

**Second Quarter Results \* Financial Statement And Related 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 *	30-09-2011
Description	Please refer to the attached file.

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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 2011

1(a) (i) An income statement and statement of comprehensive income, or a statement of comprehensive income, 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-2011 \$'000	2nd Qtr ended 30-Sep-2010 \$'000	% Change	Half Year ended 30-Sep-2011 \$'000	Half Year ended 30-Sep-2010 \$'000	% Change
Revenue	44,645	43,372	2.94	87,249	82,567	5.67
Cost of revenue	(30,631)	(28,493)	7.50	(59,719)	(56,402)	5.88
Gross profit	14,014	14,879	(5.81)	27,530	26,165	5.22
Other income including interest income	5,645	21,896	(74.22)	9,105	34,827	(73.86)
Changes in fair value of short term investments	(9,904)	4,039	n.m.	(10,304)	3,497	n.m.
General and administrative expenses	(6,199)	(27,783)	(77.69)	(12,571)	(33,954)	(62.98)
Profit from operating activities	3,556	13,031	(72.71)	13,760	30,535	(54.94)
Interest on borrowings	(3,012)	(3,647)	(17.41)	(5,891)	(6,584)	(10.53)
Share of associates' results, net of tax	561	49,207	(98.86)	(370)	43,835	n.m.
Profit from operations before taxation	1,105	58,591	(98.11)	7,499	67,786	(88.94)
Taxation	(1,469)	(6,475)	(77.31)	(4,811)	(8,643)	(44.34)
(Loss)/profit net of taxation	(364)	52,116	n.m.	2,688	59,143	(95.46)
Attributable to:						
Owners of the Company	(379)	51,910	n.m.	2,649	58,840	(95.50)
Non-controlling interests	15	206	(92.72)	39	303	(87.13)
	(364)	52,116	n.m.	2,688	59,143	(95.46)

*n.m. - not meaningful*

## Statement of Comprehensive Income

	Group			Group		
	2nd Qtr	2nd Qtr	% Change	Half Year	Half Year	% Change
	ended 30-Sep-2011 \$'000	ended 30-Sep-2010 \$'000		ended 30-Sep-2011 \$'000	ended 30-Sep-2010 \$'000	
(Loss)/profit net of taxation	(364)	52,116	n.m.	2,688	59,143	(95.46)
Other comprehensive income:						
Currency translation adjustments on foreign operations	34,586	(25,583)	n.m.	25,677	(22,896)	n.m.
Surplus on revaluation of investment property	-	2,573	n.m.	-	2,573	n.m.
Changes in fair value of available-for-sale financial assets	(25,465)	3,522	n.m.	(43,935)	(5,223)	741.18
Share of other comprehensive (expense)/income of associates	(1,080)	3,092	n.m.	(756)	2,829	n.m.
Other comprehensive income/(expense) for the period, net of tax	8,041	(16,396)	n.m.	(19,014)	(22,717)	(16.30)
Total comprehensive income/(expense) for the period	<u>7,677</u>	<u>35,720</u>	(78.51)	<u>(16,326)</u>	<u>36,426</u>	n.m.
Attributable to:						
Owners of the Company	8,797	35,651	(75.32)	(14,995)	36,794	n.m.
Non-controlling interests	<u>(1,120)</u>	<u>69</u>	n.m.	<u>(1,331)</u>	<u>(368)</u>	261.68
	<u>7,677</u>	<u>35,720</u>	(78.51)	<u>(16,326)</u>	<u>36,426</u>	n.m.

*n.m.* - not meaningful

Currency translation adjustments on foreign operations are mainly a result of the Group's exposure to the effects of fluctuations in foreign currency exchange rates primarily in relation to Chinese renminbi as most of the Group's investment properties are situated in the People's Republic of China. Whenever possible, the Group seeks to maintain a natural hedge through the matching of liabilities, including borrowings, against assets in the same currency.

Changes in fair value of available-for-sale financial assets mainly relate to fluctuations in the fair value of the Group's investments in Shui On Land Ltd and Top Spring International Holdings Ltd which are classified under Investments (Non-current assets).

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-2011 \$'000	2nd Qtr ended 30-Sep-2010 \$'000	% Change	Half Year ended 30-Sep-2011 \$'000	Half Year ended 30-Sep-2010 \$'000	% Change
Retail	45,225	44,207	2.30	89,150	86,716	2.81
Property	16,536	16,542	(0.04)	32,459	30,778	5.46
	<u>61,761</u>	<u>60,749</u>	1.67	<u>121,609</u>	<u>117,494</u>	3.50

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

	Group			Group		
	2nd Qtr	2nd Qtr	% Change	Half Year	Half Year	% Change
	ended 30-Sep-2011 \$'000	ended 30-Sep-2010 \$'000		ended 30-Sep-2011 \$'000	ended 30-Sep-2010 \$'000	
Cost of revenue and general and administrative expenses includes:-						
Inventories recognised as an expense	(13,813)	(13,356)	3.42	(26,974)	(25,457)	5.96
Depreciation	(836)	(725)	15.31	(1,560)	(1,426)	9.40
(Allowance for)/reversal of obsolete inventories	(106)	8	n.m.	(120)	(6)	1,900.00
Inventories written down	(22)	(41)	(46.34)	(499)	(471)	5.94
Rental expense	(5,236)	(5,105)	2.57	(10,606)	(10,161)	4.38
Amount due from associate written off	-	(4,230) #	n.m.	-	(4,230) #	n.m.
Foreign exchange gain/(loss)	394	(2,980)	n.m.	(373)	(2,980)	(87.48)
Foreign exchange loss realised on repayment of shareholders loans	-	(10,735) #	n.m.	-	(10,735) #	n.m.
Other income including interest income includes:-						
Interest income	738	9,125 *	(91.91)	1,189	18,663 *	(93.63)
Dividends from quoted and unquoted investments	3,255	1,871	73.97	4,808	3,874	24.11
Gain on disposal of available-for-sale investments	-	2,575	n.m.	-	2,575	n.m.
Gain on disposal of jointly controlled entity	-	4,569	n.m.	-	4,569	n.m.
Management and advisory fees	494	441	12.02	883	820	7.68
Foreign exchange gain	200	706	(71.67)	584	757	(22.85)
Negative goodwill	-	1,337	n.m.	-	1,337	n.m.

*n.m.* - not meaningful

\* A subsidiary company made quasi-equity interest-bearing shareholder loans in RMB to an associate, China Infrastructure Group Ltd (“CIG”) to enable CIG to acquire subsidiaries which owned the 1 Financial Street building in Beijing. CIG disposed of the subsidiaries in 2QFY2011 and repaid the quasi-equity shareholder loans using the net proceeds from the said-disposal. Interest income for the previous corresponding 2QFY2011 included \$4.9 million (1HFY2011 \$11.3 million) related to interest charged to CIG on quasi-equity shareholder loans which ceased with the said repayment. This interest income was offset by the Group’s share of the associates’ operating results for the same 2QFY2011 (Paragraph 1(a)(iv)) which included the interest expense. As the interest income offsets the share of associates’ operating results, there was no net impact on the Group’s profit from operations before taxation in 2QFY2011.

# The above settlement of quasi-equity shareholders loans in 2QFY2011 had also resulted in an impairment loss of \$4.2 million and a foreign exchange loss of \$7.9 million.

1(a) (iv) Share of Associates' results (net of tax)

	Group			Group		
	2nd Qtr	2nd Qtr	% Change	Half year	Half year	% Change
	ended	ended		ended	ended	
30-Sep-2011	30-Sep-2010		30-Sep-2011	30-Sep-2010		
	\$'000	\$'000		\$'000	\$'000	
The Group's share of associates' results consists of:						
- Operating results	573	(5,903)	n.m.	(305)	(11,104)	(97.25)
- Non-operating results *	-	67,905	n.m.	-	67,905	n.m.
- Taxation *	(12)	(12,795)	(99.91)	(65)	(12,966)	(99.50)
	<u>561</u>	<u>49,207</u>	<u>(98.86)</u>	<u>(370)</u>	<u>43,835</u>	<u>n.m.</u>

*n.m. - not meaningful*

\* In the previous corresponding financial quarter ended 30 September 2010, the non-operating results of associates of \$67.9 million refer to a divestment gain made by CIG (as mentioned in Note 1(a)(iii)). The tax expense incurred in respect of this divestment gain was \$12.6 million.

1(a) (v) Taxation

	Group			Group		
	2nd Qtr	2nd Qtr	% Change	Half year	Half year	% Change
	ended	ended		ended	ended	
30-Sep-2011	30-Sep-2010		30-Sep-2011	30-Sep-2010		
	\$'000	\$'000		\$'000	\$'000	
Current Year Tax	2,256	5,041	(55.25)	4,523	6,652	(32.01)
Under provision in respect of prior years	42	-	n.m.	42	-	n.m.
Deferred Tax	(858)	1,458	n.m.	217	1,991	(89.10)
Withholding Tax	29	(24)	n.m.	29	-	n.m.
	<u>1,469</u>	<u>6,475</u>	<u>(77.31)</u>	<u>4,811</u>	<u>8,643</u>	<u>(44.34)</u>

*n.m. - not meaningful*

The tax charge of the Group for the period ended 30 September 2011, excluding share of associates' results which is already stated net of tax, is higher than that derived by applying the standard rate applicable to company profits mainly due to higher tax rates applied to overseas subsidiaries and jointly controlled entities, losses in subsidiaries which are not available for set off against Group results for tax purposes, deferred tax assets not recognised and expenditure not deductible for tax purposes.

1(b) (i) A statement of financial position (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-2011 \$'000	31-Mar-2011 \$'000	30-Sep-2011 \$'000	31-Mar-2011 \$'000
<b>Non-current assets</b>				
Property, plant and equipment	16,895	16,223	10,556	10,676
Investment properties	562,488	688,452	-	-
Subsidiaries	-	-	17,174	17,174
Amounts due from subsidiaries	-	-	425,851	398,283
Associates	23,959	64,082	500	500
Amounts due from associates	70,590	43,605	-	-
Amounts due from jointly controlled entities	1,560	174	-	-
Investments	48,441	89,341	-	-
	<u>723,933</u>	<u>901,877</u>	<u>454,081</u>	<u>426,633</u>
<b>Current assets</b>				
Inventories	16,363	13,623	-	-
Deposits and prepayments	8,849	8,447	24	182
Accounts receivables	9,349	10,316	147	16
Tax recoverable	88	109	-	-
Short term investments	64,985	67,272	-	-
Collateral assets	24,560	24,560	-	-
Pledged fixed and bank deposits	35,908	34,875	-	-
Cash and cash equivalents	424,840	372,911	69,766	30,601
Assets of disposal entity classified as held for sale	172,700	-	-	-
	<u>757,642</u>	<u>532,113</u>	<u>69,937</u>	<u>30,799</u>
<b>Current liabilities</b>				
Bank borrowings	54,393	55,809	-	-
Accounts payables	117,046	77,429	2,942	11,300
Provision for taxation	8,254	7,211	52	49
Liabilities directly associated with disposal entity classified as held for sale	121,847	-	-	-
	<u>301,540</u>	<u>140,449</u>	<u>2,994</u>	<u>11,349</u>
<b>Net current assets</b>	456,102	391,664	66,943	19,450
<b>Non-current liabilities</b>				
Bank borrowings	111,115	195,829	-	-
Amounts due to subsidiaries	-	-	169,594	140,486
Deferred taxation	68,692	81,159	354	321
	<u>(179,807)</u>	<u>(276,988)</u>	<u>(169,948)</u>	<u>(140,807)</u>
<b>Net assets</b>	<u>1,000,228</u>	<u>1,016,553</u>	<u>351,076</u>	<u>305,276</u>
<b>Equity attributable to owners of the Company</b>				
Share capital	169,717	142,432	169,717	142,432
Treasury shares	(1,397)	(1,397)	(1,397)	(1,397)
Reserves	826,759	871,455	182,756	164,241
Foreign currency translation reserve of disposal entity classified as held for sale	2,417	-	-	-
	<u>997,496</u>	<u>1,012,490</u>	<u>351,076</u>	<u>305,276</u>
<b>Non-controlling interests</b>	2,732	4,063	-	-
<b>Total equity</b>	<u>1,000,228</u>	<u>1,016,553</u>	<u>351,076</u>	<u>305,276</u>

Note:

As at 30 September 2011, assets and liabilities relating to a jointly controlled entity, Beijing Huamao Property Co. Ltd. ("Huamao"), which owns Metro City Beijing, have been designated as held for sale, as the Group has entered into a conditional equity transfer framework agreement to sell its 50% equity interest held. Completion of the sale and purchase of Huamao is subject to the approval of various authorities in the People's Republic of China, of which certain approvals have since been obtained. Accordingly, S\$169.3 million has been reclassified from Investment Properties to Assets of disposal entity classified as held for sale and S\$99.5 million has been reclassified from Bank borrowings and S\$16.1 million has been reclassified from Deferred taxation to Liabilities directly associated with disposal entity classified as held for sale.

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-2011		As at 31-Mar-2011	
Secured	Unsecured	Secured	Unsecured
57,437,519	-	55,809,400	-

Amount repayable after one year

As at 30-Sep-2011		As at 31-Mar-2011	
Secured	Unsecured	Secured	Unsecured
207,539,547	-	195,828,969	-

Details of any collateral

An investment property with a fair value totaling S\$169.3 million as at 30 September 2011 has been mortgaged to banks for banking facilities granted to a jointly controlled entity. Total loans drawn on such facilities as at 30 September 2011 amounted to S\$99.5 million and have been disclosed under Liabilities directly associated with disposal entity classified as held for sale. An investment property with a fair value totaling S\$96.4 million as at 30 September 2011 and fixed deposits totaling S\$33.6 million have been mortgaged to banks for banking facilities granted to certain subsidiaries. Total loans drawn on such facilities as at 30 September 2011 amounted to JPY5.8 billion (equivalent to S\$98.9 million). Short term loans of HK\$95.2 million (equivalent to S\$15.8 million) granted to a subsidiary were secured by marketable securities and shares of subsidiaries which own an investment property with a fair value of S\$96.0 million as at 30 September 2011. Bank facilities granted to a jointly controlled entity, of which an amount of RMB250.3 million (equivalent to S\$50.9 million) have been drawn, were secured by an investment property with a fair value of S\$105.2 million as at 30 September 2011 and bank deposits totaling RMB11.3 million (equivalent to S\$2.3 million).



1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Cash Flows for the period

	Group	
	2nd Qtr ended 30-Sep-2011 \$'000	2nd Qtr ended 30-Sep-2010 \$'000
<b>Cash flows from operating activities</b>		
Operating profit before reinvestment in working capital	7,407	1,837
Increase in inventories	(690)	(434)
Increase in accounts receivables	(1,310)	(9,433)
Increase in short term investments	(617)	-
Increase in accounts payables	5,908	560
Cash generated from/(used in) operations	10,698	(7,470)
Interest expense paid	(3,012)	(3,647)
Interest income received	738	4,171
Income taxes paid	(2,411)	(1,776)
Net cash flows generated from/(used in) operating activities	<u>6,013</u>	<u>(8,722)</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant & equipment	(1,203)	(1,014)
Subsequent expenditure on investment properties	(100)	(578)
Partial acquisition of jointly controlled entity	-	254
Proceeds from sale of available-for-sale investments	-	9,966
Proceeds from sale of property, plant and equipment	8	-
Decrease/(increase) in investments	191	(1,974)
(Increase)/decrease in amounts due from associates	(23,873)	228,719
(Additional)/repayment of loans (to)/from jointly controlled entities	(1,379)	37,673
Disposal of jointly controlled entity	-	(3,807)
Dividends received from quoted and unquoted investments	2,512	2,960
Dividends received from an associate	-	3,150
Changes in pledged fixed and bank deposits	(1,165)	3,490
Net cash flows (used in)/generated from investing activities	<u>(25,009)</u>	<u>278,839</u>
<b>Cash flows from financing activities</b>		
Drawdown of bank borrowings	-	190
Repayment of bank borrowings	(3,110)	(2,563)
Dividend paid during the period	(24,659)	(19,229)
Proceeds from issue of shares	17,162	4,217
Net cash flows used in financing activities	<u>(10,607)</u>	<u>(17,385)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(29,603)	252,732
<b>Effect of exchange rate changes in cash and cash equivalents</b>	5,803	(2,575)
<b>Cash &amp; cash equivalents at beginning of financial period</b>	449,059	184,305
<b>Cash &amp; cash equivalents at end of financial period</b>	<u><u>425,259</u></u>	<u><u>434,462</u></u>

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

	Group	
	2nd Qtr ended 30-Sep-2011 \$'000	2nd Qtr ended 30-Sep-2010 \$'000
Reconciliation between profit before taxation and operating cash flows before changes in working capital:		
Profit before taxation	1,105	58,591
Adjustments for:		
Interest expense	3,012	3,647
Depreciation of property, plant and equipment	836	725
Share of results of associates	(561)	(49,207)
Interest and investment income	(3,993)	(10,996)
Inventories written down	22	41
Allowance for/(write back of) obsolete inventories	106	(8)
(Profit)/loss on disposal of property, plant and equipment	(8)	124
Gain on disposal of available-for-sale investments	-	(2,575)
Gain on disposal of jointly controlled entity	-	(4,569)
Changes in fair value of short term investments	9,904	(4,039)
Foreign exchange adjustments	(3,016)	11,440
Negative goodwill	-	(1,337)
Operating profit before reinvestment in working capital	<u>7,407</u>	<u>1,837</u>

Note:

Cash and cash equivalents comprise:

	\$'000	\$'000
Bank balances and deposits		
- Continuing operations	424,840	434,462
- Assets of disposal entity held for sale under FRS 105	419	-
Cash and cash equivalents	<u>425,259</u>	<u>434,462</u>

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

<b>Group</b>	Share Capital \$'000	Treasury Shares \$'000	Warrants Reserve \$'000	Revaluation Reserve \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Revenue Reserve \$'000	Reserve of Disposal Entity classified as Held for Sale \$'000	Total \$'000	Non-controlling Interests \$'000	Total Equity \$'000
<b>At 1 April 2011</b>	142,432	(1,397)	2,688	19,073	7,807	(38,770)	880,657	-	<b>1,012,490</b>	4,063	<b>1,016,553</b>
Conversion of warrants into shares	8,331	-	(833)	-	-	-	-	-	<b>7,498</b>	-	<b>7,498</b>
Total comprehensive (expense)/income for the period	-	-	-	-	(18,361)	(8,459)	3,028	-	<b>(23,792)</b>	(211)	<b>(24,003)</b>
<b>At 30 June 2011</b>	150,763	(1,397)	1,855	19,073	(10,554)	(47,229)	883,685	-	<b>996,196</b>	3,852	<b>1,000,048</b>
Dividend paid	-	-	-	-	-	-	(24,659)	-	<b>(24,659)</b>	-	<b>(24,659)</b>
Reserve attributable to disposal entity classified as held for sale	-	-	-	-	-	(2,417)	-	2,417	-	-	-
Conversion of warrants into shares	18,954	-	(1,792)	-	-	-	-	-	<b>17,162</b>	-	<b>17,162</b>
Expiry of warrants	-	-	(63)	-	-	-	63	-	-	-	-
Total comprehensive (expense)/income for the period	-	-	-	-	(24,533)	33,709	(379)	-	<b>8,797</b>	(1,120)	<b>7,677</b>
<b>At 30 September 2011</b>	169,717	(1,397)	-	19,073	(35,087)	(15,937)	858,710	2,417	<b>997,496</b>	2,732	<b>1,000,228</b>
<b>At 1 April 2010</b>	130,379	(1,397)	3,893	16,891	16,173	(3,447)	828,449	-	<b>990,941</b>	4,765	<b>995,706</b>
Conversion of warrants into shares	4	-	-	-	-	-	-	-	<b>4</b>	-	<b>4</b>
Total comprehensive (expense)/income for the period	-	-	-	-	(8,220)	2,433	6,930	-	<b>1,143</b>	(437)	<b>706</b>
<b>At 30 June 2010</b>	130,383	(1,397)	3,893	16,891	7,953	(1,014)	835,379	-	<b>992,088</b>	4,328	<b>996,416</b>
Dividend paid	-	-	-	-	-	-	(19,229)	-	<b>(19,229)</b>	-	<b>(19,229)</b>
Conversion of warrants into shares	4,686	-	(469)	-	-	-	-	-	<b>4,217</b>	-	<b>4,217</b>
Total comprehensive income/(expense) for the period	-	-	-	2,573	3,310	(22,142)	51,910	-	<b>35,651</b>	69	<b>35,720</b>
<b>At 30 September 2010</b>	135,069	(1,397)	3,424	19,464	11,263	(23,156)	868,060	-	<b>1,012,727</b>	4,397	<b>1,017,124</b>

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

<u>Company</u>	Share Capital \$'000	Treasury Shares \$'000	Warrants Reserve \$'000	Revaluation Reserve \$'000	Revenue Reserve \$'000	Total Equity \$'000
<b>At 1 April 2011</b>	142,432	(1,397)	2,688	9,119	152,434	<b>305,276</b>
Conversion of warrants into shares	8,331	-	(833)	-	-	<b>7,498</b>
Total comprehensive income for the period	-	-	-	-	35,068	<b>35,068</b>
<b>At 30 June 2011</b>	150,763	(1,397)	1,855	9,119	187,502	<b>347,842</b>
Dividend paid	-	-	-	-	(24,659)	<b>(24,659)</b>
Conversion of warrants into shares	18,954	-	(1,792)	-	-	<b>17,162</b>
Expiry of warrants	-	-	(63)	-	63	-
Total comprehensive income for the period	-	-	-	-	10,731	<b>10,731</b>
<b>At 30 September 2011</b>	169,717	(1,397)	-	9,119	173,637	<b>351,076</b>
<b>At 1 April 2010</b>	130,379	(1,397)	3,893	6,301	105,293	<b>244,469</b>
Conversion of warrants into shares	4	-	-	-	-	<b>4</b>
Total comprehensive expense for the period	-	-	-	-	(1,513)	<b>(1,513)</b>
<b>At 30 June 2010</b>	130,383	(1,397)	3,893	6,301	103,780	<b>242,960</b>
Dividend paid	-	-	-	-	(19,229)	<b>(19,229)</b>
Conversion of warrants into shares	4,686	-	(469)	-	-	<b>4,217</b>
Total comprehensive income for the period	-	-	-	-	62,390	<b>62,390</b>
<b>At 30 September 2010</b>	135,069	(1,397)	3,424	6,301	146,941	<b>290,338</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 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.

Changes in the Company's share capital, treasury shares and warrants are as follows:

	<u>2QFY2012</u>	<u>2QFY2011</u>
<u>Issued shares (excluding Treasury shares)</u>		
At 30 June 2011 / 2010	663,462,245	634,346,953
Bonus Issue	133,574,163	-
Issued pursuant to exercise of warrants	31,549,466	6,694,080
At 30 September 2011 / 2010	<u>828,585,874</u>	<u>641,041,033</u>
<u>Treasury shares</u>		
At 30 June 2011 / 2010	2,469,000	2,469,000
Bonus issue	493,800	-
At 30 September 2011 / 2010	<u>2,962,800</u>	<u>2,469,000</u>
<u>Warrants</u>		
At 30 June 2011 / 2010	27,923,098	57,038,390
Adjustment pursuant to Bonus Issue	4,702,660	-
Number of warrants exercised	(31,549,466)	(6,694,080)
Number of warrants lapsed	(1,076,292)	-
At 30 September 2011 / 2010	<u>-</u>	<u>50,344,310</u>

Each Warrant carried the right to subscribe in cash for one new share in the issued share capital of the Company at \$0.63 prior to the adjustment pursuant to the Bonus Issue. The Warrants expired on 22 September 2011 and any Warrants outstanding after 22 September 2011 lapsed and were cancelled.

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 2011 (end of current financial period)	As at 31 March 2011 (end of immediately preceding year)
Total number of issued shares (excluding treasury shares)	828,585,874	651,560,193

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

Refer to note 1(d)(ii).

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 March 2011. The adoption of the new and revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are mandatory for financial years beginning on or after 1 April 2011 has no significant impact on the Group.

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.

Not applicable.

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	(0.1) cents	8.2 cents
(b) On a fully diluted basis	N.A.	7.6 cents

Earnings per share is calculated on the Group's loss attributable to shareholders of the Company of \$379,000 divided by the weighted average number of ordinary shares of 687,335,353 for the quarter ended 30 September 2011 (quarter ended 30 September 2010: 633,664,746).

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 2011.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial 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	120.4 cents	42.4 cents
(b) 31 March 2011	155.4 cents	46.9 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 2nd Quarter ended 30 September

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2011				
Sales to external customers	16,536	28,109	-	44,645
Inter-segment sales	48	-	(48)	-
Segment revenue	<u>16,584</u>	<u>28,109</u>	<u>(48)</u>	<u>44,645</u>
Segment results	2,924	632	-	3,556
Finance costs	(3,012)	-	-	(3,012)
Share of associates' results (net of tax)	85	476	-	561
(Loss)/profit from operations before taxation	(3)	1,108	-	1,105
Taxation				<u>(1,469)</u>
Loss net of taxation				<u>(364)</u>
Attributable to:				
Owners of the Company				(379)
Non-controlling interests				<u>15</u>
				<u>(364)</u>

## 8(a) Segmental Results for 2nd Quarter ended 30 September (Cont'd)

### Business Segments

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2010				
Sales to external customers	16,542	26,830	-	43,372
Inter-segment sales	47	-	(47)	-
Segment revenue	<u>16,589</u>	<u>26,830</u>	<u>(47)</u>	<u>43,372</u>
Segment results	11,403	1,628	-	13,031
Finance costs	(3,647)	-	-	(3,647)
Share of associates' results (net of tax)	48,781	426	-	49,207
Profit from operations before taxation	<u>56,537</u>	<u>2,054</u>	<u>-</u>	<u>58,591</u>
Taxation				<u>(6,475)</u>
Profit net of taxation				<u>52,116</u>
Attributable to:				
Owners of the Company				51,910
Non-controlling interests				<u>206</u>
				<u>52,116</u>

### Geographical Segments

	Asean \$'000	Hong Kong and China \$'000	Japan \$'000	Group \$'000
2011				
Segment revenue	<u>28,109</u>	<u>15,182</u>	<u>1,354</u>	<u>44,645</u>
2010				
Segment revenue	<u>26,830</u>	<u>15,144</u>	<u>1,398</u>	<u>43,372</u>



## 8(b) Review

The Group's turnover for the second financial quarter to 30 September 2011 ("2QFY2012") rose to \$44.6 million from \$43.4 million in the previous corresponding quarter ("2QFY2011") with the retail division reporting higher turnover. Profit before tax of \$1.1 million declined from \$58.6 million in 2QFY2011 mainly because the second quarter, 2QFY2012, was adversely affected by a \$9.9 million decline in the fair value of the Group's portfolio of short term investments whilst the previous corresponding 2QFY2011 had included an increase in the fair value of the Group's portfolio of short term investments of \$4.0 million as well as property divestment gains of approximately \$40.4 million (net) relating to the divestment of 1 Financial Street and Metropolis Tower.

### Property Division

For 2QFY2012 growth in rental income, in particular from higher occupancy at Metro Tower, Shanghai, was offset by a 3% decline in the value of the renminbi against the Singapore dollar. As a result, turnover of the property division for 2QFY2012 was steady at \$16.5 million against 2QFY2011's.

However, profit before taxation declined from \$56.5 million in 2QFY2011 to 2QFY2012's breakeven situation. As mentioned above, the previous corresponding 2QFY2011 had reported divestment gains of \$55.3 million and \$4.6 million, arising from the divestment of 1 Financial Street and Metropolis Tower respectively. Foreign exchange translation and impairment losses and management performance bonuses related to these divestments, included under general and administrative expenses, had totalled \$19.5 million then. 2QFY2012's results was also significantly affected by a \$9.9 million decline in the fair value of the Group's portfolio of short term investments as compared to 2QFY2011's increase of \$4.0 million.

The portfolio summary of the Group's Properties as at 30 September 2011 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	109	98.5%
Metro City, Beijing	50%	40 year term from 2004	13	74.5%
GIE Tower, Guangzhou	100%	50 year term from 1994	42	96.1%
Metro Tower, Shanghai	60%	50 year term from 1993	24	97.9%
Frontier Koishikawa Building, Tokyo	100%	Freehold	5	73.2%
EC Mall, Beijing	31.65%	50 year term from 2001	91	99.1%

## Retail Division

Sales of the retail division rose 4.8% to \$28.1 million as compared to 2QFY2011's \$26.8 million. Profitability was however affected by refurbishment costs of Metro Woodlands. Sales of the retail division's associated company in Indonesia grew in spite of a crowded retail trading scene. The improved profitability was sufficient to cover costs of the two recently opened department stores and as a result, the Group's share of the associate's profit, rose from \$0.4 million to \$0.5 million.

## Cash Flow, Working Capital, Assets and Liabilities

During 2QFY2012, Amounts due from associates (Non-current assets) rose from \$43.2 million as at 30 June 2011 to \$70.6 million as at 30 September 2011 with the extension of a shareholders loan to recently incorporated associate, Barlo Development Co Ltd ("Barlo"), as the Group's share of funding for a mezzanine loan investment made by Barlo. Investments (Non-current assets) declined from \$69.5 million as at 30 June 2011 to \$48.4 million as at 30 September 2011 due to changes in the fair value of available-for-sale financial assets, Shui On Land Ltd and Top Spring International Holdings Ltd. Short term investments (current assets) also declined from \$74.3 million as at 30 June 2011 to \$65.0 million as at 30 September 2011 due to changes in the fair value of the Group's portfolio. There were no other material factors that affected the cash flow, working capital, assets and liabilities of the Group during the current financial quarter reported on.

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

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 investment properties is expected to remain stable subject to the impact of the completion of the disposal of Metro City Beijing. The fair value of the Group's portfolio of quoted equity investments will continue to be subject to market conditions.

The retail division will seek to maintain its sales performance in the midst of competitive trading conditions.

### 11. Dividends

#### (a) Current Financial Period Reported On

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

11. Dividends (Cont'd)

(b) Corresponding Period of the immediately preceding financial year? Yes

Name of Dividend	Special Interim Tax exempt (one-tier)
Dividend Type	Cash
Dividend Amount per share ( in cent)	2.0 cents per ordinary share

(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 dividend has been recommended or declared for the second quarter and six months ended 30 September 2011.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company did not seek and does not have a shareholders' general mandate pursuant to Rule 920 of the Listing Manual.

14. Negative confirmation pursuant to Rule 705(5)

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 14 November 2011