

Financial Statements and Related Announcement::Third Quarter Results

Issuer & Securities

Issuer/ Manager	METRO HOLDINGS LTD
Securities	METRO HOLDINGS LIMITED - SG1I11878499 - M01
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Announcement Details

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Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)	Please refer to the following attachments: 1. Unaudited Results For The Third Quarter Ended 31 December 2015 ; and 2. Press Release

Additional Details

For Financial Period Ended	31/12/2015
Attachments	📎MHLQ3 ended 31Dec2015.pdf 📎MHL3QFY2016NR.pdf Total size =366K

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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 2015

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		% Change	Group		% Change
	3rd Qtr ended 31-Dec-2015 \$'000	3rd Qtr ended 31-Dec-2014 \$'000		9 months ended 31-Dec-2015 \$'000	9 months ended 31-Dec-2014 \$'000	
Revenue	41,006	41,548	(1.30)	122,027	104,108	17.21
Cost of revenue	(38,021)	(41,393)	(8.15)	(114,095)	(99,364)	14.83
Gross profit	2,985	155	n.m.	7,932	4,744	67.20
Other income including interest income	3,990	3,423	16.56	24,872	12,884	93.05
Changes in fair value of short term investments	705	1,143	(38.32)	(6,844)	3,159	n.m.
Impairment of available-for- sale investments	-	-	n.m.	-	(10,286)	n.m.
General and administrative expenses	(11,908)	(8,957)	32.95	(30,074)	(24,504)	22.73
Interest on borrowings	(3)	(271)	(98.89)	(557)	(888)	(37.27)
Share of associates' results, net of tax	57,648	66,900	(13.83)	67,703	130,329	(48.05)
Share of joint ventures' results, net of tax	5,961	3,192	86.75	58,061	23,000	152.44
Profit from operations before taxation	59,378	65,585	(9.46)	121,093	138,438	(12.53)
Taxation	(3,429)	(1,650)	107.82	(8,948)	(3,697)	142.03
Profit net of taxation	55,949	63,935	(12.49)	112,145	134,741	(16.77)
Attributable to:						
Owners of the Company	55,862	63,895	(12.57)	111,975	135,276	(17.22)
Non-controlling interests	87	40	117.50	170	(535)	n.m.
	55,949	63,935	(12.49)	112,145	134,741	(16.77)

n.m. - not meaningful

Statement of Comprehensive Income

	Group			Group		
	3rd Qtr ended 31-Dec-2015 \$'000	3rd Qtr ended 31-Dec-2014 \$'000	% Change	9 months ended 31-Dec-2015 \$'000	9 months ended 31-Dec-2014 \$'000	% Change
Profit net of taxation	55,949	63,935	(12.49)	112,145	134,741	(16.77)
Other comprehensive income/ (expense):						
<i>Items that will not be reclassified to profit or loss:</i>						
Reversal of fair value changes on available-for-sale financial assets which became an associate	-	-	n.m.	-	30,926	n.m.
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	(15,044)	26,480	n.m.	(621)	46,075	n.m.
Impairment of available-for- sale financial assets taken to income statement	-	-	n.m.	-	10,286	n.m.
Changes in fair value of available-for-sale financial assets	3,518	3,256	8.05	8,122	(13,225)	n.m.
Translation and other reserve of joint ventures / associates transferred to profit or loss upon disposal (see note under 1(a)(v) on page 6 and 1(a)(iv) on page 5)	-	(9,183)	n.m.	(12,329)	(9,183)	34.26
Share of other comprehensive (expense)/ income of associates and joint ventures	(9,670)	877	n.m.	(14,559)	1,704	n.m.
Other comprehensive (expense)/ income, net of tax:	(21,196)	21,430	n.m.	(19,387)	66,583	n.m.
Total comprehensive income for the period	<u>34,753</u>	<u>85,365</u>	(59.29)	<u>92,758</u>	<u>201,324</u>	(53.93)
Total comprehensive income attributable to:						
Owners of the Company	34,480	85,024	(59.45)	92,005	201,256	(54.28)
Non-controlling interests	273	341	(19.94)	753	68	n.m.
	<u>34,753</u>	<u>85,365</u>	(59.29)	<u>92,758</u>	<u>201,324</u>	(53.93)

n.m. - not meaningful

Note:

Currency translation adjustments on foreign subsidiaries, associates and joint ventures are mainly a result of the Group's exposure to the effects of fluctuations in foreign currency exchange rates in relation to Chinese Renminbi as the Group's investment properties and projects 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. Share of other comprehensive income/(expense) of associates and joint ventures mainly relate to similar currency translation adjustments.

Changes in fair value of available-for-sale financial assets mainly relate to fluctuations in the fair value of the Group's investments in Shui On Land Ltd, which are classified under Investments (Non-current assets), as well as Top Spring International Holdings Limited ("Top Spring") up to 1 July 2014.

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-2015 \$'000	3rd Qtr ended 31-Dec-2014 \$'000	% Change	9 months ended 31-Dec-2015 \$'000	9 months ended 31-Dec-2014 \$'000	% Change
Retail	65,144	66,321	(1.77)	189,938	161,493	17.61
Property	1,926	2,651	(27.35)	6,739	7,556	(10.81)
	<u>67,070</u>	<u>68,972</u>	(2.76)	<u>196,677</u>	<u>169,049</u>	16.34

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

	Group			Group		
	3rd Qtr ended 31-Dec-2015 \$'000	3rd Qtr ended 31-Dec-2014 \$'000	% Change	9 months ended 31-Dec-2015 \$'000	9 months ended 31-Dec-2014 \$'000	% Change
Cost of revenue and general and administrative expenses includes:-						
Inventories recognised as an expense	(21,689)	(19,555)	10.91	(62,670)	(48,067)	30.38
Depreciation	(629)	(1,091)	(42.35)	(2,277)	(2,505)	(9.10)
(Allowance for)/write-back of obsolete inventories	(12)	(17)	(29.41)	93	(101)	n.m.
Inventories written down	(365)	(627)	(41.79)	(1,063)	(970)	9.59
Rental expense	(7,355)	(9,018)	(18.44)	(22,846)	(21,914)	4.25
Foreign exchange gain	-	3,673	n.m.	-	3,099	n.m.
Foreign exchange loss realised on repayment of shareholders' loans	-	(1,254)	n.m.	-	(4,488)	n.m.
Other income including interest income includes:-						
Interest income	4,597	1,118	311.18	8,724	2,317	276.52
Dividends from quoted and unquoted investments	1,205	586	105.63	4,550	6,514	(30.15)
Gain on disposal of short term investments	370	133	178.20	563	476	18.28
Gain on disposal of available-for-sale investments	635	-	n.m.	932	-	n.m.
Gain on disposal of an investment property *	133	-	n.m.	4,430	-	n.m.
Management fee income from associates	286	299	(4.35)	718	772	(6.99)
Foreign exchange (loss)/gain	(3,935)	-	n.m.	2,777	-	n.m.

n.m. - not meaningful

* The gain on disposal of an investment property relates to the gain arising on the sale of Frontier Koishikawa Building being net proceeds over and above the valuation as at 31 March 2015.

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

	Group		%	Group		%
	3rd Qtr ended 31-Dec-2015 \$'000	3rd Qtr ended 31-Dec-2014 \$'000		9 months ended 31-Dec-2015 \$'000	9 months ended 31-Dec-2014 \$'000	
The Group's share of associates' results consists of:						
- Operating results	95,777	53,490	79.06	86,940	52,726	64.89
- Fair value adjustments on investment properties	5,241	5,941	(11.78)	25,897	5,941	335.90
- Negative goodwill	-	-	n.m.	917	64,260 *	(98.57)
- Non-operating results	-	26,956 **	n.m.	-	26,956 **	n.m.
- Taxation	(44,134)	(19,746)	123.51	(46,403)	(19,813)	134.20
- Non-controlling interests	764	259	194.98	352	259	35.91
	<u>57,648</u>	<u>66,900</u>	(13.83)	<u>67,703</u>	<u>130,329</u>	(48.05)

n.m. - not meaningful

Note:

The Group, in 3QFY2016, equity accounted for Top Spring's latest available results, which were for the quarter ended 30 September 2015, after making adjustment for such gain or loss on properties under development for sale, already initially recognised in arriving at acquisition date fair value.

* On 1 July 2014, the Group treated its investment in Top Spring as that of an associate and equity accounted for Top Spring from that acquisition date. The Group performed a purchase price allocation exercise to ascertain the acquisition date fair value of the identifiable assets and liabilities of Top Spring. Based on the professional valuers' report, a transitional negative goodwill of \$59.4 million representing the excess of the Group's share of the acquisition date fair value of Top Spring's net identifiable assets over the purchase consideration of Top Spring that was carried in the Group's balance sheet as at 1 July 2014, was recognised by the Group in 2QFY2015.

In this instance, the excess arose mainly because Top Spring treats its properties under development for sale, classified under inventories, at cost and accounts for sales on the completed contract method whereas acquisition date fair value takes into account the price that would be received to sell the properties under development in an orderly transaction between market participants at measurement date being 1 July 2014.

** In the previous results 3QFY2015, the non-operating results of associates of \$27.0 million refer to a divestment gain from the disposal of the Group's 10.7% interest in the associated companies owning six Tesco Lifespace developments in the People's Republic of China. The tax expense incurred in respect of this divestment gain was \$1.6 million.

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

	Group			Group		
	3rd Qtr ended 31-Dec-2015 \$'000	31-Dec-2014 \$'000	% Change	9 months ended 31-Dec-2015 \$'000	31-Dec-2014 \$'000	% Change
The Group's share of joint ventures' results consists of:						
- Operating results	8,738	10,692	(18.28)	26,402	29,998	(11.99)
- Fair value adjustments on investment properties	(996)	(4,850)	(79.46)	(5,136)	459	n.m.
- Non-operating results	-	-	n.m.	53,747 *	-	n.m.
- Taxation	(1,781)	(2,650)	(32.79)	(16,952) *	(7,457)	127.33
	<u>5,961</u>	<u>3,192</u>	86.75	<u>58,061</u>	<u>23,000</u>	152.44
<u>Note:</u>						
Revenue	23,364	20,319	14.99	64,165	57,127	12.32
Direct expenses	(14,262)	(7,765)	83.67	(36,738)	(22,485)	63.39
Gross profit	9,102	12,554	(27.50)	27,427	34,642	(20.83)
Other income including interest income	555	701	(20.83)	55,284	2,085	n.m.
(Deficit)/gain from fair value adjustments on investment properties	(996)	(4,850)	(79.46)	(5,136)	459	n.m.
General and administrative expenses	(917)	(1,482)	(38.12)	(2,556)	(3,507)	(27.12)
Profit from operating activities	7,744	6,923	11.86	75,019	33,679	122.75
Interest on borrowings	(2)	(1,081)	(99.81)	(6)	(3,222)	(99.81)
Profit from operations before taxation	7,742	5,842	32.52	75,013	30,457	146.29
Taxation	(1,781)	(2,650)	(32.79)	(16,952)	(7,457)	127.33
Profit net of taxation	<u>5,961</u>	<u>3,192</u>	86.75	<u>58,061</u>	<u>23,000</u>	152.44

n.m. - not meaningful

Note:

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

* The non-operating results of joint ventures of \$53.7 million for the period ended 31 December 2015 refer to a divestment gain from the disposal of the Group's effective interest of 50% in the joint ventures owning EC Mall, Beijing, People's Republic of China in 1QFY2016. This included exchange differences on translation and other reserves of the joint ventures, totaling \$12.3 million, transferred to profit or loss upon disposal. The taxation charge includes a tax expense incurred in respect of this divestment gain of \$12.0 million.

Other expenses relating to this divestment, offset by realised exchange gains on repayment of shareholders' loans, totaling about \$3.6 million are classified under general and administrative expenses of the Group of \$30.1 million for the period ended 31 December 2015.

1(a) (vi) Taxation

	Group			Group		
	3rd Qtr ended 31-Dec-2015 \$'000	3rd Qtr ended 31-Dec-2014 \$'000	% Change	9 months ended 31-Dec-2015 \$'000	9 months ended 31-Dec-2014 \$'000	% Change
Current Year Tax	383	556	(31.12)	6,137	1,686	264.00
Over-provision in respect of prior year	-	-	n.m.	(1)	-	n.m.
Deferred Tax	3,046	1,051	189.82	2,806	1,968	42.58
Withholding Tax	-	43	n.m.	6	43	(86.05)
	<u>3,429</u>	<u>1,650</u>	107.82	<u>8,948</u>	<u>3,697</u>	142.03

n.m. - not meaningful

There is a tax charge of the Group for the third quarter period ended 31 December 2015 in spite of a loss, excluding share of results of associates and joint ventures which is already stated net of tax, mainly due to deferred tax expense being withholding tax provided on undistributed profits of an associate.

There is a tax charge of the Group for the period ended 31 December 2015 in spite of a loss, excluding share of results of associates and joint ventures which is already stated net of tax, mainly due to tax charges on dividend income from associates and joint ventures which are eliminated on consolidation and deferred tax expense being withholding tax provided on undistributed profits of an associate, partially offset by income which are not taxable for tax purposes.

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

Balance Sheets as at	Group		Company	
	31-Dec-2015 \$'000	31-Mar-2015 \$'000	31-Dec-2015 \$'000	31-Mar-2015 \$'000
Non-current assets				
Plant and equipment	4,059	6,083	48	105
Investment properties	112,204	168,948	-	-
Subsidiaries	-	-	17,790	17,790
Amounts due from subsidiaries	-	-	415,045	570,705
Associates	411,692	347,089	500	500
Amounts due from associates	63,406	64,325	-	-
Joint ventures	213,295	286,886	-	-
Amounts due from joint ventures	138,606	163,640	-	-
Investments	54,985	48,403	-	-
Deferred expenditure	337	-	-	-
	<u>998,584</u>	<u>1,085,374</u>	<u>433,383</u>	<u>589,100</u>
Current assets				
Inventories	21,041	26,978	-	-
Prepayments	768	1,225	12	8
Amounts due from an associate	-	12,290	-	-
Amounts due from a joint venture	-	76,539	-	-
Accounts and other receivables	8,935	10,221	192	178
Tax recoverable	26	197	-	-
Short term investments	37,175	49,863	-	-
Pledged fixed and bank deposits	-	28,849	-	-
Cash and cash equivalents	518,257	349,987	16,541	17,434
	<u>586,202</u>	<u>556,149</u>	<u>16,745</u>	<u>17,620</u>
Current liabilities				
Bank borrowings	-	23,860	-	-
Accounts and other payables	58,761	60,739	15,371	10,694
Amounts due to an associate	72,024	111,110	-	-
Provision for taxation	4,781	3,692	56	242
	<u>135,566</u>	<u>199,401</u>	<u>15,427</u>	<u>10,936</u>
Net current assets	450,636	356,748	1,318	6,684
Non-current liabilities				
Bank borrowings	-	35,578	-	-
Amounts due to subsidiaries	-	-	143,526	323,790
Deferred income	12,378	15,407	-	-
Deferred taxation	16,449	13,820	321	325
	<u>(28,827)</u>	<u>(64,805)</u>	<u>(143,847)</u>	<u>(324,115)</u>
Net assets	<u>1,420,393</u>	<u>1,377,317</u>	<u>290,854</u>	<u>271,669</u>
Equity attributable to owners of the Company				
Share capital	169,717	169,717	169,717	169,717
Treasury shares	(1,768)	(1,768)	(1,768)	(1,768)
Reserves	1,248,341	1,206,018	122,905	103,720
	<u>1,416,290</u>	<u>1,373,967</u>	<u>290,854</u>	<u>271,669</u>
Non-controlling interests	4,103	3,350	-	-
Total equity	<u>1,420,393</u>	<u>1,377,317</u>	<u>290,854</u>	<u>271,669</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-2015		As at 31-Mar-2015	
Secured	Unsecured	Secured	Unsecured
-	-	23,860,408	-

Amount repayable after one year

As at 31-Dec-2015		As at 31-Mar-2015	
Secured	Unsecured	Secured	Unsecured
-	-	35,578,400	-

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

Consolidated Statement of Cash Flows for the period ended

	Group		Group	
	3rd Qtr ended 31-Dec-2015 \$'000	3rd Qtr ended 31-Dec-2014 \$'000	9 months ended 31-Dec-2015 \$'000	9 months ended 31-Dec-2014 \$'000
Cash flows from operating activities				
Operating loss before reinvestment in working capital	(10,419)	(11,846)	(9,201)	(11,889)
Decrease/(increase) in inventories	2,240	(6,102)	4,967	(9,369)
Decrease/(increase) in accounts and other receivables	3,089	(446)	1,578	(1,554)
Increase/(decrease) in accounts and other payables	4,425	31,835	(5,008)	29,994
Cash flows (used in)/from operations	(665)	13,441	(7,664)	7,182
Interest expense paid	(3)	(431)	(557)	(1,048)
Interest income received	4,597	1,118	8,724	2,317
Income taxes paid	(525)	(3,365)	(5,345)	(6,311)
Net cash flows from/(used in) operating activities	3,404	10,763	(4,842)	2,140
Cash flows from investing activities				
Purchase of property, plant & equipment	(118)	(11,412)	(371)	(14,714)
(Increase)/decrease in investments	(813)	(523)	488	(1,100)
Purchase of short term investments	-	-	(2,321)	(23,679)
Proceeds from disposal of an investment property	131	-	60,233	-
Proceeds from disposal of property, plant and equipment	-	-	217	-
Proceeds from disposal of short term investments	370	962	8,727	4,501
Proceeds from disposal of available-for-sale investments	2,609	-	3,417	-
Investment in associates	-	-	(30,908)	(12,004)
(Decrease)/increase in amounts due to an associate	(26,185)	63,900	(37,276)	63,900
(Increase)/decrease in amounts due from associates	(138)	49,180	11,955	41,603
Decrease in amounts due from joint ventures	9	3,508	76,789	1,896
Dividends received from associates	-	15,456	24,151	15,456
Dividends received from joint ventures	1,414	20,830	136,919	20,830
Dividends received from quoted and unquoted investments	1,205	586	4,550	6,514
Changes in pledged fixed and bank deposits	28,951	(60)	28,849	4,925
Net cash flows generated from investing activities	7,435	142,427	285,419	108,128
Cash flows from financing activities				
Repayment of bank borrowings	(29,244)	(230)	(60,357)	(719)
Dividends paid	-	-	(49,682)	(49,682)
Net cash flows used in financing activities	(29,244)	(230)	(110,039)	(50,401)
Net (decrease)/increase in cash and cash equivalents	(18,405)	152,960	170,538	59,867
Effect of exchange rate changes in cash and cash equivalents	(4,582)	3,254	(2,268)	4,603
Cash & cash equivalents at beginning of financial period	541,244	146,307	349,987	238,051
Cash & cash equivalents at end of financial period	518,257	302,521	518,257	302,521

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

	Group		Group	
	3rd Qtr ended 31-Dec-2015 \$'000	3rd Qtr ended 31-Dec-2014 \$'000	9 months ended 31-Dec-2015 \$'000	9 months ended 31-Dec-2014 \$'000
Reconciliation between profit before taxation and operating cash flows before changes in working capital:				
Profit before taxation	59,378	65,585	121,093	138,438
Adjustments for:				
Interest expense	3	271	557	888
Depreciation of property, plant and equipment	629	1,091	2,277	2,505
Share of results of associates	(57,648)	(66,900)	(67,703)	(130,329)
Share of results of joint ventures	(5,961)	(3,192)	(58,061)	(23,000)
Interest and investment income	(5,802)	(1,704)	(13,274)	(8,831)
Inventories written down	365	627	1,063	970
Allowance for/(write-back of) obsolete inventories	12	17	(93)	101
Allowance for doubtful debts	-	-	-	1
Property, plant and equipment written off	24	-	118	11
Impairment of available-for-sale investments	-	-	-	10,286
Gain on disposal of an investment property	(133)	-	(4,430)	-
Gain on disposal of property, plant and equipment	-	-	(217)	-
Changes in fair value of short term investments	(705)	(1,143)	6,844	(3,159)
Gain on disposal of short term investments	(370)	(133)	(563)	(476)
Gain on disposal of available-for-sale investments	(635)	-	(932)	-
Foreign exchange adjustments	424	(6,365)	4,120	706
Operating loss before reinvestment in working capital	<u>(10,419)</u>	<u>(11,846)</u>	<u>(9,201)</u>	<u>(11,889)</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

<u>Group</u>	Share Capital \$'000	Treasury Shares \$'000	Revaluation Reserve \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Statutory reserve \$'000	Other Reserve \$'000	Revenue Reserve \$'000	Total \$'000	Non-controlling Interests \$'000	Total Equity \$'000
At 1 April 2015	169,717	(1,768)	9,954	6,319	50,314	3,395	315	1,135,721	1,373,967	3,350	1,377,317
Profit for the period	-	-	-	-	-	-	-	56,113	56,113	83	56,196
<u>Other comprehensive income/(expense)</u>											
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	-	14,302	-	-	-	14,302	121	14,423
Changes in fair value of available-for-sale financial assets	-	-	-	4,328	-	-	-	-	4,328	276	4,604
Translation and other reserve of joint ventures transferred to profit or loss upon disposal	-	-	(9,954)	-	(2,375)	-	-	-	(12,329)	-	(12,329)
Share of other comprehensive expense of associates and joint ventures	-	-	-	-	(4,572)	-	(317)	-	(4,889)	-	(4,889)
Other comprehensive (expense)/income for the financial period, net of tax	-	-	(9,954)	4,328	7,355	-	(317)	-	1,412	397	1,809
Total comprehensive (expense)/income for the financial period	-	-	(9,954)	4,328	7,355	-	(317)	56,113	57,525	480	58,005
<u>Contributions by and distributions to owners</u>											
Dividends paid	-	-	-	-	-	-	-	(49,682)	(49,682)	-	(49,682)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	(49,682)	(49,682)	-	(49,682)
<u>Others</u>											
Transfer to statutory reserve fund	-	-	-	-	-	239	-	(239)	-	-	-
At 30 September 2015	169,717	(1,768)	-	10,647	57,669	3,634	(2)	1,141,913	1,381,810	3,830	1,385,640

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

<u>Group</u>	Share Capital \$'000	Treasury Shares \$'000	Revaluation Reserve \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Statutory reserve \$'000	Other Reserve \$'000	Revenue Reserve \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
At 30 September 2015	169,717	(1,768)	-	10,647	57,669	3,634	(2)	1,141,913	1,381,810	3,830	1,385,640
Profit for the period	-	-	-	-	-	-	-	55,862	55,862	87	55,949
<u>Other comprehensive income/(expense)</u>											
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	-	(15,019)	-	-	-	(15,019)	(25)	(15,044)
Changes in fair value of available-for-sale financial assets	-	-	-	3,307	-	-	-	-	3,307	211	3,518
Share of other comprehensive expense of associates and joint ventures	-	-	-	-	(9,670)	-	-	-	(9,670)	-	(9,670)
Other comprehensive income/(expense) for the financial period, net of tax	-	-	-	3,307	(24,689)	-	-	-	(21,382)	186	(21,196)
Total comprehensive income/(expense) for the financial period	-	-	-	3,307	(24,689)	-	-	55,862	34,480	273	34,753
<u>Others</u>											
Transfer to statutory reserve fund	-	-	-	-	-	6,754	-	(6,754)	-	-	-
At 31 December 2015	169,717	(1,768)	-	13,954	32,980	10,388	(2)	1,191,021	1,416,290	4,103	1,420,393

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

<u>Group</u>	Share Capital \$'000	Treasury Shares \$'000	Revaluation Reserve \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Statutory reserve \$'000	Other Reserve \$'000	Revenue Reserve \$'000	Total \$'000	Non-controlling Interests \$'000	Total Equity \$'000
At 1 April 2014	169,717	(1,768)	9,954	(22,052)	(22,048)	3,020	2,894	1,042,911	1,182,628	3,083	1,185,711
Profit/(loss) for the period	-	-	-	-	-	-	-	71,381	71,381	(575)	70,806
<u>Other comprehensive income/(expense)</u>											
Reversal of fair value changes on available-for-sale financial assets which became an associate	-	-	-	30,926	-	-	-	-	30,926	-	30,926
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	-	19,533	-	-	-	19,533	62	19,595
Impairment of available-for-sale financial assets taken to income statement	-	-	-	9,669	-	-	-	-	9,669	617	10,286
Changes in fair value of available-for-sale financial assets	-	-	-	(16,104)	-	-	-	-	(16,104)	(377)	(16,481)
Share of other comprehensive income of associates and joint ventures	-	-	-	-	827	-	-	-	827	-	827
Other comprehensive income for the financial period, net of tax	-	-	-	24,491	20,360	-	-	-	44,851	302	45,153
Total comprehensive income/(expense) for the financial period	-	-	-	24,491	20,360	-	-	71,381	116,232	(273)	115,959
<u>Contributions by and distributions to owners</u>											
Dividends paid	-	-	-	-	-	-	-	(49,682)	(49,682)	-	(49,682)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	(49,682)	(49,682)	-	(49,682)
<u>Others</u>											
Transfer to statutory reserve fund	-	-	-	-	-	133	-	(133)	-	-	-
At 30 September 2014	169,717	(1,768)	9,954	2,439	(1,688)	3,153	2,894	1,064,477	1,249,178	2,810	1,251,988

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

<u>Group</u>	Share Capital \$'000	Treasury Shares \$'000	Revaluation Reserve \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Statutory reserve \$'000	Other Reserve \$'000	Revenue Reserve \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
At 30 September 2014	169,717	(1,768)	9,954	2,439	(1,688)	3,153	2,894	1,064,477	1,249,178	2,810	1,251,988
Profit for the period	-	-	-	-	-	-	-	63,895	63,895	40	63,935
<u>Other comprehensive income/(expense)</u>											
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	-	26,393	-	-	-	26,393	87	26,480
Changes in fair value of available-for-sale financial assets	-	-	-	3,042	-	-	-	-	3,042	214	3,256
Translation and other reserve of associates transferred to profit or loss upon disposal	-	-	-	-	(6,289)	-	(2,894)	-	(9,183)	-	(9,183)
Share of other comprehensive income of associates and joint ventures	-	-	-	-	877	-	-	-	877	-	877
Other comprehensive income/(expense) for the financial period, net of tax	-	-	-	3,042	20,981	-	(2,894)	-	21,129	301	21,430
Total comprehensive income/(expense) for the financial period	-	-	-	3,042	20,981	-	(2,894)	63,895	85,024	341	85,365
<u>Others</u>											
Transfer to statutory reserve fund	-	-	-	-	-	162	-	(162)	-	-	-
At 31 December 2014	169,717	(1,768)	9,954	5,481	19,293	3,315	-	1,128,210	1,334,202	3,151	1,337,353

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

<u>Company</u>	Share Capital \$'000	Treasury Shares \$'000	Revenue Reserve \$'000	Total Equity \$'000
At 1 April 2015	169,717	(1,768)	103,720	271,669
Profit for the period, representing total comprehensive income for the financial period	-	-	149,118	149,118
<u>Contributions by and distributions to owners</u>				
Dividends paid	-	-	(49,682)	(49,682)
At 30 September 2015	169,717	(1,768)	203,156	371,105
Profit for the period, representing total comprehensive expense for the financial period	-	-	(80,251)	(80,251)
At 31 December 2015	169,717	(1,768)	122,905	290,854
At 1 April 2014	169,717	(1,768)	124,517	292,466
Profit for the period, representing total comprehensive income for the financial period	-	-	7,608	7,608
<u>Contributions by and distributions to owners</u>				
Dividends paid	-	-	(49,682)	(49,682)
At 30 September 2014	169,717	(1,768)	82,443	250,392
Profit for the period, representing total comprehensive income for the financial period	-	-	7,239	7,239
At 31 December 2014	169,717	(1,768)	89,682	257,631

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 2015, there were 3,512,800 treasury shares (as at 31 December 2014: 3,512,800).

The Company did not issue any shares during the 3 months ended 31 December 2015.

There were no convertible instruments outstanding as at 31 December 2015 (31 December 2014: 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 2015 (end of current financial period)	As at 31 March 2015 (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 2015.

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 2015.

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 2015, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 April 2015.

Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 April 2015 are:

Amendments to FRS 19 Defined Benefit Plans: Employee Contributions
 Improvements to FRSs (January 2014)
 Improvements to FRSs (February 2014)

The Group does not expect any significant financial impact on the financial statements from the adoption of these amendments to FRSs.

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	6.7 cents	7.7 cents
(b) On a fully diluted basis	6.7 cents	7.7 cents

Earnings per share is calculated on the Group's profit attributable to shareholders of the Company of \$55,862,000 (period ended 31 December 2014: \$63,895,000) divided by the weighted average number of ordinary shares of 828,035,874 for the period ended 31 December 2015 (period ended 31 December 2014: 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 2015.

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	\$1.71	\$0.35
(b) 31 March 2015	\$1.66	\$0.33

Net asset value for the Group is calculated on the equity attributable to owners of the Company as at 31 December 2015 of \$1,416,290,000 (31 March 2015: \$1,373,967,000) divided by the total number of issued shares excluding treasury shares as at 31 December 2015 of 828,035,874 (31 March 2015: 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 2015 against 3rd Quarter ended 31 December 2014

The Group's turnover of \$41.0 million for the third financial quarter to 31 December 2015 ("3QFY2016") decreased marginally by 1.3% over 3QFY2015's \$41.5 million as the retail division maintained overall sales levels. Gross profit for 3QFY2016 increased to \$3.0 million as compared to 3QFY2015's \$0.2 million as the retail division reduced operating expenses.

General and administrative expenses increased to \$11.9 million for 3QFY2016 from \$9.0 million for 3QFY2015 mainly because the prior 3QFY2015 included net foreign exchange gains.

Share of results of associates decreased to \$57.6 million in 3QFY2016 from \$66.9 million in 3QFY2015 mainly because the previous results in 3QFY2015 included a gain from the disposal of the Group's 10.7% interest in the associated companies owning six Tesco Lifespace developments in the People's Republic of China, of \$25.4 million. In addition, share of Top Spring's results declined by \$16.7 million. However, these were partially offset by an increased contribution from the recognition on handover, of sales of properties of the Nanchang project of \$35.9 million.

Share of results of joint ventures increased to \$6.0 million in 3QFY2016 from \$3.2 million in 3QFY2015 mainly because the previous 3QFY2015 included a higher deficit from fair value adjustments on the Metro City, Shanghai, investment property.

Profit before taxation decreased to \$59.4 million in 3QFY2016 from \$65.6 million in 3QFY2015 mainly because of the aforementioned lower net share of associates results.

Segmental Results for 3rd Quarter ended 31 December

Business segment

2015

	Property \$'000	Retail \$'000	Group \$'000
Segment revenue	<u>1,927</u>	<u>39,079</u>	<u>41,006</u>
Segment results	(4,586)	(347)	(4,933)
Changes in fair value of short term investments	705	-	705
Interest on borrowings	(3)	-	(3)
Share of associates' results, net of tax	56,712	936	57,648
Share of joint ventures' results, net of tax (Note)	<u>5,961</u>	<u>-</u>	<u>5,961</u>
Profit from operations before taxation	<u>58,789</u>	<u>589</u>	<u>59,378</u>
Taxation			<u>(3,429)</u>
Profit net of taxation			<u>55,949</u>
Attributable to:			
Owners of the Company			55,862
Non-controlling interests			<u>87</u>
			<u>55,949</u>

Note:

Share of joint ventures' results, net of tax

	\$'000
Segment revenue	<u>23,364</u>
Segment results	8,740
Deficit from fair value adjustments on investment properties	(996)
Interest on borrowings	<u>(2)</u>
Profit from operations before taxation	<u>7,742</u>
Taxation	<u>(1,781)</u>
Profit net of taxation	<u>5,961</u>

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

Business segment

2014

	Property \$'000	Retail \$'000	Group \$'000
Segment revenue	<u>2,651</u>	<u>38,897</u>	<u>41,548</u>
Segment results	(1,875)	(3,504)	(5,379)
Changes in fair value of short term investments	1,143	-	1,143
Interest on borrowings	(271)	-	(271)
Share of associates' results, net of tax	66,792	108	66,900
Share of joint ventures' results, net of tax (Note)	<u>3,192</u>	-	<u>3,192</u>
Profit/(loss) from operations before taxation	<u>68,981</u>	<u>(3,396)</u>	<u>65,585</u>
Taxation			<u>(1,650)</u>
Profit net of taxation			<u><u>63,935</u></u>
Attributable to:			
Owners of the Company			63,895
Non-controlling interests			<u>40</u>
			<u><u>63,935</u></u>

Note:

Share of joint ventures' results, net of tax

	\$'000
Segment revenue	<u>20,319</u>
Segment results	11,773
Interest on borrowings	(1,081)
Deficit from fair value adjustments on investment properties	<u>(4,850)</u>
Profit from operations before taxation	5,842
Taxation	<u>(2,650)</u>
Profit net of taxation	<u><u>3,192</u></u>

Geographical Segments

	Singapore \$'000	China \$'000	Japan \$'000	Group \$'000
Segment revenue				
2015	<u>39,079</u>	<u>1,922</u>	<u>5</u>	<u>41,006</u>
2014	<u><u>38,897</u></u>	<u><u>1,902</u></u>	<u><u>749</u></u>	<u><u>41,548</u></u>

Segmental Results - Property Division

Turnover of the property division, comprising the 100% directly held properties, for 3QFY2016 decreased to \$1.9 million from 3QFY2015's \$2.7 million with the disposal of Frontier Koishikawa in August 2015, offset by an increase in revenue due to a strengthening of the Renminbi of 3.8%. Segment results of the property division, excluding associates and joint ventures, reported a loss of \$4.6 million in 3QFY2016 against a loss of \$1.9 million in 3QFY2015 mainly due to exchange differences on bank balances.

Overall results, being profit before tax, of the whole property division for 3QFY2016 decreased to \$58.8 million from 3QFY2015's \$69.0 million mainly due to the absence of the gain on disposal of the Group's interest in the six Tesco Lifespace developments, and a decreased share of Top Spring's results, partially offset by recognition, on handover, of presales of properties of the Nanchang project. The Nanchang project, whose residential plots have been approximately 96% presold, handed over and recognised about 77.6% of these presales in 3QFY2016 against about 16.9% in 3QFY2015.

The average occupancy of the Group's three investment properties held by a subsidiary and joint ventures as at 31 December 2015 was 92.9%. Metro City, Shanghai's occupancy improved from 81.7% as at 30 September 2015 as its Star Theatre was completed in 3QFY2016.

The portfolio summary of the Group's Investment Properties as at 31 December 2015 was as follows:

	<i>Percentage Owned</i>	<i>Tenure</i>	<i>No. of Tenants</i>	<i>Occupancy Rate (%)</i>
<i><u>Owned by a Subsidiary</u></i>				
GIE Tower, Guangzhou	100%	50 year term from 1994	34	89.4%
<i><u>Owned by Joint Ventures</u></i>				
Metro City, Shanghai	60%	36 year term from 1993	134	89.4%
Metro Tower, Shanghai	60%	50 year term from 1993	27	100.0%

Segmental Results - Retail Division

Sales of the Singapore operations of the retail division for 3QFY2016 increased marginally to \$39.1 million from 3QFY2015's \$38.9 million. Well supported moving out sales of Metro City Square assisted in mitigating the impact of the absence of sales of the closed Metro Sengkang department store. With reduced operating expenses and the absence of Metro Centrepoint's opening expenses incurred in the prior 3QFY2015, the overall operating loss was lower at \$0.3 million for 3QFY2016 against 3QFY2015's \$3.5 million.

The retail division's associated company in Indonesia reported lower sales for its Jakarta stores amidst strong competition. However profitability improved as operating expenditure was contained.

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

Associates (Non-current assets) increased from \$367.3 million as at 30 September 2015 to \$411.7 million as at 31 December 2015 mainly due to the Group's share of associates' results for 3QFY2016 of \$57.6 million.

Amounts due to an associate (Current liabilities) decreased from \$100.9 million as at 30 September 2015 to \$72.0 million as at 31 December 2015 mainly due to an amount of \$26.2 million repaid during 3QFY2016.

Bank borrowings (Current liabilities) of \$29.9 million as at 30 September 2015 were fully repaid during 3QFY2016 using the proceeds which arose from the disposal of Frontier Koishikawa in 2QFY2016. Consequently, pledged fixed and bank deposits of \$29.0 million as at 30 September 2015 were liquidated.

Cash and cash equivalents fell from \$541.2 million as at 30 September 2015 to \$518.3 million as at 31 December 2015 mainly due to the settlement of amount due to an associate of \$26.2 million, repayment of bank borrowings of \$29.2 million, partially offset by the liquidation of pledged fixed deposits of \$29.0 million.

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

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

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

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing toward consumption and services and market concerns about the future performance of the Chinese economy have diminished confidence and increased volatility in financial markets.

Nevertheless, rental income of the GIE Tower investment property of the property division is expected to remain steady.

At the joint ventures' level, work continues on the last two levels of the reconfiguration work of Metro City, Shanghai to ensure it remains relevant. Sales of the residential project, The Crest at Prince Charles Crescent in Singapore, remain slow as market sentiment of the residential property sector in Singapore continues to be cautious.

As our direct associate, the Nanchang project has recognised about 94.5% of presales of the residential and ancillary retail properties of the residential sites, its future contribution will be principally from the recognition of the presales of commercial, mainly office, space. Presales of office space has commenced and prices of these properties presold indicate that gross margins of the office component are significantly below those achieved for Nanchang's residential properties.

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

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months (cont'd)

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

The retail division continues to face the challenges of a competitive and discounted trading environment, amidst high operating costs. Metro Sengkang and Metro City Square have ceased operations and The Centrepoint's makeover which commenced in May 2015 continues to affect Metro Centrepoint's sales activities.

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

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

None

- (b) (i) Amount per share – None

(ii) Previous corresponding period – None

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

Not applicable

- (d) The date the dividend is payable.

Not applicable

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

Not applicable

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

No interim dividend has been declared for the quarter ended 31 December 2015.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company did not seek and does not have a shareholders' general mandate pursuant to Rule 920 of the Listing Manual.

14. Negative confirmation pursuant to Rule 705(5)

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

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

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

BY ORDER OF THE BOARD

Tan Ching Chek and Lee Chin Yin
Joint Company Secretaries
Date 11 February 2016