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Second Quarter Results * Financial Statement And Related Announcement

* 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
Designation *	Company Secretary
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>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	30-09-2012
Description	Please refer to the attachment.

Attachments

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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 2012

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		
	2nd Qtr ended 30-Sep-2012 \$'000	2nd Qtr ended 30-Sep-2011 \$'000	% Change	Half Year ended 30-Sep-2012 \$'000	Half Year ended 30-Sep-2011 \$'000	% Change
Revenue	44,702	44,645	0.13	88,881	87,249	1.87
Cost of revenue	(32,146)	(30,631)	4.95	(63,580)	(59,719)	6.47
Gross profit	12,556	14,014	(10.40)	25,301	27,530	(8.10)
Other income including interest income	8,863	5,645	57.01	15,508	9,105	70.32
Changes in fair value of short term investments	11,708	(9,904)	n.m.	17,536	(10,304)	n.m.
General and administrative expenses	(7,288)	(6,199)	17.57	(12,111)	(12,571)	(3.66)
Profit from operating activities	25,839	3,556	626.63	46,234	13,760	236.00
Interest on borrowings	(1,237)	(3,012)	(58.93)	(2,556)	(5,891)	(56.61)
Share of associates' results, net of tax	570	561	1.60	(381)	(370)	2.97
Profit from operations before taxation	25,172	1,105	2,178.01	43,297	7,499	477.37
Taxation	(5,375)	(1,469)	265.90	(8,585)	(4,811)	78.45
Profit/(loss) net of taxation	19,797	(364)	n.m.	34,712	2,688	1,191.37
Attributable to:						
Owners of the Company	19,808	(379)	n.m.	34,600	2,649	1,206.15
Non-controlling interests	(11)	15	n.m.	112	39	187.18
	19,797	(364)	n.m.	34,712	2,688	1,191.37

n.m. - not meaningful

Statement of Comprehensive Income

	Group		%	Group		%
	2nd Qtr ended 30-Sep-2012 \$'000	2nd Qtr ended 30-Sep-2011 \$'000		Half Year ended 30-Sep-2012 \$'000	Half Year ended 30-Sep-2011 \$'000	
Profit/(loss) net of taxation	19,797	(364)	n.m.	34,712	2,688	1,191.37
Other comprehensive income/ (expense), net of tax:						
Currency translation adjustments on foreign operations	(15,473)	34,586	n.m.	(13,811)	25,677	n.m.
Changes in fair value of available-for-sale financial assets	(1,297)	(25,465)	(94.91)	(8,215)	(43,935)	(81.30)
Share of other comprehensive income/(expense) of associates	840	(1,080)	n.m.	842	(756)	n.m.
	(15,930)	8,041	n.m.	(21,184)	(19,014)	11.41
Total comprehensive income/(expense) for the period	<u>3,867</u>	<u>7,677</u>	(49.63)	<u>13,528</u>	<u>(16,326)</u>	n.m.
Attributable to:						
Owners of the Company	4,128	8,797	(53.07)	13,656	(14,995)	n.m.
Non-controlling interests	(261)	(1,120)	(76.70)	(128)	(1,331)	(90.38)
	<u>3,867</u>	<u>7,677</u>	(49.63)	<u>13,528</u>	<u>(16,326)</u>	n.m.

n.m. - not meaningful

Currency translation adjustments on foreign operations are mainly a result of the Group's exposure to the effects of fluctuations in foreign currency exchange rates primarily in relation to Chinese renminbi as most of the Group's investment properties are situated in the People's Republic of China. Whenever possible, the Group seeks to maintain a natural hedge through the matching of liabilities, including borrowings, against assets in the same currency.

Changes in fair value of available-for-sale investments mainly relate to fluctuations in the fair value of the Group's investments in Shui On Land Ltd and Top Spring International Holdings Ltd ("TSI") which are classified under Investments (Non-current assets).

1(a) (ii)

Revenue

Revenue of the Group comprises sales of goods and services and net commission from concessionaires.

Revenue of the Group reported on a gross transaction basis, which includes the value of the overall activity of the Group based on the gross value achieved by the concessionaire on the sale, is presented as follows:-

	Group			Group		
	2nd Qtr ended 30-Sep-2012 \$'000	2nd Qtr ended 30-Sep-2011 \$'000	% Change	Half Year ended 30-Sep-2012 \$'000	Half Year ended 30-Sep-2011 \$'000	% Change
Retail	47,807	45,225	5.71	95,280	89,150	6.88
Property	14,400	16,536	(12.92)	29,185	32,459	(10.09)
	<u>62,207</u>	<u>61,761</u>	0.72	<u>124,465</u>	<u>121,609</u>	2.35

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

	Group			Group		
	2nd Qtr ended 30-Sep-2012 \$'000	2nd Qtr ended 30-Sep-2011 \$'000	% Change	Half Year ended 30-Sep-2012 \$'000	Half Year ended 30-Sep-2011 \$'000	% Change
Cost of revenue and general and administrative expenses includes:-						
Inventories recognised as an expense	(15,661)	(13,813)	13.38	(31,024)	(26,974)	15.01
Depreciation	(782)	(836)	(6.46)	(1,687)	(1,560)	8.14
Allowance for obsolete inventories	(212)	(106)	100.00	(226)	(120)	88.33
Inventories written back/(down)	65	(22)	n.m.	(456)	(499)	(8.62)
Rental expense	(5,705)	(5,236)	8.96	(11,324)	(10,606)	6.77
Foreign exchange (loss)/gain	(191)	394	n.m.	(378)	(373)	1.34
Other income including interest income includes:-						
Interest income	3,384	738	358.54	4,283	1,189	260.22
Dividends from quoted and unquoted investments	3,302	3,255	1.44	7,370	4,808	53.29
Gain on disposal of short term investments	1,012	-	n.m.	1,012	-	n.m.
Management fee income from associates	552	494	11.74	1,009	883	14.27
Foreign exchange (loss)/gain	(309)	200	n.m.	315	584	(46.06)

n.m. - not meaningful

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

	Group			Group		
	2nd Qtr	2nd Qtr	% Change	Half year	Half year	% Change
	ended	ended		ended	ended	
	30-Sep-2012	30-Sep-2011		30-Sep-2012	30-Sep-2011	
	\$'000	\$'000		\$'000	\$'000	
The Group's share of associates' results consists of:						
- Operating results	576	573	0.52	(380)	(305)	24.59
- Taxation	(6)	(12)	(50.00)	(1)	(65)	(98.46)
	<u>570</u>	<u>561</u>	1.60	<u>(381)</u>	<u>(370)</u>	2.97

1(a) (v) Taxation

	Group			Group		
	2nd Qtr	2nd Qtr	% Change	Half year	Half year	% Change
	ended	ended		ended	ended	
	30-Sep-2012	30-Sep-2011		30-Sep-2012	30-Sep-2011	
	\$'000	\$'000		\$'000	\$'000	
Current Year Tax	2,241	2,256	(0.66)	4,607	4,523	1.86
Under/(Over) provision in respect of prior years	-	42	n.m.	(916)	42	n.m.
Deferred Tax	3,101	(858)	n.m.	4,861	217	2,140.09
Withholding Tax	33	29	13.79	33	29	13.79
	<u>5,375</u>	<u>1,469</u>	265.90	<u>8,585</u>	<u>4,811</u>	78.45

n.m. - not meaningful

The tax charge of the Group for the period ended 30 September 2012, excluding share of associates' results which is already stated net of tax, is higher than that derived by applying the standard rate applicable to company profits mainly due to higher tax rates applied to overseas subsidiaries and jointly controlled entities, losses in subsidiaries which are not available for set off against Group results for tax purposes, deferred tax assets not recognised and expenditure not deductible 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	
	30-Sep-2012 \$'000	31-Mar-2012 \$'000	30-Sep-2012 \$'000	31-Mar-2012 \$'000
Non-current assets				
Property, plant and equipment	15,732	16,490	10,283	10,409
Investment properties	541,561	550,194	-	-
Subsidiaries	-	-	17,174	17,174
Amounts due from subsidiaries	-	-	460,761	395,948
Associates	17,324	18,060	500	500
Amounts due from associates	71,538	75,992	-	-
Amounts due from jointly controlled entities	1,253	1,245	-	-
Investments	63,160	72,985	-	-
	<u>710,568</u>	<u>734,966</u>	<u>488,718</u>	<u>424,031</u>
Current assets				
Inventories	15,795	16,125	-	-
Deposits	21,886	7,737	149	149
Prepayments	1,140	893	51	14
Accounts receivables	9,332	10,365	36	95
Tax recoverable	293	259	-	-
Short term investments	87,274	72,137	-	-
Loan notes	15,248	15,248	-	-
Pledged fixed and bank deposits	35,499	36,007	-	-
Cash and cash equivalents	486,196	543,547	50,855	61,452
	<u>672,663</u>	<u>702,318</u>	<u>51,091</u>	<u>61,710</u>
Current liabilities				
Bank borrowings	48,304	53,585	-	-
Accounts payables	76,510	80,216	4,051	10,859
Provision for taxation	5,384	16,459	93	149
	<u>130,198</u>	<u>150,260</u>	<u>4,144</u>	<u>11,008</u>
Net current assets	542,465	552,058	46,947	50,702
Non-current liabilities				
Bank borrowings	96,906	97,897	-	-
Amounts due to subsidiaries	-	-	251,938	136,994
Deferred taxation	74,662	71,508	325	320
	<u>(171,568)</u>	<u>(169,405)</u>	<u>(252,263)</u>	<u>(137,314)</u>
Net assets	<u>1,081,465</u>	<u>1,117,619</u>	<u>283,402</u>	<u>337,419</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	910,306	946,332	115,453	169,470
	<u>1,078,255</u>	<u>1,114,281</u>	<u>283,402</u>	<u>337,419</u>
Non-controlling interests	3,210	3,338	-	-
Total equity	<u>1,081,465</u>	<u>1,117,619</u>	<u>283,402</u>	<u>337,419</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 30-Sep-2012		As at 31-Mar-2012	
Secured	Unsecured	Secured	Unsecured
48,304,222	-	53,584,613	-

Amount repayable after one year

As at 30-Sep-2012		As at 31-Mar-2012	
Secured	Unsecured	Secured	Unsecured
96,906,412	-	97,896,814	-

Details of any collateral

An investment property with a fair value totaling S\$86.4 million as at 30 September 2012 and fixed deposits totaling S\$33.7 million have been mortgaged to banks for banking facilities granted to certain subsidiaries. Total loans drawn on such facilities as at 30 September 2012 amounted to JPY5.5 billion (equivalent to S\$86.9 million). Short term loans of HK\$71.1 million (equivalent to S\$11.2 million) granted to a subsidiary were secured by marketable securities and shares of subsidiaries which own an investment property with a fair value of S\$92.6 million as at 30 September 2012. Bank facilities granted to a jointly controlled entity, of which an amount of RMB241.4 million (equivalent to S\$47.0 million) have been drawn, were secured by an investment property with a fair value of S\$103.7 million as at 30 September 2012 and bank deposits totaling RMB9.4 million (equivalent to S\$1.8 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

	Group		Group	
	2nd Qtr ended 30-Sep-2012 \$'000	2nd Qtr ended 30-Sep-2011 \$'000	Half Year ended 30-Sep-2012 \$'000	Half Year ended 30-Sep-2011 \$'000
Cash flows from operating activities				
Operating profit before reinvestment in working capital	12,089	7,407	23,097	17,421
Increase in inventories	(140)	(690)	(353)	(3,359)
Increase in accounts receivables	(14,657)	(1,310)	(11,974)	(1,174)
Decrease/(increase) in short term investments	2,400	(617)	2,400	(8,017)
(Decrease)/increase in accounts payables	(4,821)	5,908	(3,706)	45,889
Cash (used in)/generated from operations	(5,129)	10,698	9,464	50,760
Interest expense paid	(1,237)	(3,012)	(2,556)	(5,891)
Interest income received	3,384	738	4,283	1,189
Income taxes paid	(2,781)	(2,411)	(14,680)	(4,744)
Net cash flows (used in)/generated from operating activities	(5,763)	6,013	(3,489)	41,314
Cash flows from investing activities				
Purchase of property, plant & equipment	(647)	(1,203)	(959)	(2,248)
Subsequent expenditure on investment properties	-	(100)	(176)	(133)
Proceeds from sale of property, plant and equipment	5	8	18	8
Proceeds from liquidation of associate	-	-	-	460
(Increase)/decrease in investments	(1,099)	191	(424)	(609)
Decrease/(increase) in amounts due from associates	1,129	(23,873)	809	(23,873)
Additional loan to jointly controlled entities	-	(1,379)	-	(1,379)
Dividends received from quoted and unquoted investments	2,921	2,512	5,927	3,544
Dividends received from associates	-	-	-	38,000
Changes in pledged fixed and bank deposits	(97)	(1,165)	508	(1,033)
Net cash flows generated from/(used in) investing activities	2,212	(25,009)	5,703	12,737
Cash flows from financing activities				
Drawdown of bank borrowings	-	-	-	216
Repayment of bank borrowings	(5,624)	(3,110)	(7,486)	(5,370)
Dividend paid	(49,682)	(24,659)	(49,682)	(24,659)
Proceeds from issue of shares	-	17,162	-	24,660
Net cash flows used in financing activities	(55,306)	(10,607)	(57,168)	(5,153)
Net (decrease)/increase in cash and cash equivalents	(58,857)	(29,603)	(54,954)	48,898
Effect of exchange rate changes in cash and cash equivalents	(2,923)	5,803	(2,397)	3,450
Cash & cash equivalents at beginning of financial period	547,976	449,059	543,547	372,911
Cash & cash equivalents at end of financial period	486,196	425,259	486,196	425,259

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

	Group		Group	
	2nd Qtr ended 30-Sep-2012 \$'000	2nd Qtr ended 30-Sep-2011 \$'000	Half Year ended 30-Sep-2012 \$'000	Half Year ended 30-Sep-2011 \$'000
Reconciliation between profit before taxation and operating cash flows before changes in working capital:				
Profit before taxation	25,172	1,105	43,297	7,499
Adjustments for:				
Interest expense	1,237	3,012	2,556	5,891
Depreciation of property, plant and equipment	782	836	1,687	1,560
Share of results of associates	(570)	(561)	381	370
Interest and investment income	(6,686)	(3,993)	(11,653)	(5,997)
Inventories written (back)/down	(65)	22	456	499
Allowance for obsolete inventories	212	106	226	120
Profit on disposal of property, plant and equipment	-	(8)	(3)	(8)
Changes in fair value of short term investments	(11,708)	9,904	(17,536)	10,304
Foreign exchange adjustments	3,715	(3,016)	3,686	(2,823)
Loss on liquidation of an associate	-	-	-	6
Operating profit before reinvestment in working capital	<u>12,089</u>	<u>7,407</u>	<u>23,097</u>	<u>17,421</u>

Note:

Cash and cash equivalents comprise:

	\$'000	\$'000	\$'000	\$'000
Bank balances and deposits				
- Continuing operations	486,196	424,840	486,196	424,840
- Assets of disposal entity held for sale under FRS 105	-	419	-	419
Cash and cash equivalents	<u>486,196</u>	<u>425,259</u>	<u>486,196</u>	<u>425,259</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

Group	Share Capital \$'000	Treasury Shares \$'000	Warrants Reserve \$'000	Revaluation Reserve \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Revenue Reserve \$'000	Reserve of Disposal Entity classified as Held for Sale \$'000	Total \$'000	Non-controlling Interests \$'000	Total Equity \$'000
At 1 April 2012	169,717	(1,768)	-	19,073	6,039	(26,733)	947,953	-	1,114,281	3,338	1,117,619
Total comprehensive (expense)/income for the period	-	-	-	-	(6,880)	1,616	14,792	-	9,528	133	9,661
At 30 June 2012	169,717	(1,768)	-	19,073	(841)	(25,117)	962,745	-	1,123,809	3,471	1,127,280
Dividends paid	-	-	-	-	-	-	(49,682)	-	(49,682)	-	(49,682)
Total comprehensive (expense)/income for the period	-	-	-	-	(1,173)	(14,507)	19,808	-	4,128	(261)	3,867
At 30 September 2012	169,717	(1,768)	-	19,073	(2,014)	(39,624)	932,871	-	1,078,255	3,210	1,081,465
At 1 April 2011	142,432	(1,397)	2,688	19,073	7,807	(38,770)	880,657	-	1,012,490	4,063	1,016,553
Conversion of warrants into shares	8,331	-	(833)	-	-	-	-	-	7,498	-	7,498
Total comprehensive (expense)/income for the period	-	-	-	-	(18,361)	(8,459)	3,028	-	(23,792)	(211)	(24,003)
At 30 June 2011	150,763	(1,397)	1,855	19,073	(10,554)	(47,229)	883,685	-	996,196	3,852	1,000,048
Dividends paid	-	-	-	-	-	-	(24,659)	-	(24,659)	-	(24,659)
Reserve attributable to disposal entity classified as held for sale	-	-	-	-	-	(2,417)	-	2,417	-	-	-
Conversion of warrants into shares	18,954	-	(1,792)	-	-	-	-	-	17,162	-	17,162
Expiry of warrants	-	-	(63)	-	-	-	63	-	-	-	-
Total comprehensive (expense)/income for the period	-	-	-	-	(24,533)	33,709	(379)	-	8,797	(1,120)	7,677
At 30 September 2011	169,717	(1,397)	-	19,073	(35,087)	(15,937)	858,710	2,417	997,496	2,732	1,000,228

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

<u>Company</u>	Share Capital \$'000	Treasury Shares \$'000	Warrants Reserve \$'000	Revaluation Reserve \$'000	Revenue Reserve \$'000	Total Equity \$'000
At 1 April 2012	169,717	(1,768)	-	9,119	160,351	337,419
Total comprehensive expense for the period	-	-	-	-	(196)	(196)
At 30 June 2012	169,717	(1,768)	-	9,119	160,155	337,223
Dividends paid	-	-	-	-	(49,682)	(49,682)
Total comprehensive expense for the period	-	-	-	-	(4,139)	(4,139)
At 30 September 2012	169,717	(1,768)	-	9,119	106,334	283,402
At 1 April 2011	142,432	(1,397)	2,688	9,119	152,434	305,276
Conversion of warrants into shares	8,331	-	(833)	-	-	7,498
Total comprehensive income for the period	-	-	-	-	35,068	35,068
At 30 June 2011	150,763	(1,397)	1,855	9,119	187,502	347,842
Dividends paid	-	-	-	-	(24,659)	(24,659)
Conversion of warrants into shares	18,954	-	(1,792)	-	-	17,162
Expiry of warrants	-	-	(63)	-	63	-
Total comprehensive income for the period	-	-	-	-	10,731	10,731
At 30 September 2011	169,717	(1,397)	-	9,119	173,637	351,076

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 or 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.

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

As at 30 September 2012, there were 3,512,800 treasury shares (as at 30 September 2011: 2,962,800).

The Company did not issue any shares during the 3 months ended 30 September 2012.

There were no convertible instruments outstanding as at 30 September 2012 (30 September 2011: Nil).

The total proceeds from the issue of shares due to warrants conversion ("Proceeds") between the warrants' issue date, 23 September 2008 and expiry date, 22 September 2011, amounted to \$39,309,000. As at 30 September 2012, none of these Proceeds have been utilised.

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 30 September 2012 (end of current financial period)	As at 31 March 2012 (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, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

The Company did not sell, transfer, dispose, cancel or use any treasury shares in the 2nd Quarter period ended 30 September 2012.

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 2012.

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 2012, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 April 2012.

Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 April 2012 are:

Amendments to FRS 12 Income Taxes: Deferred Tax Recovery of Underlying Assets; and
Amendments to FRS 107 Disclosures - Transfers of Financial Assets.

The Group does not expect any significant financial impact on its financial position or performance from the adoption of these amendments to FRS.

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 (Restated*)
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	2.4 cents	(0.05) cents
(b) On a fully diluted basis	2.4 cents	(0.05) cents

Earnings per share is calculated on the Group's profit attributable to shareholders of the Company of \$19,808,000 (period ended 30 September 2011: loss of \$379,000) divided by the weighted average number of ordinary shares of 828,264,289 for the period ended 30 September 2012 (period ended 30 September 2011: 824,802,424).

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 30 September 2012.

*Comparative figures for EPS have been adjusted for the bonus issue of shares of 1 share for every 5 shares held.

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	130.2 cents	34.2 cents
(b) 31 March 2012	134.6 cents	40.7 cents

Net asset value for the Group is calculated on the equity attributable to owners of the Company as at 30 September 2012 of \$1,078,255,000 (31 March 2012: \$1,114,281,000) divided by the total number of issued shares excluding treasury shares as at 30 September 2012 of 828,035,874 (31 March 2012: 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 2nd Quarter ended 30 September 2012 against 2nd Quarter ended 30 September 2011

The Group's turnover for the second financial quarter to 30 September 2012 ("2QFY2013") was steady at \$44.7 million against 2QFY2012's \$44.6 million. Higher sales of the retail division offset the decline in rental due to the disposal of Metro City Beijing. Gross profit for 2QFY2013 of \$12.6 million was however lower than 2QFY2012's \$14.0 million without the contribution from Metro City Beijing at this level. The contribution from higher sales of the retail division continues to be affected by pressure on margins and higher operational costs.

Other income rose to \$8.9 million for 2QFY2013 from the \$5.6 million recorded in 2QFY2012 mainly due to higher interest income of \$2.4 million from loan notes held by the property division.

Unrealised fair value gains of \$11.7 million in 2QFY2013 and the corresponding 2QFY2012's unrealised fair value deficit of \$9.9 million, relate to movements in the fair value of the Group's portfolio of short term equity investments in property REITs held by the property division.

General and administrative expenses rose to \$7.3 million in 2QFY2013 from \$6.2 million in 2QFY2012 mainly due to foreign exchange losses incurred mainly by the property division.

Interest on borrowings in 2QFY2013 fell from that reported in 2QFY2012 due to the disposal of Metro City Beijing and the associated bank borrowings.

Profit before taxation rose to \$25.2 million in 2QFY2013 from \$11.1 million in 2QFY2012. This was mainly due to movements in the fair value of the Group's portfolio of short term equity investments. Profit before taxation prior to the inclusion of these unrealized gains/deficit was \$13.5 million for 2QFY2013 and \$11.0 million for 2QFY2012, an increase of 22.2%.

Segmental Results for 2nd Quarter ended 30 September

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2012				
Sales to external customers	14,400	30,302	-	44,702
Inter-segment sales	48	-	(48)	-
Segment revenue	<u>14,448</u>	<u>30,302</u>	<u>(48)</u>	<u>44,702</u>
Segment results	13,769	362	-	14,131
Interest on borrowings	(1,237)	-	-	(1,237)
Changes in fair value of short term investments	11,708	-	-	11,708
Share of associates' results (net of tax)	20	550	-	570
Profit from operations before taxation	<u>24,260</u>	<u>912</u>	<u>-</u>	<u>25,172</u>
Taxation				<u>(5,375)</u>
Profit net of taxation				<u>19,797</u>
Attributable to:				
Owners of the Company				19,808
Non-controlling interests				<u>(11)</u>
				<u>19,797</u>

Segmental Results for 2nd Quarter ended 30 September (Cont'd)

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2011				
Sales to external customers	16,536	28,109	-	44,645
Inter-segment sales	48	-	(48)	-
Segment revenue	<u>16,584</u>	<u>28,109</u>	<u>(48)</u>	<u>44,645</u>
Segment results	12,828	632	-	13,460
Interest on borrowings	(3,012)	-	-	(3,012)
Changes in fair value of short term investments	(9,904)	-	-	(9,904)
Share of associates' results (net of tax)	85	476	-	561
(Loss)/profit from operations before taxation	<u>(3)</u>	<u>1,108</u>	<u>-</u>	<u>1,105</u>
Taxation				<u>(1,469)</u>
Loss net of taxation				<u><u>(364)</u></u>
Attributable to:				
Owners of the Company				(379)
Non-controlling interests				<u>15</u>
				<u><u>(364)</u></u>

Geographical Segments

	Asean \$'000	Hong Kong and China \$'000	Japan \$'000	Group \$'000
2012				
Segment revenue	<u>30,302</u>	<u>13,558</u>	<u>842</u>	<u>44,702</u>
2011				
Segment revenue	<u>28,109</u>	<u>15,182</u>	<u>1,354</u>	<u>44,645</u>

Segmental Results - Property Division

Turnover of the property division for 2QFY2013 fell 12.9% to \$14.4 million from 2QFY2012's \$16.5 million. The decline in rental income was due to the disposal of Metro City Beijing. Higher rental income of Metro City Shanghai, Metro Tower and EC Mall, together with a 1.6% increase in the value of the renminbi against the Singapore dollar helped to mitigate the decline in rental income due to lower occupancies at GIE Tower and Frontier Koishikawa. The average occupancy of the Group's five investment properties as at 30 September 2012 was 86.6% as compared to that as at 30 September 2011 of 93.0% for the same properties. Occupancy at Frontier Koishikawa is expected to improve in 4QFY2013 as new tenants commence their leases.

The portfolio summary of the Group's Properties as at 30 September 2012 is as follows:

	<i>Percentage owned by the Group</i>	<i>Tenure</i>	<i>No. of Tenants</i>	<i>Occupancy Rate (%)</i>
Metro City, Shanghai	60%	36 year term from 1993	100	96.6%
GIE Tower, Guangzhou	100%	50 year term from 1994	40	83.0%
Metro Tower, Shanghai	60%	50 year term from 1993	23	99.7%
Frontier Koishikawa Building, Tokyo	100%	Freehold	4	55.0%
EC Mall, Beijing	31.65%	50 year term from 2001	94	98.6%

Segmental Results - Retail Division

Sales of the retail division for 2QFY2013 rose 7.8% to \$30.3 million as compared to 2QFY2012's \$28.1 million. Revenue growth for the Singapore operations was generally broad-based as compared to the prior 2QFY2012. Profitability continued to be adversely impacted by lower margins in a highly competitive retail sector as well as higher operating expenses including higher staff, rental and depreciation expenses.

Sales of the retail division's associated company in Indonesia grew, with the main contributor to sales growth from the sales of Metro Surabaya, which opened in December 2011.

8(b) Cash Flow, Working Capital, Assets and Liabilities

During 2QFY2013, Investment properties fell from \$554.4 million as at 30 June 2012 to \$541.6 million as at 30 September 2012 mainly due to a decline in the value of the Chinese renminbi of 2.5%.

Deposits rose to \$21.9 million as at 30 September 2012 from \$7.9 million as at 30 June 2012 with the payment of a deposit of \$14.0 million in respect of the Metro Group's share of the deposit for the tender for a leasehold land parcel located at Prince Charles Crescent, Singapore. This resulted in net cash used in operating activities in 2QFY2013.

Short term investments rose from \$78.0 million as at 30 June 2012 to \$87.3 million as at 30 September 2012 mainly due to changes in their fair value.

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 on.

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

With the cessation of the contribution to rental income of the Group's investment properties due to the disposal of Metro City Beijing in March 2012, turnover of the property division is expected to continue to be adversely affected. The impact of this disposal on profit from operations before taxation is expected to be minimal as Metro City Beijing incurred marginal operating losses after interest, prior to its disposal. The Group's portfolio of quoted equity investments will continue to be subject to fluctuations in their fair value due to volatile market conditions. Most of the Group's investment properties are situated in the People's Republic of China and as the Group has a significant portion of its net assets denominated in the Chinese renminbi, it will continue to be subject to significant currency translation adjustments on foreign operations, due to volatility in foreign currency exchange rates.

In Singapore, growth in domestic consumption is expected to moderate. The challenges of competitive trading conditions and rising operational costs is expected to continue to put pressure on margins. In Indonesia, good sales performance of the newer and revamped department stores is expected to assist in meeting these challenges.

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 2012.

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 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 second quarter financial results to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Ching Chek and Lee Chin Yin
Joint Company Secretaries
Date 14 November 2012