

[Print this page](#)[FIRST 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
Designation *	Company Secretary
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[>> ANNOUNCEMENT DETAILS](#)*The details of the announcement start here ...*

For the Financial Period Ended *	30-06-2009
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## Attachments

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## METRO HOLDINGS LIMITED

The Board of Directors of Metro Holdings Limited is pleased to announce the following:-

### UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 30 JUNE 2009

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

	Group		% Change
	1st Qtr ended 30-June-2009 \$'000	1st Qtr ended 30-June-2008 \$'000	
Revenue	33,443	32,586	2.63
Cost of Revenue	<u>(23,857)</u>	<u>(22,373)</u>	6.63
Gross Profit	9,586	10,213	(6.14)
Other income including interest income	20,821	8,158	155.22
General and administrative expenses	<u>(5,210)</u>	<u>(4,366)</u>	19.33
Profit from operating activities	25,197	14,005	79.91
Finance costs	(1,954)	(2,647)	(26.18)
Share of associated companies' results (net of tax)	<u>(6,032)</u>	<u>(3,654)</u>	65.08
Profit from operating activities before taxation	17,211	7,704	123.40
Taxation	<u>(4,090)</u>	<u>(2,006)</u>	103.89
Profit after taxation	<u><u>13,121</u></u>	<u><u>5,698</u></u>	130.27
Attributable to:			
Shareholders of the Company	13,085	5,566	135.09
Minority interests	36	132	(72.73)
	<u><u>13,121</u></u>	<u><u>5,698</u></u>	130.27

1(a) (i) Statement of Comprehensive Income

With effect from 1 January 2009, FRS1 *Presentation of Financial Statement* requires an entity to present all non-owner changes in equity in a Statement of Comprehensive Income. Non-owner changes will include income and expenses recognized directly in equity. This is a change of presentation and does not affect the recognition or measurement of the entity's transactions. Previously, such non-owner changes were included in the Statement of Changes in Equity.

	Group		%
	1st Qtr ended 30-June-2009 \$'000	1st Qtr ended 30-June-2008 \$'000	
<b>Profit for the period</b>	13,121	5,698	130.27
Other comprehensive income			
Currency translation adjustments on foreign operations	(31,616)	10,174	(410.75)
Changes in fair value of available-for-sale assets	44,697	(9,730)	(559.37)
Other comprehensive income/(expense) for the period, net of tax	13,081	444	2,846.17
Total comprehensive income for the period	<u>26,202</u>	<u>6,142</u>	326.60
Attributable to:			
Shareholders of the Company	23,644	6,725	251.58
Minority interests	<u>2,558</u>	<u>(583)</u>	(538.77)
	<u>26,202</u>	<u>6,142</u>	326.60

1 (a) (ii)

### Revenue

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

Turnover of the Group reported on a gross transaction basis, which represents 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		
	1st Qtr ended 30-June-2009 \$'000	1st Qtr ended 30-June-2008 \$'000	% Change
Retail	36,065	34,935	3.23
Property	13,015	11,757	10.70
	<u>49,080</u>	<u>46,692</u>	5.11

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

	Group		
	1st Qtr ended 30-June-2009 \$'000	1st Qtr ended 30-June-2008 \$'000	% Change
Cost of sales and general and administrative expenses includes:-			
Depreciation	(490)	(501)	(2.20)
Inventories recognised as an expenses	(10,288)	(10,766)	(4.44)
Provision for obsolete inventory	(11)	(11)	-
Write off of inventory	(370)	(617)	(40.03)
Provision for doubtful debts	-	(15)	(100.00)
Rental expenses	(3,973)	(4,081)	(2.65)
Foreign exchange gain/ (loss)	(3,302)	649	(608.78)
Other income including interest income includes:-			
Changes in fair value of held-for-trading investments	7,339	(3,516)	(308.73)
Dividends from quoted and unquoted investments	563	2,170	(74.06)
Profit on disposal of available-for-sale investments	475	-	n.m.
Interest income	9,933	7,461	33.13
Amortisation of discount on unquoted bonds	-	233	(100.00)
Management and advisory fees	326	416	(21.63)
Foreign exchange gain	897	298	201.01

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

	Group		% Change
	1st Quarter ended		
	30-June-2009	30-June-2008	
	\$'000	\$'000	
The Group's share of associated companies' results consist of:-			
- Operating results	(5,900)	(3,424)	72.31
- Taxation	<u>(132)</u>	<u>(230)</u>	(42.61)
	<u>(6,032)</u>	<u>(3,654)</u>	65.08

1(a) (v) Taxation

	Group		% Change
	1st Quarter ended		
	30-June-2009	30-June-2008	
	\$'000	\$'000	
Current Year Tax	2,427	2,322	4.52
Under provision in prior years	121	-	100.00
Deferred Tax	1,522	(349)	(536.10)
Withholding Tax	<u>20</u>	<u>33</u>	(39.39)
	<u>4,090</u>	<u>2,006</u>	103.89

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	
	30-Jun-2009 \$'000	31-Mar-2009 \$'000	30-Jun-2009 \$'000	31-Mar-2009 \$'000
<b>Non-current assets</b>				
Property, plant and equipment	11,629	11,965	8,344	8,525
Investment properties	491,510	514,480	-	-
Properties under development	130,923	134,782	-	-
Subsidiaries	-	-	16,874	16,874
Amounts due from subsidiaries	-	-	443,445	447,589
Associated companies	60,183	65,252	500	500
Amount due from associated companies	203,977	211,660	-	-
Amount due from jointly controlled entities	41,837	41,311	-	-
Investments	83,413	62,726	-	-
	<u>1,023,472</u>	<u>1,042,176</u>	<u>469,163</u>	<u>473,488</u>
<b>Current assets</b>				
Inventories	11,177	10,868	-	-
Accounts receivable	17,445	16,670	549	759
Deposits and prepayments	4,795	3,629	375	171
Tax recoverable	416	426	416	426
Short term investments	55,515	22,072	-	-
Collateral assets	24,560	24,560	-	-
Cash and bank balances	192,265	193,041	18,484	29,245
	<u>306,173</u>	<u>271,266</u>	<u>19,824</u>	<u>30,601</u>
<b>Current liabilities</b>				
Bank borrowings	83,158	86,693	-	-
Other liabilities	2,239	2,352	-	-
Accounts payable	83,284	94,853	5,496	4,899
Provision for taxation	10,671	12,356	-	-
	<u>179,352</u>	<u>196,254</u>	<u>5,496</u>	<u>4,899</u>
<b>Net current assets</b>	126,821	75,012	14,328	25,702
<b>Non-current liabilities</b>				
Bank borrowings	119,418	111,122	-	-
Amount owing to subsidiaries	-	-	266,369	276,912
Financial guarantee	391	447	391	447
Deferred taxation	67,710	69,047	435	440
	<u>(187,519)</u>	<u>(180,616)</u>	<u>(267,195)</u>	<u>(277,799)</u>
	<u>96,774</u>	<u>936,572</u>	<u>216,296</u>	<u>221,391</u>
<b>Shareholders' equity</b>				
Share capital	126,155	126,155	126,155	126,155
Treasury shares	(266)	(266)	(266)	(266)
Reserves	831,747	808,103	90,407	95,502
	<u>957,636</u>	<u>933,992</u>	<u>216,296</u>	<u>221,391</u>
Minority interests	5,138	2,580	-	-
Total equity	<u>962,774</u>	<u>936,572</u>	<u>216,296</u>	<u>221,391</u>

1(b) (ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30-June-2009		As at 31-Mar-2009	
Secured	Unsecured	Secured	Unsecured
74,041,880	9,116,000	77,147,455	9,546,000

Amount repayable after one year

As at 30-June-2009		As at 31-Mar-2009	
Secured	Unsecured	Secured	Unsecured
119,418,365	-	111,122,028	-

Details of any collateral

Investment properties with a net book value as at 30 June 2009 totaling \$159.3 million have been mortgaged to banks for banking facilities granted to a jointly controlled entity. Total loans drawn on such facilities as at 30 June 2009 amounted to \$83.7 million. Short term loans of HK\$99.4 million (equivalent to S\$18.6 million) and US\$25.0 million (equivalent to S\$36.2 million) granted to subsidiaries were secured by marketable securities and shares of subsidiaries which own an investment property with a book value as at 30 June 2009 of S\$94.2 million. Bank loans of RMB 56 million (equivalent to S\$ 11.8 million) granted to a jointly controlled entity were secured by fixed deposits totaling US\$9.4 million (equivalent to S\$13.7 million). Bank facilities granted to a jointly controlled entity, of which an amount of Rmb 203.5 million (equivalent to S\$43.1 million) has been drawn, were secured by a property under development with a net book value as at 30 June 2009 of \$99.7 million and a fixed deposit of \$17 million.

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	
	1st Qtr ended 30-June-2009 \$'000	1st Qtr ended 30-June-2008 \$'000
<b>Cash flows from operating activities</b>		
Operating profit before reinvestment in working capital	8,364	9,921
Increase in inventories	(690)	(1,023)
(Increase)/ decrease in accounts receivable	(335)	1,888
(Increase)/ decrease in deposits and prepayments	(1,166)	133
Decrease in short term investments	(179)	-
(Decrease) / increase in accounts payable	<u>(11,569)</u>	<u>4,037</u>
Cash (used in)/generated from operations	(5,575)	14,956
Interest expense paid	(2,089)	(2,647)
Interest income received	3,810	1,471
Income taxes paid	<u>(3,954)</u>	<u>(3,364)</u>
Net cash (used in) / provided by operating activities	<u>(7,808)</u>	<u>10,416</u>
<b>Cash flows from investing activities</b>		
Additions to property, plant & equipment	(235)	(359)
Additional cost to properties under development	(2,614)	-
Additional investments in notes	(4,448)	-
Proceeds from sale of property, plant & equipment	90	193
Proceeds from sale of available-for-sale investments	1,027	-
Increase in amount owing by associated companies	2,053	(25,268)
Additional loans to jointly controlled entities	(741)	-
Dividends received from quoted and unquoted investments	563	2,170
Changes in fixed deposits held as security	688	873
Net cash used in investing activities	<u>(3,617)</u>	<u>(22,391)</u>
<b>Cash flows from financing activities</b>		
Drawdown of bank borrowings	17,094	1,676
Repayment of bank borrowings	<u>(3,180)</u>	<u>(980)</u>
Net cash provided by financing activities	<u>13,914</u>	<u>696</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	2,489	(11,279)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(2,577)	581
<b>Cash &amp; cash equivalents at beginning of financial period</b>	<u>161,658</u>	<u>118,458</u>
<b>Cash &amp; cash equivalents at end of financial period</b>	<u><u>161,570</u></u>	<u><u>107,760</u></u>



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

	Group	
	1st Qtr ended 30-June-2009 \$'000	1st Qtr ended 30-June-2008 \$'000
Reconciliation between profit before taxation and operating profit before reinvestment in working capital:		
Profit before taxation	17,211	7,704
Adjustments for:		
Interest expense	2,089	2,647
Depreciation of property, plant and equipment	490	501
Share of results of associated companies	6,032	3,654
Inventory written off	370	617
Provision for obsolete stock	11	11
Provision for doubtful debts	-	15
Profit on disposal of property, plant and equipment	(53)	(138)
Gain on disposal of available-for-sale investments	(475)	-
Interest income	(9,933)	(7,461)
Dividend income	(563)	(2,170)
Amortisation of discount on unquoted bonds	-	(233)
Foreign exchange adjustments	659	1,258
Changes in fair value of held-for-trading investments	(7,339)	3,516
Operating profit before reinvestment in working capital	8,499	9,921

Note A : Cash and cash equivalents

For the purpose of the consolidated cash flow statement, the consolidated cash and cash equivalents at the end of the financial period comprised the following:

	Group	
	1st Qtr ended 30-June-2009 \$'000	1st Qtr ended 30-June-2008 \$'000
Cash and deposits	192,265	162,172
Less: Fixed deposits pledged as security for credit facilities granted to subsidiary companies	(30,695)	(54,412)
	161,570	107,760

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	
	1st Quarter ended 30-June-2009 \$'000	1st Quarter ended 30-June-2008 \$'000	1st Quarter ended 30-June-2009 \$'000	1st Quarter ended 30-June-2008 \$'000
<b>Share Capital</b>				
Balance at beginning and end of financial period	126,155	126,155	126,155	126,155
<b>Treasury Shares</b>				
Balance at beginning and end of financial period	(266)	-	(266)	-
<b>Warrant Reserve</b>				
Balance at beginning and end of financial period	4,315	-	4,315	-
<b>Revaluation Reserve</b>				
Balance at beginning and end of financial period	16,891	8,740	6,301	6,301
<b>Fair Value Reserve</b>				
Balance at 1 April	(4,390)	58,194	-	-
Total comprehensive income for the period	42,015	(9,146)	-	-
Balance at end of financial period	37,625	49,048	-	-
<b>Foreign Currency Translation Reserve</b>				
Balance at 1 April	44,099	(27,598)	-	-
Total comprehensive income for the period	(31,456)	10,305	-	-
Balance at end of financial period	12,643	(17,293)	-	-

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

	Group		Company	
	1st Quarter ended 30-June-2009 \$'000	1st Quarter ended 30-June-2008 \$'000	1st Quarter ended 30-June-2009 \$'000	1st Quarter ended 30-June-2008 \$'000
<b>Revenue Reserve</b>				
Balance at 1 April	747,188	714,085	84,886	93,595
Total comprehensive income for the period	<u>13,085</u>	<u>5,566</u>	<u>(5,095)</u>	<u>(1,579)</u>
Balance at end of financial period	<u>760,273</u>	<u>719,651</u>	<u>79,791</u>	<u>92,016</u>
<b>Total Shareholders' equity</b>	<b><u>957,636</u></b>	<b><u>886,301</u></b>	<b><u>216,296</u></b>	<b><u>224,472</u></b>
<b>Minority Interest</b>				
Balance at 1 April	2,580	8,643	-	-
Total comprehensive income for the period	<u>2,558</u>	<u>(583)</u>	<u>-</u>	<u>-</u>
Balance at end of financial period	<u>5,138</u>	<u>8,060</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>	<b><u>962,774</u></b>	<b><u>894,361</u></b>	<b><u>216,296</u></b>	<b><u>224,472</u></b>

1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares 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, or sales, transfers, disposal, cancellation, and/or use of treasury shares since the end of the previous period reported on.

As at 30 June 2009, there were 769,000 treasury shares (as at 30 June 2008: Nil).

As at 30 June 2009, there were 63,077,667 warrants (as at 30 June 2008: Nil) that could be exercised into ordinary shares. Each warrant carries the right to subscribe for one new share in the issued share capital of the Company.

1(d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30 June 2009 (end of current financial period)	As at 31 March 2009 (end of immediately preceding year)
Total number of issued shares (excluding treasury shares)	630,007,676	630,007,676

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 1<sup>st</sup> Quarter period ended 30 June 2009.

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 2009.

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 adopted the new and revised Singapore Financial Reporting Standards ("FRSs") that are mandatory for financial years beginning on and after 1 April 2009, where applicable. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the retained earnings of the Group as at 1 April 2009. However, a 2009 Amendment to Appendix to FRS 18 Revenue requires revenue from concessions to be shown on a net basis, being the commission received rather than the gross value achieved by the concessionaire on the sale. The effect is shown in Paragraph 1 (a) and 1 (a) (ii). Accordingly, the comparatives have been restated.

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	2.08 cents	0.88cents
(b) On a fully diluted basis	N.A.	N.A.

Earnings per share is calculated on the Group's profit attributable to shareholders of the Company divided by the weighted average number of ordinary shares of 630,558,566 for the quarter ended 30 June 2009 (quarter ended 30 June 2008: 630,776,676).

Diluted earnings per ordinary share is computed based on the same basis as earnings per share by applying the weighted average number of ordinary shares in issuance during the periods under review and adjusted to include all potential dilutive ordinary shares up to 30 June 2009.

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	152.0 cents	34.3 cents
(b) 31 March 2009	148.3 cents	35.1 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

8(a) Segmental Results for 1st Quarter ended 30 June

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2009				
Sales to external customers	13,015	20,428	-	33,443
Inter-segment sales	217	-	(217)	-
Segment revenue	<u>13,232</u>	<u>20,428</u>	<u>(217)</u>	<u>33,443</u>
Segment results	24,874	323	-	25,197
Finance costs	(1,954)	-	-	(1,954)
Share of results of associated companies	<u>(5,192)</u>	<u>(840)</u>	-	<u>(6,032)</u>
Profit before taxation	17,728	(517)	-	17,211
Taxation				<u>(4,090)</u>
Profit after taxation				<u>13,121</u>
Attributable to:				
Shareholders of the Company				13,085
Minority interests				<u>36</u>
				<u>13,121</u>

8(a) Segmental Results for 1st Quarter ended 30 June (Cont'd)

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2008				
Sales to external customers	11,757	20,829	-	32,586
Inter-segment sales	<u>217</u>	<u>-</u>	<u>(217)</u>	<u>-</u>
Segment revenue	<u>11,974</u>	<u>20,829</u>	<u>(217)</u>	<u>32,586</u>
Segment results	13,925	80	-	14,005
Finance costs	(2,647)	-	-	(2,647)
Share of results of associated companies	<u>(3,523)</u>	<u>(131)</u>	<u>-</u>	<u>(3,654)</u>
Profit before taxation	7,755	(51)	-	7,704
Taxation				<u>(2,006)</u>
Profit after taxation				<u>5,698</u>
Attributable to:				
Shareholders of the Company				5,566
Minority interests				<u>132</u>
				<u>5,698</u>

	Asean \$'000	Hong Kong and China \$'000	Group \$'000
2009			
Segment revenue	<u>20,428</u>	<u>13,015</u>	<u>33,443</u>
2008			
Segment revenue	<u>20,829</u>	<u>11,757</u>	<u>32,586</u>

## 8(b) Review

Group turnover for the first financial quarter to 30 June 2009 (“1QFY2010”) was \$33.4 million. Compared to the corresponding quarter last year (“1QFY2009”), group turnover increased by 2.6% mainly because of higher rental income. Profit before tax of \$17.2 million was higher than 1QFY2009’s \$7.7 million due to an increase in the fair value of the Group’s portfolio of short term investments.

The property division’s revenue for the quarter was \$13.0 million as compared to the previous 1QFY2009’s \$11.8 million. A strengthening of the Chinese Yuan against the Singapore dollar and higher rental income from Metro Tower and GIE Tower accounted for the increase. The Group’s properties continued to maintain high occupancy with Metro City Beijing raising its occupancy rate from 65.6% to 91.9% with the signing of an anchor tenant towards the end of 1QFY2010. However, take up of the office space at 1 Financial Street in Beijing continues to be slow. The property division’s profit before taxation rose from \$7.8 million to \$17.7 million, mainly due to a gain of \$7.3 million (unrealized) in the fair value of the property division’s portfolio of short term investments, compared to a loss of \$3.5 million (unrealized) in 1QFY2009.

The portfolio summary of the Group’s completed Properties as at 30 June 2009 is as follows:

	<i>Percentage owned by the Group</i>	<i>Tenure</i>	<i>No. of Tenants</i>	<i>Occupancy Rate (%)</i>
Metro City, Shanghai	60%	36 year term from 1993	113	93.5%
Metro City, Beijing	50%	40 year term from 2004	18	91.9%
GIE Tower, Guangzhou	100%	50 year term from 1994	35	82.3%
Metro Tower, Shanghai	60%	50 year term from 1993	25	96.6%
Gurney Plaza Extension, Penang	49%	Freehold	52	98.1%
1 Financial Street, Beijing	45%	50 year term from 2002	5	19.3%

The retail division maintained its turnover for the first quarter in the midst of difficult trading conditions. Sales and profitability of the retail division’s associated company in Indonesia were significantly affected by the slow trading environment.

Investment properties declined by \$23 million due to foreign currency translation adjustments. Investments (non-current assets) rose with an increase in the fair value of investments in Shui On Land Ltd of \$44.7 million. Short term investments rose with a reclassification of investments in unquoted secured loan notes of \$21.5 million from non-current to current assets. Account payable was reduced by \$14m being payment made by a jointly controlled entity in relation to Properties under development utilizing long-term bank facilities. 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.



Further to the announcement dated 21 July 2008, proceedings continue on the two law suits filed in the High Court of Malaya at Kuala Lumpur by the Company against the directors of Gurney Plaza Sdn Bhd (“GPSB”), which is an indirectly owned associated company of the Company that is incorporated in Malaysia. The Company’s claims against the directors of GPSB are premised on oppression of a minority shareholder under Section 181 of the Malaysian Companies Act 1965 and/or the exceptions to the rule in *Foss v Harbottle* for harm done to GPSB. There have been no material developments to date and the Company will make further announcements as and when there are any material developments.

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

No forecast or prospect statement has been issued for the period being reported on.

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

Whilst rental income of the Group’s four properties in the PRC is expected to remain steady, substantial new office supply in the main business districts of Beijing continues to create competitive conditions for our associate’s 1 Financial Street Project in Beijing. Occupancy of this new office building is expected to continue to rise in a slow progressive manner mainly based on demand from domestic enterprises. EC Mall in Beijing is due to soft open in late 2QFY2010 and will make its contribution to rental income from the following financial quarter. Metropolis Tower in Beijing will also come on stream around the end of 2QFY2010 and will also face competitive conditions in the office sector.

The fair value of the Group’s portfolio of quoted equity investments will continue to be affected by the volatile market conditions.

The slow Singaporean and Indonesian economies will continue to have an impact on the retail trade. However, with the new outlet at the new City Square Mall in Singapore due to open in 3QFY2010, topline sales performance of the retail division is likely to grow.

11. Dividends

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the immediately preceding financial year? None

(c) Date payable

Not applicable

(d) Book closure date

Not Applicable

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

No interim dividend has been declared for the quarter ended 30 June 2009

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

BY ORDER OF THE BOARD

Tan Ching Chek and Lee Chin Yin  
Joint Company Secretaries  
Date 14 August 2009