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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 *	30-09-2009
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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 SECOND QUARTER ENDED 30 SEPTEMBER 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			Group		
	2nd Qtr ended 30-Sep-2009 \$'000	2nd Qtr ended 30-Sep-2008 \$'000	% Change	Half Year ended 30-Sep-2009 \$'000	Half Year ended 30-Sep-2008 \$'000	% Change
Revenue	36,236	33,739	7.40	69,679	66,325	5.06
Cost of Revenue	(25,662)	(23,841)	7.64	(49,519)	(46,214)	7.15
Gross Profit	10,574	9,898	6.83	20,160	20,111	0.24
Other income including interest income	15,853	1,990	696.63	36,674	10,149	261.36
General and administrative expenses	(6,370)	(7,485)	(14.90)	(11,580)	(11,851)	(2.29)
Profit from operating activities	20,057	4,403	355.53	45,254	18,409	145.83
Finance costs	(1,768)	(2,756)	(35.85)	(3,722)	(5,403)	(31.11)
Share of associated companies' results (net of tax)	(5,123)	(2,995)	71.05	(11,155)	(6,649)	67.77
Profit/(loss) from operating activities before taxation	13,166	(1,348)	n.m.	30,377	6,357	377.85
Taxation	(3,747)	(3,525)	6.30	(7,837)	(5,532)	41.67
Profit/ (loss) after taxation	9,419	(4,873)	(293.29)	22,540	825	n.m.
Attributable to:						
Shareholders of the Company	9,325	(4,895)	(290.50)	22,410	671	n.m.
Minority interests	94	22	327.27	130	154	(15.58)
	9,419	(4,873)	(293.29)	22,540	825	n.m.

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			Group		
	2nd Qtr ended 30-Sep-2009 \$'000	2nd Qtr ended 30-Sep-2008 \$'000	% Change	Half Year ended 30-Sep-2009 \$'000	Half Year ended 30-Sep-2008 \$'000	% Change
Profit /(loss) for the period	9,419	(4,873)	(293.29)	22,540	825	n.m.
Other comprehensive income						
Currency translation adjustments on foreign operations	(16,173)	24,310	(166.53)	(47,789)	34,484	(238.58)
Changes in fair value of available-for-sale assets	(15,274)	(46,026)	(66.81)	29,423	(55,756)	(152.77)
Other comprehensive expense for the the period, net of tax	(31,447)	(21,716)	44.81	(18,366)	(21,272)	(13.66)
Total comprehensive (expense)/ income for the period	<u>(22,028)</u>	<u>(26,589)</u>	(17.15)	<u>4,174</u>	<u>(20,447)</u>	(120.41)
Attributable to:						
Shareholders of the Company	(21,121)	(24,255)	(12.92)	2,523	(17,530)	(114.39)
Minority interests	(907)	(2,334)	(61.14)	1,651	(2,917)	(156.60)
	<u>(22,028)</u>	<u>(26,589)</u>	(17.15)	<u>4,174</u>	<u>(20,447)</u>	(120.41)

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			Group		
	2nd Qtr ended 30-Sep-2009 \$'000	2nd Qtr ended 30-Sep-2008 \$'000	% Change	Half Year ended 30-Sep-2009 \$'000	Half Year ended 30-Sep-2008 \$'000	% Change
Retail	37,798	34,831	8.52	73,863	69,766	5.87
Property	13,417	12,078	11.09	26,432	23,835	10.90
	<u>51,215</u>	<u>46,909</u>	9.18	<u>100,295</u>	<u>93,601</u>	7.15

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

	Group			Group		
	2nd Qtr ended 30-Sep-2009 \$'000	2nd Qtr ended 30-Sep-2008 \$'000	% Change	Half Year ended 30-Sep-2009 \$'000	Half Year ended 30-Sep-2008 \$'000	% Change
Cost of sales and general and administrative expenses includes:-						
Inventories recognised as an expense	(11,729)	(11,119)	5.49	(22,017)	(21,875)	0.65
Depreciation	(576)	(485)	18.76	(1,066)	(986)	8.11
(Provision)/write back of provision for obsolete inventory	(32)	10	(420.00)	(43)	(1)	n.m.
Write off of inventory	(24)	(143)	(83.22)	(394)	(760)	(48.16)
Provision for doubtful debts	-	(214)	(100.00)	-	(229)	(100.00)
Rental expenses	(4,156)	(4,150)	0.14	(8,129)	(8,289)	(1.93)
Foreign exchange gain/ (loss)	212	(602)	(135.22)	295	345	(14.49)
Other income including interest income includes:-						
Changes in fair value of held-for-trading investments	(579)	(9,317)	(93.79)	6,760	(12,833)	(152.68)
Dividends from quoted and unquoted investments	1,277	1,018	25.44	1,840	3,188	(42.28)
Profit on disposal of available-for-sale investments	1,581	-	n.m.	2,056	-	n.m.
Profit on disposal of short term investments	944	-	n.m.	944	-	n.m.
Interest income	10,582	8,082	30.93	20,515	15,544	31.98
Amortisation of discount on unquoted bonds	-	245	(100.00)	-	479	(100.00)
Management and advisory fees	457	373	22.52	783	789	(0.76)
Foreign exchange gain	494	-	n.m.	1,391	-	n.m.

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

	Group			Group		
	2nd Qtr ended 30-Sep-2009 \$'000	2nd Qtr ended 30-Sep-2008 \$'000	% Change	Half year ended 30-Sep-2009 \$'000	Half year ended 30-Sep-2008 \$'000	% Change
The Group's share of associated companies' results consists of:-						
-Operating results	(4,998)	(2,640)	89.32	(10,898)	(6,064)	79.72
-Taxation	(125)	(355)	(64.79)	(257)	(585)	(56.07)
	<u>(5,123)</u>	<u>(2,995)</u>	71.05	<u>(11,155)</u>	<u>(6,649)</u>	67.77

1(a) (v) Taxation

	Group			Group		
	2nd Qtr ended 30-Sep-2009 \$'000	2nd Qtr ended 30-Sep-2008 \$'000	% Change	Half year ended 30-Sep-2009 \$'000	Half year ended 30-Sep-2008 \$'000	% Change
Current Year Tax	2,174	2,409	(9.76)	4,601	4,731	(2.75)
Under provision in prior years	(60)	-	n.m.	61	-	n.m
Deferred Tax	1,594	1,059	50.52	3,116	711	338.26
Withholding Tax	39	57	(31.58)	59	90	(34.44)
	<u>3,747</u>	<u>3,525</u>	6.30	<u>7,837</u>	<u>5,532</u>	41.67

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-Sep-2009 \$'000	31-Mar-2009 \$'000	30-Sep-2009 \$'000	31-Mar-2009 \$'000
Non-current assets				
Property, plant and equipment	14,418	11,965	8,198	8,525
Investment properties	610,567	514,480	-	-
Investment properties under development	-	134,782	-	-
Subsidiaries	-	-	16,874	16,874
Amounts due from subsidiaries	-	-	447,960	447,589
Associated companies	55,473	65,252	500	500
Amount due from associated companies	204,153	211,660	-	-
Amount due from jointly controlled entities	46,892	41,311	-	-
Investments	65,687	62,726	-	-
	<u>997,190</u>	<u>1,042,176</u>	<u>473,532</u>	<u>473,488</u>
Current assets				
Inventories	11,874	10,868	-	-
Accounts receivable	13,487	16,670	162	759
Deposits and prepayments	5,280	3,629	443	171
Tax recoverable	-	426	-	426
Short term investments	53,034	22,072	-	-
Collateral assets	24,560	24,560	-	-
Cash and bank balances	201,781	193,041	26,564	29,245
	<u>310,016</u>	<u>271,266</u>	<u>27,169</u>	<u>30,601</u>
Current liabilities				
Bank borrowings	78,340	86,693	-	-
Other liabilities	2,188	2,352	-	-
Accounts payable	74,185	94,853	4,089	4,899
Provision for taxation	11,333	12,356	237	-
	<u>166,046</u>	<u>196,254</u>	<u>4,326</u>	<u>4,899</u>
Net current assets	143,970	75,012	22,843	25,702
Non-current liabilities				
Bank borrowings	146,773	111,122	-	-
Amount owing to subsidiaries	-	-	296,421	276,912
Financial guarantee	335	447	335	447
Deferred taxation	66,526	69,047	409	440
	<u>(213,634)</u>	<u>(180,616)</u>	<u>(297,165)</u>	<u>(277,799)</u>
	<u>927,526</u>	<u>936,572</u>	<u>199,210</u>	<u>221,391</u>
Shareholders' equity				
Share capital	126,155	126,155	126,155	126,155
Treasury shares	(886)	(266)	(886)	(266)
Reserves	798,026	808,103	73,941	95,502
	<u>923,295</u>	<u>933,992</u>	<u>199,210</u>	<u>221,391</u>
Minority interests	4,231	2,580	-	-
Total equity	<u>927,526</u>	<u>936,572</u>	<u>199,210</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-Sep-2009		As at 31-Mar-2009	
Secured	Unsecured	Secured	Unsecured
72,026,648	6,313,500	77,147,455	9,546,000

Amount repayable after one year

As at 30-Sep-2009		As at 31-Mar-2009	
Secured	Unsecured	Secured	Unsecured
146,772,913	-	111,122,028	-

Details of any collateral

Investment properties with a net book value as at 30 September 2009 totaling \$155.6 million have been mortgaged to banks for banking facilities granted to a jointly controlled entity. Total loans drawn on such facilities as at 30 September 2009 amounted to \$103.5 million. Short term loans of HK\$99.4 million (equivalent to S\$18.1 million) and US\$25.0 million (equivalent to S\$35.3 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 September 2009 of S\$92.0 million. Bank loans of RMB 87.2 million (equivalent to S\$ 18.1 million) granted to a jointly controlled entity were secured by fixed deposits totaling US\$ 14.2 million (equivalent to S\$20.1 million). Bank facilities granted to a jointly controlled entity, of which an amount of Rmb 211.5 million (equivalent to S\$43. 8 million) has been drawn, were secured by an investment property with a net book value as at 30 September 2009 of \$99.4 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	
	2nd Qtr ended 30-Sep-2009 \$'000	2nd Qtr ended 30-Sep-2008 \$'000
Cash flows from operating activities		
Operating profit before reinvestment in working capital	7,065	5,465
Increase in inventories	(753)	(37)
Decrease in accounts receivable	2,866	405
Decrease in deposits and prepayments	1,039	-
Decrease in short term investments	2,846	-
Decrease in accounts payable	(9,098)	(9,005)
Cash generated from/ (used in) operations	3,965	(3,172)
Interest expense paid	(1,768)	(2,756)
Interest income received	2,327	1,288
Income taxes paid	(2,206)	(2,567)
Net cash provided by/(used in) operating activities	<u>2,318</u>	<u>(7,207)</u>
Cash flows from investing activities		
Additions to property, plant & equipment	(3,391)	(241)
Additional cost to investment properties under development	(2,605)	-
Proceeds from sale of property, plant & equipment	3	22
Proceeds from issue of warrants	-	4,415
Purchase of treasury shares	(620)	-
Proceeds from sale of available-for-sale investments	3,061	-
Increase in amount owing by associated companies	-	(7,194)
Additional loans to jointly controlled entities	(4,036)	-
Dividends received from quoted and unquoted investments	1,277	1,018
Changes in fixed deposits held as security	(6,417)	(2,857)
Net cash used in investing activities	<u>(12,728)</u>	<u>(4,837)</u>
Cash flows from financing activities		
Drawdown of bank borrowings	29,867	8,210
Repayment of bank borrowings	(2,650)	-
Dividend paid during the period	(12,600)	(6,308)
Net cash provided by financing activities	<u>14,617</u>	<u>1,902</u>
Net increase / (decrease) in cash and cash equivalents	4,207	(10,142)
Effect of exchange rate changes on cash and cash equivalents	(1,108)	719
Cash & cash equivalents at beginning of financial period	<u>161,570</u>	<u>107,760</u>
Cash & cash equivalents at end of financial period	<u><u>164,669</u></u>	<u><u>98,337</u></u>

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

	Group	
	2nd Qtr ended 30-Sep-2009 \$'000	2nd Qtr ended 30-Sep-2008 \$'000
Reconciliation between profit before taxation and operating profit before reinvestment in working capital:		
Profit/(loss) before taxation	13,166	(1,348)
Adjustments for:		
Interest expense	1,768	2,756
Depreciation of property, plant and equipment	576	485
Share of results of associated companies	5,123	2,995
Inventory written off	24	143
Provision/(write back of provision) for obsolete stock	32	(10)
Provision for doubtful debts	-	214
Profit on disposal of property, plant and equipment	(1)	(13)
Gain on disposal of available-for-sale investments	(1,581)	-
Gain on disposal of short term investments	(944)	-
Interest income	(10,582)	(8,082)
Dividend income	(1,277)	(1,018)
Amortisation of discount on unquoted bonds	-	(245)
Foreign exchange adjustments	182	271
Changes in fair value of held-for-trading investments	579	9,317
Operating profit before reinvestment in working capital	7,065	5,465

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	
	Half year ended 30-Sep-2009 \$'000	Half year ended 30-Sep-2008 \$'000
Cash and deposits	201,781	155,606
Less: Fixed deposits pledged as security for credit facilities granted to subsidiary companies	(37,112)	(57,269)
	164,669	98,337

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	
	2nd Quarter ended 30-Sep-2009 \$'000	2nd Quarter ended 30-Sep-2008 \$'000	2nd Quarter ended 30-Sep-2009 \$'000	2nd Quarter ended 30-Sep-2008 \$'000
Share Capital				
Balance at beginning and end of financial period	126,155	126,155	126,155	126,155
Treasury Shares				
Balance at beginning of financial period	(266)	-	(266)	-
Purchase of treasury shares	(620)	-	(620)	-
Balance at end of financial period	(886)	-	(886)	-
Warrant Reserve				
Balance at beginning of financial period	4,315	-	4,315	-
Proceeds from issue of 63,077,667 warrants	-	4,415	-	4,415
Expenses relating to warrant issue	-	(100)	-	(100)
Balance at end of financial period	4,315	4,315	4,315	4,315
Revaluation Reserve				
Balance at beginning and end of financial period	16,891	8,740	6,301	6,301
Fair Value Reserve				
Balance at beginning of financial period	37,625	49,048	-	-
Other comprehensive income for the period	(14,494)	(43,721)	-	-
Balance at end of financial period	23,131	5,327	-	-
Foreign Currency Translation Reserve				
Balance at beginning of financial period	12,643	(17,294)	-	-
Other comprehensive income for the period	(15,952)	24,361	-	-
Balance at end of financial period	(3,309)	7,067	-	-

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

	Group		Company	
	2nd Quarter ended 30-Sep-2009 \$'000	2nd Quarter ended 30-Sep-2008 \$'000	2nd Quarter ended 30-Sep-2009 \$'000	2nd Quarter ended 30-Sep-2008 \$'000
Revenue Reserve				
Balance at beginning of financial period	760,273	719,652	79,791	92,016
Dividend, less income tax	(12,600)	(6,308)	(12,600)	(6,308)
Profit/(loss) for the period	9,325	(4,895)	(3,866)	834
Balance at end of financial period	<u>756,998</u>	<u>708,449</u>	<u>63,325</u>	<u>86,542</u>
Total Shareholders' equity	<u>923,295</u>	<u>860,053</u>	<u>199,210</u>	<u>223,313</u>
Minority Interest				
Balance at beginning of financial period	5,138	8,060	-	-
Total comprehensive income for the period	(907)	(2,334)	-	-
Balance at end of financial period	<u>4,231</u>	<u>5,726</u>	<u>-</u>	<u>-</u>
Total equity	<u>927,526</u>	<u>865,779</u>	<u>199,210</u>	<u>223,313</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 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.

During the financial period, the Company acquired 1 million of its own shares through on-market purchases on the Singapore Exchange Securities Trading Limited and these shares were held as treasury shares.

As at 30 September 2009, there were 1,769,000 treasury shares (as at 30 September 2008: Nil).

As at 30 September 2009, there were 63,077,667 warrants (as at 30 September 2008: 63,077,667) 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 September 2009 (end of current financial period)	As at 31 March 2009 (end of immediately preceding year)
Total number of issued shares (excluding treasury shares)	629,007,676	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.

Treasury shares as at 1 July 2009	769,000
Share Buy-back on 20 August 2009	1,000,000
Treasury shares as at 30 September 2009	1,769,000

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	1.48 cents	(0.77) cents
(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 630,031,281 for the quarter ended 30 September 2009 (quarter ended 30 September 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 September 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	146.8 cents	31.7 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 Second Quarter ended 30 September

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2009				
Sales to external customers	13,417	22,819	-	36,236
Inter-segment sales	217	-	(217)	-
Segment revenue	<u>13,634</u>	<u>22,819</u>	<u>(217)</u>	<u>36,236</u>
Segment results	19,213	844	-	20,057
Finance costs	(1,768)	-	-	(1,768)
Share of results of associated companies	<u>(5,451)</u>	<u>328</u>	<u>-</u>	<u>(5,123)</u>
Profit before taxation	11,994	1,172	-	13,166
Taxation				<u>(3,747)</u>
Profit after taxation				<u>9,419</u>
Attributable to:				
Shareholders of the Company				9,325
Minority interests				<u>94</u>
				<u>9,419</u>

8(a) Segmental Results for Second Quarter ended 30 September (Cont'd)

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2008				
Sales to external customers	12,078	21,661	-	33,739
Inter-segment sales	217	-	(217)	-
Segment revenue	<u>12,295</u>	<u>21,661</u>	<u>(217)</u>	<u>33,739</u>
Segment results	3,916	487	-	4,403
Finance costs	(2,756)	-	-	(2,756)
Share of results of associated companies	(3,504)	509	-	(2,995)
Profit before taxation	<u>(2,344)</u>	<u>996</u>	<u>-</u>	<u>(1,348)</u>
Taxation				<u>(3,525)</u>
Profit after taxation				<u><u>(4,873)</u></u>
Attributable to:				
Shareholders of the Company				(4,895)
Minority interests				<u>22</u>
				<u><u>(4,873)</u></u>

	Asean \$'000	Hong Kong and China \$'000	Group \$'000
2009			
Segment revenue	<u>22,819</u>	<u>13,417</u>	<u>36,236</u>
2008			
Segment revenue	<u>21,661</u>	<u>12,078</u>	<u>33,739</u>

8(b) Review

Group turnover for the second financial quarter to 30 September 2009 (“2QFY2010”) rose to \$36.2 million from \$33.7 million in the previous corresponding quarter (“2QFY2009”), an increase of 7.4% as both the property and retail division reported turnover growth. A profit before tax of \$13.2 million was reported compared to a loss before tax of \$1.3 million in 2QFY2009, mainly because last year’s 2QFY2009 included an unrealized decrease in the fair value of the Group’s portfolio of short term investments of \$9.3 million.

The property division’s revenue for the quarter was \$13.4 million as compared to the previous 2QFY2009’s \$12.1 million. Higher rental income from Metro City Beijing, Metro Tower and GIE Tower and a strengthening of the Chinese Yuan against the Singapore dollar accounted for the increase. Asset enhancement activities at Metro City Shanghai held back revenue growth. The Group’s mature properties continued to maintain high occupancy. EC Mall soft opened from the end of September 2009 in phases and continues to build on its occupancy. However, take up of the office space at 1 Financial Street and the newly opened Metropolis Tower, both in Beijing continues to be slow. The property division’s profit before taxation swung from a loss of \$2.3 million to a profit of \$12.0 million, mainly due to a loss of \$0.6 million (unrealized) in the fair value of the property division’s portfolio of short term investments in 2QFY2010, compared to a loss of \$9.3 million (unrealized) in 2QFY2009. The higher rental income, a reduction in expenses and gains on disposals of available-for-sale and short term investments also contributed to the turnaround.

The portfolio summary of the Group’s completed Properties as at 30 September 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	106	94.2%
Metro City, Beijing	50%	40 year term from 2004	18	88.7%
GIE Tower, Guangzhou	100%	50 year term from 1994	39	83.1%
Metro Tower, Shanghai	60%	50 year term from 1993	25	96.6%
Gurney Plaza Extension, Penang	49%	Freehold	53	98.7%
1 Financial Street, Beijing	45%	50 year term from 2002	13	26.2%
EC Mall, Beijing	31.5%	40 year term from 2001	26	46.4%
Metropolis Tower, Beijing	31.5%	50 year term from 2001	1	4.1%

Revenue of the retail division showed growth in spite of recessionary trading conditions as promotional events bore fruit. Sales and profitability of the retail division's associated company in Indonesia continued to be affected by the slow down in economic activities.

Investment properties rose to \$610.6 million with a reclassification from Investment properties under development on the completion of EC Mall and Metropolis Tower. Investments (non-current assets) declined with a decrease in the fair value of investments in Shui On Land Ltd of \$13.0 million. Refinancing of bank facilities by jointly controlled entities generated additional cash resources of \$29.9 million. 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.

Rental income of the Group's mature properties in the PRC is expected to remain steady. Occupancy of the new office buildings, 1 Financial Street and Metropolis Tower, in Beijing is expected to rise slowly amidst an over supply situation. EC Mall in Beijing will continue its soft opening in phases and its contribution to rental income from 3QFY 2010 will therefore be progressive.

The fair value of the Group's portfolio of quoted equity investments will continue to be subject to market conditions.

The performance of the Singaporean and Indonesian economies will continue to have an impact on the retail trade. The new Metro Department store at the new City Square Mall in Singapore soft opened in late September 2009 and has started to contribute to topline sales performance of the retail division.

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 September 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 second 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 13 November 2009