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<b>Second Quarter * Financial Statement And Dividend Announcement</b>	
* Asterisks denote mandatory information	
Name of Announcer *	METRO HOLDINGS LIMITED
Company Registration No.	197301792W
Announcement submitted on behalf of	METRO HOLDINGS LIMITED
Announcement is submitted with respect to *	METRO HOLDINGS LIMITED
Announcement is submitted by *	Tan Ching Chek and Lee Chin Yin
Designation *	Joint Company Secretaries
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For the Financial Period Ended *	30-09-2006
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## METRO HOLDINGS LIMITED

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

### UNAUDITED RESULTS FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2006

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	2nd Qtr ended 30-Sep-2006 \$'000	2nd Qtr ended 30-Sep-2005 \$'000	% Change	Half Year ended 30-Sep-2006 \$'000	Half Year ended 30-Sep-2005 \$'000	% Change
Continuing operations						
Revenue	45,109	42,266	6.73	95,836	87,521	9.50
Cost of Revenue	(39,937)	(36,616)	9.07	(84,651)	(77,217)	9.63
Gross Profit	5,172	5,650	(8.46)	11,185	10,304	8.55
Other income including interest income	13,759	7,873	74.76	22,735	15,569	46.03
General and administrative expenses	(4,271)	(10,809)	(60.49)	(10,821)	(14,502)	(25.38)
Profit from operating activities	14,660	2,714	440.16	23,099	11,371	103.14
Finance costs	(1,805)	(1,043)	73.06	(3,616)	(1,782)	102.92
Share of associated companies' results	1,687	1,039	62.37	2,934	1,910	53.61
Exceptional items	-	119,160	(100.00)	-	119,160	(100.00)
Profit from operating activities before taxation	14,542	121,870	(88.07)	22,417	130,659	(82.84)
Taxation	(2,970)	(1,682)	76.58	(5,362)	(3,783)	41.74
Profit from continuing operations after taxation	11,572	120,188	(90.37)	17,055	126,876	(86.56)
Profit from discontinued operations	-	802	(100.00)	-	5,998	(100.00)
Profit for the period	11,572	120,990	(90.44)	17,055	132,874	(87.16)
Attributable to:						
Shareholders of the Company	11,376	120,773	(90.58)	16,670	131,791	(87.35)
Minority interests	196	217	(9.68)	385	1,083	(64.45)
	11,572	120,990	(90.44)	17,055	132,874	(87.16)

1(a) (i) Profit before taxation is arrived at after accounting for:-

	Group			Group		
	2nd Qtr ended 30-Sep-2006 \$'000	2nd Qtr ended 30-Sep-2005 \$'000	% Change	Half Year ended 30-Sep-2006 \$'000	Half Year ended 30-Sep-2005 \$'000	% Change
Cost of revenue and general and administrative expenses includes:-						
Depreciation	(1,746)	(1,790)	(2.46)	(3,443)	(3,761)	(8.46)
Write back of provision for obsolete inventory	123	250	(50.80)	121	250	(51.60)
Write off of inventory	(134)	(333)	(59.76)	(693)	(1,000)	(30.70)
Foreign exchange gain / (loss)	415	-	n.m.	(2,002)	-	n.m.
Other income including interest income includes:-						
Dividend from unquoted investments	2,458	5,115	(51.95)	4,818	7,080	(31.95)
Dividends from quoted investments	1,300	1,137	14.34	1,775	1,545	14.89
Changes in fair value of short term investments	1,774	(3,531)	(150.24)	(1,050)	(3,661)	(71.32)
Interest income	3,742	1,732	116.05	8,381	4,228	98.23
(Loss) / profit on disposal of short term investments	(22)	155	(114.19)	1	155	(99.35)
Amortisation of discount on unquoted bonds	222	-	n.m.	442	-	n.m.
Management and advisory fees	1,304	1,396	(6.59)	2,477	2,612	(5.17)
Foreign exchange gain	-	152	(100.00)	687	662	3.78
Negative goodwill on acquisition of Joint Venture	160	-	n.m.	160	-	n.m.

1(a)(ii) Exceptional Items comprise of :-

	2 <sup>nd</sup> Quarter ended		Half Year ended	
	30-Sep-06 \$'000	30-Sep-05 \$'000	30-Sep-06 \$'000	30-Sep-05 \$'000
Gain on disposal of preference shares of an associated company	-	17,795	-	17,795
Realisation of prior years' revaluation surplus of an investment property on disposal of interest in an associated company.	-	100,190	-	100,190
Surplus on disposal of a subsidiary company	-	1,175	-	1,175
	-	119,160	-	119,160

1(a)(iii) Taxation

	2nd Qtr ended		%	Half Year ended		%
	30-Sep-06 \$'000	30-Sep-05 \$'000		Change	30-Sep-06 \$'000	
Current Year's tax	2,073	2,283	(9.20)	4,077	3,625	12.47
Over provision in prior years	(35)	-	n.m.	(35)	-	n.m.
Deferred tax	215	(1,183)	(118.17)	(78)	(817)	(90.45)
Withholding tax	(1)	70	(101.43)	113	70	61.43
Share of associated companies' tax	718	512	40.23	1,285	905	41.99
	<u>2,970</u>	<u>1,682</u>	76.58	<u>5,362</u>	<u>3,783</u>	41.74

1(a)(iv) Discontinued Operations

Discontinued operations relate to the disposal of The Oasis Resort and a subsidiary company. The results and net cash flows of discontinued operations are as follows:-

	Group			Group		
	2nd Qtr ended 30-Sep-2006 \$'000	2nd Qtr ended 30-Sep-2005 \$'000	% Change	Half Year ended 30-Sep-2006 \$'000	Half Year ended 30-Sep-2005 \$'000	% Change
Revenue	-	179	(100.00)	-	4,151	(100.00)
Cost of Revenue	-	(246)	(100.00)	-	(3,414)	(100.00)
Gross Profit	-	(67)	(100.00)	-	737	(100.00)
Other income including interest income	-	922	(100.00)	-	5,869	(100.00)
General and administrative expenses	-	(52)	(100.00)	-	(569)	(100.00)
Profit from operating activities	-	803	(100.00)	-	6,037	(100.00)
Finance costs	-	(1)	(100.00)	-	(392)	(100.00)
Exceptional items	-	-		-	353	(100.00)
Profit from operating activities before tax	-	802	(100.00)	-	5,998	(100.00)

Cash generated from/ (used in):

- operating activities	-	450	(100.00)	-	1,871	(100.00)
- investing activities	-	-	n.m.	-	52,005	(100.00)
- financing activities	-	(2,519)	(100.00)	-	(48,827)	(100.00)
Net cash flow	-	(2,069)	(100.00)	-	5,049	(100.00)

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

Balance Sheets as at

	Group		Company	
	30-Sep-2006	31-Mar-2006	30-Sep-2006	31-Mar-2006
	\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>				
Property, plant and equipment	113,432	112,962	3,633	3,736
Investment property	87,636	88,003	-	-
Property under development	115,165	-	-	-
Subsidiary companies	-	-	448,115	427,000
Associated companies	54,268	53,655	500	500
Amounts due from associated companies	29,841	27,512	26,028	25,668
Investments	278,610	208,773	-	-
	<u>678,952</u>	<u>490,905</u>	<u>478,276</u>	<u>456,904</u>
<b>Current assets</b>				
Property held for sale	53,303	53,568	-	-
Inventories	14,812	13,923	-	-
Accounts receivable	14,577	17,721	28,750	29,796
Tax recoverable	1,316	1,327	1,316	1,327
Investments	59,629	60,755	-	-
Cash and bank balances	209,573	268,689	1,199	37,369
	<u>353,210</u>	<u>415,983</u>	<u>31,265</u>	<u>68,492</u>
<b>Current liabilities</b>				
Bank borrowings	86,317	47,604	11,188	11,407
Accounts payable	79,109	69,270	31,668	40,936
Provision for taxation	10,538	11,161	-	-
	<u>175,964</u>	<u>128,035</u>	<u>42,856</u>	<u>52,343</u>
<b>Net current assets / (liabilities)</b>	177,246	287,948	(11,591)	16,149
<b>Non-current liabilities</b>				
Bank borrowings	95,676	86,894	-	-
Amounts owing to subsidiary companies	-	-	333,166	311,913
Deferred taxation	40,481	30,708	804	643
	<u>(136,157)</u>	<u>(117,602)</u>	<u>(333,970)</u>	<u>(312,556)</u>
	<u>720,041</u>	<u>661,251</u>	<u>132,715</u>	<u>160,497</u>
<b>Shareholders' equity</b>				
Share capital	126,155	126,155	126,155	126,155
Reserves	581,019	526,601	6,560	34,342
	<u>707,174</u>	<u>652,756</u>	<u>132,715</u>	<u>160,497</u>
Minority interests	12,867	8,495	-	-
	<u>720,041</u>	<u>661,251</u>	<u>132,715</u>	<u>160,497</u>

1bii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30-Sept-2006		As at 31-Mar-2006	
Secured	Unsecured	Secured	Unsecured
71,955,111	14,362,350	32,961,215	14,642,900

Amount repayable after one year

As at 30-Sept-2006		As at 31-Mar-2006	
Secured	Unsecured	Secured	Unsecured
95,675,835	-	86,894,690	-

Details of any collateral

Leasehold property, property under development and property held for sale with a net book value as at 30 September 2006 totalling \$270.63 million have been mortgaged to banks for banking facilities granted to subsidiaries and jointly controlled entities. Total loans drawn on such facilities as at 30 September 2006 amounted to \$29.01 million. Short term loans of HK\$140.3million (equivalent to S\$28.6 million) and RMB180 million (equivalent to S\$36.2 million) and a long term loan of US\$46.5 million (equivalent to S\$73.8 million) granted to subsidiaries were secured by S\$ equivalent fixed deposits.

1c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Cash Flow Statement for the period ended

	Group	
	2nd Qtr ended 30-Sep-2006 \$'000	2nd Qtr ended 30-Sep-2005 \$'000
<b>Cash flows from operating activities</b>		
Operating profit/(loss) before reinvestment in working capital	6,395	(968)
Increase in inventories	(347)	(1,040)
Increase in accounts receivable	(2,047)	(1,001)
Decrease in short term investments	1,975	4,334
(Decrease)/ increase in accounts payable	(8,665)	6,788
Cash (applied in)/generated from operations	<u>(2,689)</u>	<u>8,113</u>
Interest expense paid	(2,305)	(1,044)
Interest income received	2,836	3,325
Income taxes paid	(3,004)	(1,680)
Net cash (used in)/ provided by operating activities	<u>(5,162)</u>	<u>8,714</u>
<b>Cash flows from investing activities</b>		
Additions to property, plant & equipment	(3,173)	(263)
Additions to property under development	(11,485)	-
Acquisition of jointly controlled entity, net of cash acquired	(41,010)	-
Proceeds from disposal of subsidiary company	-	496
Proceeds from disposal of bonds/preference shares	-	86,438
Increase in shareholders loan relating to long-term investment	-	(13,565)
Increase in amount owing by associated companies	(2,051)	(1,471)
Dividend received from quoted and unquoted investments	3,736	3,721
Net cash (used in)/provided by investing activities	<u>(53,983)</u>	<u>75,356</u>
<b>Cash flows from financing activities</b>		
Drawdown of bank borrowings (net)	20,354	5,707
Dividends paid during the period	(25,231)	(10,092)
Repayment of minority interests' loans to subsidiary companies	-	(1,362)
Net cash used in financing activities	<u>(4,877)</u>	<u>(5,747)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(64,022)	78,323
<b>Cash &amp; cash equivalents at beginning of financial period</b>	<u>273,595</u>	<u>191,597</u>
<b>Cash &amp; cash equivalents at end of financial period</b>	<u><u>209,573</u></u>	<u><u>269,920</u></u>



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

	Group	
	2nd Qtr ended 30-Sep-2006 \$'000	2nd Qtr ended 30-Sep-2005 \$'000
Reconciliation between profit from operating activities before taxation and exceptional items and operating profit before reinvestment in working capital		
Profit from operating activities before taxation and exceptional items		
- continuing operations	14,542	2,710
- discontinuing operations	-	802
Profit from operating activities before taxation and exceptional items	<u>14,542</u>	<u>3,512</u>
Adjustments for:		
Interest expense	1,805	1,044
Depreciation of property, plant and equipment	1,746	1,854
Share of results of associated companies	(1,687)	(1,039)
Interest and investment income	(7,478)	(8,100)
Amortisation of discount on unquoted bonds	(222)	-
Negative goodwill arising from acquisition of joint venture	(160)	-
Write off of inventory	134	333
Loss on disposal of fixed assets	5	-
Write back of provision for obsolete stock	(123)	(250)
Provision for doubtful debts	76	-
Changes in fair value of short term investments	(1,774)	3,531
Foreign exchange adjustments	(469)	(1,853)
Operating profit/(loss) before reinvestment in working capital	<u><u>6,395</u></u>	<u><u>(968)</u></u>

The fair value of net assets of jointly controlled entity acquired was as follows:-

	2nd Qtr ended 30-Sep-2006 \$'000	2nd Qtr ended 30-Sep-2005 \$'000
Total Assets	108,524	-
Total Liabilities	<u>(65,146)</u>	<u>-</u>
Payment for acquisition of joint venture	43,378	-
Less: Cash and bank balance	(2,208)	-
Less: Negative goodwill	<u>(160)</u>	<u>-</u>
Cash outflow on acquisition of jointly controlled entity inclusive of cash and bank balances acquired	<u><u>41,010</u></u>	<u><u>-</u></u>

The attributable net assets and proceeds from disposal of subsidiary during the period were as follows:-

	2nd Qtr ended 30-Sep-2006 \$'000	2nd Qtr ended 30-Sep-2005 \$'000
Total Assets	-	5,188
Total Liabilities	-	(4,154)
Minority interest	<u>-</u>	<u>(1,713)</u>
Net liabilities disposed	<u>-</u>	<u>(679)</u>
Sale consideration	-	496
Add:		
Net liabilities	<u>-</u>	<u>679</u>
Profit on disposal	<u><u>-</u></u>	<u><u>1,175</u></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 capitalization 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

	Group		Company	
	2nd Quarter ended 30-Sep-2006 \$'000	2nd Quarter ended 30-Sep-2005 \$'000	2nd Quarter ended 30-Sep-2006 \$'000	2nd Quarter ended 30-Sep-2005 \$'000
<b>Share Capital</b>				
Balance at beginning and end of financial period	126,155	126,155	126,155	126,155
<b>Revaluation Reserve</b>				
Balance at beginning of financial period	84,603	178,043	2,001	2,001
Realised revaluation surplus on disposal of preference shares transferred to profit and loss	-	(5,199)	-	-
Realised prior years' revaluation surplus transferred to profit and loss	-	(100,190)	-	-
Share of associated company's surplus on revaluation of land and buildings	403	-	-	-
Balance at end of financial period	85,006	72,654	2,001	2,001
<b>Fair Value Reserve</b>				
Balance at beginning of financial period	-	-	-	-
Fair value adjustment for investments	64,974	-	-	-
Balance at end of financial period	64,974	-	-	-

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

	Group		Company	
	2nd Quarter ended 30-Sep-2006 \$'000	2nd Quarter ended 30-Sep-2005 \$'000	2nd Quarter ended 30-Sep-2006 \$'000	2nd Quarter ended 30-Sep-2005 \$'000
<b>Foreign Currency Translation Reserve</b>				
Balance at beginning of financial period	(13,945)	(891)	-	-
Foreign currency translation for the financial period	2,863	435	-	-
Balance at end of financial period	<u>(11,082)</u>	<u>(456)</u>	<u>-</u>	<u>-</u>
<b>Revenue Reserve</b>				
Balance at beginning of financial period	455,976	329,313	29,720	43,075
Profit attributable for the financial period	11,376	120,773	70	(5,459)
Dividend, less income tax	(25,231)	(10,092)	(25,231)	(10,092)
Balance at end of financial period	<u>442,121</u>	<u>439,994</u>	<u>4,559</u>	<u>27,524</u>
<b>Total attributable to shareholders of the Company</b>	<b>707,174</b>	<b>638,347</b>	<b>132,715</b>	<b>155,680</b>
<b>Minority Interest</b>				
Balance at beginning of financial period	8,523	8,811	-	-
Net profit for the period	197	217	-	-
Foreign currency translation for the period	-	(121)	-	-
Fair value adjustment for investment	4,147	-	-	-
Repayment of loan	-	(1,362)	-	-
Disposal of subsidiary	-	(1,713)	-	-
Balance at end of financial period	<u>12,867</u>	<u>5,832</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>	<b><u>720,041</u></b>	<b><u>644,179</u></b>	<b><u>132,715</u></b>	<b><u>155,680</u></b>

1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as 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 were no 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.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as compared to the most recently audited financial statements as at 31 March 2006.

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.

Not Applicable

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	1.80 cents	19.15 cents
- Continuing operation	1.80 cents	19.03 cents
- Discontinuing operation	N.A.	0.12 cents
(b) On a fully diluted basis	N.A.	N.A.

7) Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current 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	112.1 cents	21.04 cents
(b) 31 March 2006	103.5 cents	25.44 cents

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

8a) Segmental Results for Second Quarter ended 30 September

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2006				
Sales to external customers	8,011	37,098	-	45,109
Inter-segment sales	692	-	(692)	-
Segment revenue	<u>8,703</u>	<u>37,098</u>	<u>(692)</u>	<u>45,109</u>
Segment results	13,161	1,630	(131)	14,660
Finance costs	(1,805)	-	-	(1,805)
Share of results of associated companies	1,128	559	-	1,687
Profit before taxation	<u>12,484</u>	<u>2,189</u>	<u>(131)</u>	<u>14,542</u>
Taxation				<u>(2,970)</u>
Profit from continuing operations after taxation				<u>11,572</u>
Profit from discontinued operations				<u>-</u>
Profit for the period				<u><u>11,572</u></u>
Attributable to:				
Shareholders of the Company				11,376
Minority interests				<u>196</u>
				<u><u>11,572</u></u>

8a) Segmental Results for Second Quarter ended 30 September (Cont'd)

Business Segment

	Property \$'000	Retail \$'000	Inter - Segment Elimination \$'000	Group \$'000
2005				
Sales to external customers	7,593	34,673	-	42,266
Inter-segment sales	217	-	(217)	-
Segment revenue	<u>7,810</u>	<u>34,673</u>	<u>(217)</u>	<u>42,266</u>
Segment results	1,611	1,103	-	2,714
Finance costs	(1,043)	-	-	(1,043)
Share of results of associated companies	816	223	-	1,039
Exceptional items	119,160	-	-	119,160
Profit before taxation	<u>120,544</u>	<u>1,326</u>	<u>-</u>	<u>121,870</u>
Taxation				<u>(1,682)</u>
Profit from continuing operations after taxation				120,188
Profit from discontinued operations				802
Profit for the period				<u>120,990</u>
Attributable to:				
Shareholders of the Company				120,773
Minority interests				<u>217</u>
				<u>120,990</u>

Geographical segments

	Asean \$'000	Hong Kong and China \$'000	Group \$'000
2006			
Segment revenue	<u>37,184</u>	<u>7,925</u>	<u>45,109</u>
2005			
Segment revenue	<u>34,764</u>	<u>7,502</u>	<u>42,266</u>



## 8b) Review

Group turnover for the second financial quarter to 30 September 2006 rose 6.7% to \$45.1 million from \$42.3 million previously, mainly due to higher sales reported by the retail division. Profit before tax declined from \$121.9 million to \$14.5 million as the previous corresponding quarter included exceptional gains of \$118 million arising from the disposal of the junior bonds and preference shares of Orchard Square Capital Assets Ltd in August 2005.

Higher rental income from Metro City Shanghai accounted for the improvement in the property division's revenue for the quarter from \$7.8 million to \$8.7 million. This higher rental and an increase in the fair value of the Group's portfolio of short term investments drove the improvement in the property division's operating results. The segment's operating results for the previous corresponding financial quarter had also been affected by expenses of \$6.6 million, included under general and administrative expenses, relating to the exceptional gains.

Higher sales for the retail division and the containment of discounting activities resulted in an improvement in the retail division's operating results for the financial quarter.

The acquisition of 50% of a joint venture company, Beijing Huamao Property Co. Ltd ("Huamao"), details of which were announced on 29 December 2005, was completed during the second financial quarter. The Group's interest in Huamao, which is developing the Metro City Beijing retail mall, is recognised using proportionate consolidation. This has resulted in the inclusion of \$115.2 million under Property under development as well as certain other assets and liabilities in the consolidated balance sheet as at 30 September 2006. Most of the increase in Bank borrowings and the reduction in Cash and bank balances arose from this acquisition.

With the successful completion of Shui On Land Ltd's ("SOL") initial public offering ("IPO"), in early October 2006, the Group has restated its investment in the preference shares and warrants of SOL at their fair value based on the number of converted SOL shares received and the IPO price. \$65 million has been credited to fair value reserves and \$4.1 million credited to minority interests and Investments under Non-current assets has been increased accordingly as at 30 September 2006. As previously announced in September and October 2006, about 48% of the converted SOL shares were sold subsequent to 30 September 2006 in early October 2006 and about \$29 million will be transferred from fair value reserve and minority interests to profit and loss in the next financial quarter.

There were no other material factors that affected the cashflow, 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

The results for the quarter ended 30 September 2006 were largely in line with the comments made under paragraph 10 of the Results for the First Quarter announcement dated 14 August 2006.

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.

The Group's properties are expected to maintain their performance in the next financial quarter. The flow of dividend from the preference shares of SOL will cease with the conversion to ordinary shares. However, an exceptional gain, as set out in paragraph 8 (b) above, will be recorded in the next financial quarter.

With increased consumer propensity to spend, sales during the upcoming festive shopping season is likely to improve.

#### 11. Dividends

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately preceding financial year? None

(c) Date payable

Not applicable

(d) Book closure date

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 30 September 2006

#### 13. Negative assurance statement by directors

The Board of Directors confirms that to the best of their knowledge, nothing has come to their attention which may render the half year financial results to be false or misleading.

BY ORDER OF THE BOARD

Tan Ching Chek and Lee Chin Yin  
Joint Company Secretaries  
Date 10 November 2006