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MISCELLANEOUS

* Asterisks denote mandatory information

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| 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 ...

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| Announcement Title * | Press Release on first quarter results FY2009 |
| Description | Please refer to attached press release. |
| Attachments |  pressreleasefirstquarter2009.pdf Total size = 232K (2048K size limit recommended) |

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NEWS RELEASE

METRO'S NET PROFIT JUMPS 135% TO S\$13.1 MILLION IN 1QFY2010

- **Revenue improves to S\$33.4 million**
 - o **Core Property Division maintains growth momentum**
 - **Higher rental income from Metro Tower and GIE Tower**
 - **S\$7.3 million (unrealised) gain in the fair value of short-term investments boosted Property Division's profit before tax**
 - o **Retail Division turnover remains stable despite difficult trading conditions**
- **Balance sheet remains strong with healthy cash position of S\$192.3 million**
- **Shareholders' equity grows to S\$957.6 million**

Singapore, August 14, 2009 – Mainboard-listed Metro Holdings Limited (“Metro ” or the “Group”) (“美罗控股有限公司”), a growing property development and investment group backed by established retail operations in the region, today reported a 135.1% surge in its net profit attributable to shareholders to S\$13.1 million for the three months ended June 30, 2009 (“1QFY2010”), from S\$5.6 million in the previous corresponding quarter (“1QFY2009”). Revenue increased 2.6% from S\$32.6 million in 1QFY2009 to S\$33.4 million in 1QFY2010.

Higher rental income from two of the Group's properties in China – Metro Tower and GIE Tower – was the key contributor to Metro's topline improvement. The 135% surge in the Group's net profit was mainly due to an increase in the fair value of the Group's portfolio of short-term investments.

Commented Lt Gen (Retd) Winston Choo (朱維良), Metro's Chairman: "Despite the continuing challenging operating climate, Metro's four properties in China, excluding the newly-completed 1 Financial Street, have been enjoying healthy occupancy rates averaging 92.5% as at end June 2009. More significantly, our Metro City Beijing boosted its occupancy rate from 65.6% as at end March 2009 to 91.9% as at end June 2009, with the signing of an anchor tenant toward the end of 1QFY2010. We remain optimistic of our long-term growth prospects in the China property market."

Review of Financial Performance

Metro's core Property Division achieved revenue growth of 10.7% from S\$11.8 million in 1QFY2009 to S\$13.0 million in 1QFY2010, supported by higher rental income from Metro Tower and GIE Tower and the strengthening of the Chinese Yuan against the Singapore Dollar.

Turnover for the Group's Retail Division remained stable at S\$20.4 million in 1QFY2010 despite the difficult trading conditions. However, sales and profitability of the Retail Division's associated company in Indonesia were significantly impacted by the slow trading environment, resulting in a pretax loss of S\$517,000 in 1QFY2010.

Strong Balance Sheet

The Group continued to enjoy a strong balance sheet reflecting a healthy cash position of S\$192.3 million as at June 30, 2009. Shareholders' equity improved to S\$957.6 million and net gearing remained low at 0.01 as at June 30, 2009.

Outlook

The Group's 1 Financial Street in Beijing, which was completed in late 4QFY2009 (three months ended March 31, 2009), continued to face slow take-up rate of office space amidst competitive conditions induced by the introduction of substantial new office supply in the main business districts of Beijing. Occupancy rate for this property is expected to increase in a slow progressive manner, with demand mainly from domestic enterprises.

The Group's other two properties under development in Beijing, China – ECMall and Metropolis Tower – are scheduled to come onstream in late 2QFY2010 (three months ending September 30, 2009). ECMall is expected to make its maiden contribution to rental income from 3QFY2010 (three months ending December 31, 2009) onwards.

“The influx of substantial new office supply in the main business districts of Beijing has created competitive conditions particularly for our 1 Financial Street building. We foresee our upcoming Metropolis Tower facing similar competitive conditions in the office supply sector. Nevertheless, the Group expects rental income from our four properties in China – Metro City Beijing, Metro City Shanghai, Metro Tower and GIE Tower – to remain stable moving forward,” concluded Lt Gen (Retd) Winston Choo.

In addition, the Group anticipates that the fair value of its portfolio of quoted equity investments to continue to be affected by the volatile market conditions.

On the retail side, the Group expects the slowdown of the Singapore and Indonesian economies to continue to impact the retail trade. However, with the new Metro City Square in Singapore due to open in 3QFY2010, topline sales performance of the Retail division is likely to grow.

About Metro Holdings Limited

Listed on the Main Board of the SGX-ST in 1973, Metro Holdings was founded in 1957 by its former chairman, the late Ong Tjoe Kim. Starting out as a textile store on 72 High Street, Metro has grown over the years to become a property and retail group with a turnover of S\$200.3 million for the full year ended March 31, 2009 and net assets of S\$936.6 million as at March 31, 2009.

Today, the Group operates two core business segments – property development and investment, and retail – and is focused on key markets in the region such as China, Indonesia and Singapore.

Property Development and Investment

The Group's property arm owns and manages several prime retail and office properties in first-tier cities in China, such as Beijing, Shanghai and Guangzhou, and also holds significant investments in certain property businesses in China.

Retail

Metro's retail arm serves customers through a chain of three Metro department stores in Singapore, and another five department stores in Jakarta and Bandung, Indonesia. The Metro shopping brand is an established household name in the retail industry, and offers a wide range of quality merchandise over 821,000 square feet of downtown and suburban retail space.

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