


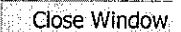
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Third Quarter * Financial Statement And Dividend Announcement	
* Asterisks denote mandatory information	
Name of Announcer *	METRO HOLDINGS LIMITED
Company Registration No.	197301792W
Announcement submitted on behalf of	METRO HOLDINGS LIMITED
Announcement is submitted with respect to *	METRO HOLDINGS LIMITED
Announcement is submitted by *	Tan Ching Chek and Lee Chin Yin
Designation *	Joint Company Secretaries
Date & Time of Broadcast	13-Feb-2007 17:34:05
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>> Announcement Details	
The details of the announcement start here ...	
For the Financial Period Ended *	31-12-2006

Attachments:

 mhl3rdqtr.pdf
 Total size = **255K**
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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 2006

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

	Group		%	Group		%
	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2005 \$'000		9 Months ended 31-Dec-2006 \$'000	9 Months ended 31-Dec-2005 \$'000	
Continuing operations						
Revenue	61,015	60,966	0.08	156,851	148,487	5.63
Cost of Revenue	(53,071)	(52,487)	1.11	(137,722)	(129,704)	6.18
Gross Profit	7,944	8,479	(6.31)	19,129	18,783	1.84
Other income including interest income	11,789	4,749	148.24	34,524	20,318	69.92
General and administrative expenses	(10,435)	(3,701)	181.95	(21,256)	(18,203)	16.77
Profit from operating activities	9,298	9,527	(2.40)	32,397	20,898	55.02
Finance costs	(1,302)	(1,567)	(16.91)	(4,918)	(3,349)	46.85
Share of associated companies' results	1,014	(77)	n.m.	3,948	1,833	115.38
Exceptional items	29,078	-	n.m.	29,078	119,160	(75.60)
Profit from operating activities before taxation	38,088	7,883	383.17	60,505	138,542	(56.33)
Taxation	(3,348)	(1,827)	83.25	(8,710)	(5,610)	55.26
Profit from continuing operations after taxation	34,740	6,056	473.65	51,795	132,932	(61.04)
Profit from discontinued operations	-	-	-	-	5,998	(100.00)
Profit for the period	34,740	6,056	473.65	51,795	138,930	(62.72)
Attributable to:						
Shareholders of the Company	32,940	5,885	459.73	49,610	137,675	(63.97)
Minority interests	1,800	171	952.63	2,185	1,255	74.10
	34,740	6,056	473.65	51,795	138,930	(62.72)

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

	Group			Group		
	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2005 \$'000	% Change	9 Months ended 31-Dec-2006 \$'000	9 Months ended 31-Dec-2005 \$'000	% Change
Cost of revenue and general and administrative expenses includes:-						
Depreciation	(1,731)	(1,703)	1.64	(5,174)	(5,979)	(13.46)
(Provision)/Write back for obsolete inventory	(14)	(13)	7.69	107	237	(54.85)
Write off of inventory	(834)	(1,049)	(20.50)	(1,527)	(2,049)	(25.48)
Provision for doubtful debts	(114)	(93)	22.58	(359)	(346)	3.76
Foreign exchange loss	(5,043)	(55)	n.m.	(7,045)	(55)	n.m.
Other income including interest income includes:-						
Dividend from unquoted investments	-	2,537	(100.00)	4,818	9,617	(49.90)
Dividends from quoted investments	457	258	77.13	2,232	1,803	23.79
Changes in fair value of short term investments	1,539	(4,620)	n.m.	489	(8,281)	n.m.
Interest income	4,203	3,050	37.80	12,584	7,442	69.09
Profit on disposal of short term investments	322	452	(28.76)	323	607	(46.79)
Amortisation of discount on unquoted bonds	224	-	n.m.	666	-	n.m.
Management and advisory fees	1,281	1,597	(19.79)	3,758	4,209	(10.72)
Foreign exchange gain	982	-	n.m.	1,669	6,347	(73.70)
Negative goodwill on acquisition of Joint Venture	-	-	n.m.	160	-	n.m.

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

	3rd Quarter ended		9 months ended	
	31-Dec-06 \$'000	31-Dec-05 \$'000	31-Dec-06 \$'000	31-Dec-05 \$'000
Gain on disposal of shares of Shui On Land Ltd ("SOL")	29,078	-	29,078	-
Gain on disposal of preference shares of an associated company	-	-	-	17,795
Realisation of prior years' revaluation surplus of an investment property on disposal of interest in an associated company.	-	-	-	100,190
Surplus on disposal of a subsidiary company	-	-	-	1,175
	29,078	-	29,078	119,160

1(a)(iii) Taxation

	3rd Qtr ended		% Change	9 Months ended		% Change
	31-Dec-06 \$'000	31-Dec-05 \$'000		31-Dec-06 \$'000	31-Dec-05 \$'000	
Current Year's tax	2,172	2,252	(3.55)	6,249	5,876	6.35
(Over)/ under provision in prior years	(43)	135	(131.85)	(78)	135	(157.78)
Deferred tax	389	(578)	(167.30)	311	(1,395)	(122.29)
Withholding tax	383	78	391.03	496	149	232.89
Share of associated companies' tax	447	(60)	(845.00)	1,732	845	104.97
	<u>3,348</u>	<u>1,827</u>	83.25	<u>8,710</u>	<u>5,610</u>	55.26

1(a)(iv) Discontinued Operations

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

	Group			Group		
	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2005 \$'000	% Change	9 Months ended 31-Dec-2006 \$'000	9 Months ended 31-Dec-2005 \$'000	% Change
Revenue	-	-	n.m.	-	4,151	(100.00)
Cost of Revenue	-	-	n.m.	-	(3,414)	(100.00)
Gross Profit	-	-	n.m.	-	737	(100.00)
Other income including interest income	-	-	n.m.	-	5,869	(100.00)
General and administrative expenses	-	-	n.m.	-	(569)	(100.00)
Profit from operating activities	-	-	n.m.	-	6,037	(100.00)
Finance costs	-	-	n.m.	-	(392)	(100.00)
Exceptional items	-	-	n.m.	-	353	(100.00)
Profit from operating activities before tax	-	-	n.m.	-	5,998	(100.00)
Cash generated from/ (used in):						
- operating activities	-	-	n.m.	-	1,871	(100.00)
- investing activities	-	-	n.m.	-	52,005	(100.00)
- financing activities	-	-	n.m.	-	(48,827)	(100.00)
Net cash flow	-	-	n.m.	-	5,049	(100.00)

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

Balance Sheets as at

	Group		Company	
	31-Dec-2006 \$'000	31-Mar-2006 \$'000	31-Dec-2006 \$'000	31-Mar-2006 \$'000
Non-current assets				
Property, plant and equipment	109,703	112,962	3,648	3,736
Investment property	85,456	88,003	-	-
Property under development	124,640	-	-	-
Subsidiary companies	-	-	388,095	427,000
Associated companies	55,659	53,655	500	500
Amounts due from associated companies	27,335	27,512	26,028	25,668
Investments	217,920	208,773	-	-
	<u>620,713</u>	<u>490,905</u>	<u>418,271</u>	<u>456,904</u>
Current assets				
Property held for sale	51,978	53,568	-	-
Inventories	14,672	13,923	-	-
Accounts receivable	15,408	17,721	27,826	29,796
Tax recoverable	1,625	1,327	1,625	1,327
Investments	63,698	60,755	-	-
Cash and bank balances	244,824	268,689	13,953	37,369
	<u>392,205</u>	<u>415,983</u>	<u>43,404</u>	<u>68,492</u>
Current liabilities				
Bank borrowings	83,536	47,604	10,808	11,407
Accounts payable	87,497	69,270	33,521	40,936
Provision for taxation	11,614	11,161	-	-
	<u>182,647</u>	<u>128,035</u>	<u>44,329</u>	<u>52,343</u>
Net current assets / (liabilities)	209,558	287,948	(925)	16,149
Non-current liabilities				
Bank borrowings	56,057	86,894	-	-
Amounts owing to subsidiary companies	-	-	287,139	311,913
Deferred taxation	40,028	30,708	564	643
	<u>(96,085)</u>	<u>(117,602)</u>	<u>(287,703)</u>	<u>(312,556)</u>
	<u>734,186</u>	<u>661,251</u>	<u>129,643</u>	<u>160,497</u>
Shareholders' equity				
Share capital	126,155	126,155	126,155	126,155
Reserves	598,959	526,601	3,488	34,342
	<u>725,114</u>	<u>652,756</u>	<u>129,643</u>	<u>160,497</u>
Minority interests	9,072	8,495	-	-
	<u>734,186</u>	<u>661,251</u>	<u>129,643</u>	<u>160,497</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-2006		As at 31-Mar-2006	
Secured	Unsecured	Secured	Unsecured
71,195,429	12,340,650	32,961,215	14,642,900

Amount repayable after one year

As at 31-Dec-2006		As at 31-Mar-2006	
Secured	Unsecured	Secured	Unsecured
56,057,540	-	86,894,690	-

Details of any collateral

Leasehold property, property under development and property held for sale with a net book value as at 31 December 2006 totalling \$275.12 million have been mortgaged to banks for banking facilities granted to subsidiaries and jointly controlled entities. Total loans drawn on such facilities as at 31 December 2006 amounted to \$25.4 million. Short term loans of HK\$140.3 million (equivalent to S\$27.7 million) and RMB 180 million (equivalent to S\$35.28 million) and a long term loan of US\$25.4 million (equivalent to S\$38.9 million) granted to subsidiaries were secured by S\$ equivalent fixed deposits.

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

	Group	
	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2005 \$'000
Cash flows from operating activities		
Operating profit before reinvestment in working capital	11,263	9,256
(Increase)/ decrease in inventories	(708)	1,296
(Increase)/ decrease in accounts receivable	(177)	2,298
Increase in short term investments	(2,530)	(846)
Increase in accounts payable	8,388	10,138
Cash generated from operations	<u>16,236</u>	<u>22,142</u>
Interest expense paid	(1,302)	(1,567)
Interest income received	3,435	2,280
Income taxes paid	<u>(1,647)</u>	<u>(2,979)</u>
Net cash provided by operating activities	<u>16,722</u>	<u>19,876</u>
Cash flows from investing activities		
Additions to property, plant & equipment	(622)	(227)
Proceeds from sale of fixed assets	75	-
Proceeds from disposal of subsidiary company	-	9
Proceeds from disposal of SOL shares	72,836	-
Additional cost to property under development	(9,475)	-
Additional investment in long term investments	-	(69,779)
Decrease in amount owing by associated companies	2,506	1,964
Dividend received from quoted and unquoted investments	457	1,305
Net cash provided by/ (used in) investing activities	<u>65,777</u>	<u>(66,728)</u>
Cash flows from financing activities		
(Repayment)/ drawdown of bank borrowings (net)	(42,400)	38,689
(Repayment)/ receipt of minority interests' loans to subsidiary companies	(4,848)	2,613
Dividend paid to Minority interest	-	(50)
Net cash (used in) / provided by financing activities	<u>(47,248)</u>	<u>41,252</u>
Net increase/(decrease) in cash and cash equivalents	35,251	(5,600)
Cash & cash equivalents at beginning of financial period	<u>209,573</u>	<u>269,920</u>
Cash & cash equivalents at end of financial period	<u><u>244,824</u></u>	<u><u>264,320</u></u>

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

	Group	
	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2005 \$'000
Reconciliation between profit from operating activities before taxation and exceptional items and operating profit before reinvestment in working capital		
Profit from operating activities before taxation and exceptional items	9,010	7,883
Adjustments for:		
Interest expense	1,302	1,567
Depreciation of property, plant and equipment	1,731	1,703
Share of results of associated companies	(1,014)	77
Amortisation of discount on unquoted bonds	(224)	-
Interest and investment income	(4,660)	(5,845)
Profit on disposal of property, plant and equipment	(5)	(1)
Write off of inventory	834	(1,049)
Provision for obsolete inventory	14	(13)
Provision for doubtful debts	114	-
Changes in fair value of short term investments	(1,539)	4,620
Foreign exchange adjustments	5,700	314
Operating profit before reinvestment in working capital	<u>11,263</u>	<u>9,256</u>

1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Changes in Shareholders' Equity

	Group		Company	
	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2005 \$'000	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2005 \$'000
Share Capital				
Balance at beginning and end of financial period	126,155	126,155	126,155	126,155
Revaluation Reserve				
Balance at beginning and end of financial period	85,006	72,654	2,001	2,001
Fair Value Reserve				
Balance at beginning of financial period	64,974	-	-	-
Realised gain on disposal transferred to profit and loss	(29,458)	-	-	-
Fair value adjustment for investments	20,637	-	-	-
Foreign currency translation for the period	(1,643)	-	-	-
Balance at end of financial period	54,510	-	-	-
Foreign Currency Translation Reserve				
Balance at beginning of financial period	(11,082)	(456)	-	-
Foreign currency translation for the financial period	(4,536)	(4,182)	-	-
Balance at end of financial period	(15,618)	(4,638)	-	-

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

	Group		Company	
	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2005 \$'000	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2005 \$'000
Revenue Reserve				
Balance at beginning of financial period	442,121	439,994	4,559	27,524
Profit attributable for the financial period	32,940	5,885	(3,072)	(2,851)
Balance at end of financial period	<u>475,061</u>	<u>445,879</u>	<u>1,487</u>	<u>24,673</u>
Total attributable to shareholders of the Company	725,114	640,050	129,643	152,829
Minority Interest				
Balance at beginning of financial period	12,867	5,832	-	-
Net profit for the period	1,800	171	-	-
Foreign currency translation for the period	(184)	(32)	-	-
Receipt of loan	(4,848)	2,613	-	-
Fair value adjustment for investments	1,317	-	-	-
Realised gain on disposal transferred to profit and loss	(1,880)	-	-	-
Dividend paid to minority shareholder	-	(50)	-	-
Balance at end of financial period	<u>9,072</u>	<u>8,534</u>	<u>-</u>	<u>-</u>
Total shareholders equity	<u>734,186</u>	<u>648,584</u>	<u>129,643</u>	<u>152,829</u>

1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

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

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not Applicable

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

Earnings Per Share

	Group Figures	
	Latest Period	Previous corresponding period
Earnings per ordinary share based on net profit attributable to shareholders and after deducting any provision for preference dividends		
(a) Based on existing issued share capital		
- Continuing operations	5.22 cents	0.93 cents
(b) On a fully diluted basis	N.A.	N.A.

7) Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

Net Asset Value

	Group	Company
Net asset value per ordinary share based on issued share capital at end of the period reported on		
(a) Current Period	115.0 cents	20.6 cents
(b) 31 March 2006	103.5 cents	25.44 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

8a) Segmental Results for Third Quarter ended 31 December

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2006				
Sales to external customers	8,028	52,987	-	61,015
Inter-segment sales	292	-	(292)	-
Segment revenue	<u>8,320</u>	<u>52,987</u>	<u>(292)</u>	<u>61,015</u>
Segment results	5,292	4,049	(43)	9,298
Finance costs	(1,302)	-	-	(1,302)
Share of results of associated companies	1,376	(362)	-	1,014
Exceptional item	<u>29,078</u>	<u>-</u>	<u>-</u>	<u>29,078</u>
Profit before taxation	34,444	3,687	(43)	38,088
Taxation				<u>(3,348)</u>
Profit from continuing operations after taxation				34,740
Profit from discontinued operations				<u>-</u>
Profit for the period				<u>34,740</u>
Attributable to:				
Shareholders of the Company				32,940
Minority interests				<u>1,800</u>
				<u>34,740</u>

8a) Segmental Results for Third Quarter ended 31 December (Cont'd)

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2005				
Sales to external customers	7,626	53,340	-	60,966
Inter-segment sales	217	-	(217)	-
Segment revenue	<u>7,843</u>	<u>53,340</u>	<u>(217)</u>	<u>60,966</u>
Segment results	5,113	4,414	-	9,527
Finance costs	(1,567)	-	-	(1,567)
Share of results of associated companies	372	(449)	-	(77)
Profit before taxation	3,918	3,965	-	7,883
Taxation				(1,827)
Profit from continuing operations after taxation				6,056
Profit from discontinued operations				-
Profit for the period				<u>6,056</u>
Attributable to:				
Shareholders of the Company				5,885
Minority interests				171
				<u>6,056</u>

Geographical segments

	Asean \$'000	Hong Kong and China \$'000	Group \$'000
2006			
Segment revenue	<u>53,073</u>	<u>7,942</u>	<u>61,015</u>
2005			
Segment revenue	<u>53,422</u>	<u>7,544</u>	<u>60,966</u>

8b) Review

Group turnover for the third financial quarter to 31 December 2006 was steady at \$61.0 million.

The property division's revenue for the quarter rose to \$8.3 million from the previous corresponding quarter's \$7.8 million due to higher rental income from Metro City Shanghai. An increase in the fair value of the Group's portfolio of short term investments accounted for most of the increase in other income. This assisted in offsetting the impact of the cessation of preference dividend from the Group's investment in the preference shares of Shui On Land Ltd ("SOL") with the conversion into ordinary shares on the successful completion of SOL's initial public offering ("IPO") in October 2006. As previously announced, about 48% of the Group's converted SOL shares were sold in the IPO, resulting in an exceptional gain of \$29.1 million. Certain expenses and foreign exchange losses connected to the conversion and disposal have been included in general and administrative expenses.

After two quarters of higher sales, consumer spending slowed in the third financial quarter. However, the retail division was able to maintain sales and operating profit levels.

During the quarter, the Group sold 70 million converted SOL shares. This accounted for the decrease in Investments (non-current assets) which fell from \$278.6 million as at 30 September 2006 to \$217.9 million as at 31 December 2006. The balance of the converted SOL shares were restated at their fair value as at 31 December 2006 and an increase in fair value of \$20.6 million was credited to fair value reserve. Net proceeds of \$72.8 million were used to repay bank borrowings, which fell from \$182 million to \$139.6 million, with the balance added to the Group's cash and bank balances. There were no other material factors that affected the cashflow, working capital, assets and liabilities of the Group during the current financial quarter reported on.

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

The results for the quarter ended 31 December 2006 were largely in line with the comments made under paragraph 10 of the Results for the Second Quarter announcement dated 10 November 2006.

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

The Group's properties are expected to continue to generate steady rental income in the next reporting quarter. Subsequently, from the first quarter of the new financial year ended 31 March 2008, Metro City Beijing will commence operations in phases.

Turnover of the retail division is expected to remain stable in the festive period leading up to the Chinese New Year in the next reporting quarter, notwithstanding sluggish consumer spending.

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 2006

13. Negative assurance statement by directors

The Board of Directors confirms that to the best of their knowledge, nothing has come to their attention which may render the 9 months financial results to be false or misleading.

BY ORDER OF THE BOARD

Tan Ching Chek and Lee Chin Yin
Joint Company Secretaries
Date 13 February 2007