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**Unaudited Results For The Third Quarter Ended 31 December 2013 \* 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
Date & Time of Broadcast	10-Feb-2014 18:00:28
Announcement No.	00093

**>> Announcement Details**

The details of the announcement start here ...

For the Financial Period Ended *	31-12-2013
Description	Please refer to the attachment.

**Attachments**
 [MHLQ3Results.pdf](#)  
 Total size = **75K**  
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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 THIRD QUARTER ENDED 31 DECEMBER 2013

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-2013 \$'000	3rd Qtr ended 31-Dec-2012 \$'000	% Change	9 months ended 31-Dec-2013 \$'000	9 months ended 31-Dec-2012 \$'000	% Change
Revenue	54,505	50,608	7.70	144,568	139,489	3.64
Cost of revenue	(40,630)	(38,602)	5.25	(108,095)	(102,182)	5.79
Gross profit	13,875	12,006	15.57	36,473	37,307	(2.24)
Other income including interest income	26,039	9,982	160.86	35,029	25,490	37.42
Gain on disposal of asset held for sale	-	-	n.m.	29,559	-	n.m.
Changes in fair value of short term investments	(172)	3,480	n.m.	(5,536)	21,016	n.m.
General and administrative expenses	(9,178)	(6,515)	40.87	(24,386)	(18,626)	30.92
Profit from operating activities	30,564	18,953	61.26	71,139	65,187	9.13
Interest on borrowings	(1,483)	(1,179)	25.78	(3,668)	(3,735)	(1.79)
Share of associates' results, net of tax	3,551	473	650.74	3,585	92	3,796.74
Profit from operations before taxation	32,632	18,247	78.83	71,056	61,544	15.46
Taxation	(3,362)	(2,942)	14.28	(7,967)	(11,527)	(30.88)
Profit net of taxation	29,270	15,305	91.24	63,089	50,017	26.14
Attributable to:						
Owners of the Company	29,263	15,308	91.16	63,039	49,908	26.31
Non-controlling interests	7	(3)	n.m.	50	109	(54.13)
	29,270	15,305	91.24	63,089	50,017	26.14

*n.m. - not meaningful*

## Statement of Comprehensive Income

	Group			Group		
	3rd Qtr ended 31-Dec-2013 \$'000	3rd Qtr ended 31-Dec-2012 \$'000	% Change	9 months ended 31-Dec-2013 \$'000	9 months ended 31-Dec-2012 \$'000	% Change
Profit net of taxation	29,270	15,305	91.24	63,089	50,017	26.14
Items that may be reclassified subsequently to profit or loss:						
Currency translation adjustments on foreign operations	9,440	1,906	395.28	22,380	(11,905)	n.m.
Changes in fair value of available-for-sale financial assets	(7,618)	25,561	n.m.	(25,255)	17,346	n.m.
Share of other comprehensive income of associates	2,133	185	1,052.97	3,468	1,027	237.68
Other comprehensive income, net of tax:	3,955	27,652	(85.70)	593	6,468	(90.83)
Total comprehensive income for the period	<u>33,225</u>	<u>42,957</u>	(22.66)	<u>63,682</u>	<u>56,485</u>	12.74
Attributable to:						
Owners of the Company	33,290	42,451	(21.58)	64,087	56,107	14.22
Non-controlling interests	(65)	506	n.m.	(405)	378	n.m.
	<u>33,225</u>	<u>42,957</u>	(22.66)	<u>63,682</u>	<u>56,485</u>	12.74

*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 in relation to Chinese Renminbi as 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		
	3rd Qtr ended 31-Dec-2013 \$'000	3rd Qtr ended 31-Dec-2012 \$'000	% Change	9 months ended 31-Dec-2013 \$'000	9 months ended 31-Dec-2012 \$'000	% Change
Retail	61,130	60,529	0.99	154,639	155,809	(0.75)
Property	<u>17,659</u>	<u>14,023</u>	25.93	<u>48,773</u>	<u>43,208</u>	12.88
	<u>78,789</u>	<u>74,552</u>	5.68	<u>203,412</u>	<u>199,017</u>	2.21

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

	Group			Group		
	3rd Qtr ended 31-Dec-2013 \$'000	3rd Qtr ended 31-Dec-2012 \$'000	% Change	9 months ended 31-Dec-2013 \$'000	9 months ended 31-Dec-2012 \$'000	% Change
Cost of revenue and general and administrative expenses includes:-						
Inventories recognised as an expense	(18,516)	(18,865)	(1.85)	(47,544)	(49,889)	(4.70)
Depreciation	(894)	(637)	40.35	(2,451)	(2,324)	5.46
(Allowance)/write-back for obsolete inventories	(14)	(15)	(6.67)	163	(241)	n.m.
Inventories written down	(669)	(691)	(3.18)	(1,113)	(1,147)	(2.96)
Rental expense	(6,617)	(6,407)	3.28	(18,599)	(17,731)	4.90
Foreign exchange gain/(loss)	2	(641)	n.m.	(89)	(1,019)	(91.27)
Other income including interest income includes:-						
Interest income	965	6,841	(85.89)	3,068	11,124	(72.42)
Dividends from quoted and unquoted investments	639	1,056	(39.49)	6,167	8,426	(26.81)
(Loss)/gain on disposal of short term investments	(248)	-	n.m.	(2,388) *	1,012	n.m.
Management fee income from associates	267	596	(55.20)	640	1,605	(60.12)
Foreign exchange gain	2,999	3	n.m.	3,343	318	n.m.
Government grant for refurbishment work	40	-	n.m.	1,523	-	n.m.
Negative goodwill on acquisition of an additional interest in jointly controlled entities	19,097	-	n.m.	19,097	-	n.m.

*n.m. - not meaningful*

\* The short term investments disposed of, had recorded a cumulative gain of \$15.5 million in the financial years up to 31 March 2013. This cumulative gain was reported as unrealised changes in fair value of short term investments in the prior years' income statements, on a mark-to-market basis, but is now realised on disposal.

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

	Group			Group		
	3rd Qtr ended	3rd Qtr ended	%	9 months ended	9 months ended	%
	31-Dec-2013 \$'000	31-Dec-2012 \$'000	Change	31-Dec-2013 \$'000	31-Dec-2012 \$'000	Change
The Group's share of associates' results consists of:						
- Operating results	(1,429)	472	n.m.	(1,386)	92	n.m.
- Negative goodwill on acquisition	5,109	-	n.m.	5,109	-	n.m.
- Taxation	(129)	1	n.m.	(138)	-	n.m.
	<u>3,551</u>	<u>473</u>	650.74	<u>3,585</u>	<u>92</u>	3,796.74

*n.m. - not meaningful*

1(a) (v) Taxation

	Group			Group		
	3rd Qtr ended	3rd Qtr ended	%	9 months ended	9 months ended	%
	31-Dec-2013 \$'000	31-Dec-2012 \$'000	Change	31-Dec-2013 \$'000	31-Dec-2012 \$'000	Change
Current Year Tax	2,730	2,083	31.06	7,641	6,690	14.22
(Over)/under provision in respect of prior years	(5)	(440)	(98.86)	16	(1,356)	n.m.
Deferred Tax	615	1,299	(52.66)	256	6,160	(95.84)
Withholding Tax	22	-	n.m.	54	33	63.64
	<u>3,362</u>	<u>2,942</u>	14.28	<u>7,967</u>	<u>11,527</u>	(30.88)

*n.m. - not meaningful*

The tax charge of the Group for the third quarter period ended 31 December 2013, excluding share of associates' results which is already stated net of tax, is lower than that derived by applying the Singapore statutory income tax rate of 17% applicable to company profits, mainly due to negative goodwill on acquisition of an additional interest in jointly controlled entities which is not taxable for tax purposes, offset by higher tax rates applied to overseas subsidiaries and jointly controlled entities, losses in certain group companies which are not available for set off against Group results for tax purposes 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	
	31-Dec-2013 \$'000	31-Mar-2013 \$'000	31-Dec-2013 \$'000	31-Mar-2013 \$'000
<b>Non-current assets</b>				
Property, plant and equipment	5,380	6,603	188	275
Investment properties	643,877	533,871	-	-
Subsidiaries	-	-	17,790	17,790
Amounts due from subsidiaries	-	-	640,862	593,409
Associates	68,265	57,338	500	500
Amounts due from associates	119,232	72,448	-	-
Amounts due from jointly controlled entities	453	2,555	-	-
Investments	161,604	90,002	-	-
Other receivable	47,022	29,981	-	-
	<u>1,045,833</u>	<u>792,798</u>	<u>659,340</u>	<u>611,974</u>
<b>Current assets</b>				
Development property	233,072	226,077	-	-
Inventories	15,876	14,977	-	-
Prepayments	2,059	721	12	14
Accounts and other receivables	15,836	16,354	170	181
Tax recoverable	191	269	-	-
Short term investments	38,481	99,291	-	-
Pledged fixed and bank deposits	39,613	34,982	-	-
Cash and cash equivalents	241,982	351,605	6,010	35,355
Asset held for sale	-	9,901	-	9,901
	<u>587,110</u>	<u>754,177</u>	<u>6,192</u>	<u>45,451</u>
<b>Current liabilities</b>				
Bank borrowings	31,077	41,865	-	-
Accounts and other payables	101,927	75,979	6,601	6,847
Provision for taxation	6,675	5,748	7	83
	<u>139,679</u>	<u>123,592</u>	<u>6,608</u>	<u>6,930</u>
<b>Net current assets</b>	447,431	630,585	(416)	38,521
<b>Non-current liabilities</b>				
Bank borrowings	214,897	194,983	-	-
Amounts due to subsidiaries	-	-	370,796	352,935
Other payables	6,005	779	-	-
Deferred taxation	93,271	79,091	323	319
	<u>(314,173)</u>	<u>(274,853)</u>	<u>(371,119)</u>	<u>(353,254)</u>
<b>Net assets</b>	<u>1,179,091</u>	<u>1,148,530</u>	<u>287,805</u>	<u>297,241</u>
<b>Equity attributable to owners of the Company</b>				
Share capital	169,717	169,717	169,717	169,717
Treasury shares	(1,768)	(1,768)	(1,768)	(1,768)
Reserves	1,007,935	967,850	119,856	120,173
Reserve of asset held for sale	-	9,119	-	9,119
	<u>1,175,884</u>	<u>1,144,918</u>	<u>287,805</u>	<u>297,241</u>
<b>Non-controlling interests</b>	3,207	3,612	-	-
<b>Total equity</b>	<u>1,179,091</u>	<u>1,148,530</u>	<u>287,805</u>	<u>297,241</u>

1(b) (i) Note

An analysis of Accounts and other receivables as at the relevant balance sheet dates is as follows:-

	Group	
	31-Dec-2013	31-Dec-2012
	\$'000	\$'000
Trade receivables	8,036	5,828
Other receivables - Recoverables and sundry debtors	1,510	15,988
	<u>9,546</u>	<u>21,816</u>
Deposits	6,290	7,896
	<u>15,836</u>	<u>29,712</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-2013		As at 31-Mar-2013	
Secured	Unsecured	Secured	Unsecured
31,077,021	-	41,865,320	-

Amount repayable after one year

As at 31-Dec-2013		As at 31-Mar-2013	
Secured	Unsecured	Secured	Unsecured
214,896,932	-	194,983,293	-

**Details of any collateral for banking facilities**

Subsidiaries:

An investment property with a carrying value totaling S\$60.6 million as at 31 December 2013 and fixed deposits totaling S\$33.8 million have been mortgaged to banks for banking facilities granted to certain subsidiaries. Total loans drawn on such facilities as at 31 December 2013 amounted to JPY5.3 billion (equivalent to S\$63.8 million).

Jointly-controlled entities:

Bank loans amounting to RMB352.4 million (equivalent to S\$73.6 million) were secured by an investment property with a carrying value of S\$207.1 million as at 31 December 2013 and bank deposits totaling RMB27.9 million (equivalent to S\$5.8 million).

Bank loans amounting to S\$108.6 million are secured by a first legal mortgage over properties under development and assignment of all rights and benefits with respect to the properties.



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	
	3rd Qtr ended 31-Dec-2013 \$'000	3rd Qtr ended 31-Dec-2012 \$'000	9 months ended 31-Dec-2013 \$'000	9 months ended 31-Dec-2012 \$'000
<b>Cash flows from operating activities</b>				
Operating profit before reinvestment in working capital	8,847	8,258	20,985	30,345
Increase in development property	(2,273)	(214,453)	(6,995)	(214,453)
Increase in inventories	(1,984)	(384)	(1,849)	(737)
Decrease/(increase) in accounts and other receivables	3,547	6,157	(4)	(5,817)
Increase in accounts and other payables	14,389	13,676	29,013	9,948
Cash generated from/(used in) operations	22,526	(186,746)	41,150	(180,714)
Interest expense paid	(1,483)	(1,179)	(3,668)	(3,735)
Interest income received	965	1,026	3,068	5,309
Income taxes paid	(3,131)	(1,791)	(8,124)	(16,471)
Net cash flows generated from/(used in) operating activities	18,877	(188,690)	32,426	(195,611)
<b>Cash flows from investing activities</b>				
Purchase of property, plant & equipment	(538)	(1,661)	(1,199)	(2,620)
Subsequent expenditure on investment properties	(638)	-	(5,222)	(154)
Acquisition of additional interest in jointly controlled entities	(24,414)	-	(24,414)	-
Increase in investments	(85,790)	(32,509)	(94,341)	(32,933)
Repayment from/(loan to) a joint venture partner	31,138	-	(14,626)	-
Purchase of short term investments	-	-	(65)	-
Proceeds from liquidation of associate	-	-	673	-
Proceeds from disposal of asset held for sale	-	-	39,460	-
Proceeds from disposal of property, plant and equipment	-	-	203	18
Proceeds from disposal of available-for-sale investments	58	-	58	-
Proceeds from disposal of short term investments	3,342	-	52,950	3,412
Investment in associate	(2,342)	-	(2,342)	-
(Increase)/decrease in amounts due from associates	(49,417)	1,348	(48,516)	2,157
Additional loan to jointly controlled entities	(12)	(1,121)	(2,119)	(1,121)
Dividends received from quoted and unquoted investments	1,889	2,499	6,167	8,426
Changes in pledged fixed and bank deposits	(2,227)	428	(4,631)	936
Net cash flows used in investing activities	(128,951)	(31,016)	(97,964)	(21,879)
<b>Cash flows from financing activities</b>				
Drawdown of bank borrowings	-	103,200	-	103,200
Repayment of bank borrowings	(1,673)	(1,975)	(15,132)	(9,461)
Dividend paid	-	-	(33,121)	(49,682)
Net cash flows (used in)/generated from financing activities	(1,673)	101,225	(48,253)	44,057
<b>Net decrease in cash and cash equivalents</b>	(111,747)	(118,481)	(113,791)	(173,433)
<b>Effect of exchange rate changes in cash and cash equivalents</b>	1,765	148	4,168	(2,251)
<b>Cash &amp; cash equivalents at beginning of financial period</b>	351,964	486,196	351,605	543,547
<b>Cash &amp; cash equivalents at end of financial period</b>	241,982	367,863	241,982	367,863

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

	Group		Group	
	3rd Qtr ended 31-Dec-2013 \$'000	3rd Qtr ended 31-Dec-2012 \$'000	9 months ended 31-Dec-2013 \$'000	9 months ended 31-Dec-2012 \$'000
Reconciliation between profit before taxation and operating cash flows before changes in working capital:				
Profit before taxation	32,632	18,247	71,056	61,544
Adjustments for:				
Interest expense	1,483	1,179	3,668	3,735
Depreciation of property, plant and equipment	894	637	2,451	2,324
Share of results of associates	(3,551)	(473)	(3,585)	(92)
Interest and investment income	(1,604)	(7,897)	(9,235)	(19,550)
Inventories written down	669	691	1,113	1,147
Allowance for/(write-back of) obsolete inventories	14	15	(163)	241
Allowance for doubtful debts	-	-	5	-
Property, plant and equipment written off	-	-	4	-
Gain on disposal of asset held for sale	-	-	(29,559)	-
Loss/(gain) on disposal of property, plant and equipment	-	25	(203)	22
Changes in fair value of short term investments	172	(3,480)	5,536	(21,016)
Loss/(gain) on disposal of short term investments	248	-	2,388	(1,012)
Foreign exchange adjustments	(3,013)	(686)	(3,394)	3,002
Negative goodwill on acquisition of an additional interest in jointly controlled entities	(19,097)	-	(19,097)	-
Operating profit before reinvestment in working capital	<u>8,847</u>	<u>8,258</u>	<u>20,985</u>	<u>30,345</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

<b>Group</b>	Share Capital \$'000	Treasury Shares \$'000	Revaluation Reserve \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Revenue Reserve \$'000	Reserve of Asset classified as Held for Sale \$'000	<b>Total</b> \$'000	Non- controlling Interests \$'000	<b>Total Equity</b> \$'000
<b>At 1 April 2013</b>	169,717	(1,768)	9,954	21,988	(27,176)	963,084	9,119	<b>1,144,918</b>	3,612	<b>1,148,530</b>
Dividends paid	-	-	-	-	-	(33,121)	-	<b>(33,121)</b>	-	<b>(33,121)</b>
Realised on disposal of asset held for sale	-	-	-	-	-	9,119	(9,119)	-	-	-
Total comprehensive (expense)/income for the period	-	-	-	(17,214)	14,235	33,776	-	<b>30,797</b>	(340)	<b>30,457</b>
<b>At 30 September 2013</b>	169,717	(1,768)	9,954	4,774	(12,941)	972,858	-	<b>1,142,594</b>	3,272	<b>1,145,866</b>
Total comprehensive (expense)/income for the period	-	-	-	(7,519)	11,546	29,263	-	<b>33,290</b>	(65)	<b>33,225</b>
<b>At 31 December 2013</b>	169,717	(1,768)	9,954	(2,745)	(1,395)	1,002,121	-	<b>1,175,884</b>	3,207	<b>1,179,091</b>
<b>At 1 April 2012</b>	169,717	(1,768)	19,073	6,039	(26,733)	947,953	-	<b>1,114,281</b>	3,338	<b>1,117,619</b>
Dividends paid	-	-	-	-	-	(49,682)	-	<b>(49,682)</b>	-	<b>(49,682)</b>
Total comprehensive (expense)/income for the period	-	-	-	(8,053)	(12,891)	34,600	-	<b>13,656</b>	(128)	<b>13,528</b>
<b>At 30 September 2012</b>	169,717	(1,768)	19,073	(2,014)	(39,624)	932,871	-	<b>1,078,255</b>	3,210	<b>1,081,465</b>
Total comprehensive income for the period	-	-	-	25,042	2,101	15,308	-	<b>42,451</b>	506	<b>42,957</b>
<b>At 31 December 2012</b>	169,717	(1,768)	19,073	23,028	(37,523)	948,179	-	<b>1,120,706</b>	3,716	<b>1,124,422</b>

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

<u>Company</u>	Share Capital	Treasury Shares	Revaluation Reserve	Revenue Reserve	Reserve of Asset classified as Held for Sale	<b>Total Equity</b>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 April 2013</b>	169,717	(1,768)	-	120,173	9,119	<b>297,241</b>
Dividends paid	-	-	-	(33,121)	-	<b>(33,121)</b>
Realised on disposal of asset held for sale	-	-	-	9,119	(9,119)	-
Total comprehensive income for the period	-	-	-	24,894	-	<b>24,894</b>
<b>At 30 September 2013</b>	169,717	(1,768)	-	121,065	-	<b>289,014</b>
Total comprehensive expense for the period	-	-	-	(1,209)	-	<b>(1,209)</b>
<b>At 31 December 2013</b>	169,717	(1,768)	-	119,856	-	<b>287,805</b>
<b>At 1 April 2012</b>	169,717	(1,768)	9,119	160,351	-	<b>337,419</b>
Dividends paid	-	-	-	(49,682)	-	<b>(49,682)</b>
Total comprehensive expense for the period	-	-	-	(4,335)	-	<b>(4,335)</b>
<b>At 30 September 2012</b>	169,717	(1,768)	9,119	106,334	-	<b>283,402</b>
Total comprehensive expense for the period	-	-	-	(1,101)	-	<b>(1,101)</b>
<b>At 31 December 2012</b>	169,717	(1,768)	9,119	105,233	-	<b>282,301</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 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 31 December 2013, there were 3,512,800 treasury shares (as at 31 December 2012: 3,512,800).

The Company did not issue any shares during the 3 months ended 31 December 2013.

There were no convertible instruments outstanding as at 31 December 2013 (31 December 2012: 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 2013 (end of current financial period)	As at 31 March 2013 (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 3rd Quarter period ended 31 December 2013.

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 2013.

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 2013, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 April 2013.

Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 April 2013 are:

- Amendments to FRS 1 Presentation of Items of Other Comprehensive Income;
- Revised FRS 19 Employee Benefits;
- FRS 113 Fair Value Measurement;
- Amendments to FRS 107 Disclosures – Offsetting Financial Assets and Financial Liabilities; and
- Improvements to FRSs 2012
  - Amendment to FRS 1 Presentation of Financial Statements
  - Amendment to FRS 16 Property, Plant and Equipment
  - Amendment to FRS 32 Financial Instruments: Presentation

The adoption of the new and revised Financial Reporting Standards (FRS) that are mandatory for financial years beginning on or after 1 April 2013 has no significant impact on 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	3.5 cents	1.8 cents
(b) On a fully diluted basis	3.5 cents	1.8 cents

Earnings per share is calculated on the Group's profit attributable to shareholders of the Company of \$29,263,000 (period ended 31 December 2012: \$15,308,000) divided by the weighted average number of ordinary shares of 828,035,874 for the period ended 31 December 2013 (period ended 31 December 2012: 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 2013.

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	\$1.42	\$0.35
(b) 31 March 2013	\$1.38	\$0.36

Net asset value for the Group is calculated on the equity attributable to owners of the Company as at 31 December 2013 of \$1,175,884,000 (31 March 2013: \$1,144,918,000) divided by the total number of issued shares excluding treasury shares as at 31 December 2013 of 828,035,874 (31 March 2013: 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 2013 against 3rd Quarter ended 31 December 2012

The Group's turnover of \$54.5 million for the third financial quarter to 31 December 2013 ("3QFY2014"), increased by 7.7% over 3QFY2013's \$50.6 million due to higher rental income at the property division. Gross profit for 3QFY2014 rose accordingly to \$13.9 million as compared to 3QFY2013's \$12.0 million in spite of refurbishment costs of the property division's Metro City Shanghai which were about \$0.8 million higher than the \$1.1 million incurred in 3QFY2013.

Other income was higher for 3QFY2014 at \$26.0 million, with the recognition of \$19.1 million of negative goodwill, being the excess of the Group's share of the net fair value over the cost of the investment, on acquisition of an additional interest in the jointly controlled entities owning EC Mall. The previous 3QFY2013 included interest income of \$5.8 million from loan notes that were disposed of by the property division in 4QFY2013.

Changes in fair value of short term investments relate to unrealised fair value losses of \$0.2 million in 3QFY2014 and an unrealised gain of \$3.5 million in 3QFY2013 of the Group's portfolio of short term equity investments in REITs held by the property division. In view of continued volatile market conditions, the Group further reduced its portfolio of short term equity investments in 3QFY2014.

General and administration expenses rose to \$9.2 million in 3QFY2014 from \$6.5 million in 3QFY2013 mainly due to costs incurred in relation to the acquisition and financing of the acquisition of associates.

Share of associates' results was a profit of \$3.6 million in 3QFY2014 against a profit of \$0.5 million in 3QFY2013, mainly due to a gain of \$5.1 million representing negative goodwill on acquisition of associates.

Profit before taxation rose to \$32.6 million in 3QFY2014 from \$18.2 million in 3QFY2013 mainly because of the aforementioned gain arising from the recognition of \$19.1 million of negative goodwill on acquisition of an additional interest in the jointly controlled entities owning EC Mall.

## Segmental Results for 3rd Quarter ended 31 December

### Business segment

	Property \$'000	Retail \$'000	Group \$'000
2013			
Segment revenue	<u>17,659</u>	<u>36,846</u>	<u>54,505</u>
Segment results	28,853	1,883	30,736
Interest on borrowings	(1,483)	-	(1,483)
Changes in fair value of short term investments	(172)	-	(172)
Share of associates' results (net of tax)	<u>3,022</u>	<u>529</u>	<u>3,551</u>
Profit from operations before taxation	<u>30,220</u>	<u>2,412</u>	<u>32,632</u>
Taxation			<u>(3,362)</u>
Profit net of taxation			<u>29,270</u>
Attributable to:			
Owners of the Company			29,263
Non-controlling interests			<u>7</u>
			<u>29,270</u>



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

### Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2012				
Sales to external customers	14,023	36,585	-	50,608
Inter-segment sales	48	-	(48)	-
Segment revenue	<u>14,071</u>	<u>36,585</u>	<u>(48)</u>	<u>50,608</u>
Segment results	13,772	1,701	-	15,473
Interest on borrowings	(1,179)	-	-	(1,179)
Changes in fair value of short term investments	3,480	-	-	3,480
Share of associates' results (net of tax)	121	352	-	473
Profit from operations before taxation	<u>16,194</u>	<u>2,053</u>	<u>-</u>	<u>18,247</u>
Taxation				<u>(2,942)</u>
Profit net of taxation				<u>15,305</u>
Attributable to:				
Owners of the Company				15,308
Non-controlling interests				<u>(3)</u>
				<u>15,305</u>

### Geographical Segments

	Asean \$'000	Hong Kong and China \$'000	Japan \$'000	Group \$'000
2013				
Segment revenue	<u>36,846</u>	<u>16,841</u>	<u>818</u>	<u>54,505</u>
2012				
Segment revenue	<u>36,585</u>	<u>13,244</u>	<u>779</u>	<u>50,608</u>

### Segmental Results - Property Division

Turnover of the property division for 3QFY2014 rose to \$17.7 million from 3QFY2013's \$14.0 million as Metro City Shanghai reported higher rental on completion of a significant part of its reconfiguration exercise and with the Group accounting for an additional 18.4% share of EC Mall's rental. In addition, the Renminbi strengthened by 5.1%. The average occupancy of the Group's five investment properties as at 31 December 2013 remained high at 93.4%.

The portfolio summary of the Group's Investment Properties as at 31 December 2013 was 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	118	96.9%
GIE Tower, Guangzhou	100%	50 year term from 1994	35	95.1%
Metro Tower, Shanghai	60%	50 year term from 1993	24	94.1%
Frontier Koishikawa Building, Tokyo	100%	Freehold	5	85.3%
EC Mall, Beijing	50%	50 year term from 2001	89	95.7%

### Segmental Results - Retail Division

Sales of the Singapore operations of the retail division for 3QFY2014 rose marginally to \$36.8 million as compared to 3QFY2013's \$36.6 million. Domestic consumption remained lacklustre in the midst of a competitive retail trade.

The retail division's associated company in Indonesia reported higher sales particularly for the newer stores. However, growth in profitability was affected by the depreciation of the Rupiah and higher operational expenses.

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

For 3QFY2014, Investment properties increased to \$643.9 million as at 31 December 2013 from \$548.6 million as at 30 September 2013, mainly due to the Group accounting for an additional \$87.8 million of the EC Mall investment property, on the acquisition of an additional 18.4% equity stake. This acquisition also had the effect of increasing other assets and liabilities, including bank borrowings by \$26.7 million and deferred taxation by \$12.0 million during 3QFY2014.

Associates and Amounts due from associates increased from \$57.3 million and \$72.5 million as at 30 September 2013 to \$68.3 million and \$119.2 million as at 31 December 2013 respectively, mainly due to the acquisition of a 30% interest in Shine Rise International Ltd, a company that effectively owns 284 residential units in Shanghai, the PRC, which required funding of \$51.2 million.

Investments (Non-current assets) increased to \$161.6 million as at 31 December 2013 from \$82.0 million as at 30 September 2013, mainly due to the purchase of an additional \$85.7 million of available-for-sale investment, Top Spring International Holdings Ltd.

Other receivable (Non-current assets) declined to \$47.0 million as at 31 December 2013 from \$76.9 million as at 30 September 2013 mainly due to a repayment of part of loans extended to a joint venture partner in connection with the Metro Group's 30% share of shareholder loan funding for the Nanchang Fashion Mark joint venture project.

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 other than the impact of the one-off recognition of \$19.1 million of negative goodwill on the acquisition of an additional interest in the jointly controlled entities owning EC Mall on 15 October 2013 in 3QFY2014. Information regarding the fair values of certain assets relating to the acquisition for the purpose of calculating the negative goodwill only became available in late January 2014.

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

A significant portion of the asset enhancement refurbishment exercise being undertaken by Metro City Shanghai was completed in December 2013. Capital values of retail space in Beijing, where EC Mall is located, have been on an uptrend.

Sales of the residential Prince Charles Crescent project in Singapore is expected to be launched in the next few months. Market sentiment of the residential property sector in Singapore has been more subdued following the implementation of various property cooling measures to manage the housing supply and real estate prices. The residential properties of the Nanchang project are being sold in phases, with the first phase of 20,519 square metres gross floor area presold in 3QFY2014 for HK\$575.1 million (approximately S\$93.7 million). Based on accounting policies adopted by the Metro Group in compliance with Financial Reporting Standards, the Group expects to account for sales of the Prince Charles Crescent project on percentage of completion method and for the Nanchang project on a completed contract method. Completion of the first phase for handover of the Nanchang project is currently scheduled for late 2014/early 2015.

The balance of the Group's portfolio of quoted equity investments 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, due to volatility in foreign currency exchange rates, as a significant portion of its net assets which mainly represent investment properties situated in the People's Republic of China, are denominated in the Chinese Renminbi.

The retail division continues to encounter trading pressure from competition in the retail scene and rising operational costs in both Singapore and Indonesia.

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 31 December 2013.

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 third 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 10 February 2014