
Proceeds from disposal of available-for-sale investments	5,555	-	5,555	-
Proceeds from distribution from available-for-sale investments	524	-	1,850	3,336
Investment in associates	2,944	(6,530)	9,414	(15,442)
(Decrease)/increase in amount due to an associate	(17,436)	206	(36,812)	389
Decrease/(increase) in amounts due from associates	3,682	(52,034)	(87,807)	(42,597)
Increase in amounts due from joint ventures	(1,634)	(6,726)	(11,111)	(15,473)
Dividends received from quoted investments	814	1,054	3,317	2,815
Dividends received from associates	24,809	619	61,264	13,642
Dividends received from joint ventures	-	3,480	22,360	27,804
Changes in pledged fixed bank deposits	(1,000)	(29,178)	(6,000)	(64,278)
Currency realignment	115	1,952	(180)	811
Net cash flows generated from/(used in) investing activities	20,650	(87,456)	(23,832)	(101,666)
Cash flows from financing activities				
Drawdown of bank borrowings	-	24,930	33,231	34,588
Dividend paid	-	-	(41,402)	(57,963)
Currency realignment	(920)	44	1,576	44
Net cash flows (used in)/generated from financing activities	(920)	24,974	(6,595)	(23,331)
Net increase/(decrease) in cash and cash equivalents	7,425	(57,693)	(49,551)	(132,368)
Effect of exchange rate changes in cash and cash equivalents	(1,046)	8,234	(3,268)	7,266
Cash & cash equivalents at beginning of financial period	218,966	417,963	278,164	493,606
Cash & cash equivalents at end of financial period	225,345	368,504	225,345	368,504

Consolidated Statement of Cash Flows for the period ended (Cont'd)

	Group		Group	
	3rd Qtr ended 31-Dec-2017 \$'000	3rd Qtr ended 31-Dec-2016 \$'000	9 months ended 31-Dec-2017 \$'000	9 months ended 31-Dec-2016 \$'000
Reconciliation between profit from operations before taxation and operating cash flows before changes in working capital:				
Profit from operations before taxation	148,297	21,678	161,948	50,052
Adjustments for:				
Interest expense	517	94	1,336	100
Depreciation of plant and equipment	540	386	1,540	1,262
Share of results of associates	(137,511)	(9,029)	(149,183)	(22,379)
Share of results of joint ventures	(5,422)	(5,050)	3,507	(15,452)
Reversal of write down of amount due from a joint venture	-	-	(9,472)	-
Interest and investment income	(4,194)	(4,645)	(13,761)	(10,862)
Inventories written down	1,918	457	2,102	591
Allowance for/(write-back of) obsolete inventories	9	(17)	539	533
Allowance for/(write-back of) doubtful debts	-	-	2	(2)
Plant and equipment written off	-	64	-	65
Gain on disposal of an investment property	-	-	(809)	-
Gain on disposal of plant and equipment	-	-	-	(41)
Changes in fair value of short term investments	(1,257)	4,017	(3,330)	4,324
Gain on disposal of short term investments	(240)	-	(531)	(857)
Gain on disposal of available-for-sale investments	(1,182)	-	(1,182)	-
Distribution from available-for-sale investments	(524)	-	(1,850)	(3,336)
Foreign exchange adjustments	869	(8,877)	2,907	(10,411)
Operating gain/(loss) before reinvestment in working capital	<u>1,820</u>	<u>(922)</u>	<u>(6,237)</u>	<u>(6,413)</u>

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

Statement of Changes in Shareholders' Equity

<u>Group</u>	Share Capital	Treasury Shares	Fair Value Reserve	Foreign Currency Translation Reserve	Statutory reserve	Other Reserve	Revenue Reserve	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2017	169,717	(1,768)	3,366	(50,177)	3,880	1,474	1,221,734	1,348,226	2,473	1,350,699
Profit for the period	-	-	-	-	-	-	11,785	11,785	72	11,857
<u>Other comprehensive income/(expense)</u>										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	(5,748)	-	-	-	(5,748)	(72)	(5,820)
Available-for-sale financial assets										
- net fair value changes	-	-	4,607	-	-	-	-	4,607	350	4,957
- net fair value changes reclassified to profit or loss	-	-	(398)	-	-	-	-	(398)	(25)	(423)
Share of other comprehensive income of associates and joint ventures	-	-	-	13,613	-	324	-	13,937	-	13,937
Other comprehensive income for the financial period, net of tax	-	-	4,209	7,865	-	324	-	12,398	253	12,651
Total comprehensive income for the financial period	-	-	4,209	7,865	-	324	11,785	24,183	325	24,508
<u>Contributions by and distributions to owners</u>										
Dividends paid	-	-	-	-	-	-	(41,402)	(41,402)	-	(41,402)
Total contributions by and distributions to owners	-	-	-	-	-	-	(41,402)	(41,402)	-	(41,402)
<u>Others</u>										
Transfer to statutory reserve fund	-	-	-	-	154	-	(154)	-	-	-
At 30 September 2017	169,717	(1,768)	7,575	(42,312)	4,034	1,798	1,191,963	1,331,007	2,798	1,333,805

Statement of Changes in Shareholders' Equity (Cont'd)

<u>Group</u>	Share Capital \$'000	Treasury Shares \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Statutory reserve \$'000	Other Reserve \$'000	Revenue Reserve \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
At 30 September 2017	169,717	(1,768)	7,575	(42,312)	4,034	1,798	1,191,963	1,331,007	2,798	1,333,805
Profit for the period	-	-	-	-	-	-	146,608	146,608	99	146,707
<u>Other comprehensive income/(expense)</u>										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	(8,998)	-	-	-	(8,998)	(97)	(9,095)
Available-for-sale financial assets										
- net fair value changes	-	-	2,144	-	-	-	-	2,144	123	2,267
- net fair value changes reclassified to profit or loss	-	-	(1,256)	-	-	-	-	(1,256)	(81)	(1,337)
Share of other comprehensive expense of associates and joint ventures	-	-	-	(3,424)	-	-	-	(3,424)	-	(3,424)
<u>Other comprehensive income/(expense) for the financial period, net of tax</u>	-	-	888	(12,422)	-	-	-	(11,534)	(55)	(11,589)
Total comprehensive income/(expense) for the financial period	-	-	888	(12,422)	-	-	146,608	135,074	44	135,118
<u>Changes in ownership interests in a subsidiary</u>										
Interest in a Subsidiary	-	-	-	-	-	-	-	-	2,519	2,519
Total changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	-	2,519	2,519
<u>Others</u>										
Transfer to statutory reserve fund	-	-	-	-	-	-	-	-	-	-
At 31 December 2017	169,717	(1,768)	8,463	(54,734)	4,034	1,798	1,338,571	1,466,081	5,361	1,471,442

Statement of Changes in Shareholders' Equity (Cont'd)

<u>Group</u>	Share Capital \$'000	Treasury Shares \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Statutory reserve \$'000	Other Reserve \$'000	Revenue Reserve \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
At 1 April 2016	169,717	(1,768)	12,555	(8,144)	10,144	682	1,192,461	1,375,647	3,845	1,379,492
Profit for the period	-	-	-	-	-	-	25,965	25,965	224	26,189
<u>Other comprehensive income/(expense)</u>										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	(11,018)	-	-	-	(11,018)	(966)	(11,984)
Available-for-sale financial assets										
- net fair value changes	-	-	1,247	-	-	-	-	1,247	79	1,326
- net fair value changes reclassified to profit or loss	-	-	(3,136)	-	-	-	-	(3,136)	(200)	(3,336)
Share of other comprehensive (expense)/ income of associates and joint ventures	-	-	-	(7,389)	-	505	-	(6,884)	-	(6,884)
<u>Other comprehensive expense/(income) for the financial period, net of tax</u>	-	-	(1,889)	(18,407)	-	505	-	(19,791)	(1,087)	(20,878)
Total comprehensive (expense)/income for the financial period	-	-	(1,889)	(18,407)	-	505	25,965	6,174	(863)	5,311
<u>Contributions by and distributions to owners</u>										
Dividends paid	-	-	-	-	-	-	(57,963)	(57,963)	-	(57,963)
Total contributions by and distributions to owners	-	-	-	-	-	-	(57,963)	(57,963)	-	(57,963)
<u>Others</u>										
Transfer to statutory reserve fund	-	-	-	-	103	-	(103)	-	-	-
At 30 September 2016	169,717	(1,768)	10,666	(26,551)	10,247	1,187	1,160,360	1,323,858	2,982	1,326,840

Statement of Changes in Shareholders' Equity (Cont'd)

<u>Group</u>	Share Capital	Treasury Shares	Fair Value Reserve	Foreign Currency Translation Reserve	Statutory reserve	Other Reserve	Revenue Reserve	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 30 September 2016	169,717	(1,768)	10,666	(26,551)	10,247	1,187	1,160,360	1,323,858	2,982	1,326,840
Profit/(loss) for the period	-	-	-	-	-	-	20,494	20,494	(4)	20,490
Other comprehensive income/(expense)										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	23,561	-	-	-	23,561	173	23,734
Available-for-sale financial assets - net fair value changes	-	-	(6,460)	-	-	-	-	(6,460)	(412)	(6,872)
Share of other comprehensive expense of associates and joint ventures	-	-	-	(4,535)	-	-	-	(4,535)	-	(4,535)
Other comprehensive expense/(income) for the financial period, net of tax	-	-	(6,460)	19,026	-	-	-	12,566	(239)	12,327
Total comprehensive (expense)/income for the financial period	-	-	(6,460)	19,026	-	-	20,494	33,060	(243)	32,817
<u>Others</u>										
Transfer to statutory reserve fund	-	-	-	-	31	-	(31)	-	-	-
At 31 December 2016	169,717	(1,768)	4,206	(7,525)	10,278	1,187	1,180,823	1,356,918	2,739	1,359,657

Statement of Changes in Shareholders' Equity (Cont'd)

<u>Company</u>	Share Capital \$'000	Treasury Shares \$'000	Revenue Reserve \$'000	Total Equity \$'000
At 1 April 2017	169,717	(1,768)	103,071	271,020
Loss for the period, representing total comprehensive expense for the financial period	-	-	(2,431)	(2,431)
<u>Contributions by and distributions to owners</u>				
Dividends paid	-	-	(41,402)	(41,402)
At 30 September 2017	169,717	(1,768)	59,238	227,187
Loss for the period, representing total comprehensive expense for the financial period	-	-	(1,609)	(1,609)
At 31 December 2017	<u>169,717</u>	<u>(1,768)</u>	<u>57,629</u>	<u>225,578</u>
At 1 April 2016	169,717	(1,768)	126,264	294,213
Loss for the period, representing total comprehensive expense for the financial period	-	-	(1,703)	(1,703)
<u>Contributions by and distributions to owners</u>				
Dividends paid	-	-	(57,963)	(57,963)
At 30 September 2016	169,717	(1,768)	66,598	234,547
Loss for the period, representing total comprehensive expense for the financial period	-	-	(147)	(147)
At 31 December 2016	<u>169,717</u>	<u>(1,768)</u>	<u>66,451</u>	<u>234,400</u>

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

Changes in the Company's share capital and treasury shares are as follows:

As at 31 December 2017, there were 3,512,800 treasury shares (as at 31 December 2016: 3,512,800).

The Company did not issue any shares during the 3 months ended 31 December 2017.

There were no convertible instruments outstanding as at 31 December 2017 (31 December 2016: 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 the end of the immediately preceding year

	As at 31 December 2017 (end of current financial period)	As at 31 March 2017 (end of immediately preceding year)
Total number of issued shares (excluding treasury shares)	828,035,874	828,035,874

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

The Company did not sell, transfer, cancel or use any treasury shares in the 3rd Quarter period ended 31 December 2017.

1(d) (v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period report on.

The Company did not have any subsidiary holdings in the 3rd Quarter period ended 31 December 2017.

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 Company's auditors.

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

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 March 2017.

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 methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the year ended 31 March 2017, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 April 2017.

Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 April 2017 are:

Amendments to FRS 7 Statement of Cash Flows

Amendments to FRS 12 Income Taxes

Amendments to FRS 112 Disclosure of Interests in Other Entities

The Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2017. The adoption of these standards did not have any significant financial impact on the financial performance or position of the Group.

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

Earnings Per Share

	Group Figures	
	Latest Period	Previous corresponding period
Earnings per ordinary share based on net profit attributable to shareholders and after deducting any provision for preference dividends		
(a) Based on existing issued share capital	17.7 cents	2.5 cents
(b) On a fully diluted basis	17.7 cents	2.5 cents

Earnings per share is calculated on the Group's profit attributable to shareholders of the Company of \$146,608,000 (period ended 31 December 2016: \$20,494,000) divided by the weighted average number of ordinary shares of 828,035,874 for the period ended 31 December 2017 (period ended 31 December 2016: 828,035,874).

Diluted earnings per ordinary share is computed based on the same basis as earnings per share by applying the weighted average number of ordinary shares in issuance during the periods under review and adjusted to include all potential dilutive ordinary shares up to 31 December 2017.

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

Net Asset Value

	Group	Company
Net asset value per ordinary share based on issued share capital at end of the period reported on		
(a) Current Period - 31 December 2017	\$1.77	\$0.27
(b) 31 March 2017	\$1.63	\$0.33

Net asset value for the Group is calculated on the equity attributable to owners of the Company as at 31 December 2017 of \$1,466,081,000 (31 March 2017: \$1,348,226,000) divided by the total number of issued shares excluding treasury shares as at 31 December 2017 of 828,035,874 (31 March 2017: 828,035,874).

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 the following: (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

8(a) Review of Group Results for 3rd Quarter ended 31 December 2017 against 3rd Quarter ended 31 December 2016

The Group's turnover of \$39.3 million for the third financial quarter to 31 December 2017 ("3QFY2018") increased by 5.4% over 3QFY2017's \$37.3 million as the retail division reported higher sales. Accordingly, gross profit for 3QFY2018 increased to \$4.0 million as compared to 3QFY2017's \$3.0 million.

Other net income/(loss) decreased to \$11.5 million for 3QFY2018 from \$14.7 million for 3QFY2017 mainly due to fluctuations in foreign exchange.

Changes in fair value of short term investments relate to an unrealised fair value gain of \$1.3 million in 3QFY2018 as compared to an unrealised fair value loss of \$4.0 million in 3QFY2017, of the Group's portfolio of short term equity investments in REITs held by the property division.

Share of results of associates recorded a gain of \$137.5 million in 3QFY2018 from \$9.0 million in 3QFY2017 mainly because in this quarter the Group recorded a \$148.8 million (net of tax) share of a gain arising from a very substantial disposal of eight property projects by Top Spring (see note under 1(a)(iii) on page 4).

As a result of the foregoing, profit before taxation increased to \$148.3 million in 3QFY2018 from \$21.7 million in 3QFY2017.

Segmental Results for 3rd Quarter ended 31 December

Business segment

2017

	Property \$'000	Retail \$'000	Group \$'000
Segment revenue	<u>1,659</u>	<u>37,670</u>	<u>39,329</u>
Segment results	5,871	807	6,678
Changes in fair value of short term investments	1,257	-	1,257
Interest on borrowings	(517)	-	(517)
Associates			
- Share of results, net of tax	136,049	1,462	137,511
- Dilution Loss	(2,054)	-	(2,054)
	133,995	1,462	135,457
Joint ventures			
- Share of results, net of tax (Note)	5,422	-	5,422
Profit from operations before taxation	<u>146,028</u>	<u>2,269</u>	<u>148,297</u>
Taxation			(1,590)
Profit net of taxation			<u>146,707</u>
Attributable to:			
Owners of the Company			146,608
Non-controlling interests			99
			<u>146,707</u>

Note:

Share of joint ventures' results, net of tax

	\$'000
Segment revenue	<u>16,779</u>
Segment results	8,419
Fair value loss on investment properties	<u>(941)</u>
Profit from operations before taxation	7,478
Taxation	<u>(2,056)</u>
Profit net of taxation	<u>5,422</u>

Segmental Results for 3rd Quarter ended 31 December (Cont'd)

Business segment

2016

	Property \$'000	Retail \$'000	Group \$'000
Segment revenue	<u>1,605</u>	<u>35,695</u>	<u>37,300</u>
Segment results	11,615	95	11,710
Changes in fair value of short term investments	(4,017)	-	(4,017)
Interest on borrowings	(94)	-	(94)
Associates			
- Share of results, net of tax	7,822	1,207	9,029
Joint ventures			
- Share of results, net of tax (Note)	<u>5,050</u>	<u>-</u>	<u>5,050</u>
Profit from operations before taxation	<u>20,376</u>	<u>1,302</u>	<u>21,678</u>
Taxation			<u>(1,188)</u>
Profit net of taxation			<u>20,490</u>
Attributable to:			
Owners of the Company			20,494
Non-controlling interests			<u>(4)</u>
			<u>20,490</u>

Note:

Share of joint ventures' results, net of tax

	\$'000
Segment revenue	<u>12,581</u>
Segment results	8,408
Fair value loss on investment properties	<u>(1,696)</u>
Profit from operations before taxation	6,712
Taxation	<u>(1,662)</u>
Profit net of taxation	<u>5,050</u>

Geographical Segments

	Asean \$'000	People's Republic of China \$'000	Group \$'000
Segment revenue			
2017	<u>37,670</u>	<u>1,659</u>	<u>39,329</u>
2016	<u>35,695</u>	<u>1,605</u>	<u>37,300</u>

Segmental Results - Property Division

Turnover of the property division, comprising the 100% directly held GIE Tower, for 3QFY2018 increased to \$1.7 million from 3QFY2017's \$1.6 million. Segment results of the property division, excluding associates and joint ventures, reported a gain of \$5.9 million in 3QFY2018 against a gain of \$11.6 million in 3QFY2017 mainly due to foreign exchange fluctuations and higher overheads.

Our associate, Top Spring, reported a divestment gain on a very substantial disposal of property projects (see note under 1(a)(iii) on page 4).

Metro City, Shanghai, reported higher rental income with the completion of certain phases of asset enhancement. It also reported a smaller fair value loss on investment property as compared to 3QFY2017.

The average occupancy of the Group's three investment properties held by a subsidiary and joint ventures as at 31 December 2017 was 92.7%.

The portfolio summary of the Group's Investment Properties as at 31 December 2017 was as follows:

	<i>Percentage Owned</i>	<i>Tenure</i>	<i>No. of Tenants</i>	<i>Occupancy Rate (%)</i>
<i>Owned by a Subsidiary</i>				
GIE Tower, Guangzhou	100%	50 year term from 1994	33	86.4%
<i>Owned by Joint Ventures</i>				
Metro City, Shanghai	60%	36 year term from 1993	169	96.6%
Metro Tower, Shanghai	60%	50 year term from 1993	31	95.2%

Segmental Results - Retail Division

Turnover of the Singapore operations of the retail division for 3QFY2018 increased to \$37.7 million from 3QFY2017's \$35.7 million. Despite the higher sales during the festive season, pressure on margins continues amidst a highly competitive trading environment. Control of operating and overhead costs resulted in a small positive contribution.

Sales of the retail division's associated company in Indonesia showed marginal growth. Containment of expenses resulted in a slight improvement in the results.

8(b) Cash Flow, Working Capital, Assets and Liabilities of the group during the current financial period reported on

Associates (Non-current assets) increased from \$564.7 million as at 30 September 2017 to \$565.7 million as at 31 December 2017 even though the share of associates' results for 3QFY2018 was \$137.5 million as \$111.7 million relating to the associate in Nanchang, was reclassified to Assets held for sale (Current assets) as at 31 December 2017. As announced on 22 January 2018, the Group has entered into a conditional Sale and Purchase Agreement to sell its 30% equity interest in the associate in Nanchang to an independent and unrelated party in January 2018.

Development properties (Current assets) relate to the Metro Group's collaboration to develop and market approximately 5,600 apartment units at Trans Park Bekasi, Jakarta Indonesia.

Amount due from an associate (Current assets) of \$13.4 million as at 30 September 2017 was received in 3QFY2018.

Amount due to an associate (Current liabilities) decreased to \$31.2 million as at 31 December 2017 from \$48.4 million as at 30 September 2017 mainly due to a repayment to the associate of \$17.4 million in 3QFY2018.

There were no other material factors that affected the cash flow, working capital, assets and liabilities of the Group during the current financial quarter reported on.

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

There have been no material variances with forecast or prospect statements issued for the period being reported.

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

Rental income of the GIE Tower investment property, as well as those held by our joint ventures, Metro City, Shanghai and Metro Tower, Shanghai, is expected to remain steady.

Sales of the residential project, The Crest at Prince Charles Crescent in Singapore, continues at a slow pace.

The contribution from our associate in Nanchang will cease on completion of the divestment of the Group's 30% equity interest in this property development project.

The three recently acquired office buildings in Bay Valley, New Jiangwan City, Yangpu District, Shanghai, purchased by our new 30% held associates, have been handed over in early 4QFY2018. Preleasing activities have commenced.

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 (cont'd)

Construction work on Phase 1 comprising 571 apartment units of the Middlewood Locks development is expected to be completed in stages over spring and summer 2018. Sales of the units have been launched. The whole development will eventually provide 2,215 new homes and 750,000 square feet of commercial space including offices, hotel, shops restaurants, a convenience store and gym.

Construction work and presales of the Trans Park Residences project in Bekasi, Jakarta, Indonesia has commenced.

The Group's portfolio of quoted equity investments, which has been significantly reduced, will continue to be subject to fluctuations in their fair value due to volatile market conditions.

The Group will continue to be subject to significant currency translation adjustments on foreign operations which will affect the results and other comprehensive income and the balance sheet, due to volatility in foreign currency exchange rates, as a major portion of its net assets which mainly represent investment properties and projects situated in the People's Republic of China, are denominated in the Chinese Renminbi. A small proportion of the Group's net assets are also denominated in British pounds and Indonesian rupiah.

The retail division continues to operate amidst difficult trading conditions.

11. If a decision regarding dividend has been made:-

- (a) Whether an final ordinary dividend has been declared (recommended);

None

- (b) (i) Amount per share (cents) - None

(ii) Previous corresponding period (cents) - None

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. If the dividend is not taxable in the hands of shareholders, this must be stated.

Not applicable

- (d) The date the dividend is payable.

Not applicable

- (e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable

12. If no dividend has been declared (recommended), a statement to that effect

No interim dividend has been declared for the quarter ended 31 December 2017.

13. If the Group has obtained a general mandate from shareholders for 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 Company did not seek and does not have a shareholders' general mandate pursuant to Rule 920 of the Listing Manual.

14. Negative confirmation pursuant to Rule 705(5)

The Board of Directors confirms that to the best of their knowledge, nothing has come to their attention which may render the third quarter financial results to be false or misleading in any material aspect.

15. Confirmation that the 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 hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD
Tan Ching Chek and Lee Chin Yin
Joint Company Secretaries
Date: 12 February 2018