



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 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		%
	3rd Qtr ended 31-Dec-2009 \$'000	3rd Qtr ended 31-Dec-2008 \$'000		9 Months ended 31-Dec-2009 \$'000	9 Months ended 31-Dec-2008 \$'000	
Revenue	41,385	37,503	10.35	111,064	103,828	6.97
Cost of Revenue	(32,259)	(24,749)	30.34	(81,778)	(70,963)	15.24
Gross Profit	9,126	12,754	(28.45)	29,286	32,865	(10.89)
Other income including interest income	20,262	3,370	501.25	56,936	13,519	321.16
General and administrative expenses	(4,798)	(5,359)	(10.47)	(16,378)	(17,210)	(4.83)
Profit from operating activities	24,590	10,765	128.43	69,844	29,174	139.40
Finance costs	(2,925)	(2,888)	1.28	(6,647)	(8,291)	(19.83)
Share of associated companies' results (net of tax)	(5,324)	(3,833)	38.90	(16,479)	(10,482)	57.21
Profit from operating activities before taxation	16,341	4,044	304.08	46,718	10,401	349.17
Taxation	(858)	(3,441)	(75.07)	(8,695)	(8,973)	(3.10)
Profit after taxation	15,483	603	n.m.	38,023	1,428	n.m.
Attributable to:						
Shareholders of the Company	15,475	557	n.m.	37,885	1,228	n.m.
Minority interests	8	46	(82.61)	138	200	(31.00)
	15,483	603	n.m.	38,023	1,428	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		%
	3rd Qtr ended 31-Dec-2009 \$'000	3rd Qtr ended 31-Dec-2008 \$'000		Nine months ended 31-Dec-2009 \$'000	Nine months ended 31-Dec-2008 \$'000	
Profit for the period	15,483	603	n.m.	38,023	1,428	n.m.
Other comprehensive income						
Currency translation adjustments on foreign operations	(2,920)	5,530	(152.80)	(50,709)	40,014	(226.73)
Changes in fair value of available-for-sale assets	2,158	(10,369)	(120.81)	31,581	(66,125)	(147.76)
Other comprehensive expense for the the period, net of tax	(762)	(4,839)	(84.25)	(19,128)	(26,111)	(26.74)
Total comprehensive income /(expense) for the period	<u>14,721</u>	<u>(4,236)</u>	(447.52)	<u>18,895</u>	<u>(24,683)</u>	(176.55)
Attributable to:						
Shareholders of the Company	14,619	(3,774)	(487.36)	17,142	(21,304)	(180.46)
Minority interests	102	(462)	(122.08)	1,753	(3,379)	(151.88)
	<u>14,721</u>	<u>(4,236)</u>	(447.52)	<u>18,895</u>	<u>(24,683)</u>	(176.55)

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		
	3rd Qtr ended 31-Dec-2009 \$'000	3rd Qtr ended 31-Dec-2008 \$'000	% Change	Nine months ended 31-Dec-2009 \$'000	Nine months ended 31-Dec-2008 \$'000	% Change
Retail	48,098	42,951	11.98	121,961	112,717	8.20
Property	14,167	13,510	4.86	40,599	37,345	8.71
	<u>62,265</u>	<u>56,461</u>	10.28	<u>162,560</u>	<u>150,062</u>	8.33

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

	Group			Group		
	3rd Qtr ended 31-Dec-2009 \$'000	3rd Qtr ended 31-Dec-2008 \$'000	% Change	9 Months ended 31-Dec-2009 \$'000	9 Months ended 31-Dec-2008 \$'000	% Change
Cost of sales and general and administrative expenses includes:-						
Inventories recognised as an expense	(13,045)	(11,483)	13.60	(35,062)	(33,358)	5.11
Depreciation	(757)	(503)	50.50	(1,823)	(1,489)	22.43
Provision for obsolete inventory	(14)	(9)	55.56	(57)	(10)	470.00
Write off of inventory	(410)	(522)	(21.46)	(804)	(1,282)	(37.29)
Provision for doubtful debts	-	(9)	(100.00)	-	(238)	(100.00)
Rental expenses	(4,780)	(4,538)	5.33	(12,909)	(12,827)	0.64
Foreign exchange gain/ (loss)	655	(87)	(852.87)	950	258	268.22
Other income including interest income includes:-						
Changes in fair value of held-for-trading investments	7,664	(6,003)	(227.67)	14,424	(18,836)	(176.58)
Dividends from quoted and unquoted investments	438	1,519	(71.17)	2,278	4,707	(51.60)
Profit on disposal of available-for-sale investments	-	-	n.m.	2,056	-	n.m.
Profit on disposal of short term investments	48	(3,581)	(101.34)	992	(3,581)	(127.70)
Interest income	9,381	8,791	6.71	29,896	24,334	22.86
Amortisation of discount on unquoted bonds	-	34	(100.00)	-	513	(100.00)
Management and advisory fees	515	727	(29.16)	1,298	1,516	(14.38)
Foreign exchange gain	115	-	n.m.	1,506	-	n.m.

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

	Group			Group		
	3rd Qtr	3rd Qtr	% Change	9 Months	9 Months	% Change
	ended 31-Dec-2009 \$'000	ended 31-Dec-2008 \$'000		ended 31-Dec-2009 \$'000	ended 31-Dec-2008 \$'000	
The Group's share of associated companies' results consists of:-						
-Operating results	(5,136)	(3,792)	35.44	(16,034)	(10,398)	54.20
-Taxation	(188)	(41)	358.54	(445)	(84)	429.76
	<u>(5,324)</u>	<u>(3,833)</u>	38.90	<u>(16,479)</u>	<u>(10,482)</u>	57.21

1(a) (v) Taxation

	Group			Group		
	3rd Qtr	3rd Qtr	% Change	9 Months	9 Months	% Change
	ended 31-Dec-2009 \$'000	ended 31-Dec-2008 \$'000		ended 31-Dec-2009 \$'000	ended 31-Dec-2008 \$'000	
Current Year Tax	1,970	2,191	(10.09)	6,571	6,700	(1.93)
(Over)/ under provision in prior years	(2,492)	29	n.m.	(2,431)	29	n.m.
Deferred Tax	1,362	1,105	23.26	4,478	2,038	119.73
Withholding Tax	18	116	(84.48)	77	206	(62.62)
	<u>858</u>	<u>3,441</u>	(75.07)	<u>8,695</u>	<u>8,973</u>	(3.10)

The tax charge of the Group for the third quarter ended 31 December 2009, excluding share of associated companies' tax, is lower than that derived by applying the standard rate applicable to company profits mainly due to a write back of provision for prior years' tax in subsidiaries no longer required.

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-2009 \$'000	31-Mar-2009 \$'000	31-Dec-2009 \$'000	31-Mar-2009 \$'000
Non-current assets				
Property, plant and equipment	14,038	11,965	8,044	8,525
Investment properties	611,683	514,480	-	-
Investment properties under development	-	134,782	-	-
Subsidiaries	-	-	16,874	16,874
Amounts due from subsidiaries	-	-	484,161	447,589
Associated companies	50,841	65,252	500	500
Amount due from associated companies	250,520	211,660	-	-
Amount due from jointly controlled entities	42,076	41,311	-	-
Investments	67,381	62,726	-	-
	<u>1,036,539</u>	<u>1,042,176</u>	<u>509,579</u>	<u>473,488</u>
Current assets				
Inventories	12,180	10,868	-	-
Accounts receivable	15,573	16,670	116	759
Deposits and prepayments	5,329	3,629	355	171
Tax recoverable	-	426	-	426
Short term investments	68,183	22,072	-	-
Collateral assets	24,560	24,560	-	-
Cash and bank balances	164,728	193,041	27,626	29,245
	<u>290,553</u>	<u>271,266</u>	<u>28,097</u>	<u>30,601</u>
Current liabilities				
Bank borrowings	75,784	86,693	-	-
Other liabilities	2,173	2,352	-	-
Accounts payable	84,146	94,853	3,966	4,899
Provision for taxation	8,885	12,356	192	-
	<u>170,988</u>	<u>196,254</u>	<u>4,158</u>	<u>4,899</u>
Net current assets	119,565	75,012	23,939	25,702
Non-current liabilities				
Bank borrowings	148,554	111,122	-	-
Amount owing to subsidiaries	-	-	336,285	276,912
Financial guarantee	279	447	279	447
Deferred taxation	64,521	69,047	413	440
	<u>(213,354)</u>	<u>(180,616)</u>	<u>(336,977)</u>	<u>(277,799)</u>
	<u>942,750</u>	<u>936,572</u>	<u>196,541</u>	<u>221,391</u>
Shareholders' equity				
Share capital	126,157	126,155	126,157	126,155
Treasury shares	(1,397)	(266)	(1,397)	(266)
Reserves	812,644	808,103	71,781	95,502
	<u>937,404</u>	<u>933,992</u>	<u>196,541</u>	<u>221,391</u>
Minority interests	5,346	2,580	-	-
Total equity	<u>942,750</u>	<u>936,572</u>	<u>196,541</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 31-Dec-2009		As at 31-Mar-2009	
Secured	Unsecured	Secured	Unsecured
73,209,253	2,575,000	77,147,455	9,546,000

Amount repayable after one year

As at 31-Dec-2009		As at 31-Mar-2009	
Secured	Unsecured	Secured	Unsecured
148,553,685	-	111,122,028	-

Details of any collateral

Investment properties with a net book value as at 31 December 2009 totaling \$154.8 million have been mortgaged to banks for banking facilities granted to a jointly controlled entity. Total loans drawn on such facilities as at 31 December 2009 amounted to \$103.0 million. Short term loans of HK\$99.4 million (equivalent to S\$18.0 million) and US\$25.0 million (equivalent to S\$35.1 million) granted to subsidiaries were secured by marketable securities and shares of subsidiaries which own an investment property with a book value as at 31 December 2009 of S\$91.6 million. Bank loans of RMB 57.7 million (equivalent to S\$ 11.9 million) granted to jointly controlled entities were secured by fixed deposits totaling US\$ 10.6 million (equivalent to S\$14.8 million). Bank facilities granted to jointly controlled entities, of which an amount of Rmb 261.6 million (equivalent to S\$53.8 million) have been drawn, were secured by investment properties with a net book value as at 31 December 2009 of \$134.0 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	
	3rd Qtr ended 31-Dec-2009 \$'000	3rd Qtr ended 31-Dec-2008 \$'000
Cash flows from operating activities		
Operating profit before reinvestment in working capital	7,634	8,113
(Increase)/ decrease in inventories	(730)	127
Increase in accounts receivable	(1,235)	(1,068)
Increase in deposits and prepayment	(49)	(1,024)
(Increase)/ decrease in short term investments	(6,345)	3,734
Increase in accounts payable	9,963	9,589
Cash applied in operations	<u>9,238</u>	<u>19,471</u>
Interest expense paid	(2,925)	(2,888)
Interest income received	1,814	1,711
Income taxes paid	<u>(4,981)</u>	<u>(1,674)</u>
Net cash provided by operating activities	<u>3,146</u>	<u>16,620</u>
Cash flows from investing activities		
Additions to property, plant & equipment	(389)	(448)
Additional cost to investment properties under development	(4,336)	-
Proceeds from sale of property, plant & equipment	-	19
Purchase of treasury shares	(511)	(266)
Proceeds from redemption of bonds held as investments	-	38,556
Increase in amount owing by associated companies	(42,064)	(8,438)
Additional loans to jointly controlled entities	5,151	-
Dividend received from associated companies	-	7,500
Changes in fixed deposits held as security	5,241	57,269
Dividend received from quoted and unquoted investments	438	1,519
Net cash (used in) / provided by investing activities	<u>(36,470)</u>	<u>95,711</u>
Cash flows from financing activities		
Drawdown of bank borrowings	3,083	-
Repayment of bank borrowings	(2,585)	(34,133)
Proceeds from warrant conversion	1	-
Dividend paid to minority shareholders of subsidiary company	(251)	(712)
Additional /(Repayment) of minority interests' loans to subsidiary company	1,264	(2,402)
Net cash provided by/ (used in) financing activities	<u>1,512</u>	<u>(37,513)</u>
Net (decrease)/increase in cash and cash equivalents	(31,812)	74,818
Cash & cash equivalents at beginning of financial period	<u>164,669</u>	<u>98,337</u>
Cash & cash equivalents at end of financial period	<u>132,857</u>	<u>173,421</u>

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

	Group	
	3rd Qtr ended 31-Dec-2009 \$'000	3rd Qtr ended 31-Dec-2008 \$'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	16,341	4,044
Adjustments for:		
Interest expense	2,925	2,888
Depreciation of property, plant and equipment	757	503
Share of results of associated companies	5,324	3,833
Interest and investment income	(9,819)	(10,310)
Amortisation of discount on unquoted bonds	-	(34)
Write off of inventory	410	522
Loss/ (profit) on disposal of property, plant & equipment	9	(6)
Provision for obsolete inventory	14	9
Provision for doubtful debts	-	9
Changes in fair value in short term investments	(7,664)	6,003
Foreign exchange adjustments	(663)	652
Operating profit before reinvestment in working capital	7,634	8,113

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	
	9 months ended 31-Dec-2009 \$'000	9 months ended 31-Dec-2008 \$'000
Cash and deposits	164,728	173,421
Less: Fixed deposits pledged as security for credit facilities granted to subsidiary companies	(31,871)	-
	132,857	173,421

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 Quarter ended 31-Dec-2009 \$'000	3rd Quarter ended 31-Dec-2008 \$'000	3rd Quarter ended 31-Dec-2009 \$'000	3rd Quarter ended 31-Dec-2008 \$'000
Share Capital				
Balance at beginning of financial period	126,155	126,155	126,155	126,155
Conversion of warrants into shares	2	-	2	-
Balance at end of financial period	<u>126,157</u>	<u>126,155</u>	<u>126,157</u>	<u>126,155</u>
Treasury Shares				
Balance at beginning of financial period	(886)	-	(886)	-
Purchase of treasury shares	(511)	(266)	(511)	(266)
Balance at end of financial period	<u>(1,397)</u>	<u>(266)</u>	<u>(1,397)</u>	<u>(266)</u>
Warrant Reserve				
Balance at beginning of financial period	4,315	4,315	4,315	4,315
Conversion of warrants into shares	-	-	-	-
Balance at end of financial period	<u>4,315</u>	<u>4,315</u>	<u>4,315</u>	<u>4,315</u>
Revaluation Reserve				
Balance at beginning and end of financial period	<u>16,891</u>	<u>8,740</u>	<u>6,301</u>	<u>6,301</u>
Fair Value Reserve				
Balance at beginning of financial period	23,131	5,327	-	-
Other comprehensive income for the period	1,834	(10,154)	-	-
Balance at end of financial period	<u>24,965</u>	<u>(4,827)</u>	<u>-</u>	<u>-</u>
Foreign Currency Translation Reserve				
Balance at beginning of financial period	(3,309)	7,067	-	-
Other comprehensive income for the period	(2,691)	5,821	-	-
Balance at end of financial period	<u>(6,000)</u>	<u>12,888</u>	<u>-</u>	<u>-</u>

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

	Group		Company	
	3rd Quarter ended 31-Dec-2009 \$'000	3rd Quarter ended 31-Dec-2008 \$'000	3rd Quarter ended 31-Dec-2009 \$'000	3rd Quarter ended 31-Dec-2008 \$'000
Revenue Reserve				
Balance at beginning of financial period	756,998	708,449	63,325	86,542
Profit/(loss) for the period	15,475	557	(2,160)	7,181
Balance at end of financial period	<u>772,473</u>	<u>709,006</u>	<u>61,165</u>	<u>93,723</u>
Total Shareholders' equity	<u>937,404</u>	<u>856,011</u>	<u>196,541</u>	<u>230,228</u>
Minority Interest				
Balance at beginning of financial period	4,231	5,726	-	-
Dividend paid by subsidiaries to minority shareholders	(251)	(712)	-	-
Additional /(repayment) of shareholders loan	1,264	(2,402)	-	-
Total comprehensive income for the period	102	(462)	-	-
Balance at end of financial period	<u>5,346</u>	<u>2,150</u>	<u>-</u>	<u>-</u>
Total equity	<u>942,750</u>	<u>858,161</u>	<u>196,541</u>	<u>230,228</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 700,000 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 31 December 2009, there were 2,469,000 treasury shares (as at 31 December 2008: 769,000).

During the 3 months ended 31 December 2009, the Company issued 2,200 shares from the exercise of 2,200 warrants arising from the warrants issued.

As at 31 December 2009, there were 63,075,467 warrants (as at 31 December 2008: 63,077,667) that could be exercised into ordinary shares. Each warrant carries the right to subscribe in cash for one new share in the issued share capital of the Company at \$0.63.

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 31 December 2009 (end of current financial period)	As at 31 March 2009 (end of immediately preceding year)
Total number of issued shares (excluding treasury shares)	628,309,876	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 October 2009	1,769,000
Share Buy-back on 1 December 2009	700,000
Treasury shares as at 31 December 2009	2,469,000

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	2.46 cents	0.09 cents
(b) On a fully diluted basis	2.23 cents	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 629,581,203 for the quarter ended 31 December 2009 (quarter ended 31 December 2008: 630,723,627).

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 31 December 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	149.2 cents	31.3 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 Third Quarter ended 31 December

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2009				
Sales to external customers	14,167	27,218	-	41,385
Inter-segment sales	217	-	(217)	-
Segment revenue	<u>14,384</u>	<u>27,218</u>	<u>(217)</u>	<u>41,385</u>
Segment results	22,805	1,785	-	24,590
Finance costs	(2,925)	-	-	(2,925)
Share of results of associated companies	<u>(5,816)</u>	<u>492</u>	<u>-</u>	<u>(5,324)</u>
Profit before taxation	14,064	2,277	-	16,341
Taxation				<u>(858)</u>
Profit after taxation				<u>15,483</u>
Attributable to:				
Shareholders of the Company				15,475
Minority interests				<u>8</u>
				<u>15,483</u>

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

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2008				
Sales to external customers	13,510	23,993	-	37,503
Inter-segment sales	217	-	(217)	-
Segment revenue	<u>13,727</u>	<u>23,993</u>	<u>(217)</u>	<u>37,503</u>
Segment results	9,421	1,344	-	10,765
Finance costs	(2,888)	-	-	(2,888)
Share of results of associated companies	(4,434)	601	-	(3,833)
Profit before taxation	<u>2,099</u>	<u>1,945</u>	<u>-</u>	<u>4,044</u>
Taxation				<u>(3,441)</u>
Profit for the period				<u>603</u>
Attributable to:				
Shareholders of the Company				557
Minority interests				<u>46</u>
				<u>603</u>

	Asean \$'000	Hong Kong and China \$'000	Group \$'000
2009			
Segment revenue	<u>27,218</u>	<u>14,167</u>	<u>41,385</u>
2008			
Segment revenue	<u>23,993</u>	<u>13,510</u>	<u>37,503</u>

8(b) Review

The Group's turnover for the third financial quarter to 31 December 2009 ("3QFY2010") increased to \$41.4 million from \$37.5 million in the previous corresponding quarter ("3QFY2009") as the retail division reported higher sales. Profit before tax of \$16.3 million rose from \$4.0 million in 3QFY2009 as 3QFY2010 included an unrealised gain in the fair value of the Group's portfolio of short term investments of \$7.7 million against an unrealised decrease of \$6.0 million in the fair value in the previous corresponding 3QFY2009.

Higher rental income from GIE Tower and the initial contribution from EC Mall resulted in an increase in the property division's revenue for the quarter from \$13.5 million to \$14.2 million. Metro City Shanghai continued to be affected by ongoing asset enhancement activities. Take up of the new office buildings in Beijing improved with 1 Financial Street's occupancy rising from 26.2% to 40.8% in 3QFY2010 whilst Metropolis Tower's occupancy rose from 4.1% to 32.6%.

Profit before taxation of the property division rose from \$2.1 million in 3QFY2009 to \$14.1 million in 3QFY2010 mainly due to the \$13.7 million turnaround in the fair value of the Group's portfolio of short term investments.

The portfolio summary of the Group's completed Properties as at 31 December 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	86.8%
Metro City, Beijing	50%	40 year term from 2004	14	85.8%
GIE Tower, Guangzhou	100%	50 year term from 1994	42	87.8%
Metro Tower, Shanghai	60%	50 year term from 1993	22	99.6%
Gurney Plaza Extension, Penang	49%	Freehold	53	98.7%
1 Financial Street, Beijing	45%	50 year term from 2002	23	40.8%
EC Mall, Beijing	31.5%	40 year term from 2001	42	54.8%
Metropolis Tower, Beijing	31.5%	50 year term from 2001	8	32.6%

Sales of the retail division rose with the contribution from the new Metro City Square department store in Singapore. Sales and profitability of the retail division's associated company in Indonesia remained relatively stable in 3QFY2010.

Amount due from associated companies rose to \$250.5 million as a result of an investment of \$42.1 million, being a 10.7% effective interest, in three developments in Anshan, Fushun and Qinhuangdao, PRC. 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 four mature properties in the PRC is expected to remain steady. Demand has been supportive of the substantial new supply of office space in Beijing and occupancy of the new office buildings, 1 Financial Street and Metropolis Tower, in Beijing is expected to rise progressively. Tenants at EC Mall in Beijing will continue to open in phases as they complete their fitting-out. The retail mall components of the developments in Qinhuangdao and Fushun, held through our 10.7% associated companies, recently opened in January 2010.

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

The contribution of the new Metro City Square department store in Singapore will continue to assist the retail division in maintaining and improving on topline sales performance. The trading environment for the retail trade is expected to remain competitive, both in Singapore and Indonesia.

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 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 third 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 12 February 2010