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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
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>> Announcement Details	
The details of the announcement start here ...	

For the Financial Period Ended *	31-12-2007
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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 2007

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-2007 \$'000	3rd Qtr ended 31-Dec-2006 \$'000		9 Months ended 31-Dec-2007 \$'000	9 Months ended 31-Dec-2006 \$'000	
Continuing operations						
Revenue	57,832	62,033	(6.77)	171,172	159,462	7.34
Cost of Revenue	(46,917)	(52,609)	(10.82)	(140,504)	(136,309)	3.08
Gross Profit	10,915	9,424	15.82	30,668	23,153	32.46
Other income including interest income	3,449	10,309	(66.54)	23,599	30,499	(22.62)
General and administrative expenses	(14,127)	(10,435)	35.38	(25,683)	(21,255)	20.83
Profit from operating activities	237	9,298	(97.45)	28,584	32,397	(11.77)
Finance costs	(2,865)	(1,302)	120.05	(8,371)	(4,918)	70.21
Share of associated companies' results (net of tax)	27,144	568	n.m.	29,850	2,216	n.m.
Exceptional items	-	29,078	(100.00)	-	29,078	(100.00)
Profit from operating activities before taxation	24,516	37,642	(34.87)	50,063	58,773	(14.82)
Taxation	(2,573)	(2,902)	(11.34)	(9,471)	(6,978)	35.73
Profit for the period	21,943	34,740	(36.84)	40,592	51,795	(21.63)
Attributable to:						
Shareholders of the Company	21,841	32,940	(33.69)	40,340	49,610	(18.69)
Minority interests	102	1,800	(94.33)	252	2,185	(88.47)
	21,943	34,740	(36.84)	40,592	51,795	(21.63)

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

	Group			Group		
	3rd Qtr ended 31-Dec-2007 \$'000	3rd Qtr ended 31-Dec-2006 \$'000	% Change	9 Months ended 31-Dec-2007 \$'000	9 Months ended 31-Dec-2006 \$'000	% Change
Cost of revenue and general and administrative expenses includes:-						
Depreciation	(553)	(1,731)	(68.05)	(2,067)	(5,174)	(60.05)
(Provision)/Write back for obsolete inventory	(10)	(14)	(28.57)	92	107	(14.02)
Write off of inventory	(712)	(834)	(14.63)	(1,656)	(1,527)	8.45
Provision for doubtful debts	(145)	(114)	27.19	(454)	(359)	26.46
Foreign exchange gain / (loss)	147	(5,043)	n.m.	628	(7,045)	n.m.
Other income including interest income includes:-						
Dividend from unquoted investments	48	-	n.m.	48	4,818	(99.00)
Dividends from quoted investments	1,178	457	157.77	3,703	2,232	65.91
Changes in fair value of short term investments	(6,248)	1,539	n.m.	(4,633)	489	n.m.
Interest income	4,466	4,203	6.26	14,142	12,584	12.38
(Loss)/ profit on disposal of short term investments	(214)	322	(166.46)	276	323	(14.55)
Amortisation of discount on unquoted bonds	237	224	5.80	708	666	6.31
Management and advisory fees	916	1,281	(28.49)	2,709	3,758	(27.91)
Foreign exchange gain	-	982	(100.00)	-	1,669	(100.00)
Negative goodwill on acquisition of Joint Venture	-	-	-	-	160	(100.00)

1 (a) (ii) Share of Associated Companies' results (net of tax)

	3rd Qtr ended		% Change	9 Months ended		% Change
	31-Dec-07 \$'000	31-Dec-06 \$'000		31-Dec-07 \$'000	31-Dec-06 \$'000	
The Group's share of associated companies' results comprise of:-						
- Operating results	(758)	1,014	(174.75)	3,437	3,948	(12.94)
- Exceptional item	28,545	-	n.m.	28,545	-	n.m.
- Taxation	(643)	(446)	44.17	(2,132)	(1,732)	23.09
	<u>27,144</u>	<u>568</u>	n.m.	<u>29,850</u>	<u>2,216</u>	n.m.

Exceptional item relates to the disposal of Gurney Plaza which was completed during the quarter.

The exceptional item is capital in nature and hence not subject to tax. The tax charge for the share of associated companies' results was higher than that derived by applying the standard rate of tax applicable to company profits mainly because losses of certain associated companies are not available for set off against the results of the other associated companies.

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

	3rd Quarter ended		9 months ended	
	31-Dec-07 \$'000	31-Dec-06 \$'000	31-Dec-07 \$'000	31-Dec-06 \$'000
Gain on disposal of shares of Shui On Land Ltd ("SOL")	-	29,078	-	29,078
	-	29,078	-	29,078

1(a)(iv) Taxation

	3rd Qtr ended		% Change	9 Months ended		% Change
	31-Dec-07 \$'000	31-Dec-06 \$'000		31-Dec-07 \$'000	31-Dec-06 \$'000	
Current Year's tax	2,886	2,173	32.81	7,958	6,249	27.35
Over provision in prior years	-	(43)	(100.00)	(71)	(78)	(8.97)
Deferred tax	(680)	389	(274.81)	1,190	311	282.64
Withholding tax	367	383	(4.18)	394	496	(20.56)
	<u>2,573</u>	<u>2,902</u>	(11.34)	<u>9,471</u>	<u>6,978</u>	35.73

The tax charge for the Group, excluding share of associated companies' tax (refer to paragraph 1(a)(ii)), is higher than that derived by applying the standard rate of tax applicable to company profits mainly because of losses in certain subsidiaries and jointly controlled entities which are not available for set off against Group results for tax purposes.

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-2007 \$'000	31-Mar-2007 \$'000	31-Dec-2007 \$'000	31-Mar-2007 \$'000
Non-current assets				
Property, plant and equipment	7,715	109,980	4,681	4,800
Investment properties	481,876	356,759	-	-
Subsidiary companies	-	-	488,047	393,425
Associated companies	129,618	49,455	500	500
Amount owing by associated companies	177,664	27,158	12,115	25,548
Investments	197,710	189,595	-	-
	<u>994,583</u>	<u>732,947</u>	<u>505,343</u>	<u>424,273</u>
Current assets				
Inventories	11,925	13,190	-	-
Accounts receivable	17,870	16,788	18,879	27,523
Tax recoverable	1,357	1,332	1,357	1,332
Short term investments	107,060	110,621	-	-
Cash and bank balances	113,569	236,679	4,213	31,227
	<u>251,781</u>	<u>378,610</u>	<u>24,449</u>	<u>60,082</u>
Current liabilities				
Bank borrowings	112,060	82,900	37,894	10,695
Accounts payable	92,932	110,053	30,109	33,847
Provision for taxation	12,658	10,670	-	-
	<u>217,650</u>	<u>203,623</u>	<u>68,003</u>	<u>44,542</u>
Net current assets/(liabilities)	34,131	174,987	(43,554)	15,540
Non-current liabilities				
Long-term bank borrowings	80,770	55,651	-	-
Amount owing to subsidiaries	-	-	333,063	270,161
Deferred taxation	58,620	52,020	452	479
	<u>(139,390)</u>	<u>(107,671)</u>	<u>(333,515)</u>	<u>(270,640)</u>
	<u>889,324</u>	<u>800,263</u>	<u>128,274</u>	<u>169,173</u>
Shareholders' equity				
Share capital	126,155	126,155	126,155	126,155
Reserves	752,579	665,552	2,119	43,018
	<u>878,734</u>	<u>791,707</u>	<u>128,274</u>	<u>169,173</u>
Minority interests	10,590	8,556	-	-
Total Equity	<u>889,324</u>	<u>800,263</u>	<u>128,274</u>	<u>169,173</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-2007		As at 31-Mar-2007	
Secured	Unsecured	Secured	Unsecured
63,750,332	48,309,400	70,688,157	12,211,850

Amount repayable after one year

As at 31-Dec-2007		As at 31-Mar-2007	
Secured	Unsecured	Secured	Unsecured
80,770,000	-	55,651,460	-

Details of any collateral

An investment property with a net book value as at 31 December 2007 totalling \$169.2 million has been mortgaged to a bank for banking facilities granted to a jointly controlled entity. Total loans drawn on such facilities as at 31 December 2007 amounted to \$83.7 million. Short term loans of HK\$99.4 million (equivalent to S\$18.3 million) and US\$25.4 million (equivalent to S\$36.5 million) granted to subsidiaries were secured by S\$ equivalent fixed deposits. Another short term loan of S\$6 million granted to a subsidiary was secured by marketable securities.

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-2007 \$'000	3rd Qtr ended 31-Dec-2006 \$'000
Cash flows from operating activities		
Operating profit before reinvestment in working capital	3,552	11,263
Increase in inventories	(473)	(708)
Decrease/ (increase) in accounts receivable	84	(177)
Decrease / (increase) in short term investments	4,783	(2,530)
Increase in accounts payable	16,669	8,388
Cash generated from operations	<u>24,615</u>	<u>16,236</u>
Interest expense paid	(2,865)	(1,302)
Interest income received	1,391	3,435
Income taxes paid	(1,435)	(1,647)
Net cash provided by operating activities	<u>21,706</u>	<u>16,722</u>
Cash flows from investing activities		
Additions to property, plant & equipment	(318)	(622)
Proceeds from sale of fixed assets	161	75
Proceeds from disposal of SOL shares	-	72,836
Additional cost to property under development	-	(9,475)
(Increase) / decrease in amount owing by associated companies	(3,199)	2,506
Dividend received from quoted and unquoted investments	965	457
Net cash (used in) / provided by investing activities	<u>(2,391)</u>	<u>65,777</u>
Cash flows from financing activities		
Drawdown / (repayment) of bank borrowings (net)	11,944	(42,400)
Repayment of minority interests' loans to subsidiary companies	-	(4,848)
Dividends paid during the period	(20,690)	-
Net cash used in financing activities	<u>(8,746)</u>	<u>(47,248)</u>
Net increase in cash and cash equivalents	10,569	35,251
Cash & cash equivalents at beginning of financial period	<u>103,000</u>	<u>209,573</u>
Cash & cash equivalents at end of financial period	<u><u>113,569</u></u>	<u><u>244,824</u></u>

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

	Group	
	3rd Qtr ended 31-Dec-2007 \$'000	3rd Qtr ended 31-Dec-2006 \$'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	24,516	8,564
Adjustments for:		
Interest expense	2,865	1,302
Depreciation of property, plant and equipment	553	1,731
Share of results of associated companies	(27,144)	(568)
Amortisation of discount on unquoted bonds	(237)	(224)
Interest and investment income	(5,478)	(4,660)
Profit on disposal of property, plant and equipment	(110)	(5)
Write off of inventory	712	834
Provision for obsolete inventory	10	14
Provision for doubtful debts	145	114
Changes in fair value of short term investments	6,248	(1,539)
Foreign exchange adjustments	1,472	5,700
Operating profit before reinvestment in working capital	3,552	11,263

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-2007 \$'000	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2007 \$'000	3rd Qtr ended 31-Dec-2006 \$'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	2,017	85,006	2,017	2,001
Fair Value Reserve				
Balance at beginning of financial period	91,247	64,974	-	-
Realised gain on disposal of available-for-sale investments transferred to profit and loss	-	(29,458)	-	-
Fair value adjustment on available-for-sale investments	(5,301)	20,637	-	-
Foreign currency translation for the period	(1,488)	(1,643)	-	-
Balance at end of financial period	84,458	54,510	-	-
Foreign Currency Translation Reserve				
Balance at beginning of financial period	(18,225)	(11,082)	-	-
Foreign currency translation for the financial period	(4,128)	(4,536)	-	-
Balance at end of financial period	(22,353)	(15,618)	-	-

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

	Group		Company	
	3rd Qtr ended 31-Dec-2007 \$'000	3rd Qtr ended 31-Dec-2006 \$'000	3rd Qtr ended 31-Dec-2007 \$'000	3rd Qtr ended 31-Dec-2006 \$'000
Revenue Reserve				
Balance at beginning of financial period	687,305	442,121	30,161	4,559
Profit attributable for the financial period	21,841	32,940	(9,370)	(3,072)
Dividend , less income tax	(20,689)	-	(20,689)	-
Balance at end of financial period	<u>688,457</u>	<u>475,061</u>	<u>102</u>	<u>1,487</u>
Total attributable to shareholders of the Company	878,734	725,114	128,274	129,643
Minority Interest				
Balance at beginning of financial period	11,228	12,867	-	-
Net profit for the period	102	1,800	-	-
Foreign currency translation for the period	(402)	(184)	-	-
Receipt of loan	-	(4,848)	-	-
Fair value adjustment on available-for-sale investments	(338)	1,317	-	-
Realised gain on disposal transferred to profit and loss	-	(1,880)	-	-
Balance at end of financial period	<u>10,590</u>	<u>9,072</u>	<u>-</u>	<u>-</u>
Total shareholders equity	<u>889,324</u>	<u>734,186</u>	<u>128,274</u>	<u>129,643</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

Except as disclosed in paragraph 5 below, 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 2007.

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.

With effect from 1 April 2007, the Group adopted the following new Financial Reporting Standards ("FRS") that are applicable in the current financial year.

FRS 40 Investment Property

The financial effect of adopting FRS40 is summarized as follows:

Prior to 1 April 2007, the Group accounted for its Investment properties at valuation annually and changes in fair value were taken to revaluation reserve. With the adoption of FRS40, changes in fair value are included in the income statement for the period in which the changes arise. In accordance with past practice, the Group's Investment properties will be revalued at year end and any surplus or deficit arising from the revaluation will be taken to the income statement at year end.

The adoption of FRS 40 has resulted in Metro City Shanghai being reclassified from Property, plant and equipment to Investment properties and revalued accordingly. Gurney Plaza has been similarly treated at the Associated companies level. The change in accounting policy resulted in a credit to opening revenue reserves of about \$64.5 million, net of related taxes. At the same time, \$136.0 million in respect of all the Investment properties has been transferred from opening revaluation reserve to opening revenue reserve.

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	3.46 cents	5.22 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	139.3 cents	20.3 cents
(b) 31 March 2007	125.5 cents	26.8 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
2007				
Sales to external customers	11,251	46,581	-	57,832
Inter-segment sales	217	-	(217)	-
Segment revenue	<u>11,468</u>	<u>46,581</u>	<u>(217)</u>	<u>57,832</u>
Segment results	(2,769)	3,006	-	237
Finance costs	(2,865)	-	-	(2,865)
Share of results of associated companies	<u>27,516</u>	<u>(372)</u>	-	<u>27,144</u>
Profit before taxation	21,882	2,634	-	24,516
Taxation				<u>(2,573)</u>
Profit for the period				<u>21,943</u>
Attributable to:				
Shareholders of the Company				21,841
Minority interests				<u>102</u>
				<u>21,943</u>

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

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2006				
Sales to external customers	9,046	52,987	-	62,033
Inter-segment sales	292	-	(292)	-
Segment revenue	<u>9,338</u>	<u>52,987</u>	<u>(292)</u>	<u>62,033</u>
Segment results	5,292	4,049	(43)	9,298
Finance costs	(1,302)	-	-	(1,302)
Share of results of associated companies	822	(254)	-	568
Exceptional item	<u>29,078</u>	<u>-</u>	<u>-</u>	<u>29,078</u>
Profit before taxation	<u>33,890</u>	<u>3,795</u>	<u>(43)</u>	<u>37,642</u>
Taxation				<u>(2,902)</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>

Geographical segments

	Asean \$'000	Hong Kong and China \$'000	Group \$'000
2007			
Segment revenue	<u>46,581</u>	<u>11,251</u>	<u>57,832</u>
2006			
Segment revenue	<u>53,073</u>	<u>8,960</u>	<u>62,033</u>

8b) Review

Group turnover for the third financial quarter to 31 December 2007 declined with the closure of Metro Tampines.

The property division's revenue for the quarter rose to \$11.5 million from the previous corresponding quarter's \$9.3 million due to the initial rental income from Metro City Beijing and higher rental income from Metro City Shanghai. A decrease in the fair value of the Group's portfolio of short term investments accounted for the decrease in other income of \$6.9 million. Metro City Shanghai's higher rental income continued to assist in offsetting the impact of the start up costs of Metro City Beijing. As previously announced, the completion of the disposal of Gurney Plaza resulted in a gain of \$28.5 million and this has been recorded under share of associated companies' results for the quarter. This is in addition to previous revaluation surpluses relating to Gurney Plaza of S\$84.1 million which have already been transferred to opening revenue reserve on 1 April 2007. Certain expenses connected to the disposal have been included in general and administrative expenses.

Whilst sales of the retail division declined with the closure of Metro Tampines, the effect was mitigated by improved sales at the continuing Metro stores.

During the quarter, an investment in bonds issued by Shui On Land Ltd, totaling S\$38.1 million was reclassified from Investments (non-current assets) to Short term investments as the bonds are due to mature in October 2008. Long-term bank borrowings of \$36.5 million relating to this investment were accordingly reclassified from long-term liability. Following the announcement on 15 December 2007, S\$18.1 million was advanced to the Group's 50% associated company, Nordevo Investments Limited, to enable Nordevo to complete its acquisition of 40% of China East Investment Ltd and Metropolis Holding China Ltd. This was funded from Bank borrowings. The carrying value of Associated companies rose with the recognition of the gain on disposal of Gurney Plaza. 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 2007 were largely in line with the comments made under paragraph 10 of the Results for the Second Quarter announcement dated 14 November 2007.

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 report a steady increase in rental income in the next reporting quarter.

Positive consumer sentiment in the festive period leading up to the Chinese New Year in the next reporting quarter will continue to mitigate the effect of a decline in turnover due to the closure of Metro Tampines.

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 2007

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 2008