SUSTAINING THE VISION

ANNUAL REPORT 2011

美羅 METRO

CONTENTS

OUR VISION

Building on the synergies of our rich retail experience, strong foothold in the People's Republic of China, and our strategic partnerships, Metro aims to be a leading property development and investment group in the region.

NET PROFIT OF S$82.2 MILLION FOR FY2011

Divestment of share of 1 Financial Street boosts net profit whilst changes in fair value of investment properties and portfolio of short-term investments stabilises.

Revenue

S$175.2M

+16.1%

Profit before tax

S$105.5M

-8.2%

Net Asset Value

S$1,012.5M

+2.2%

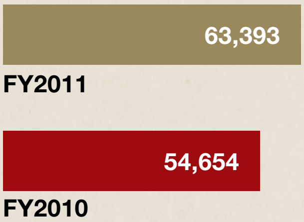
Earnings per share

12.78 cents

-14.1%

KEY FACTS

Property Revenue
(S$'000)



+16.0%

Retail Revenue
(S$'000)

+16.1%

Property segment

Property revenue increased by 16%, with higher rental income from Metro City Shanghai, EC Mall and the Frontier Koishikawa Building acquired in 1QFY2011, more than compensating for lower rental income from Metro Tower Shanghai and a 5% decrease in turnover due to a decline in Renminbi against the Singapore dollar.

Recent developments

- Acquired Frontier Koishikawa Building, Tokyo in April 2010
- Divested 25.05% owned Metropolis Tower, Beijing in September 2010
- 45% owned 1 Financial Street, Beijing divested in October 2010
- Completed the sale of 49% owned GHotel and Gurney Plaza Extension, Penang in January 2011 and March 2011 respectively
- Invested in 10.7% equity interest in Tesco Lifespace malls in Fuzhou, Xiamen and Shenyang, PRC in February 2011

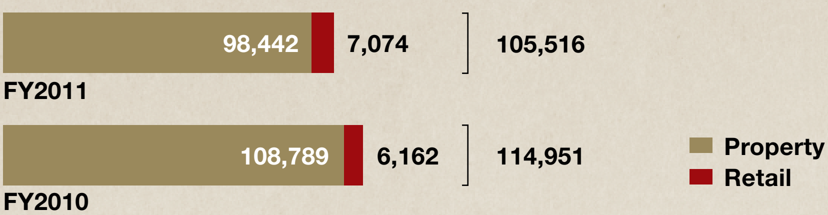
Retail segment

Retail revenue rose 16.1% on the back of broad based sales improvement and improved consumer spending in Singapore, with full year contribution from the Metro City Square department store opened in September 2009.

Recent developments

- Opened 2 new Accessorize specialty stores at Takashimaya and Changi Airport Terminal 2, in Singapore
- Associate opened 2 new Metro department stores at Gandaria City in Jakarta and Makassar, Indonesia
- Revamped website to keep up with changing consumer trends

Profit Before Tax
(S$'000)



As gains from fair value adjustments on investment properties and the Group's portfolio of short-term investments stabilised after the volatility of the previous two financial years, the gains were lower by S$40 million and S$18 million respectively. However, the resultant decline in profit was mitigated by a gain of S$44 million on disposal of the associates owning 1 Financial Street in Beijing.

CORPORATE PROFILE

Listed on the Main Board of the SGX-ST in 1973, Metro Holdings was founded in 1957 by its former chairman, Mr Ong Tjoe Kim. Starting out as a textile store on 72 High Street, Metro has grown over the years to become a property development and investment group, backed by an established retail track record, with a turnover of S$175.2 million and net assets of S$1.0 billion as at March 31, 2011.

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 the People's Republic of China ("the PRC"), Indonesia and Singapore.

OUR PROPERTIES

EC MALL,
BEIJING

METRO CITY,
BEIJING

METRO TOWER,
SHANGHAI

GIE TOWER,
GUANGZHOU

METRO CITY,
SHANGHAI

FRONTIER KOISHIKAWA BUILDING,
TOKYO

METRO STORE, JAKARTA, INDONESIA

MONSOON/ACCESSORIZE SPECIALTY SHOP, SINGAPORE

METRO STORE, BANDUNG, INDONESIA

METRO STORE, SINGAPORE

METRO STORE, MAKASSAR, INDONESIA

PROPERTY DEVELOPMENT AND INVESTMENT

The Group's property arm has interests in almost 259,000 sqm of prime retail and office properties in first-tier cities in the PRC, such as Beijing, Shanghai and Guangzhou, and also holds significant investments in certain property businesses in the PRC.

RETAIL

Metro's retail arm serves customers through a chain of four Metro department stores and seven Monsoon/Accessorize specialty shops in Singapore, and another seven department stores in Jakarta, Bandung and Makassar, Indonesia. The Metro shopping brand is an established household name in the retail industry, and offers a wide range of quality merchandise over 1,166,000 sq ft of downtown and suburban retail space in both Singapore and Indonesia.

CHAIRMAN'S STATEMENT

"Metro shareholders will benefit from realised profits from the divestments of 1 Financial Street and Metropolis Tower in Beijing in FY2011. These are the fruits of our investments in China properties.

With this unlocking of value for shareholders, the Board is delighted to reward our shareholders with a proposed special final dividend of one Singapore cent as well as an ordinary final dividend of two Singapore cents per share. Added to the interim dividend of two Singapore cents, total dividends for FY2011 translate to a payout ratio of 44.6%[1] of the Group's net profit attributable to shareholders.

In addition to these dividends, the Board has recommended a "one-for-five" bonus issue to further reward our shareholders, many of whom have supported Metro for many years, with some having invested since Metro's listing in 1973."

FY2011 was an exciting year when we rebalanced our property portfolio with a view of looking at new investments and strategic alliances with partners. We divested four properties in China and Malaysia. The Group further collaborated with Tesco plc in three other joint ventures, and acquired a commercial property in Tokyo.

At the Retail front, two new Metro department stores commenced operations in Indonesia while two *Monsoon/ Accessorize* specialty shops were added to our portfolio in Singapore in the year under review.

Financial Review

The Group's revenue increased to S$175.2 million, up 16.1% from S$151.0 million in the previous financial year ("FY2010"), due to higher rental income from the Property division and higher sales from the Retail division.

Turnover from our core Property division rose 16.0% from S$54.7 million in FY2010 to S$63.4 million in FY2011, mainly due to higher rental income. This was the result of higher contributions from Metro City, Shanghai, EC Mall, Beijing and the newly acquired Frontier Koishikawa Building, Tokyo, notwithstanding lower rental earnings from Metro Tower, Shanghai and the decline in value of the Renminbi against the Singapore dollar.

Sales for the Retail division amounted to S$111.9 million this financial year, up 16.1% from S$96.3 million in FY2010. Sales improvement was broad-based although the newer Metro City Square department store was a significant contributor. New *Monsoon/ Accessorize* specialty shops also contributed positively to retail sales.

The Group's net profit attributable to shareholders slipped 12.8% from S$93.9 million in FY2010 to S$81.9 million in FY2011 due to lower gains from the fair value adjustments of the Group's investment properties, including those held by associates. The fair value of the Property division's portfolio of short term investments was relatively stable during the year after the strong recovery in FY2010.

The Group continued to maintain a strong balance sheet, with a healthy cash position of S$407.8 million as at March 31, 2011. Shareholders' equity increased further to S$1.0 billion. With this strong balance sheet, we are well-positioned to pursue further growth opportunities both in our Property and Retail segments.

[1] *As at June 17, 2011*

Property Development and Investment

We are pleased to report healthy occupancy rates averaging 88.1% for our two mature commercial retail properties - Metro City, Shanghai and Metro City, Beijing - and two office properties - GIE Tower, Guangzhou and Metro Tower, Shanghai - in China's first-tier cities. Collectively, these four properties have a total lettable area of almost 225,000 sqm.

The one-and-a-half-year-old EC Mall in Beijing and newly acquired Frontier Koishikawa Building in Tokyo contributed positively to the Group's top-line, with occupancy rates of 89.1% and 73.2% respectively. Together with the strong-performing Metro City, Shanghai, these three properties more than compensated for lower rental from Metro Tower, Shanghai, and an appreciating Singapore dollar in FY2011.

Four properties – Metropolis Tower and 1 Financial Street in Beijing, and Gurney Plaza Extension and G Hotel in Penang – were divested in the year under review, due to increase in competition in office buildings in Beijing, and maturing of Gurney Plaza Extension and G Hotel.

We have also furthered our collaboration with Tesco plc through an investment of approximately US$10.5 million for a 10.7% effective interest in three projects in the PRC - Tesco Lifespace, Fuzhou, Tesco Lifespace, Xiamen, and Tesco Lifespace, Shenyang. These three development projects are located in China's third-tier cities and they signify our commitment to expand our foothold in the PRC. Together, these three projects have a total lettable area of almost 90,000 sqm.

The Group owns 5.0% of Top Spring International Holdings Limited, and about 1.3% of Shui On Land Ltd, both listed on the Hong Kong Stock Exchange and are leading property developers in the PRC. We remain optimistic in both the companies' long-term investment prospects.

To further enhance our Property Development and Investment division, we will prudently leverage on our strong foothold in China and seek out strategic partnerships.

Retail

The robust economic growth resulted in optimism in consumer spending in FY2011 and the Group's Retail division benefitted positively from it.

There are currently four Metro stores in Singapore, and seven in Jakarta, Bandung, and Makassar, Indonesia. Metro Trans Studio Makassar and Metro Gandaria City are two new additions to our Indonesian portfolio in FY2011. Although increased competition and start-up costs associated with the investment of these two new stores have affected the profitability of our Indonesian associate in FY2011, we are cautiously optimistic about our Indonesian retail business. To date, the Metro brand occupies a total of 1,166,266 sq ft of downtown and suburban retail space.

Also under our retail portfolio in Singapore are UK brands *Monsoon/ Accessorize*. Currently we have seven *Monsoon/ Accessorize* specialty shops spread around the island, including our two new shops in Takashimaya and Changi Airport Terminal 2.

Going forward, we will be looking into new specialty shops and additional Metro stores both in Singapore and in Indonesia. As an established retail brand and a progressive retailer, we will continue to offer a variety of quality merchandise through close collaboration with international and local business partners and be more customer-centric in meeting their lifestyle needs with improved customer service. We will also be looking at adopting new marketing platforms to reach out to a wider customer base.

Corporate Social Responsibility

At Metro, we remain committed to giving back to society, especially in causes concerning underprivileged children.

In China, we initiated in 2005 the "Metro Scholarship" programme which is an annual commitment. We also started the Feng Yang Shanghai Metro Hope School ("Hope School") project in Anhui province with the help of our partners in Shanghai Xuhui District and our tenants at Metro City, Shanghai in December 2007. This involved the construction of a new school building to accommodate 400 primary school students and we continue to support the school through various ongoing programmes for teachers and students.

The retail division launched the "Metro for Children" charity programme in 2001 together with the Singapore International Foundation and various schools. Most recently, we adopted the "Merlion Friendship Hall" project where a multi-purpose school hall was built for a school in Bandung, Indonesia.

CHAIRMAN'S STATEMENT

Outlook

China's economic outlook remains broadly favourable with GDP growth projected at 9.3% in 2011 and 8.7% in 2012[2]. According to recent property reports, the office and retail property market in Beijing, Guangzhou and Shanghai recorded positive growth in the first quarter of 2011. The industry is also expected to remain upbeat for the rest of the year.

Riding on the positive sentiment in the property sector in China's first-tier cities, we expect rental income from our portfolio of properties to continue to generate steady earnings. As part of our strategy to continuously maximise value for the Company, a disposal of Metro City, Beijing, has been announced on June 17, 2011. This divestment exercise, when successfully completed, is expected to result in a net gain on disposal of a jointly controlled entity estimated at approximately S$87.4 million before tax.

We will continue to leverage on our strong reputation, extensive network of contacts, track record of over 20 years in China and experienced management team to prudently expand our presence in fast growing regions especially in the PRC. At the same time we will strive for optimal tenant mix and efficient management of our existing property portfolio to improve profitability of our business.

Consumer spending is projected to remain upbeat in 2011 in both Singapore and Indonesia. As such, we believe Metro is poised for further growth opportunities in the coming financial year.

With increased competition in the retail space in the region, we will continue to enhance our merchandise offering and identify new and viable sites to expand our retail network.

Appreciation

On behalf of the Board of Directors, I would like to thank our business partners, associates and shareholders for their unwavering support in the past year.

In closing, I wish to extend my deepest appreciation to my fellow Board members for their invaluable insights and guidance. I would also like to acknowledge the hard work, commitment and dedication of the management and staff of Metro.

With the support of our shareholders, management and staff as well as business associates, I believe Metro is well-positioned to take on greater challenges ahead and scale new heights in this ever changing business environment.

Lt-Gen (Retd) Winston Choo
Chairman

June 17, 2011

[2] *World Bank, China Quarterly Update, April 2011*

主席致词

“我很荣幸地告知各位，美罗的所有股东都将从集团在2011财政年度所售出的北京金融街一号和都会大厦的利润中获益。这些都是集团参与投资中国房地产项目所获得的丰硕成果。

关于此次实现的股东价值，集团董事会很高兴地提议派发每股0.01新元的特别股息和每股0.02新元的末期普通股息来回报各位股东。加上每股0.02新元的中期股息，2011财政年度共派发的股息达到集团股东应占净盈利44.5%[1]的派息率。

除了以上派发的股息外，董事会也推荐以“5股送1股”的红利股发放形式来进一步回报各位股东多年来的支持，他们很多自1973年集团上市起就一直投资于美罗的股票。”

2011财政年度是令人振奋的一年，届时集团重新调整房地产投资组合，积极寻找新的投资机遇以及策略性联盟的合作伙伴。集团已经售出位于中国和马来西亚的四个房地产项目。集团也在三个其他的合资项目中，继续与特易购有限公司(Tesco plc)合作，并且收购了一个位于东京的商业房地产项目。

在零售业方面，集团今年在印尼开设了两家新的美罗百货商店，另外也在新加坡的投资组合中增加了两间Monsoon/Accessorize的专卖店。

财务回顾

集团2011财政年度收益增长至1.752亿新元，同比2010财政年度的1.51亿新元增长16.1%，这主要归于房地产业务的租金收入增长以及零售业务的销售额增长。

我们核心的房地产业务收益上升了16%，从2010财政年度的5,470万新元升至2011财政年度的6,340万新元。这主要应归于高增长的租金收入，即来自上海的美罗城，北京的欧美汇购物中心和新收购的位于东京的Frontier Koishikawa大厦的租金收入贡献，尽管同时集团面临上海美罗大厦的租金偏低以及人民币对新元的汇率降低这些不利因素。

集团零售业方面在2011财政年度中取得了1.119亿新元的销售总额，同比2010财政年度的9,630万新元增长了16.1%。这是由于整体收益方面得到了广泛的增长，而新开业的美罗城市广场百货商店所带来的贡献最为显著。同时新的Monsoon/Accessorize专卖店业务也为零售业务增加了收益。

集团股东应占净盈利从2010财政年度的9,390万新元滑落到2011财政年度的8,190万新元，同比降低12.8%。这主要归于集团以及关联公司所持有的投资性房地产公允价值调整后的较低收益。集团房地产业务组合中短期投资的公允价值在2010财政年度的强势反弹后相对趋于稳定。

截至2011年3月31日，集团继续保持着强劲的资产负债表以及拥有4.078亿新元的良好现金状况。集团的股东权益进一步增长，达到10亿新元。依靠强劲的资金资产实力，集团能够以其优越的定位在遇到合适的机遇时更灵活的掌握和进一步扩充其房地产和零售业务。

房地产开发和投资

我们非常欣慰地向各位报告，集团在中国一线城市持有的两个成熟的商业零售物业－即上海的美罗城和北京的美罗城，以及两个成熟的办公楼物业－即广州国际电子大厦和上海的美罗大厦，达到了平均88.1%的良好出租率。这四个房地产项目共拥有225,000平方米的可租赁面积。

开业一年半的北京欧美汇(EC Mall)购物中心和新收购位于东京的Frontier Koishikawa大厦也开始对提高集团的整体收益作出贡献，并分别达到平均89.1%和 73.2%的良好出租率。加上上海的美罗城的强

[1] 截至2011年6月17日

劲表现，这三个房产的收益充分地抵消了上海的美罗大厦的较低租金收入以及新元在2011财政年度中的汇率升值影响。

另外四个房产项目 - 即位于北京的都会大厦和金融街一号和位于马来西亚槟城的合您广场扩展项目以及合您酒店 - 基于北京办公楼市场的激烈竞争状况和马来西亚槟城合您广场扩展项目以及合您酒店的成熟模式，这四个项目已于本财政年度售出。

集团继续与特易购有限公司 (Tesco plc)合作，投资约1,050万美元在中国开发的三个商业零售物业项目中持有10.7%的有效股权 - 即分别在福州，厦门和沈阳的乐都汇购物广场(Tesco Lifespace)。这三个新开发的项目都坐落于中国三线城市，同时这也表明了集团在中国投资发展的信心和信念。这三个房地产项目的总共可租赁面积达到将近90,000平方米。

集团现持有莱蒙国际集团有限公司5.0% 的股份，以及瑞安房地产有限公司1.3%的股份，而这两个房地产企业均在香港股票交易所上市，并且是中国的龙头房地产开发企业。我们对集团在这两个企业长期投资的前景深表乐观。

为了继续加强和发展我们的房地产开发和投资业务，我们将谨慎地运用美罗在中国的稳固基础并继续寻找更多的战略合作伙伴。

零售业的营运

经济的蓬勃发展和消费者乐观的消费观念，使得集团在2011财政年度的零售业务取得骄人的成绩。

目前，在新加坡，集团共有四家百货商店，在印尼的雅加达，万隆和Makassar共拥有七家百货商店。在2011财政年度中，新开张的Metro Trans Studio Makassa以及Metro Gandaria City加入到了集团在印尼的百货业务组合中。虽然零售业的持续竞争和这两家新开业美罗百货商店的启动成本影响了印尼关联公司在2011财政年度的盈利，但我们对集团在印尼的零售业务持谨慎乐观的态度。至今为止，集团在印尼市中心和郊区的总零售业务面积已达到 1,166,266平方英尺。

集团在新加坡零售业的投资组合中，现拥有七间在美罗零售旗下运营并遍布全岛的英国品牌“Monsoon/Accessorize”专卖店， 这包括在义安城高岛屋和新加坡机场第二航站楼新开设的两间专卖店。

展望未来，集团将考虑在新加坡和印尼增添新的专卖店和美罗百货商店。美罗作为成熟的零售品牌店和追求卓越的零售商，为了给予我们的顾客以适合他们生活方式的购物体验，我们将继续与当地和国际的商务伙伴合作，以消费者为中心，提高我们的客户服务质量以及提升现有的客户服务管理系统。我们也会采用新的营销平台来吸引更多元化的顾客群体。

企业社会责任

在美罗，我们坚持承诺回馈社会，特别是致力于帮助贫困的儿童。

在中国，我们自2005年起便启动了一年一度的“美罗助学金”项目。我们也于2007年12月在安徽省与我们在上海徐汇区的合作伙伴以及上海美罗城的租户们展开了凤阳县上海美罗希望小学的筹建。 这包括建造一所能容纳400名小学生的全新教学楼，同时我们仍继续通过其他多种方式和现有的项目对当地的师生和学校给予支持和帮助。

我们的零售部门于2001年同新加坡国际基金会和先锋初级学院联合发起了“Metro for Children”的慈善活动。最近，我们也通过“Merlion Friendship Hall”的慈善项目，在印尼的万隆帮助一所当地高中修建了一个多功能礼堂。

主席致词

未来展望

中国的经济前景普遍保持良好的势头，其2011年和2012[2]年的GDP增长预测分别为9.3%和8.7%。根据近期的房地产行业报告中所述，在北京，广州和上海的办公楼及商业零售物业市场在2011年第一季度已经取得了正面的增长。业内对今年内的进一步增长仍然保持乐观。

在房地产方面，我们预计集团在中国一线城市的物业组合将继续享有稳定的租金收入。作为我们的战略以及为了公司价值最大化，我们于2011年6月17日公布了出售北京的美罗城。在此次出售顺利完成时，集团预计将通过售出该合资公司获取总额约8,740万新元的税前净盈利。

我们将继续凭借良好的声誉、广泛的合作关系网、超过20年在中国的业绩以及拥有丰富经验的管理团队谨慎地拓展集团在快速成长地区的业务，尤其是在中国的业务。同时，我们将优化租户组合，提高现有房产投资组合的管理效率，进一步提高集团的业务收入。

2011年度，大众消费在新加坡和印尼市场的预测持续强劲。因此，我们相信美罗可以在接下来的财政年度中取得更好的发展机遇。

我们了解区域零售业的激烈竞争将会继续下去，因此集团将着重提升我们零售商品的种类和服务项目以及寻找更多合适的地点来扩充我们的零售网络。

致谢

我在此代表美罗董事会，衷心地感谢我们的商业合作伙伴，关联公司及股东们在过去一年里给予集团的大力支持。

同时，我对美罗董事会所有董事的宝贵见解和指导深表谢意。我也要感谢集团管理层及全体员工的辛勤奉献以及敬业尽职的精神。

凭借集团股东，管理层和全体员工以及集团业务伙伴的继续支持和投入，我相信美罗集团一定能够在持续变化的商业环境中，做好一切准备来迎接和面对未来的挑战和机遇。

谢谢各位!

朱维良中将
集团主席

2011年6月17日

[2] 根据“世界银行，中国季度刊物，2011年4月”的数据显示

PORTFOLIO REVIEW

Property Development and Investment

Completed Properties

Average occupancy rate for the Group's four mature properties located in the PRC continued on its steady climb to 88.1% in the year under review. The completion of asset enhancement works of Metro City, Shanghai has helped boost its occupancy rate, while EC Mall, Beijing, completed in FY2010, continues to demonstrate strong take up rate.

The Group's new property in Japan, Frontier Koishikawa Building, Tokyo, which was acquired in early 1QFY2011, enjoyed an occupancy rate of 73.2%, and contributed to topline growth.

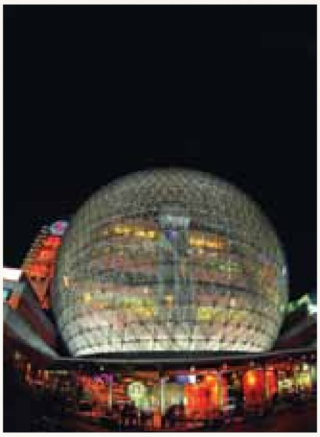
In the year under review, the Group divested four properties which included Metropolis Tower and 1 Financial Street in Beijing, and Gurney Plaza Extension and G Hotel in Penang.

Occupancy Rates:

	FY2010 (%)	FY2011 (%)
Metro City, Shanghai	86.8	98.3
Metro City, Beijing	74.6	74.5
GIE Tower, Guangzhou	86.4	95.2
Metro Tower, Shanghai	73.9	84.3
EC Mall, Beijing	63.2	89.1
Frontier Koishikawa Building, Tokyo (1)	N.A.	73.2

(1) Acquired in early 1QFY2011

As at March 31, 2011, the Group's investment properties, which had been independently appraised by professional valuers, reflected an increase in valuation, however, there was an overall decline as a result of the weaker Renminbi against the Singapore dollar.





"Average occupancy rate for the Group's four mature properties located in the PRC continued on its steady climb to 88.1% in the year under review. The completion of asset enhancement works of Metro City, Shanghai has helped boost its occupancy rate, while EC Mall, Beijing, completed in FY2010, continues to demonstrate strong take up rate."

Property Valuation (100%):

	FY2010 (Rmb'm)	FY2011 (Rmb'm)	(%)	FY2010 (S$'m)	FY2011 (S$'m)	(%)
Metro City, Shanghai	1,142	1,255	+9.9	234	241	+3.0
Metro City, Beijing	1,644	1,668	+1.4	337	320	-5.0
GIE Tower, Guangzhou	467	473	+1.3	96	91	-5.2
Metro Tower, Shanghai	866	873	+0.8	178	168	-5.6
EC Mall, Beijing	1,603	1,645	+2.6	329	316	-4.0
Frontier Koishikawa Building, Tokyo (1) – JPY'm / S$'m	-	5,700	N.A.	-	87	N.A.

(1) Acquired in early 1QFY2011

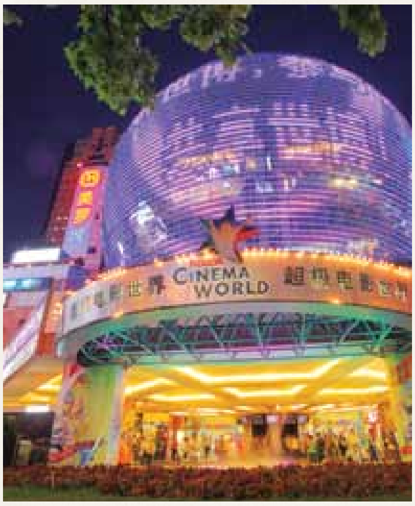
Note: Above figures represent 100% of the property valuations

The Group believes that the property rental market in China is on a stabilising trend and the outlook is positive for the year ahead.

Expiry Profile by Gross Rental Income:

	1HFY2012 (%)	2HFY2012 (%)
Metro City, Shanghai	2.81	6.63
Metro City, Beijing	0.13	0.24
GIE Tower, Guangzhou	10.56	15.31
Metro Tower, Shanghai	9.25	-
EC Mall, Beijing	0.97	0.36
Frontier Koishikawa Building, Tokyo	-	81.33

METRO CITY, SHANGHAI



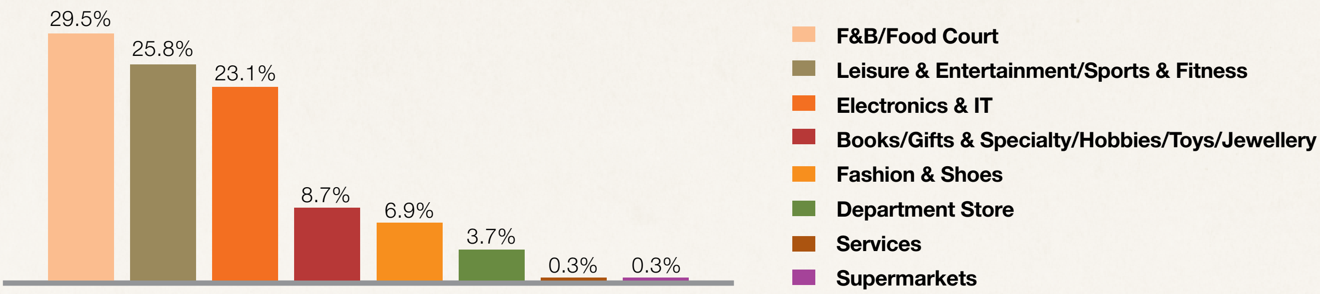
% owned by Group	60
Site area (sqm)	15,342
Lettable Area (sqm)	**39,423**
Tenure	36-year term from 1993
No. of Tenants	110
Occupancy Rate (%)	98.3
Valuation (100%)	S$241 million

Project Description

Strategically located at Xujiahui, Shanghai, Metro City, Shanghai is a lifestyle entertainment centre with nine levels of retail space spanning nearly 40,000 sqm. It is directly linked to an underground MRT, which draws in high shopper traffic.

Metro City completed asset enhancement works in FY2011, which has resulted in an increase in occupancy rate to 98.3% as at March 31, 2011.

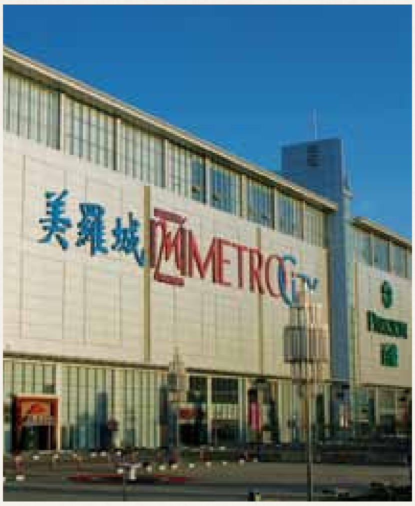
Tenant Mix by Lettable Area (As at March 31, 2011)



Top 10 Tenants (As at March 31, 2011)

Name of Tenant	Trade Sector	% of Total Lettable Area
Buynow Computer World	Electronics & IT	19.73
Physical Fitness & Beauty Centre	Leisure & Entertainment / Sports & Fitness	10.23
Kodak Cinema World	Leisure & Entertainment / Sports & Fitness	8.57
Popular Bookmall	Books / Gifts & Specialty / Hobbies / Toys / Jewellery	7.44
Megabite	F&B / Food Court	6.26
HAOLEDI KTV	Leisure & Entertainment / Sports & Fitness	5.44
DAGAMA BBQ	F&B / Food Court	2.35
Pizza Hut	F&B / Food Court	1.87
Herborist	Fashion & Shoes	1.84
Starbucks	F&B / Food Court	1.82

METRO CITY, BEIJING



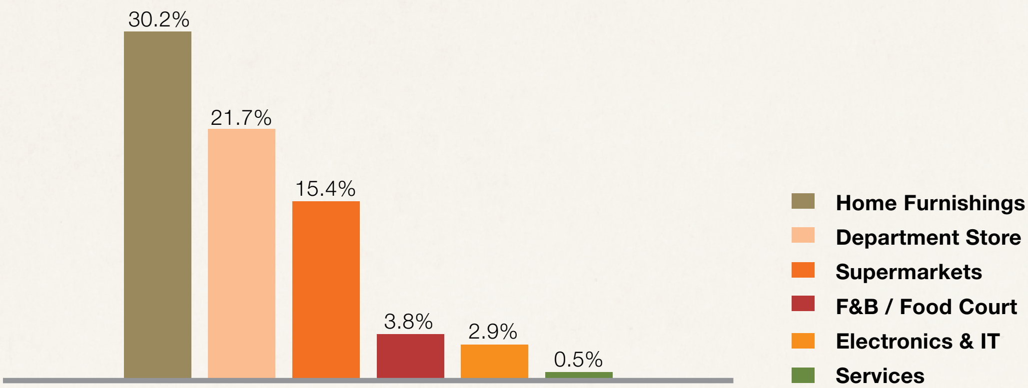
% owned by Group	50
Site area (sqm)	32,484
Lettable Area (sqm)	**116,846**
Tenure	40-year term from 2004
No. of Tenants	13
Occupancy Rate (%)	74.5
Valuation (100%)	S$320 million

Project Description

Metro City, Beijing is a 5-storey, 2-basement retail mall with almost 117,000 sqm of nett lettable area. It is located in East Beijing, in the Chaoyang District, a major district with a population of over 1.7 million.

Metro City, Beijing, which is still undergoing adjustments on its retail tenant mix, achieved an occupancy rate of 74.5 % as at March 31, 2011.

Tenant Mix by Lettable Area (As at March 31, 2011)



Top 10 Tenants (As at March 31, 2011)

Name of Tenant	Trade Sector	% of Total Lettable Area
Hong Xing	Home Furnishings	30.16
Parkson Department Store	Department Store	21.52
Walmart Supercentre	Supermarkets	15.45
Gome Electrical	Electronics & IT	2.85
Lucky Time Food Court	F&B / Food Court	2.36
Han Nan Shan	F&B / Food Court	0.65
Pizza Hut	F&B / Food Court	0.45
KFC	F&B / Food Court	0.38
China Construction Bank	Services	0.33
Watson	Department Store	0.18

METRO TOWER, SHANGHAI

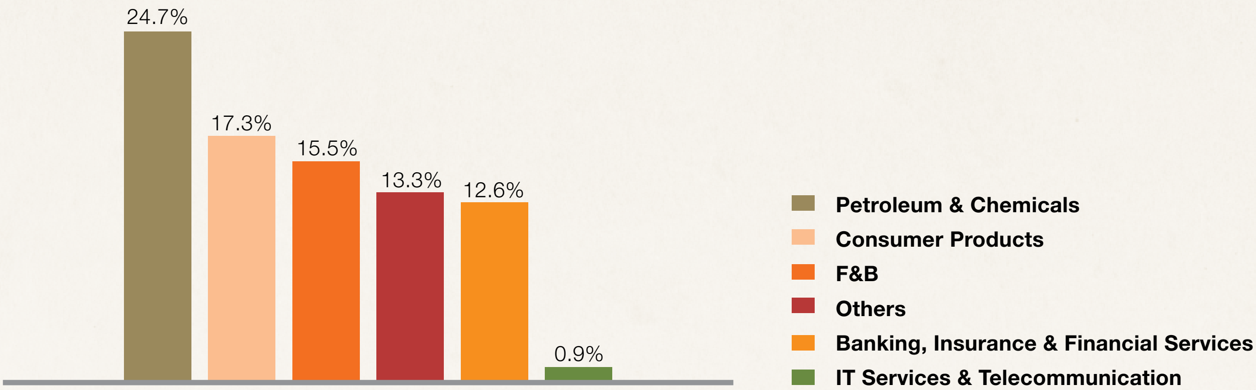
% owned by Group	60
Site area (sqm)	5,274
Lettable Area (sqm)	**40,039**
Tenure	50-year term from 1993
No. of Tenants	22
Occupancy Rate (%)	84.3
Valuation (100%)	S$168 million

Project Description

Located next to Metro City, Shanghai, Metro Tower offers almost 40,000 sqm of Grade A office space, spread out across 26 floors.

As at March 31, 2011, Metro Tower, Shanghai has an occupancy rate of 84.3%, supported by a strong multi-national tenant base.

Tenant Mix by Lettable Area (As at March 31, 2011)



Top 10 Tenants (As at March 31, 2011)

Name of Tenant	Trade Sector	% of Total Lettable Area
Exxon Mobil	Petroleum & Chemicals	20.66
Swatch Group	Consumer Products	10.74
KFC	F&B	8.50
AIA	Banking, Insurance & Financial Services	6.60
Agricultural Bank of China	Banking, Insurance & Financial Services	6.04
Pizza Hut	F&B	5.99
Faith Cosmetics	Consumer Products	4.25
Cummins	Others	4.06
Metro Express Newspaper	Others	4.01
Sekisui	Petroleum and Chemicals	2.07

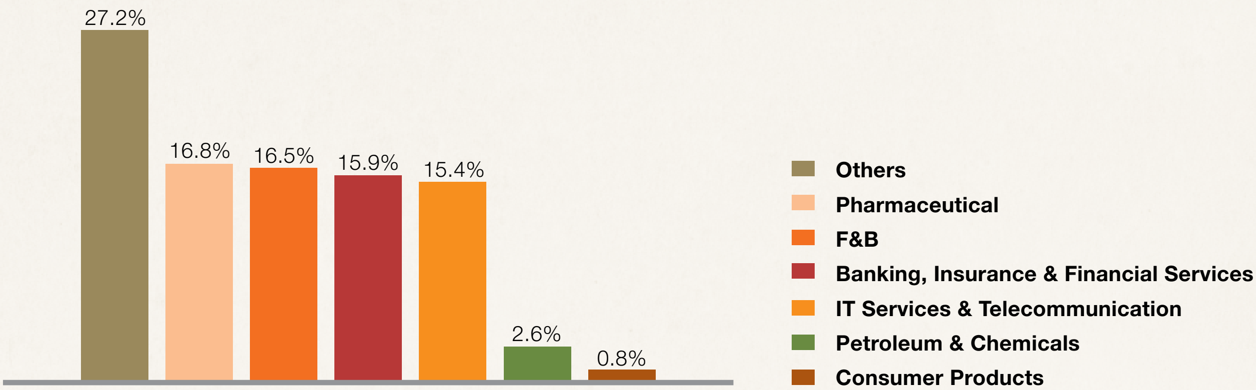
GIE TOWER, GUANGZHOU

% owned by Group	100
Site area (sqm)	Strata titled
Lettable Area (sqm)	**28,390**
Tenure	50-year term from 1994
No. of Tenants	42
Occupancy Rate (%)	95.2
Valuation (100%)	S$91 million

Project Description

Part of a 7-storey shopping podium and 35-storey office tower, GIE Tower is located in Huanshi Road East, in the central business district of Dongshan, Guangzhou. The Group owns over 28,000 sqm of Grade A office space in this building, and as at March 31, 2011, GIE Tower enjoys over 95.2% occupancy.

Tenant Mix by Lettable Area (As at March 31, 2011)



Top 10 Tenants (As at March 31, 2011)

Name of Tenant	Trade Sector	% of Total Lettable Area
Jin Yu Restaurant	F&B	12.68
Ericsson	IT Services & Telecommunication	11.89
Guang Dong Development Bank	Banking, Insurance & Financial Services	6.34
Abbott Laboratories	Pharmaceutical	6.03
New Times Securities	Banking, Insurance & Financial Services	4.66
Roche	Pharmaceutical	4.17
Carat Advert GZ Company	Others	4.17
Evergreen	Others	3.53
APL Cruise Ship	Others	3.09
Toshiba	IT Services & Telecommunication	2.92

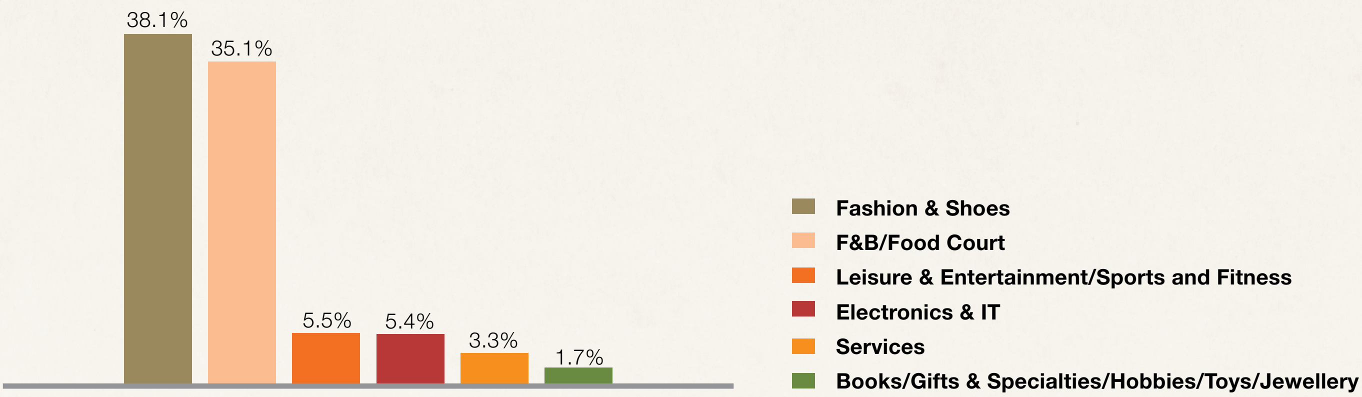
EC MALL, BEIJING

% owned by Group	31.65
Site area (sqm)	26,735
Lettable Area (sqm)	**28,974**
Tenure	50-year term from 2001
No. of Tenants	79
Occupancy Rate (%)	89.1
Valuation (100%)	S$316 million

Project Description

Located at ZhongGuanCun, Haidian District, EC Mall is a 6-storey, 4-basement retail mall, which offers 29,000 sqm of leaseable retail space. ZhongGuanCun, also known as Beijing's "Silicon Valley" , is an IT-oriented zone with many universities, science academies and research institutions. Completed in late 2QFY2010, its occupancy rate has been rising steadily to 89.1% as at March 31, 2011.

Tenant Mix by Lettable Area (As at March 31, 2011)



Top 10 Tenants (As at March 31, 2011)

Name of Tenant	Trade Sector	% of Total Lettable Area
Golden Jaguar	F&B / Food Court	17.95
C&A	Fashion & Shoes	5.97
Only / Vero / Moda / Jack&Jones / Selected	Fashion & Shoes	3.59
H&M	Fashion & Shoes	4.37
Suning Elite	Electronics	4.31
Shi Mei Hui Food Court	F&B / Food Court	4.23
Hola	Leisure & Entertainment / Sports & Fitness	2.90
UNIQLO	Fashion & Shoes	2.55
Wu Di Ren Jia	F&B / Food Court	1.89
La Chapelle / La Chapelle Sports	Fashion & Shoes	1.87

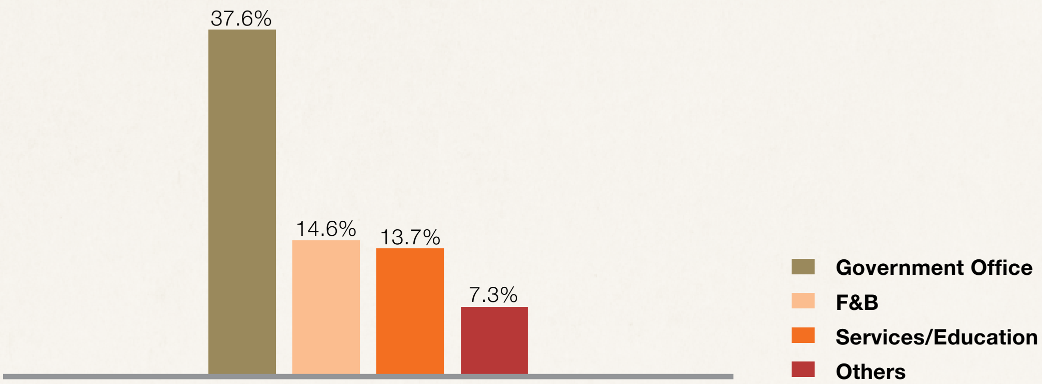
FRONTIER KOISHIKAWA BUILDING, TOKYO

% owned by Group	100
Site area (sqm)	1,319
Lettable Area (sqm)	**5,124**
Tenure	Freehold
No. of Tenants	5
Occupancy Rate (%)	73.2
Valuation (100%)	S$87 million

Project Description

Frontier Koishikawa, is a 9-storey office building, located in the Bunkyo District of Tokyo along the district's main street Hakusan Dori Street. Acquired in April 2010, the building has an occupancy rate of 73.2% as at March 31, 2011.

Tenant Mix by Lettable Area (As at March 31, 2011)



Top 10 Tenants (As at March 31, 2011)

Name of Tenant	Trade Sector	% of Total Lettable Area
Shisyutsuhutan-koi Tanto-kan Somu-sho Daijin-kanbo Kaikeika Kikaku-kan	Government Office	26.81
Lion	F&B	14.58
Wiley.japan	Services	13.66
Administrative Evaluation Bureau of Kanto Region	Government Office	10.77
Japan Science and Technology Agency	Others	7.35

TESCO LIFESPACE, QINHUANGDAO

% owned by Group	10.7
Site area (sqm)	31,808
Lettable Area (sqm)	**30,041**
Tenure	40-year term from 2005
Occupancy Rate (%)	93.0

Project Description

Located on the south side of Hebei Avenue and the junction of Hebei Avenue and Wenhua Road, Haigang District, Qinhuangdao, Hebei Province, the PRC, Tesco Lifespace is a 4-storey, 2-basement retail mall which offers 30,041 sqm of leasable retail space. The mall has achieved 93.0% occupancy rate as at March 31, 2011.

TESCO LIFESPACE, FUSHUN

% owned by Group	10.7
Site area (sqm)	18,800
Lettable Area (sqm)	**33,732**
Tenure	40-year term from 2007
Occupancy Rate (%)	82.0

Project Description

Located at No. 1 Xinhua Street, Shuncheng District, Fushun City, Liaoning Province, the PRC, Tesco Lifespace, Fushun, is a mixed development with a 5-storey, 2-basement retail mall that offers 33,732 sqm of leasable retail space, 200 residential units and 493 SOHO units. The development has an occupancy rate of 82.0% as at March 31, 2011.

TESCO LIFESPACE, ANSHAN

% owned by Group	10.7
Site area (sqm)	67,565
Lettable Area (sqm)	**45,738**
Tenure	40-year term from 2009
Occupancy Rate (%)	90.1

Project Description

The development is located west of Jianguonan Road, Tiedong District, Anshan City, Liaoning Province, the PRC. It comprises of a 5-storey, 1-basement retail mall which offers 45,738 sqm of leasable retail space, 1,656 residential units, 1,459 service apartment units and 16 skirt commercial units. Officially opened in October 2010, the occupancy rate as at March 31, 2011, is 90.1%.

TESCO LIFESPACE, FUZHOU

% owned by Group	10.7
Site area (sqm)	21,404
Lettable Area (sqm)	**26,465**
Tenure	40-year term from 2006
Occupancy Rate (%)	91.4

Project Description

Located at Pushang road, Cangshang District of Fuzhou, Fujian Province, the PRC, newly-added Tesco Lifespace, Fuzhou, comprises of a 4-storey, 2-basement retail mall which offers 26,465 sqm of leasable retail space. Opened recently in May 2011, the occupancy rate as at May 2011 is 91.4%.

Properties Under Development

TESCO LIFESPACE, XIAMEN

% owned by Group	10.7
Site area (sqm)	18,984
Lettable Area (sqm)	**28,700** (1)
Tenure	40-year term from 2005

(1) Estimated at December 21, 2010

Project Description

Located at Qixing Road, Xiamen, Fujian Province, the PRC, the development under construction comprises of a 3-storey, 2-basement retail mall which has about 28,700 sqm of leasable retail space. The development is slated for completion in August 2011.

TESCO LIFESPACE, SHENYANG

% owned by Group	10.7
Site area (sqm)	14,107
Lettable Area (sqm)	**36,100** (1)
Tenure	40-year term from 2007

(1) Estimated at December 21, 2010

Project Description

The development under construction is situated at the junction of Dongbei Avenue and Beihai Street, Shenyang City, Liaoning Province, the PRC, and comprises of a 5-storey, 3-basement retail mall which offers about 36,100 sqm of leasable retail space. The development is expected to be completed in the last quarter of 2011.

Property Investments

The Group owns 5.0% of Top Spring International Holdings Limited, and about 1.3% of Shui On Land Ltd, both listed on the Hong Kong Stock Exchange and are leading property developers in the PRC. Metro remains optimistic in both the companies' long-term investment prospects.

PORTFOLIO REVIEW

Retail Operations

Retail has always been the root of Metro's business since the inception of its flagship store in 1957 by the late Mr Ong Tjoe Kim (王梓琴). Today, the Metro brand is recognised as one of Singapore's most successful department store chains.

As an established retail brand and a progressive retailer, Metro takes pride in bringing customers a variety of quality merchandise through close collaboration with international and local business partners.

In an effort to keep up with changing consumer trends, Metro has revamped its website for an easy-to-use and refreshed look in November 2010. To further increase interaction with customers, it also launched a Facebook pop-up store in April 2011, where fans can do their online shopping while checking on their friends' Facebook pages. To date, Metro's Facebook fans have more than doubled since the initiation of its Facebook page in April 2009. A Metro Twitter account was also set up to provide instant updates on the stores and their promotions.

Metro City Square

Singapore

Metro Stores

Currently, the Group has four stores under its flagship brand Metro. This translates to over 240,000 sq ft of retail space:

- Metro Paragon
- Metro Woodlands
- Metro Sengkang
- Metro City Square

Monsoon/Accessorize Specialty Shops

UK brands Monsoon/Accessorize were brought in by Metro to better cater to the needs of discerning consumers in Singapore. Monsoon focuses on casual women's wear with ethnic origin, while Accessorize holds a unique position on the high street with its inspirational, globally sourced, well-priced and good quality collection of fashion accessories.

To date, the Group operates seven Monsoon/Accessorize specialty shops in Raffles City, Bugis Junction, Changi Airport Terminal 3, Paragon, Ion Orchard, Takashimaya Shopping Centre, and Changi Airport Terminal 2.

PORTFOLIO REVIEW

Metro Gandaria City

Indonesia

Metro Stores

Metro started its operations in the Indonesian market in 1991 at Pondok Indah Mall. Despite competitive and challenging trading conditions in Indonesia, the Group has continued to prudently expand its presence in the market. In FY2011, two new Metro stores namely Metro Gandaria City and Metro Trans Studio Makassar were added to the portfolio. With these two additions, the total number of Metro stores in Indonesia stands at seven and total retail space spans nearly 865,000 sq ft:

- Metro Pondok Indah
- Metro Plaza Senayan
- Metro Bandung Supermal
- Metro Taman Anggrek
- Metro Pacific Place
- Metro Trans Studio Makassar
- Metro Gandaria City

Outlook

With retail sales poised for greater growth in 2011 both in Singapore and Indonesia, the Group expects its Retail Operations to continue to generate steady returns.

Metro Trans Studio Makassar

Partnerships

Trans Corp (2001)

Trans Corp is an Indonesia-based media, retail, lifestyle & entertainment company under the Para Group. A leading retailer in Indonesia, Trans Corp manages exclusive franchises for 18 international high-end fashion brands and operates 55 branded boutiques. In 2010, it became PT Carrefour Indonesia's single largest shareholder through a 40% acquisition. To further penetrate the Indonesia market, Metro began its collaboration with Trans Corp in 2001 when it expanded its Indonesian presence beyond Jakarta to set up a department store in Bandung Supermal. In late 2010, Metro extended the partnership through a second department store with Trans Corp in Trans Studio Makassar. With seven stores in Indonesia, Metro looks forward to future collaborations to expand its brand footprint across the Indonesian archipelago.

InfraRed NF China Real Estate Fund (2007)

Headquartered in London with offices in Hong Kong, New York and Paris, InfraRed Capital Partners ("InfraRed"), previously operating as HSBC Specialist Investments Limited, is a manager of specialist infrastructure and real estate funds. In April 2011, the company spun-out from HSBC with its management team acquiring a majority interest in the firm.

Metro's partnership with InfraRed NF China Real Estate Fund, L.P. ("the Fund") (then known as HSBC NF China Real Estate Fund, L.P.), a fund managed by InfraRed in joint venture with Hong Kong's Nan Fung Group, started in 2007 with investments in two of the Fund's recently divested properties – No. 1 Financial Street and Metropolis Tower – in Beijing. In 2009, Metro entered into a joint venture with the Fund and Tesco plc in three Tesco Lifespace malls in Qinhuangdao, Fushun, and Anshan. The collaboration was further strengthened in February 2011, when Metro participated in another joint venture with the Fund and Tesco plc in three new Tesco Lifespace malls in Fuzhou, Xiamen and Shenyang, adding over 90,000 sqm of retail space to Metro's property portfolio.

Tesco plc (2009)

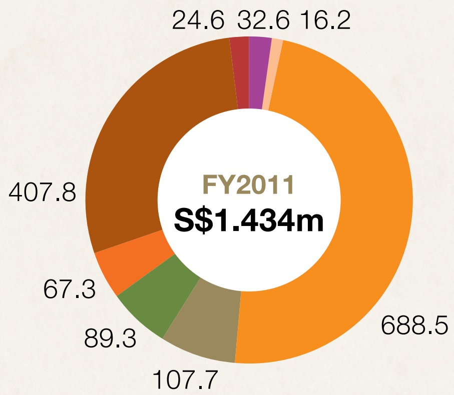
Tesco plc ("Tesco") is one of the world's leading retailers with over 5,380 stores worldwide and total group sales of £60.9 billion as at February 26, 2011. Through its subsidiaries, Metro has entered into a joint venture with Tesco and other partners in November 2009 in mall projects such as Tesco Lifespace, Qinhuangdao; Tesco Lifespace, Fushun; and Tesco Lifespace, Anshan. In February 2011, Metro furthered the partnership with Tesco in another joint venture in three malls, Tesco Lifespace, Fuzhou; Tesco Lifespace, Xiamen; and Tesco Lifespace, Shenyang. With these three latest malls, over 90,000 sqm of retail space were added to the Tesco partnership.

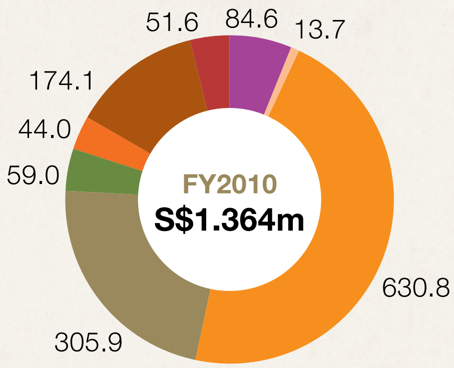
Top Spring International Holdings Limited (2011)

Top Spring International Holdings Limited ("Top Spring"), a real estate property developer in the PRC, specialises in the development and operation of urban mixed-use communities and the development and sale of upscale residential properties in the regions of Yangtze River Delta and Pearl River Delta. Listed on the Stock Exchange of Hong Kong Limited in March 2011, Top Spring's revenue stood at HKD 2.76 billion as at December 31, 2010. Metro has invested S$50.3 million in Top Spring through its subsidiary Crown Investments Ltd. This strategic investment will allow for future collaborations with Top Spring and eventually further expand Metro's foothold in the China property market.

FINANCIAL HIGHLIGHTS

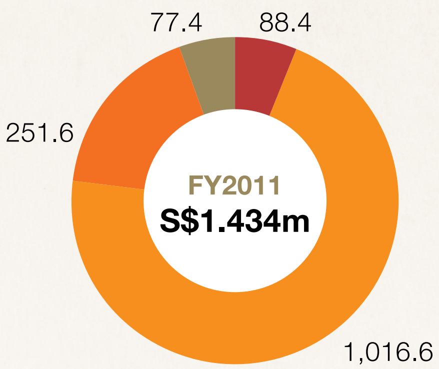
Total Assets Owned
(S$'million)

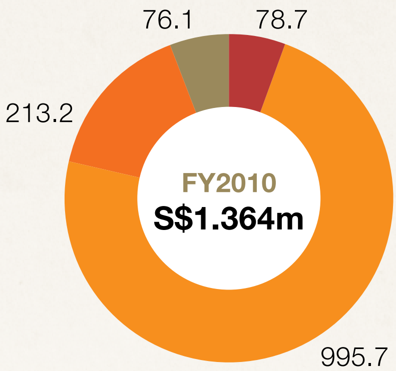




- Property, Plant and Equipment
- Investments in associates
- Quoted and unquoted investments - short-term
- Collateral assets
- Investments Properties
- Quoted and unquoted investments - long-term
- Cash and cash equivalents (including pledged deposits)
- Others

Total Liabilities and Capital
(S$'million)

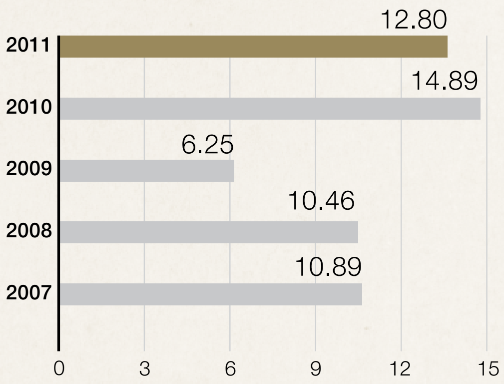




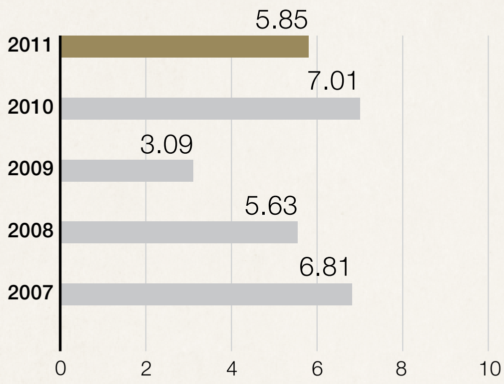
- Shareholders' funds
- Trade and other payables
- Bank borrowings
- Tax and deferred tax liabilities

FINANCIAL HIGHLIGHTS

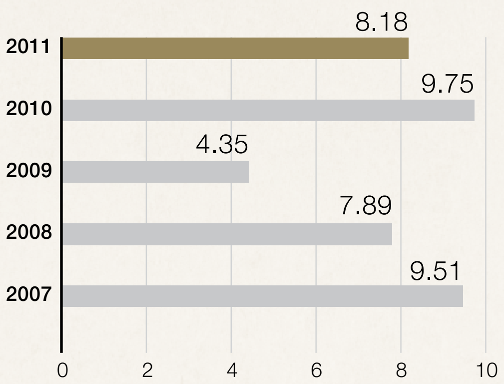
Earnings per share
(cents)



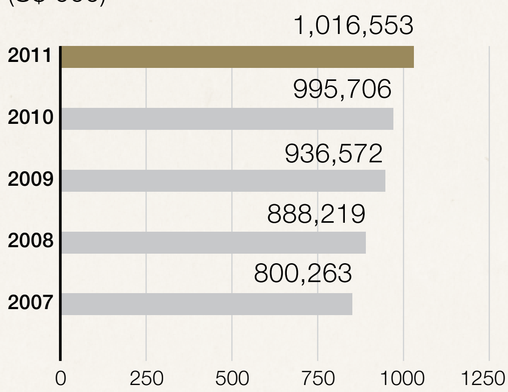
Return on total assets
(%)



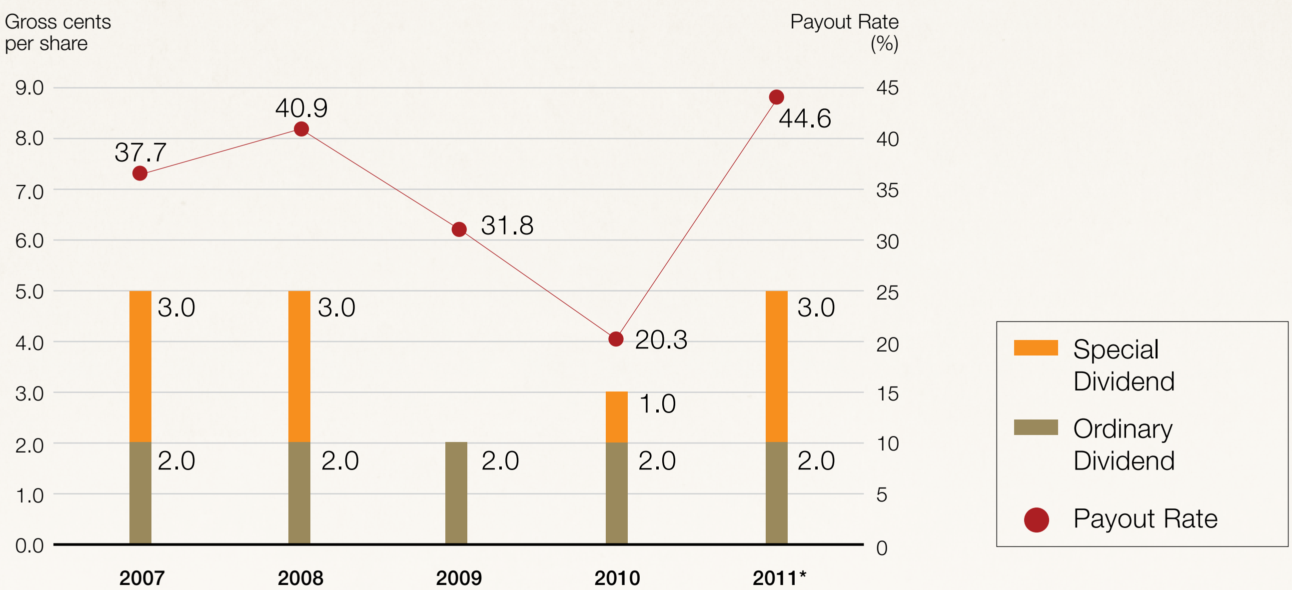
Return on shareholders' funds
(%)



Total net assets
(S$'000)



Dividend Payout



* *FY2011 payout ratio based on number of shares at 17 June 2011, including a 20% increase in number of shares resulting from the 1 for 5 bonus shares issue.*

FINANCIAL SUMMARY

	2011	2010	2009	2008	2007
Financial Results ($'000)					
Turnover	175,245	150,981	138,508	147,474	142,341
Profit before exceptional items and tax	105,516	114,951	38,947	86,482	52,623
Exceptional items	-	-	-	-	29,078
Net profit from operating activities before tax	105,516	114,951	38,947	86,482	81,701
Taxation	(23,359)	(20,962)	676	(20,199)	(10,786)
Profit after tax	82,157	93,989	39,623	66,283	70,915
Minority Interests	(261)	(128)	(212)	(315)	(2,232)
Net profit attributable to shareholders	81,896	93,861	39,411	65,968	68,683
Net final dividend proposed	15,748*	12,687	12,600	6,308	10,345
Net special interim dividend paid	12,898	-	-	5,172	-
Net final special dividend proposed/paid	7,874*	6,343	-	15,517	15,517
Balance Sheets ($'000)					
Property, plant and equipment	16,223	13,720	11,965	11,874	109,980
Investment Properties	688,452	630,773	514,480	498,568	356,759
Other non-current assets	197,202	420,686	515,731	417,409	266,208
Current assets	532,113	298,502	271,266	306,073	378,610
Total Assets	1,433,990	1,363,681	1,313,442	1,233,924	1,111,557
Current Liabilities	(140,449)	(153,135)	(196,254)	(199,233)	(203,623)
Long-term and deferred liabilities	(276,988)	(214,840)	(180,616)	(146,472)	(107,671)
Net assets	1,016,553	995,706	936,572	888,219	800,263
Financed by:					
Share capital	142,432	130,379	126,155	126,155	126,155
Treasury shares	(1,397)	(1,397)	(266)	-	-
Reserves	871,455	861,959	808,103	753,421	665,552
Shareholders' funds	1,012,490	990,941	933,992	879,576	791,707
Non-controlling Interest	4,063	4,765	2,580	8,643	8,556
	1,016,553	995,706	936,572	888,219	800,263

* *FY2011 final dividends estimated based on the number of issued shares fully paid as at 17 June 2011 and including a 20% increase in issued share capital as a result of the 1 for 5 bonus shares issue.*

FINANCIAL SUMMARY

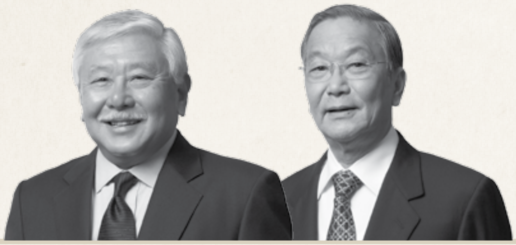
	2011	2010	2009	2008	2007
Financial Ratios					
Earnings per share after tax, minority interests and extraordinary items (cents) #	12.80	14.89	6.25	10.46	10.89
Earnings per share after tax, minority interests but before extraordinary items (cents) #	12.80	14.89	6.25	10.46	8.34
Return on shareholders funds (%) * #	8.18	9.75	4.35	7.89	9.51
Return on Total Assets (%) * #	5.85	7.01	3.09	5.63	6.81
Dividend proposed					
Special final & interim net dividend per share (cents)	3.0	1.0	-	2.46	2.46
Final/Interim net dividend per share (cents)	2.0	2.0	2.0	1.82	1.64
Dividend cover (times) #	2.24	4.93	3.13	2.44	2.66
Net Assets per share ($) #	1.55	1.56	1.48	1.39	1.26
Debt equity ratio (net of cash) (times)	Net cash	0.04	0.01	0.02	(0.12)
Total Liabilities to shareholders funds (times)	0.41	0.37	0.40	0.39	0.39
Interest cover (times) #	10.28	13.27	4.79	8.70	14.34

Notes

* *In calculating return on shareholders' funds and return on total assets, the average basis has been used.*

\# *the financial ratios are based on continuing operations.*

BOARD OF DIRECTORS



Lt-Gen (Retd) Winston Choo Wee Leong　　Jopie Ong Hie Koan

Lt-Gen (Retd) Winston Choo Wee Leong

Chairman, Non-Executive and Independent

Lt-Gen (Retd) Winston Choo Wee Leong was appointed Director of Metro Holdings Limited ("Metro") in June 2007 and assumed the position of Chairman in July 2007. He is also the Chairman of the Nominating Committee and a member of the Remuneration Committee.

He had a distinguished military career from 1959 to 1992 and was Singapore's Chief of Defence Force from 1974 to 1992. He served as Singapore's High Commissioner to Australia and concurrently Ambassador to Fiji from 1994 to 1997. He also served as Singapore's Non-Resident High Commissioner to the Republic of South Africa and the Independent State of Papua New Guinea from 2000 to 2006. He is currently Singapore's Non-Resident Ambassador to the State of Israel.

Lt-Gen Choo is an experienced company director, having served on the Boards of several listed companies since 1993. Currently, he is a member of the Board of Directors of Foodfare Catering Pte Ltd, Cougar Logistics Corporation Ltd, Newstar Investment Holding Pte Ltd, 3ENGINE Pte Ltd, FairVision Pte Ltd and Tridex Pte Ltd.

Lt-Gen Choo holds a Master of Arts in History from Duke University, USA and has completed the Advance Management Programme at Harvard University, USA.

朱维良中将

非执行独立主席

朱维良中将于2007年6月受委为美罗控股有限公司（"美罗"）的董事，并在2007年7月开始受委为集团主席一职。他也是提名委员会的主席和薪酬委员会的成员。

朱维良中将曾于1959年至1992年期间拥有卓越辉煌的军旅生涯，并于1974年至1992年间担任新加坡国防部队的三军总长。他曾于1994年至1997年间同时担任新加坡驻澳大利亚最高专员兼任驻斐济的大使。2000年至2006年间，他也曾担任新加坡驻南非和巴布亚新几内亚独立国的非常驻最高专员。他现为新加坡驻以色列的非常驻大使。

朱维良中将是位经验丰富的公司董事，自1993年起便在多家上市公司的董事会担任过职务。他目前Foodfare Catering Pte Ltd, Cougar Logistics Corporation Ltd, Newstar Investment Holding Pte Ltd, 3ENGINE Pte Ltd, FairVision Pte Ltd 和 Tridex Pte Ltd的董事会成员。

朱维良中将拥有美国杜克大学的历史文学硕士学位，并在美国哈佛大学完成了高级管理培训课程。

Jopie Ong Hie Koan

Group Managing Director, Executive

Mr Jopie Ong is the Group Managing Director of Metro, a position he has held since 1973. Mr Ong is also a member of the Nominating Committee.

He was previously the Chairman of Transmarco Limited as well as a Director of Metrojaya Berhad, a company listed on the Kuala Lumpur Stock Exchange. Mr Ong joined Metro in 1964 and is responsible for growing the retail division, introducing into Singapore key luxury brands such as Cartier and Piaget, and guiding Metro to its listing in 1973. His experience at board level covers the retail, property development, construction, hotel and leisure industries.

王晞權

集团执行董事经理

王晞權先生自1973年便担任美罗集团的执行董事经理，至今。王先生也是提名委员会的成员之一。

他曾经担任过淡锡马可有限公司的主席，以及在吉隆坡证券交易所上市的美罗百货的董事。王先生于1964年加入美罗负责零售部门的发展， 并成功地将世界知名品牌，例如卡地亚和伯爵引进新加坡。同时，他也带领美罗集团在1973年成功上市。他丰富的董事会经验涉及零售、房地产开发、建筑、酒店以及时尚休闲业等行业。

Phua Bah Lee

Director, Non-Executive and Independent

Mr Phua Bah Lee joined the Board of Metro in 1993. He is the Chairman of the Remuneration Committee and a member of the Audit and Nominating Committees. He is also a Director of GP Batteries International Ltd, GP Industries Ltd, Pan United Corporation Ltd, Singapura Finance Ltd and Wing Tai Holdings Ltd.

Mr Phua was the Parliamentary Secretary of the Ministry of Communications from 1968 to 1971 and Senior Parliamentary Secretary of the Ministry of Defence from 1972 to 1988. He was a Member of Parliament for the Tampines Constituency from 1968 to 1988. He graduated from the Nanyang University, Singapore, with a Bachelor of Commerce degree.

潘峇厘

非执行独立董事

潘峇厘先生于1993年加入美罗董事会。他是薪酬委员会的主席及审计和提名委员会的成员。他也是金山电池国际有限公司、金山工业有限公司、泛联集团（新）有限公司、富雅金融有限公司以及永泰控股有限公司的董事会成员。

潘先生曾于1968年至1971年间担任通讯部的政务次长，以及在1972年至1988年间担任国防部的高级政务次长。潘先生曾于1968年至1988年间担任淡滨尼选区的国会议员。他毕业于新加坡南洋大学，获商业学士学位。

Phua Bah Lee Gerald Ong Chong Keng Fang Ai Lian

Gerald Ong Chong Keng

Director, Non-Executive

Mr Gerald Ong Chong Keng was appointed a Director of Metro in June 2007. He is a member of the Audit, Nominating and Remuneration Committees.

He is currently the Chief Executive Officer of PrimePartners Corporate Finance Group and is a Director of Aseana Properties Ltd. Mr Ong has more than 22 years of corporate finance related experience. He has held senior positions at various financial institutions including NM Rothschilds & Sons (Singapore) Ltd, the DBS Bank Group, Tokyo-Mitsubishi International (Singapore) Pte Ltd and Hong Leong (Malaysia) Group. During his time with these institutions, Mr Ong's duties encompassed the provision of a wide variety of Corporate Finance services from advisory, M&A activities and fund raising exercises incorporating various structures such as equity, debt, equity-linked and derivative-enhanced issues.

Gerald has been the Chairman of the Singapore Investment Banks Association Corporate Finance Committee since 2007 and has been granted the Financial Industry Certified Professional status. He is an alumnus of the National University of Singapore, University of British Columbia and Harvard Business School.

王宗庆先生

非执行董事

王宗庆先生于2007年6月受委为美罗的董事。他也是审计，提名和薪酬委员会的成员之一。

他现在是建力企业财务策划有限公司的执行总裁，同时也是Aseana Properties Ltd的董事。 王先生在金融领域拥有超过22年的经验。他曾经在多家金融机构，包括洛希尔父子（新加坡）有限公司、星展集团、三菱东京国际（新加坡）有限公司以及马来西亚丰隆集团担任资深职务。 王先生在以上机构任职期间的责任覆盖广泛，包括金融顾问，企业并购，以及通过资本、债务、资本关联和强化衍生债权的企业融资服务。

王先生自2007年起一直担任新加坡投资银行协会企业融资委员会的主席，并荣获金融行业公认专业资格。王先生是新加坡国立大学、英属哥伦比亚大学及哈佛大学的校友会成员。

Fang Ai Lian (Mrs)

Director, Non-Executive and Independent

Mrs Fang Ai Lian was appointed a Director of Metro in July 2008. She is also the Chairman of the Audit Committee and a member of the Nominating Committee.

Mrs Fang has been the Chairman of Great Eastern Holdings Limited since 15 April 2008. She also serves as a Director in several companies, including Oversea-Chinese Banking Corporation Limited, Banyan Tree Holdings Limited, Singapore Telecommunications Limited and MediaCorp Pte Ltd. She is a Member of the Governing Board of Duke-NUS Graduate Medical School of Singapore and the Singapore University of Technology and Design's Board of Trustees. Mrs Fang was previously with Ernst & Young ("E&Y") for the past 37 years where she last held the position of Chairman of E&Y Singapore until her retirement on 31 March 2008.

Mrs Fang is a staunch supporter of charities and social concerns. She helms charity organisations such as the Charity Council.

She is also a Justice of the Peace and was awarded the Public Service Star in 2009.

Mrs Fang qualified as a Chartered Accountant in England and is a Fellow of the Institute of Chartered Accountants in England and Wales as well as a Fellow of the Institute of Certified Public Accountants in Singapore.

方爱莲夫人

非执行独立董事

方爱莲夫人于2008年7月受委为美罗的董事。她也是审计委员会的主席和提名委员会的成员。

方夫人自2008年4月15日起受委为大东方控股的主席。她同时也在多家公司担任董事一职譬如，华侨银行有限公司，悦榕控股有限公司，新加坡电信有限公司以及新传媒有限公司。她是杜克-新加坡大学医学研究院理事会和新加坡科技设计大学理事会的成员。方夫人之前在安永会计事务所任职37年。方夫人于2008年3月31日以新加坡安永会计事务所主席的身份退休。

方夫人一向非常支持慈善活动，也很关心社会课题。她一直为不少的慈善机构，如慈善理事会作出贡献。

身为太平绅士，方夫人在2009年被授予公共服务星章。

方夫人在英国取得特许会计师的资格，而且是英格兰和威尔士特许会计师协会的成员。方夫人也是新加坡会计师协会的成员。

KEY MANAGEMENT

Jopie Ong Hie Koan

Group Managing Director

Mr Jopie Ong has been the Group Managing Director of Metro since 1973. In this position, he has full executive responsibility over the business directions and operational affairs of the Metro Group.

Mr Ong joined Metro in 1964 and was responsible for growing the retail division, introducing into Singapore key luxury brands such as Cartier and Piaget. Under his guidance, Metro obtained its listed status in 1973. He was also instrumental in the setting up and listing of Transmarco Limited, a group that dealt in luxury brands, watches and computers and of which he assumed chairmanship. He also acted as Director of the listed Metrojaya Berhad, which operated the Metro retail arm in Malaysia, prior to its divestment. Mr Ong's experience at board level covers the retail, property development, construction, hotel and leisure industries.

Lawrence Chiang Kok Sung

Group General Manager

Mr Lawrence Chiang is Group General Manager of the Metro Group. He holds a key role in the Group's investment strategy and business development and in this role, he has initiated and overseen the completion of the Group's property development projects and joint ventures in Singapore, Malaysia and China. Whilst assuming overall responsibility for the Group's operations, he continues to directly oversee the operations of the Group's property division.

Prior to his current position, Mr Chiang was the Group's Head, Corporate Affairs and Special Projects and Financial Controller, positions he held after joining Metro in 1989. He has more than 33 years of working experience in industries involved in property development and management, retail and department stores, cruise, hotel and trading operations. Mr Chiang was a member of the Institute of Chartered Accountants of New Zealand, the Institute of Certified Public Accountants of Singapore, ACCA and the Institute of Chartered Secretaries and Administrators.

Wong Sioe Hong

Managing Director, Metro (Private) Limited

As Managing Director of Metro (Pte) Ltd since 1994, Mrs Wong has overall responsibility for all the operations of the retail division of the Metro Group in Singapore and Indonesia. She also serves as the Vice President of the Singapore Retailers Association as well as the Vice Chairman of the Orchard Road Business Association.

Mrs Wong first joined Metro's retail organisation in 1971. Prior to her appointment as Managing Director, she was the Director of Merchandise for the previous 15 years. She has played an instrumental role in transforming the Metro retail arm into a major retail operator in Singapore and continues to oversee the Group's retail expansion in the region. Mrs Wong holds a Bachelor of Science (Commerce) from the University of Santa Clara, USA.

David Lee Chin Yin

Group Financial Controller and Joint Company Secretary

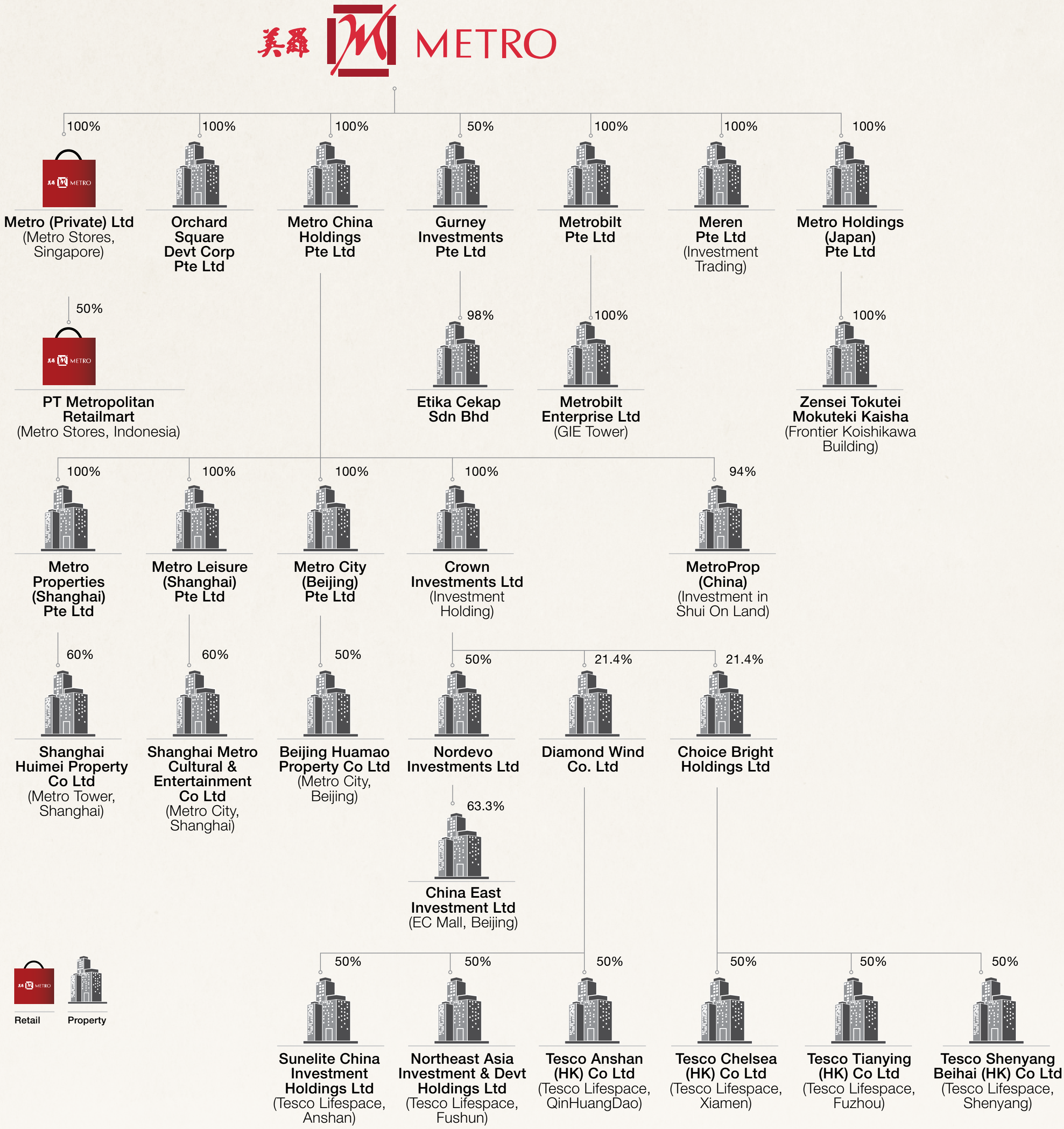
Mr David Lee has been Group Financial Controller of the Metro Group since 1995. He has overall responsibility for the Group's finance, accounting, treasury and tax functions. Mr Lee joined the Metro Group in 1991 as its Group Internal Audit Manager after 15 years in the public accounting profession. Mr Lee is a member of the Institute of Chartered Accountants in England & Wales and the Institute of Certified Public Accountants of Singapore.

Goh Leng Seng

Head, Property Development Technical Services

Mr Goh Leng Seng has been with the Metro Group of companies for the last 33 years. He oversees the technical aspects of the Metro Group's property development. He has vast experience in the building construction industry and project development and management. Mr Goh is a member of the Singapore Institute of Surveyors and Valuers and Singapore Institute of Building Limited.

CORPORATE STRUCTURE



CORPORATE DATA

Board of Directors

Lt-Gen (Retd) Winston Choo Wee Leong
Chairman, Non-Executive and Independent

Jopie Ong Hie Koan
Group Managing Director, Executive

Phua Bah Lee
Director, Non-Executive and Independent

Gerald Ong Chong Keng
Director, Non-Executive

Fang Ai Lian
Director, Non-Executive and Independent

Audit Committee

Fang Ai Lian
Chairman

Phua Bah Lee

Gerald Ong Chong Keng

Nominating Committee

Lt-Gen (Retd) Winston Choo Wee Leong
Chairman

Jopie Ong Hie Koan

Phua Bah Lee

Gerald Ong Chong Keng

Fang Ai Lian

Remuneration Committee

Phua Bah Lee
Chairman

Lt-Gen (Retd) Winston Choo Wee Leong

Gerald Ong Chong Keng

Secretaries

Tan Ching Chek

Lee Chin Yin

Auditors

Ernst & Young LLP
Michael Sim Juat Quee
Engagement Partner
(Since financial year ended 31 March 2008)

Principal Bankers

DBS Bank Ltd
United Overseas Bank Ltd
Industrial and Commercial Bank of China Ltd
Huaxia Bank Co. Ltd
The Hongkong and Shanghai Banking Corporation Ltd

Registrars

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte. Ltd.)
8 Cross Street
#11-00 PWC Building
Singapore 048424
Tel : (65) 6236 3333

Registered Office

391A Orchard Road
#19-00 Tower A
Ngee Ann City
Singapore 238873
Tel : (65) 6733 3000
Fax : (65) 6735 3515
Website : www.metroholdings.com.sg

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Metro Holdings Limited ("Metro" or "the Company") is committed to high standards of corporate governance. This Report describes the Company's corporate governance practices with specific reference to the Code of Corporate Governance 2005 ("Code"), pursuant to Rule 710 of the Listings Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

BOARD MATTERS

Principle 1 : Board's Conduct of its Affairs

The Board oversees the business affairs of the Group and sets overall corporate strategy and direction. It approves the Group's strategic plans, key business initiatives and financial objectives, major investment and divestment and funding proposals. The Board also monitors operating and financial performance and oversees the processes for risk management, financial reporting and compliance and evaluating the adequacy of internal controls. It approves nominations to the Board of Directors. Matters specifically reserved for Board's decisions are those involving material acquisitions and disposal of assets, corporate or financial restructuring, share issuances and dividends. The Board has adopted a set of internal guidelines on these matters. The Board has delegated certain of its functions to the Nominating, Audit and Remuneration Committees.

The Board conducts regular scheduled meetings on a quarterly basis. Ad-hoc meetings can be convened as warranted by circumstances. Management has access to the directors for guidance or exchange of views outside of the formal environment of the Board meetings.

Directors are briefed on regulatory changes, especially those on the Company's or director's disclosure obligations. In order to ensure that the Board is able to fulfill its responsibilities, prior to the Board meetings, the Management provides the Board with information containing relevant background or explanatory information required to support the decision-making process.

Newly-appointed directors will be given briefings by the Management on the business activities of the Group and its strategic directions as well as its corporate governance practices.

Principle 2 : Board Composition and Guidance

The Board comprises 5 directors. Lt-Gen (Retd) Winston Choo Wee Leong is the non-executive, independent Chairman. The Group Managing Director, Mr Jopie Ong Hie Koan is the executive director. Mr Gerald Ong Chong Keng is the non-executive director. Mr Phua Bah Lee and Mrs Fang Ai Lian are the non-executive, independent directors.

The Board considers the Board's present size and composition appropriate taking into account the nature and scope of the Group's operations, the depth and breadth of knowledge, expertise and business experiences of the directors to govern and manage the Group's affairs and that a majority of the Board size is independent.

The Board has no dissenting view on the Chairman's statement for the year in review.

Principle 3 : Chairman and Group Managing Director

The roles of Chairman and Group Managing Director are separate. The Chairman provides overall vision and strategic guidance and bears responsibility for the workings of the Board.

The Group Managing Director bears full executive responsibility for the Group's operations including making key day-to-day operational decisions.

The Chairman assumes the responsibilities of scheduling and setting agendas for Board meetings and exercises control over the quality, quantity and timeliness of information flow between the Board and Management.

Principle 4 : Board Membership

Principle 5 : Board Performance

The Nominating Committee comprised five directors, three of whom, including the Chairman, are independent directors. The Committee Chairman is Lt-Gen (Retd) Winston Choo Wee Leong and the other members are Mr Jopie Ong Hie Koan, Mr Phua Bah Lee, Mr Gerald Ong Chong Keng and Mrs Fang Ai Lian.

The Nominating Committee recommends all appointments and re-nominations of directors to the Board and Board committees. The Company's Articles of Association provide for one-third of the directors, to retire by rotation and be subject to re-election at every Annual General Meeting. A newly appointed director must also subject himself for retirement and re-election at the Annual General Meeting immediately following his appointment.

The Nominating Committee also determines the independence of directors and evaluates and assesses the effectiveness of the Board taking into consideration appropriate performance criteria.

The Nominating Committee has recommended that Mr Gerald Ong Chong Keng, who is retiring by rotation pursuant to Article 94 of the Company's Articles of Association at the forthcoming AGM, be re-elected.

The Nominating Committee has also recommended the re-appointment of Lt-Gen (Retd) Winston Choo Wee Leong, Mr Jopie Ong Hie Koan and Mr Phua Bah Lee who are retiring under Section 153(6) of the Companies Act, Chapter 50 at the forthcoming AGM.

The retiring directors have offered themselves for re-election/re-appointment. The Board has accepted the recommendations of the Nominating Committee.

The dates of initial appointment and last re-election of each director are set out as follows:

Name of director	Appointment	Date of initial appointment	Date of last re-election/ Re-appointment
Lt-Gen (Retd) Winston Choo Wee Leong	Non-Executive/ Independent Director	18 June 2007	22 July 2010
Jopie Ong Hie Koan	Executive Director	21 September 1973	23 July 2009
Phua Bah Lee	Non-Executive/ Independent Director	5 October 1993	22 July 2010
Gerald Ong Chong Keng	Non-Executive Director	18 June 2007	23 July 2009
Mrs Fang Ai Lian	Non-Executive/ Independent Director	16 July 2008	22 July 2010

The Board, through the delegation of its authority to the Nominating Committee, has used its best efforts to ensure that directors appointed to the Board possess the background, experience and knowledge in technology, business, finance and management skills critical to the Group's businesses and that each director, through his unique contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

Informal reviews of a Board's member's performance are undertaken on a continuous basis by the Nominating Committee with inputs from the other Board members and the Group Managing Director. Renewals or replacement of Board members do not necessarily reflect their contributions to-date, but may be driven by the need to position or shape the Board to be in line with the medium-term needs of the Company and its businesses.

The search and nomination process for new directors, if any, will be through search companies, contacts and recommendations that go through the normal selection process, to cast its net as wide as possible for the right candidates.

New directors are appointed by the Board after the Nominating Committee has reviewed and recommended their appointment. Such new directors are however required to submit themselves for re-election at the next AGM of the Company.

Principle 6 : Access to Information

Directors are given full access to the management team and Company Secretary, all Board and Board committees' minutes and all approval and information papers. Where a decision has to be made before a formal Board meeting is scheduled, a circulating Directors Resolution is done in accordance with the Company's Articles of Association and all necessary information is provided. The Company supports the directors, either individually or as a group, if they require independent professional advice in furthering their duties to the Company. The Company Secretary attends Board meetings of the Company.

REMUNERATION MATTERS

Principle 7 : Procedures for Developing Remuneration Policies

Principle 8 : Level and Mix of Remuneration

Principle 9 : Disclosure on Remuneration

The Remuneration Committee is chaired by Mr Phua Bah Lee with Lt-Gen (Retd) Winston Choo Wee Leong, who are non-executive and independent directors, and Mr Gerald Ong Chong Keng, who is a non-executive director, as members.

The Remuneration Committee reviews and recommends to the Board the framework of remuneration for key executives and for directors serving on the Board and Board committees. The review of specific remuneration packages includes fees, salaries, bonuses and incentives. The executive director has a service contract which includes terms of termination under appropriate notice. Non-executive directors are remunerated based on basic fees for serving on the Board and Board committees as is the executive director. Such fees are recommended for approval by shareholders as a lump sum payment at the Annual General Meeting.

The Remuneration Committee has access to expert professional advice on remuneration matters whenever there is a need to obtain such advice.

Breakdown of directors' remuneration for current financial year:

Remuneration Band & Name of Director	Base Salary etc/Directors' Fees	Performance-Related/ Bonuses	Long Term Incentive
$8,750,000 to $8,999,999			
Jopie Ong Hie Koan	12%	88%	–
Below $250,000			
Lt-Gen (Retd) Winston Choo Wee Leong	100%	–	–
Phua Bah Lee	100%	–	–
Gerald Ong Chong Keng	100%	–	–
Mrs Fang Ai Lian	100%	–	–

Remuneration of top five executives (who are not also directors) for current financial year:

Remuneration Band & Name of Key Executive	Base Salary etc	Performance-Related/ Bonuses	Long Term Incentive
$1,750,000 to $1,999,999			
Lawrence Chiang Kok Sung	41%	55%	4%
$750,000 to $999,999			
Lee Chin Yin	64%	30%	6%
$500,000 to $749,999			
Wong Sioe Hong	66%	20%	14%
$250,000 to $499,999			
Goh Leng Seng	83%	17%	–
Pang Say Kong	77%	23%	–

Number of employees who are immediate family members of the Group Managing Director in remuneration bands:

Remuneration Band	2011	Base Salary etc	Performance-Related/ Bonuses	Long Term Incentive
$500,000 to $749,999	1	66%	20%	14%
$250,000 to $499,999	1	76%	22%	2%
Below $250,000	1	80%	20%	–
	3			

(a) The Company does not have a share option scheme.

ACCOUNTABILITY AND AUDIT

Principle 10 : Accountability

Principle 11 : Audit Committee

Principle 12 : Internal Controls

Principle 13 : Internal Audit

The Company has taken steps to comply with the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") on the disclosure requirements of material information. The Board is mindful of the obligation to provide shareholders with information on all major developments that affect the Group and strives to maintain a high standard of transparency.

Management provides all members of the Board with management accounts which present a balanced and understandable assessment of the company's performance, position and prospects on a monthly basis.

The Audit Committee comprises of two non-executive independent directors and a non-executive director. It is chaired by Mrs Fang Ai Lian and the members are Mr Phua Bah Lee and Mr Gerald Ong Chong Keng. The Audit Committee has full authority to investigate matters relating to the Group and any matters within its terms of reference.

The Audit Committee reviews the scope, the audit plan, the results and effectiveness of the External and Internal Auditors. The internal audit function, which is outsourced to KPMG, reports directly to the Audit Committee. It also reviews the independence and objectivity of the External Auditors taking into consideration the non-audit services provided to the Company. It has reviewed the effectiveness of the system of internal controls with the External and Internal Auditors and is satisfied that there are adequate internal controls.

In addition, the Group has also put in place appropriate risk management policies and processes to evaluate the operating, investment and financial risks of the Group. In evaluating a new investment proposal or business opportunity, several factors will be considered by Management and the Board before a decision is being taken. These factors, which are essentially designed to ensure that the rate of returns commensurate with the risk exposure taken, including evaluating (i) return on investment; (ii) the pay back period; (iii) cash flow generated from the operation; (iv) potential for growth; (v) investment climate; and (vi) political stability.

The main areas of financial risk faced by the Group are foreign currency exchange risk, interest rate risk, credit risk and liquidity risk. Further details of the financial risks and how the Group manages them are set out in note 36 to the financial statements.

Quarterly and full year results are reviewed by the Audit Committee prior to their submission to the Board as are interested person transactions. Provision is made at least once annually for the Audit Committee to meet with the External and Internal Auditors without the presence of management.

The Audit Committee has undertaken a review of fees paid to the External Auditors for non-audit services and is satisfied with the independence and objectivity of the External Auditors. It has recommended to the Board the re-appointment of Ernst & Young as the External Auditors.

The Audit Committee has also approved the implementation of "Whistle-Blowing" arrangements by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The objective is to ensure that arrangements are in place for independent investigations of such matters and for appropriate follow up action.

COMMUNICATION WITH SHAREHOLDERS

Principle 14 : Communication with Shareholders

Principle 15 : Greater Shareholder Participation

The Company does not practice selective disclosure. Shareholders are kept informed of the developments in the Group's businesses and operations through announcements via SGXNET as well as through the annual report. Announcements are made as soon as possible to ensure timely dissemination of the information to shareholders and the public.

The participation of shareholders is encouraged at the Company's general meetings. The Board and Management are on hand at these meetings to address any questions that shareholders may have concerning the Company. The External Auditors are also present to assist the Board in answering the relevant shareholders' queries.

To facilitate voting by shareholders, the Company's Articles allow shareholders to vote by proxies. Proxy forms can be sent to the Company by mail. At the Annual General meetings, each distinct issue is voted via separate resolutions.

DEALINGS IN SECURITIES

The Group has adopted an internal code which prohibits dealings in securities of the Company by directors and employees while in possession of price-sensitive information, and during the period beginning two weeks and one month before the announcement of the quarterly and annual results respectively, and ending on the date of announcement.

It also discourages dealings on short term considerations. Directors and employees are required to report securities dealings to the Company Secretary who will assist to make the necessary announcements.

DIRECTORS' INTERESTS IN CONTRACTS ENTERED WITH THE GROUP

During the year, there were the following transactions with certain directors and/or with firms/companies in which they are members and/or have a substantial financial interest:

	The Group		The Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Jopie Ong Hie Koan Rental and property management income received from Eng Kuan Company Pte Ltd Group	184	182	–	–
Gerald Ong Chong Keng Corporate advisory fees paid or payable to OEC Holdings Pte Ltd	330	485	330	485

INTERESTED PERSON TRANSACTIONS

Interested person transactions carried out during the financial year which fall under Chapter 9 of the Listing Manual of the SGX-ST were as follows:

Directors and their associates

Transactions with Jopie Ong Hie Koan and Gerald Ong Chong Keng.

(Please refer to above item on Director's Interest in Contracts entered with the Group.)

BOARD COMPOSITION

As at 17 June 2011

	Board	Audit Committee	Nominating Committee	Remuneration Committee
Lt-Gen (Retd) Winston Choo Wee Leong	Chairman	–	Chairman	Member
Jopie Ong Hie Koan	Member	–	Member	–
Phua Bah Lee	Member	Member	Member	Chairman
Gerald Ong Chong Keng	Member	Member	Member	Member
Mrs Fang Ai Lian	Member	Chairman	Member	–

DIRECTORS' ATTENDANCE AT BOARD AND COMMITTEE MEETINGS HELD DURING FINANCIAL YEAR

	MHL Board		Audit Committee		Nominating Committee		Remuneration Committee	
	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended
Lt-Gen (Retd) Winston Choo Wee Leong	4	4	–	–	1	1	1	1
Jopie Ong Hie Koan	4	4	–	–	1	1	–	–
Phua Bah Lee	4	3	4	3	1	1	1	1
Gerald Ong Chong Keng	4	4	4	4	1	1	1	1
Mrs Fang Ai Lian	4	4	4	4	1	–	–	–

FINANCIAL STATEMENTS CONTENTS

The directors are pleased to present their report to the members together with the audited consolidated financial statements of Metro Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2011.

Directors

The directors of the Company in office at the date of this report are:

Winston Choo Wee Leong	(Chairman)
Jopie Ong Hie Koan	(Group Managing Director)
Phua Bah Lee	
Gerald Ong Chong Keng	
Fang Ai Lian	

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed below.

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Cap. 50 (the "Act"), an interest in shares and warrants of the Company as stated below:

	Shareholdings registered in the name of the directors			Shareholdings in which the directors are deemed to have an interest		
Name of director	**As at 1.4.2010**	**As at 31.3.2011**	**As at 21.4.2011**	**As at 1.4.2010**	**As at 31.3.2011**	**As at 21.4.2011**
Ordinary shares						
Jopie Ong Hie Koan	–	–	–	217,156,592	229,328,372	229,328,372
Phua Bah Lee	–	–	–	60,480	60,480	60,480
Warrants						
Jopie Ong Hie Koan	–	–	–	20,378,353	8,211,417	8,211,417

There was no change in the above-mentioned interests between the end of the financial year and 21 April 2011.

By virtue of Section 7 of the Act, Mr Jopie Ong Hie Koan with the above shareholdings is deemed to have interests in all the subsidiaries of the Group.

No other director of the Company who held office at the end of the financial year had an interest in any other shares of the Company's subsidiaries.

Directors' contractual benefits

Since the end of the previous financial year, no director of the Company has received or become entitled to receive benefits under contracts required to be disclosed by Section 201(8) of the Act except those disclosed in Note 7 to the financial statements.

Audit Committee

The Audit Committee comprises non-executive and independent directors, Mrs Fang Ai Lian, who chairs the Audit Committee and Mr Phua Bah Lee and non-executive and non-independent director, Mr Gerald Ong Chong Keng.

The Committee meets at least four times a year and performs its functions in accordance with the Act.

The Committee reviews the overall scope of both internal and external audits and the assistance given by the Company's officers to the auditors. It meets with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Group's system of internal accounting and financial controls. The Committee also reviews the annual financial statements of the Company and of the Group and the auditors' report thereon before submission to the Board, as well as interested person transactions. All major findings and recommendations are brought to the attention of the Board of Directors.

The Committee has also reviewed the fees paid to the external auditors and are of the opinion that their independence has not been impaired.

The Committee recommends that Ernst & Young LLP be nominated for re-appointment as auditors at the forthcoming Annual General Meeting.

Auditors

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board,

Winston Choo Wee Leong
Chairman

Jopie Ong Hie Koan
Group Managing Director

Singapore
17 June 2011

STATEMENT BY DIRECTORS

Pursuant to Section 201(15) of the Singapore Companies Act, Cap.50

We, Winston Choo Wee Leong and Jopie Ong Hie Koan, being two of the directors of Metro Holdings Limited, do hereby state that, in the opinion of the directors:

(i) the accompanying statements of financial position, consolidated income statement, consolidated statement of comprehensive income, statements of changes in equity, and consolidated statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2011 and the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board,

Winston Choo Wee Leong
Chairman

Jopie Ong Hie Koan
Group Managing Director

Singapore
17 June 2011

INDEPENDENT AUDITORS' REPORT

To the Members of Metro Holdings Limited

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Metro Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 46 to 124, which comprise the statements of financial position of the Group and the Company as at 31 March 2011, the statements of changes in equity of the Group and the Company, and the consolidated income statement, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2011 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Public Accountants and
Certified Public Accountants
Singapore

17 June 2011

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 March 2011

(In Singapore dollars)

	Note	2011 $'000	2010 $'000
Revenue	4	175,245	150,981
Cost of revenue	5	(115,874)	(107,589)
Gross profit		59,371	43,392
Other income including interest income	6	47,176	75,144
Gain from fair value adjustments on investment properties	12	13,601	49,682
General and administrative expenses		(53,614)	(22,371)
Profit from operating activities	7	66,534	145,847
Finance costs	8	(11,367)	(9,372)
Share of associates' results, net of tax		50,349	(21,524)
Profit from operations before taxation		105,516	114,951
Taxation	9	(23,359)	(20,962)
Profit net of taxation		82,157	93,989
Attributable to:			
Owners of the parent		81,896	93,861
Non-controlling interests		261	128
		82,157	93,989
		Cents	**Cents**
Earnings per share			
Basic	10	12.8	14.9
Diluted	10	12.0	13.7

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2011

(In Singapore dollars)

	Note	2011 $'000	2010 $'000
Profit net of taxation		82,157	93,989
Other comprehensive income:			
Currency translation adjustments on foreign operations		(39,158)	(54,620)
Reclassification adjustments for gains included in income statement	33	1,803	–
Surplus on revaluation of freehold property		2,818	–
Changes in fair value of available-for-sale financial assets		(8,729)	21,824
Share of other comprehensive income of associates		3,235	6,860
Other comprehensive income for the financial year, net of tax		(40,031)	(25,936)
Total comprehensive income for the financial year		42,126	68,053
Total comprehensive income attributable to:			
Owners of the parent		42,828	66,878
Non-controlling interests		(702)	1,175
		42,126	68,053

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2011

(In Singapore dollars)

	Note	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	16,223	13,720	10,676	7,895
Investment properties	12	688,452	630,773	–	–
Subsidiaries	14	–	–	17,174	17,174
Amounts due from subsidiaries	15	–	–	398,283	481,718
Associates	16	64,082	50,545	500	500
Amounts due from associates	17	43,605	255,337	–	–
Amounts due from jointly controlled entities	18	174	55,807	–	–
Investments	19	89,341	58,997	–	–
		901,877	1,065,179	426,633	507,287
Current assets					
Inventories	20	13,623	11,306	–	–
Deposits and prepayments	21	8,447	4,717	182	334
Accounts receivables	22	10,316	12,690	16	171
Tax recoverable		109	–	–	–
Short term investments	19	67,272	44,040	–	–
Collateral assets	23	24,560	51,625	–	–
Pledged fixed and bank deposits	24	34,875	26,752	–	17,028
Cash and cash equivalents	24	372,911	147,372	30,601	1,381
		532,113	298,502	30,799	18,914
Total assets		1,433,990	1,363,681	457,432	526,201
EQUITY AND LIABILITIES					
Current liabilities					
Bank borrowings	25	55,809	72,658	–	–
Accounts payables	26	77,429	75,766	11,300	4,882
Provision for taxation		7,211	4,711	49	110
		140,449	153,135	11,349	4,992
Net current assets		391,664	145,367	19,450	13,922
Non-current liabilities					
Bank borrowings	25	195,829	140,536	–	–
Amounts due to subsidiaries	26	–	–	140,486	275,965
Financial guarantee	27	–	357	–	357
Deferred taxation	9	81,159	73,947	321	418
		276,988	214,840	140,807	276,740
Total liabilities		417,437	367,975	152,156	281,732
Net assets		1,016,553	995,706	305,276	244,469
Equity attributable to owners of the parent					
Share capital	28	142,432	130,379	142,432	130,379
Treasury shares	28	(1,397)	(1,397)	(1,397)	(1,397)
Reserves	29	871,455	861,959	164,241	115,487
		1,012,490	990,941	305,276	244,469
Non-controlling interests		4,063	4,765	–	–
Total equity		1,016,553	995,706	305,276	244,469
Total equity and liabilities		1,433,990	1,363,681	457,432	526,201

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2011

(In Singapore dollars)

	Share capital $'000	Treasury shares $'000	Warrants reserve $'000	Revaluation reserve $'000	Fair value reserve $'000	Foreign currency translation reserve $'000	Revenue reserve $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Group										
At 1 April 2010	130,379	(1,397)	3,893	16,891	16,173	(3,447)	828,449	990,941	4,765	995,706
Dividends paid	–	–	–	–	–	–	(32,127)	(32,127)	–	(32,127)
Conversion of warrants into shares	12,053	–	(1,205)	–	–	–	–	10,848	–	10,848
Transfer on disposal of associate's freehold property	–	–	–	(2,439)	–	–	2,439	–	–	–
Total comprehensive income/(expense) for the financial year	–	–	–	4,621	(8,366)	(35,323)	81,896	42,828	(702)	42,126
At 31 March 2011	142,432	(1,397)	2,688	19,073	7,807	(38,770)	880,657	1,012,490	4,063	1,016,553
At 1 April 2009	126,155	(266)	4,315	16,891	(4,390)	44,099	747,188	933,992	2,580	936,572
Additional quasi-equity loans extended by non-controlling interest	–	–	–	–	–	–	–	–	1,261	1,261
Dividends paid	–	–	–	–	–	–	(12,600)	(12,600)	–	(12,600)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	(251)	(251)
Conversion of warrants into shares	4,224	–	(422)	–	–	–	–	3,802	–	3,802
Purchase of treasury shares	–	(1,131)	–	–	–	–	–	(1,131)	–	(1,131)
Total comprehensive income/(expense) for the financial year	–	–	–	–	20,563	(47,546)	93,861	66,878	1,175	68,053
At 31 March 2010	130,379	(1,397)	3,893	16,891	16,173	(3,447)	828,449	990,941	4,765	995,706

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2011

(In Singapore dollars)

	Share capital $'000	Treasury shares $'000	Warrants reserve $'000	Revaluation reserve $'000	Revenue reserve $'000	Total equity $'000
Company						
At 1 April 2010	130,379	(1,397)	3,893	6,301	105,293	244,469
Dividends paid	–	–	–	–	(32,127)	(32,127)
Conversion of warrants into shares	12,053	–	(1,205)	–	–	10,848
Total comprehensive income for the financial year	–	–	–	2,818	79,268	82,086
At 31 March 2011	142,432	(1,397)	2,688	9,119	152,434	305,276
At 1 April 2009	126,155	(266)	4,315	6,301	84,886	221,391
Dividends paid	–	–	–	–	(12,600)	(12,600)
Conversion of warrants into shares	4,224	–	(422)	–	–	3,802
Purchase of treasury shares	–	(1,131)	–	–	–	(1,131)
Total comprehensive income for the financial year	–	–	–	–	33,007	33,007
At 31 March 2010	130,379	(1,397)	3,893	6,301	105,293	244,469

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2011

(In Singapore dollars)

	Note	2011 $'000	2010 $'000
Cash flows from operating activities:			
Operating cash flows before changes in working capital			
Operating profit before reinvestment in working capital	(a)	21,146	35,978
Increase in inventories		(3,559)	(1,409)
Increase in accounts receivables		(1,924)	(555)
Increase in short term investments		(23,497)	(4,612)
Increase/(decrease) in accounts payables		2,202	(18,273)
Cash (used in)/generated from operations		(5,632)	11,129
Interest expense paid		(11,367)	(9,372)
Interest income received		13,168	12,573
Income taxes paid		(8,811)	(12,955)
Net cash flows (used in)/generated from operating activities		(12,642)	1,375
Cash flows from investing activities:			
Purchase of property, plant and equipment	11	(2,904)	(4,500)
Purchase of investment property	12	(90,167)	–
Subsequent expenditure on investment properties	12	(3,014)	(10,748)
Purchases of investments and collateral assets		(52,791)	(6,639)
Acquisition and disposal/dilution of jointly controlled entities	(b)	(3,553)	(2,360)
Proceeds from disposal of property, plant and equipment		195	163
Proceeds from disposal of available-for-sale investments		9,971	4,068
Proceeds from realisation of collateral assets		27,065	–
Decrease/(increase) in amounts due from associates		228,049	(38,325)
Repayment of/(additional) loans from/(to) jointly controlled entities		69,409	(1,960)
Dividends received from associates		19,150	–
Dividends received from quoted and unquoted investments		5,223	3,482
Changes in pledged fixed and bank deposits		(8,123)	4,631
Net cash flows generated from/(used in) investing activities		198,510	(52,188)
Cash flows from financing activities:			
Drawdown of bank borrowings		112,542	57,000
Repayment of bank borrowings		(47,610)	(13,986)
Purchase of treasury shares		–	(1,131)
Proceeds from issue of shares		10,848	3,802
Additional loans extended by non-controlling interests		–	1,261
Dividends paid to non-controlling interests		–	(251)
Dividends paid	30	(32,127)	(12,600)
Net cash flows generated from financing activities		43,653	34,095
Net increase/(decrease) in cash and cash equivalents		229,521	(16,718)
Effect of exchange rate changes in cash and cash equivalents		(3,982)	2,432
Cash and cash equivalents at beginning of financial year	24	147,372	161,658
Cash and cash equivalents at end of financial year	24	372,911	147,372

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

(In Singapore dollars)

Notes to the Consolidated Statement of Cash Flows

(a) **Operating cash flows before changes in working capital**

Reconciliation between profit before taxation and operating cash flows before changes in working capital:

	Note	2011 $'000	2010 $'000
Profit before taxation		105,516	114,951
Adjustments for:			
Gain from fair value adjustments on investment properties	12	(13,601)	(49,682)
Interest expense	8	11,367	9,372
Depreciation of property, plant and equipment	11	2,751	2,613
Share of results of associates		(50,349)	21,524
Interest and investment income		(29,767)	(42,957)
Loss/(gain) on disposal of property, plant and equipment		45	(125)
Inventories written down	20	1,271	856
Allowance for doubtful debts	22	56	310
Property, plant and equipment written off		2	9
(Reversal of)/allowance for obsolete inventory	20	(29)	115
Changes in fair value of short term investments		266	(17,356)
Foreign exchange adjustments		(1,430)	106
Amount due from associate written off	7	3,828	–
Gain on disposal of available-for-sale investments		(2,575)	(2,056)
Gain on dilution of interest in jointly controlled entities		–	(1,702)
Gain on disposal of interest in jointly controlled entity		(4,768)	–
Negative goodwill on acquisition of interest in jointly controlled entities		(1,437)	–
Operating cash flows before changes in working capital		21,146	35,978

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

(In Singapore dollars)

(b) **Acquisition and disposal/dilution of interest in jointly controlled entities**

The fair value of net assets of jointly controlled entities acquired and disposed/dilution in interest was as follows:

	Note	2011 Acquisition $'000	2011 Disposal $'000	2010 Dilution in interest $'000
Investment properties	12	20,643	28,588	29,234
Property, plant and equipment		18	10	9
Other receivables		198	413	177
Cash and bank balances		254	3,807	3,738
		21,113	32,818	33,158
Accounts payables		(443)	(1,271)	(815)
Amounts due to jointly controlled entities		(8,187)	(17,686)	(15,641)
Bank borrowings		(9,815)	(17,872)	(13,412)
Deferred taxation	9	(1,231)	(757)	(1,446)
Derivative financial instruments		–	–	(2,168)
Net identifiable assets and liabilities acquired and disposed/diluted		1,437	(4,768)	(324)
Net identifiable assets/(liabilities)		1,437	(4,768)	(324)
Gain on disposal/dilution of interest in jointly controlled entities		–	4,768	1,702
Negative goodwill on acquisition		(1,437)	–	–
Net cash acquired/disposed with jointly controlled entities		254	(3,807)	(3,738)
Net cash inflow on acquisition		254		
Net cash outflow on disposal			(3,807)	(2,360)

On 24 September 2010, the Group's 50% jointly controlled entity, Nordevo Investments Ltd ("Nordevo") acquired an additional 13.2% interest in its then 50.1% owned jointly controlled entity, China East Investment Limited ("CEI"). Consequently, the Group's effective interest in CEI has increased from 25.1% to 31.7%.

Metropolis Holding China Limited ("MHC"), a then 50.1% owned jointly controlled entity held by Nordevo, was also disposed of on 24 September 2010.

In the previous financial year, the gain on dilution in interest resulted from the exercise of a call option by the other shareholder of jointly controlled entities, CEI and MHC.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Metro Holdings Limited (the "Company") is a limited liability company, which is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 391A Orchard Road, #19-00, Tower A, Ngee Ann City, Singapore 238873.

The principal activities of the Company are those of a management, property investment and holding company.

The principal activities of the Group are those of management and holding companies, retailers and department store operators, property investment and developers.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $) and all values are rounded to the nearest thousand ($'000) except where otherwise indicated.

The accounting policies have been consistently applied by the Group and the Company and are consistent with those used in the previous financial year, except for the changes in accounting policies below.

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards and Interpretations of FRS (INT FRS) that are effective for annual periods beginning on or after 1 April 2010. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except as disclosed below:

FRS 103 Business Combinations (revised) and FRS 27 Consolidated and Separate Financial Statements (revised)

The revised FRS 103 Business *Combinations* and FRS 27 *Consolidated and Separate Financial Statements* are applicable for annual periods beginning on or after 1 July 2009. As of 1 April 2010, the Group adopted both revised standards at the same time in accordance with their transitional provisions.

2. Summary of significant accounting policies (cont'd)

2.2 *Changes in accounting policies (cont'd)*

FRS 103 Business Combinations (revised)

The revised FRS 103 introduces a number of changes to the accounting for business combinations that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Changes in significant accounting policies resulting from the adoption of the revised FRS 103 include:

- Transaction costs would no longer be capitalised as part of the cost of acquisition but will be expensed immediately;
- Consideration contingent on future events are recognised at fair value on the acquisition date and any changes in the amount of consideration to be paid will no longer be adjusted against goodwill but recognised in the income statement;
- The Group elects for each acquisition of a business, to measure non-controlling interest at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets, and this impacts the amount of goodwill recognised; and
- When a business is acquired in stages, the previously held equity interests in the acquiree is remeasured to fair value at the acquisition date with any corresponding gain or loss recognised in the income statement, and this impacts the amount of goodwill recognised.

According to its transitional provisions, the revised FRS 103 has been applied prospectively. Assets and liabilities that arose from business combinations whose acquisition dates are before 1 April 2010 are not adjusted.

FRS 27 Consolidated and Separate Financial Statements (revised)

Changes in significant accounting policies resulting from the adoption of the revised FRS 27 include:

- A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss recognised in the income statement;
- Losses incurred by a subsidiary are allocated to the non-controlling interest even if the losses exceed the non-controlling interest in the subsidiary's equity; and
- When control over a subsidiary is lost, any interest retained is measured at fair value with the corresponding gain or loss recognised in the income statement.

According to its transitional provisions, the revised FRS 27 has been applied prospectively, and does not impact the Group's consolidated financial statements in respect of transactions with non-controlling interests, attribution of losses to non-controlling interests and disposal of subsidiaries before 1 April 2010. The changes will affect future transactions with non-controlling interests.

2. Summary of significant accounting policies (cont'd)

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	**Effective for annual periods beginning on or after**
INT FRS 119 *Extinguishing Financial Liabilities with Equity Instruments*	1 July 2010
Revised FRS 24 *Related Party Disclosures*	1 January 2011
Amendments to INT FRS 114 *Prepayments of a Minimum Funding Requirement*	1 January 2011
INT FRS 115 *Agreements for the Construction of Real Estate*	1 January 2011
Amendments to FRS 107 *Disclosures – Transfers of Financial Assets*	1 July 2011
Amendments to FRS 12 *Deferred Tax – Recovery of Underlying Assets*	1 January 2012
Improvements to FRSs 2010	1 January 2011, unless otherwise stated

Except for the revised FRS 24, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the revised FRS 24 is described below.

Revised FRS 24 Related Party Disclosures

The revised FRS 24 clarifies the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application. The revised FRS 24 expands the definition of a related party and would treat two entities as related to each other whenever a person (or a close member of that person's family) or a third party has control or joint control over the entity, or has significant influence over the entity. The revised standard also introduces a partial exemption of disclosure requirements for government-related entities. The Group is currently determining the impact of the changes to the definition of a related party has on the disclosure of related party transaction. As this is a disclosure standard, it will have no impact on the financial position or financial performance of the Group when implemented in 2012.

2.4 *Foreign currency*

The Group's consolidated financial statements are presented in Singapore Dollars, which is also the parent company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and jointly controlled entities and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the income statement except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to the income statement of the Group on disposal of the foreign operation.

2. Summary of significant accounting policies (cont'd)

2.4 *Foreign currency (cont'd)*

(b) *Group companies*

The assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their income statement are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in the income statement. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to the income statement.

The Group has elected to recycle the accumulated exchange differences in the separate component of other comprehensive income that arises from the direct method of consolidation, which is the method the Group uses to complete its consolidation.

2.5 *Basis of consolidation*

Business combinations from 1 April 2010

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with FRS 39 either in the income statement or as change to other comprehensive income. If the contingent consideration is classified as equity, it is not be remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in the income statement.

2. Summary of significant accounting policies (cont'd)

2.5 Basis of consolidation (cont'd)

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 2.9. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in the income statement on the acquisition date.

Business combinations before 1 April 2010

In comparison to the above mentioned requirements, the following differences applied:

Business combinations are accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in equity.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree are not reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent measurements to the contingent consideration affected goodwill.

2.6 Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

Details of the Group's subsidiaries are shown in Note 38.

2. Summary of significant accounting policies (cont'd)

2.7 *Jointly controlled entities*

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, where the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control. The Group recognises its interest in joint venture using proportionate consolidation. The Group combines its share of each of the assets, liabilities, income and expenses of the joint venture with the similar items, line by line, in its consolidated financial statements. The joint venture is proportionately consolidated from the date the Group obtains joint control until the date the Group ceases to have joint control over the joint venture.

Adjustments are made in the Group's consolidated financial statements to eliminate the Group's share of intra-group balances, income and expenses and unrealised gains and losses on transactions between the Group and its jointly controlled entity. Losses on transactions are recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets or an impairment loss.

The financial statements of the joint venture are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies into line with those of the Group.

Upon loss of joint control, the Group measures any retained investment at its fair value. Any difference between the carrying amount of the former joint venture entity upon loss of joint venture control and the aggregate of the fair value of the retained investment and proceeds from disposal is recognised in the income statement.

Details of the Group's jointly controlled entities are shown in Note 38.

2.8 *Associates*

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment and is neither amortised nor tested individually for impairment. Any excess of the Group's share of the net fair value of the associate's identifiable asset, liabilities and contingent liabilities over the cost of the investment is deducted from the carrying amount of the investment and is recognised as income as part of the Group's share of results of the associate in the period in which the investment is acquired.

The income statement reflects the share of the results of operations of the associates. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associates.

The Group's share of the profit or loss of its associates is shown on the face of the income statement after tax and non-controlling interests in the subsidiaries of associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

2. Summary of significant accounting policies (cont'd)

2.8 Associates (cont'd)

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the income statement.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in the income statement.

Details of the Group's associates are shown in Note 38.

2.9 Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the income statement. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 January 2005 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period.

Goodwill and fair value adjustments which arose on acquisitions of foreign subsidiaries before 1 January 2005 are deemed to be assets and liabilities of the parent company and are recorded in SGD at the rates prevailing at the date of acquisition.

2. Summary of significant accounting policies (cont'd)

2.10 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

2.11 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.23. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognised in the income statement as incurred. Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of revaluation. Valuations are performed every three years to ensure that their carrying amount does not differ materially from their fair value of the land and buildings at the end of the reporting period.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the income statement, in which case the increase is recognised in the income statement. A revaluation deficit is recognised in the income statement, except to the extent that it offsets an existing surplus on the same asset carried in the revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The whole of the revaluation surplus included in the revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Freehold land has an unlimited useful life and therefore is not depreciated. Land held on 999-year lease is regarded as equivalent to freehold and is included in freehold land and buildings under property, plant and equipment. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Freehold buildings	– 50 years
Motor vehicles	– 5 years
Plant, equipment, furniture and fittings	– 3 to 10 years

2. Summary of significant accounting policies (cont'd)

2.11 Property, plant and equipment (cont'd)

Assets under construction included in plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the income statement in the year the asset is derecognised.

2.12 Investment properties

Investment properties are properties that are either owned by the Group or leased under a finance lease in order to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Properties held under operating leases are classified as investment properties when the definition of investment properties is met and they are accounted for as finance leases.

Investment properties are initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the end of the reporting period. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.11 up to the date of change in use.

2. Summary of significant accounting policies (cont'd)

2.13 Investment property under construction (IPUC)

IPUC is measured at fair value (when the fair value is reliably determinable). When assessing whether the fair value of IPUC can be determined reliably the company considers, among other things:

1. Is the asset being constructed in a developed liquid market?
2. Has a construction contract with the contractor been signed?
3. Are the required building and letting permits obtained?
4. What percentage of rentable area has been pre-leased to tenants?

IPUC for which fair value cannot be determined reliably is measured at cost less impairment.

The fair values of IPUC were determined at the end of the reporting period based on the opinion of a qualified independent valuer and valuations were performed using either the residual method approach or discounted cash flow approach, as deemed appropriate by the valuer. Each IPUC is individually assessed.

The estimated value of future assets is based on the expected future income from the project, using risk adjusted yields that are higher than the current yields of similar completed property. The remaining expected costs of completion plus margin are deducted from the estimated future asset value.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value.

For retail inventories, cost comprises the weighted average cost (which includes the related charges incurred in importing such merchandise) of merchandise derived at using the Retail Inventory Method or is ascertained on a first-in-first-out basis.

For all other inventories, cost comprises the invoiced value of goods on a specific identification basis, the first-in-first-out basis or the weighted average basis as appropriate plus related charges incurred in importing such goods.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. Net realisable value is arrived at after due allowance is made for all obsolete and slow-moving inventories.

2. Summary of significant accounting policies (cont'd)

2.15 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the income statement unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.16 Financial assets

Initial recognition and measurement

Financial assets are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. Summary of significant accounting policies (cont'd)

2.16 Financial assets (cont'd)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by FRS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The Group has not designated any financial assets upon initial recognition at fair value through profit or loss.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in the income statement. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the income statement. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

(b) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, and through the amortisation process.

(c) Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in the income statement. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the income statement as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

2. Summary of significant accounting policies (cont'd)

2.16 Financial assets (cont'd)

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the income statement.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.18 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired.

(a) *Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the income statement.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the income statement.

2. Summary of significant accounting policies (cont'd)

2.18 Impairment of financial assets (cont'd)

(b) *Financial assets carried at cost*

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(c) *Available-for-sale financial assets*

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from other comprehensive income and recognised in the income statement. Reversals of impairment losses in respect of equity instruments are not recognised in the income statement; increase in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement. Future interest income continues to be accrued based on the reduced carrying amount of the asset and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increases can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss is reversed in the income statement.

2.19 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs.

2. Summary of significant accounting policies (cont'd)

2.19 Financial liabilities (cont'd)

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in the income statement.

The Group has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

2.20 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Summary of significant accounting policies (cont'd)

2.21 Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in the income statement over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to the income statement.

2.22 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

(a) *Sale of goods*

Revenue from the sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to customers which generally coincides with their delivery and acceptance. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(b) *Rental income*

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(c) *Fee and service income*

Fee and service income are recognised as revenue on an accrual basis upon services rendered on a straight-line basis over the service period.

(d) *Dividend income*

Dividend income is recognised when the Group's right to receive payment has been established.

(e) *Interest income*

Interest income is recognised using the effective interest method.

2.23 Borrowing costs

Borrowing costs are recognised in the income statement as incurred except to the extent that they are capitalised. Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are ready for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. Summary of significant accounting policies (cont'd)

2.24 Employee benefits

(a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme.

Subsidiaries incorporated and operating in The People's Republic of China ("PRC") are required to provide certain staff pension benefits to its employees under existing PRC legislations. Pension contributions are made at rates stipulated by PRC legislations to a pension fund managed by government agencies, who are responsible for administering these amounts for the subsidiaries' employees.

Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Employee leave entitlements*

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

(c) *Long-service benefits*

Employee entitlement to long-service gratuities are recognised as a liability when they accrue to the employees upon the fulfilment of service conditions. The estimated liability for gratuities is recognised for services rendered by the employees up to the end of the reporting period.

(d) *Profit-sharing bonuses*

Certain key executives are entitled to profit-sharing bonuses on certain profits on a realised basis. The amounts payable are recognised in the income statement in the period which these profits are realised.

2.25 Taxes

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in the income statement except to the extent that the tax relates to items recognised outside the income statement, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. Summary of significant accounting policies (cont'd)

2.25 Taxes (cont'd)

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside the income statement is recognised outside the income statement. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. Summary of significant accounting policies (cont'd)

2.25 Taxes (cont'd)

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.26 Leases

(a) *As lessor*

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income (Note 2.22). Contingent rents are recognised as revenue in the period in which they are earned.

(b) *As lessee*

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.27 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 35, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.28 Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.29 Treasury shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received is recognised directly in equity.

2.30 Collateral assets

Collateral assets comprise collaterals that the Group has taken control of, under the terms of the mortgage agreements, which are held for resale.

Collateral assets acquired for loans and advances are stated at the lower of the carrying amount and fair value less costs to sell at the date of acquisition. Gains or losses on disposal or unrealised losses on revaluation are recognised in the income statement.

2. Summary of significant accounting policies (cont'd)

2.31 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

   (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.32 Government grant

Government grant is recognised at the fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be compiled with. In particular, the Group is entitled to receive a cash grant under the Jobs Credit Scheme to defray staff costs.

Where the grant relates to an expense item, it is recognised to the income statement over the period necessary to match them on a systematic basis to the costs that it is intended to compensate. Grant relating to income is recognised as a credit in the income statement under "other income".

2.33 Related parties

A party is considered to be related to the Group if:

(a) The party, directly or indirectly through one or more intermediaries,

   (i) controls, is controlled by, or is under common control with, the Group;
   (ii) has an interest in the Group that gives it significant influence over the Group; or
   (iii) has joint control over the Group;

(b) The party is an associate;

(c) The party is a jointly-controlled entity;

(d) The party is a member of the key management personnel of the Group or its parent;

(e) The party is a close member of the family of any individual referred to in (a) or (d); or

(f) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) The party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

(a) *Operating lease commitments – As lessor*

The Group has entered into commercial property leases on its property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

(b) *Determination of functional currency*

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

(c) *Income taxes*

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 31 March 2011, the carrying amount of the Group's current and deferred tax provisions amounted to $7,211,000 and $81,159,000 (2010: $4,711,000 and $73,947,000) respectively and the carrying amount of the Group’s tax recoverable was $109,000 (2010: nil).

(d) *Valuation of investments*

Where the fair values of financial instruments recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgement is required to establish fair values. The judgements include considerations of liquidity and model inputs regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates. The valuation of financial instruments is described in more detail in Note 36.

3. Significant accounting judgements and estimates (cont'd)

3.1 Judgements made in applying accounting policies (cont'd)

(e) *Impairment of available-for-sale financial assets*

The Group reviews its available-for-sale investments at each end of the reporting period to assess whether they are impaired. The Group also records impairment charges on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost. For the financial year ended 31 March 2011, no impairment loss was recognised on available-for-sale financial assets (2010: nil).

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) *Impairment of subsidiaries*

The Company determines whether its investment in subsidiaries and amounts due from subsidiaries are impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units ("CGU") to which the investment in subsidiaries and amounts due from subsidiaries are allocated. The value-in-use calculations require management to estimate the expected future cash flows from the CGU and also choose a suitable discount rate to calculate the present value of those cash flows. The carrying amount of investment in subsidiaries and amounts due from subsidiaries as at 31 March 2011 was $415,457,000 (2010: $498,892,000).

(b) *Impairment of loans and receivables*

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the end of the reporting period is disclosed in Note 22 to the financial statements.

c) *Revaluation of investment property and investment property under construction (IPUC)*

Investment property includes: (i) completed investment property; and (ii) IPUC. Completed investment property comprises real estate (land or building, or both) held by the Group in order to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business.

In this financial period, the Group has adopted the amendments to FRS 40. Consequently, IPUC is valued at fair value if it can be reliably determined. If a fair value cannot be reliably determined, then IPUC is measured at cost. The fair value of IPUC is either determined on the basis of the discounted cash flow or the residual methods. However, using either method to value IPUC also requires considering the significant risks which are relevant to the development process, including but not limited to construction and letting risks.

The key judgments and assumptions used for valuing investment properties and IPUC are set out in Note 12.

4. Revenue

Revenue generated by the Group's operations is as follows:

	Group 2011 $'000	Group 2010 $'000
Retail	111,852	96,327
Property	63,393	54,654
	175,245	150,981
Comprises:		
Sale of goods	111,852	96,327
Rental income and related service income (note 12)	63,393	54,654
	175,245	150,981

Rental income includes contingent rents recognised for the financial year ended 31 March 2011 of $1,120,000 (2010: $1,292,000).

5. Cost of revenue

	Group 2011 $'000	Group 2010 $'000
Retail	102,474	88,858
Property	13,400	18,731
	115,874	107,589

6. Other income including interest income

	Group 2011 $'000	Group 2010 $'000
Interest income from:		
- Loans and receivables	24,544	39,518
Dividends, gross from:		
- Available-for-sale financial assets	2,403	291
- Held-for-trading financial assets	2,820	3,149
	5,223	3,440
Net gains/(losses) on financial instruments:		
- Held-for-trading financial assets	(64)	18,357
- Available-for-sale financial assets		
• Transferred from equity	2,034	1,809
• Realised gain on disposal	541	247
	2,511	20,413
Advisory fees from third party	–	222
Trademark fees from third party	297	732
Management fee income from associates	1,786	1,846
Foreign exchange gain	1,532	1,603
Gain on disposal of property, plant and equipment	2	72
Gain on dilution of interest in jointly controlled entities	–	1,702
Gain on disposal of jointly controlled entity	4,768	–
Other rental income	2,067	1,941
Government grant from Jobs Credit Scheme	2	779
Negative goodwill on acquisition of interest in jointly controlled entity	1,437	–
Sundry income	3,007	2,876
	47,176	75,144

7. Profit from operating activities

Profit from operating activities is stated after charging/(crediting):

	Note	Group 2011 $'000	Group 2010 $'000
Salaries, bonuses and other related costs		33,661	24,682
Contributions to CPF and other defined contribution schemes		2,212	1,777
Provision for long-service benefits		298	61
Staff costs (including Directors' emoluments)		36,171	26,520
Staff costs includes Directors' emoluments as follows:			
Directors' emoluments:			
Directors of the Company			
- Other emoluments		8,945	2,854
- Fees payable		334	388
- Professional fees paid and payable to a company in which a Director has an interest		330	485
Directors of subsidiaries		1,483	1,185
		11,092	4,912
Foreign exchange loss/(gain)			
Included in other income		(1,532)	(1,603)
Included in general and administrative expenses		7,316	(950)
Foreign exchange loss realised on repayment of shareholder loans included in general and administrative expenses		10,561	–
Foreign exchange loss/(gain), net		16,345	(2,553)
Depreciation of property, plant and equipment	11	2,751	2,613
Non-audit fees paid to auditors of the Company		13	168
(Reversal of)/allowance for obsolete inventories	20	(29)	115
Provision for doubtful debts, net	22	56	310
Property, plant and equipment written off		2	9
Amount due from associate written off		3,828	–
Loss/(gain) on disposal of property, plant and equipment			
Included in other income		(2)	(72)
Included in general and administrative expense		47	(53)
		45	(125)
Rental expense		21,165	18,272
Inventories written down	20	1,271	856

Rental expense includes total contingent rents recognised as an expense for the financial year ended 31 March 2011 amounting to $797,000 (2010: $735,000).

8. Finance costs

	Group 2011 $'000	Group 2010 $'000
Interest expense on:		
Financial liabilities measured at amortised cost		
- Bank loans	11,367	9,372
Total finance cost	11,367	9,372

9. Taxation

(a) *Major components of income tax expense/(benefit)*

The major components of income tax expense/(benefit) for the financial years ended 31 March 2011 and 2010 are:

Statement of comprehensive income

	Group 2011 $'000	Group 2010 $'000
Provision for taxation:		
Current taxation		
- Current income taxation	11,303	7,969
- (Over)/underprovision in respect of prior financial years	(448)	1,744
	10,855	9,713
Deferred taxation:		
- Origination and reversal of temporary differences	13,693	16,118
- Overprovision in respect of prior financial years	(1,305)	(4,964)
	12,388	11,154
Withholding tax	116	95
Income tax expense recognised in the income statement	23,359	20,962

Statement of other comprehensive income

	Group 2011 $'000	Group 2010 $'000
Deferred taxation:		
- Origination and reversal of temporary differences	169	–
Income tax expense recognised in other comprehensive income	169	–

9. Taxation (cont'd)

(b) Relationship between tax expense and accounting profit

The reconciliation of taxation determined on the results of the Group by applying the Singapore statutory income tax rate for the financial years ended 31 March are as follows:

	Group	
	2011 $'000	**2010 $'000**
Profit before taxation	105,516	114,951
Taxation calculated at Singapore statutory income tax rate of 17% (2010: 17%)	17,938	19,542
Expenses not deductible for tax purposes	7,743	4,490
Difference arising from tax rates applicable to foreign entities	3,705	575
Income not subject to tax	(2,511)	(3,783)
Utilisation of previously unrecognised tax assets	(403)	(3,735)
Effect of other taxable timing difference	1,513	–
Deferred tax assets not recognised	4,587	2,917
Overprovision in respect of prior financial years	(1,753)	(3,220)
Share of results of associates	(7,821)	4,245
Withholding tax	116	95
Effect of tax reliefs	(58)	(141)
Others	303	(23)
Taxation expense recognised in the income statement	23,359	20,962

The above reconciliation is prepared by aggregating separate reconciliation for each national jurisdiction.

(c) Deferred tax

	Group		Company	
	2011 $'000	**2010 $'000**	**2011 $'000**	**2010 $'000**
Balance at beginning of financial year	73,947	69,047	418	440
Exchange adjustments	(4,684)	(4,808)	–	–
Charged/(credited) to income statement	12,388	11,154	86	(22)
Utilised during the financial year	(797)	–	(14)	–
Acquisition of interest in jointly controlled entities	1,231	–	–	–
Disposal/dilution of interest in jointly controlled entities	(757)	(1,446)	–	–
Credited to revaluation reserve	(169)	–	(169)	–
Balance at end of financial year	81,159	73,947	321	418

The Group's share of jointly controlled entities' deferred tax liability balances amounted to $70,491,000 (2010: $64,627,000) (Note 33).

9. Taxation (cont'd)

(c) Deferred tax (cont'd)

Deferred tax as at 31 March relates to the following:

	Consolidated statement of financial position		Consolidated income statement		Company statement of financial position	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Deferred tax liabilities						
Differences in depreciation	24,667	20,046	4,735	1,943	–	170
Fair value changes	3,410	1,947	458	1,947	–	–
Revaluation surplus on investment properties	52,798	52,153	5,572	12,464	–	–
Unremitted foreign sourced income	3,141	2,797	1,645	(631)	321	248
	84,016	76,943			321	418
Deferred tax assets						
Deferred income and other deferred tax assets	(2,857)	(2,996)	(22)	(4,569)	–	–
	81,159	73,947			321	418
Deferred income tax expense			12,388	11,154		

Unrecognised tax losses

A loss-transfer system of Group relief ("group relief system") for companies was introduced in Singapore with effect from Year of Assessment 2003. Under the Group relief system, a company belonging to a group may transfer its current year unabsorbed capital allowances, current year unutilised trade losses and current year unabsorbed donations (loss items) to another company belonging to the same group, to be deducted against the assessable income.

There were estimated tax losses and unabsorbed capital allowances amounting to $36,746,000 and $8,000 (2010: $38,953,000 and $31,000) respectively, available for offset against future taxable profits of certain subsidiaries. No deferred tax asset is recognised due to the uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Temporary differences relating to investments in subsidiaries, jointly controlled entities and associates

As at the end of the reporting period, the Group has recognised deferred tax liability of $2,159,000 (2010: $1,445,000) for taxes that would be payable on the undistributable earnings of certain of the Group's subsidiaries, jointly controlled entities and associates.

Tax consequences of proposed dividends

There are no income tax consequences (2010: Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements.

10. Earnings per share

Basic earnings per share amounts are calculated by dividing the profit from continuing operations attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing profit for the year from continuing operations attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	Group	
	2011	**2010**
	$'000	**$'000**
Profit for the financial year attributable to ordinary equity holders of the Company, used in the computation of basic and diluted earnings per share	81,896	93,861
	No. of shares '000	**No. of shares '000**
Weighted average number of ordinary shares for basic earnings per share computation *	640,875	630,224
Effects of dilution:		
- Warrants	39,825	57,044
Weighted average number of ordinary shares for diluted earnings per share computation *	680,700	687,268

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the financial year.

11. Property, plant and equipment

	Freehold land $'000	Freehold buildings $'000	Leasehold land and buildings $'000	Plant, equipment, furniture and fittings $'000	Motor vehicles $'000	Total $'000
Group						
Cost or valuation						
At 1 April 2009						
Cost	–	–	–	21,765	1,617	23,382
Valuation	6,560	940	355	–	–	7,855
	6,560	940	355	21,765	1,617	31,237
Exchange adjustments	–	–	(27)	(41)	(38)	(106)
Reclassification	–	–	–	(494)	494	–
Additions	–	–	–	4,402	98	4,500
Disposals/write-offs	–	–	–	(330)	(455)	(785)
Dilution of jointly controlled entities	–	–	–	(11)	–	(11)
At 31 March 2010 and 1 April 2010						
Cost	–	–	–	25,291	1,716	27,007
Valuation	6,560	940	328	–	–	7,828
	6,560	940	328	25,291	1,716	34,835
Exchange adjustments	–	–	(21)	(59)	(29)	(109)
Adjustment to fair value	2,650	(150)	–	–	–	2,500
Additions	–	–	–	2,164	740	2,904
Acquisition of interest in jointly controlled entity	–	–	–	22	–	22
Disposals/write-offs	–	–	–	(605)	(434)	(1,039)
Disposal of jointly controlled entity	–	–	–	(12)	–	(12)
At 31 March 2011						
Cost	–	–	–	26,801	1,993	28,794
Valuation	9,210	790	307	–	–	10,307
	9,210	790	307	26,801	1,993	39,101
Accumulated depreciation						
At 1 April 2009	–	49	14	18,270	939	19,272
Charge for 2010	–	49	7	2,272	285	2,613
Reclassification	–	–	–	(162)	162	–
Disposals/write-offs	–	–	–	(317)	(421)	(738)
Dilution of jointly controlled entities	–	–	–	(2)	–	(2)
Exchange adjustments	–	–	(1)	(15)	(14)	(30)
At 31 March 2010 and 1 April 2010	–	98	20	20,046	951	21,115
Charge for 2011	–	49	6	2,390	306	2,751
Adjustment to fair value	–	(147)	–	–	–	(147)
Acquisition of interest in jointly controlled entity	–	–	–	4	–	4
Disposals/write-offs	–	–	–	(495)	(310)	(805)
Disposal of jointly controlled entity	–	–	–	(2)	–	(2)
Exchange adjustments	–	–	(2)	(28)	(8)	(38)
At 31 March 2011	–	–	24	21,915	939	22,878
Net book value						
At 31 March 2010	6,560	842	308	5,245	765	13,720
At 31 March 2011	9,210	790	283	4,886	1,054	16,223

11. Property, plant and equipment (cont'd)

	Freehold land $'000	Freehold buildings $'000	Plant, equipment, furniture and fittings $'000	Motor vehicles $'000	Total $'000
Company					
Cost and valuation					
At 1 April 2009					
Cost	–	–	1,884	930	2,814
Valuation	6,560	940	–	–	7,500
	6,560	940	1,884	930	10,314
Additions	–	–	35	–	35
Disposals	–	–	(18)	(259)	(277)
At 31 March 2010 and 1 April 2010					
Cost	–	–	1,901	671	2,572
Valuation	6,560	940	–	–	7,500
	6,560	940	1,901	671	10,072
Additions	–	–	12	500	512
Disposals	–	–	(83)	(256)	(339)
Adjustment to fair value	2,650	(150)	–	–	2,500
At 31 March 2011					
Cost	–	–	1,830	915	2,745
Valuation	9,210	790	–	–	10,000
	9,210	790	1,830	915	12,745
Accumulated depreciation					
At 1 April 2009	–	49	1,325	415	1,789
Charge for 2010	–	49	438	143	630
Disposals	–	–	(17)	(225)	(242)
At 31 March 2010 and 1 April 2010	–	98	1,746	333	2,177
Charge for 2011	–	49	84	158	291
Disposals	–	–	(81)	(171)	(252)
Adjustment to fair value	–	(147)	–	–	(147)
At 31 March 2011	–	–	1,749	320	2,069
Net book value					
At 31 March 2010	6,560	842	155	338	7,895
At 31 March 2011	9,210	790	81	595	10,676

11. Property, plant and equipment (cont'd)

Revaluation of freehold and leasehold land and buildings

Revaluation of land and buildings

Land and buildings are revalued every three years at the end of the reporting period based on revaluation performed by accredited independent valuers. The valuations are based on the direct comparison method.

If the Group's land and buildings were measured at cost less depreciation and impairment losses, the carrying amounts would be as follows:

	Group		Company	
	2011	**2010**	**2011**	**2010**
	$'000	**$'000**	**$'000**	**$'000**
Freehold land				
Cost and net carrying amount	1,231	1,231	1,231	1,231
Freehold buildings				
Cost	637	637	637	637
Accumulated depreciation	(433)	(421)	(433)	(421)
Net carrying amount	204	216	204	216
Leasehold land and buildings				
Cost	315	315	–	–
Exchange adjustments	(8)	13	–	–
Accumulated depreciation	(24)	(20)	–	–
Net carrying amount	283	308	–	–

Share of property, plant and equipment in jointly controlled entities

As at 31 March 2011, the Group's share of property, plant and equipment in jointly controlled entities amounted to $701,000 (2010: $827,000) (Note 33).

12. Investment properties

A. *General*

As of 1 April 2010, investment properties owned by the Group include office and commercial space and comprise both completed investment properties and investment properties under construction ("IPUC").

B. *Movements in the financial year*

Analysed by operating segments as:

	Group		
	Completed investment property $'000	IPUC $'000	Total $'000
2011			
Balance at 1 April	630,773	–	630,773
Purchase of investment property	90,167	–	90,167
Additional interest in jointly controlled entity	20,643	–	20,643
Subsequent expenditure	3,014	–	3,014
Adjustment to fair value	13,601	–	13,601
Disposal of interest in jointly controlled entity	(28,588)	–	(28,588)
Exchange adjustments	(41,158)	–	(41,158)
Balance at 31 March	688,452	–	688,452
2010			
Balance at 1 April	514,480	134,782	649,262
Transfer from IPUC	130,542	–	130,542
Transfer to completed properties	–	(130,542)	(130,542)
Subsequent expenditure	5,530	5,218	10,748
Adjustment to fair value	49,682	–	49,682
Dilution of interest in jointly controlled entities	(29,234)	–	(29,234)
Exchange adjustments	(40,227)	(9,458)	(49,685)
Balance at 31 March	630,773	–	630,773

	Group	
	2011 $'000	2010 $'000
Income statement:		
Rental from investment properties	63,393	54,654
Direct operating expenses (including repairs and maintenance) arising from rental generating properties	(13,004)	(18,620)

12. Investment properties (cont'd)

The Group's investment properties as at 31 March 2011 are as follows:

Name of building	Description	Tenure of land	Fair value 2011 $'000	Fair value 2010 $'000
GIE Tower, Guangzhou	Part of a 7-storey shopping podium & 35-storey office tower along Huan Shi Dong Road, Guangzhou	50 years' lease from 18 October 1994 (33 years remaining)	90,816	95,735
Metro Tower, Shanghai	60% of a 26-storey office tower, along Tianyaoqiao Road, Xuhui District, Shanghai	50 years' lease from 22 February 1993 (32 years remaining)	100,570	106,580
Metro City, Shanghai	60% of a 9-storey entertainment centre along ZhaoJiaBang Road, Xuhui District, Shanghai	36 years' lease from 13 April 1993 (18 years remaining)	144,576	140,466
Metro City, Beijing	50% of a 5-storey, 2-basement retail mall along south-western corner of Da Jiao Ting Bridge East 4th Ring Road, Chao Yang District, Beijing	40 years' lease from 6 August 2004 (33 years remaining)	160,138	168,561
Lakeville Regency, Shanghai	Flat No. 2702, No. 5 The Lakeville Regency, Lane 168, Shun Chang Road, Luwan District, Shanghai	64 years' lease from 20 April 2007 (60 years remaining)	5,165	5,412
Fu Yuan Hui, Shanghai	60% of Flat No. 2302, Foundation Garden No. 1 Lane 168, Nandan East Road, Xuhui District, Shanghai	70 years' lease from 12 June 2001 (60 years remaining)	434	451
EC Mall	31.65% of a 6-storey, 4-basement retail mall along Danleng Street, Zhongguancun West Area, Haidian District, Beijing (2010: 25.05%)	50 years' lease from 13 May 2001 (40 years remaining)	100,056	82,413

12. Investment properties (cont'd)

Name of building	Description	Tenure of land	Fair value 2011 $'000	Fair value 2010 $'000
Metropolis Tower	25.05% of a 19-storey office tower (excluding Level 4), with a basement carpark, along Haidian Dong San Street, Zhongguancun West Area, Haidian District, Beijing	50 years' lease from 13 May 2001 (40 years remaining)	–	31,155
Frontier Koishikawa Building	A 9-storey office building, located in the Bunkyo District, Tokyo	Freehold	86,697	–
			688,452	630,773

Valuation of investment properties

Investment properties are stated at fair value, which have been determined based on valuations at the end of the reporting period. Valuations are performed by accredited independent valuers with recent experience in the location and category of the properties being valued. The valuations are based on either the direct comparison method or the income method, depending on the nature of the properties.

The income method makes reference to the estimated market rental and equivalent yields whilst the direct comparison method is based on recent property sales in the vicinity of a similar nature and condition.

Properties pledged as security

Investment properties amounting to $437,707,000 (2010: $377,864,000) are pledged as security for bank loans (Note 25(a), (b)). Under the terms and conditions of the loans, the Group is restricted from disposing of these investment properties or subjecting them to further charges.

Share of investment properties in jointly controlled entities

As at 31 March 2011, the Group's share of investment properties in jointly controlled entities amounted to $505,774,000 (2010: $529,626,000) (Note 33).

Restrictions on investment property

As at the end of the reporting period, an investment property amounting to $144,576,000 (2010: $140,466,000) is subject to restrictions on the lease, pledge and transfer of title in accordance with the prevailing laws in the People's Republic of China.

13. Properties under development

	Group 2011 $'000	Group 2010 $'000
Cost:		
Balance at beginning of financial year	–	134,782
Arising from acquisition of jointly controlled entities	–	–
Additions (subsequent expenditure)	–	5,218
Transfers to investment properties	–	(130,542)
Exchange adjustments	–	(9,458)
Balance at end of financial year	–	–

In the previous financial year, the Group adopted the amendment to FRS 40, which brings investment properties under development within the scope of FRS 40 Investment Properties. Consequently, as of 1 April 2009, all investment properties under development were transferred to investment properties.

14. Subsidiaries

	Company 2011 $'000	Company 2010 $'000
Unquoted equity shares, at cost	21,828	21,828
Impairment losses	(4,654)	(4,654)
Carrying amount of investments	17,174	17,174

Details of subsidiaries are shown in Note 38.

	Company 2011 $'000	Company 2010 $'000
Movement in impairment loss is as follows:		
Balance at beginning of financial year	4,654	4,954
Write-back of provision	–	(300)
Balance at end of financial year	4,654	4,654

15. Amounts due from subsidiaries

	Note	Company 2011 $'000	Company 2010 $'000
Amounts due from subsidiaries		425,926	509,361
Impairment losses		(27,643)	(27,643)
	22	398,283	481,718
Movement in impairment loss is as follows:			
Balance at beginning of financial year		27,643	42,461
Credited to provision		–	(14,818)
Balance at end of financial year		27,643	27,643

Amounts due from subsidiaries are unsecured, have no fixed terms of repayment and are interest free, except for an amount of $90,977,540 (2010: $73,872,060) which bears interest ranging from 1.05% to 2.36% (2010: 1.28% to 2.51%) per annum. These are considered quasi-equity in nature and are expected to be settled in cash.

The amounts due from subsidiaries have been allocated to the respective cash-generating unit ("CGU") for the purpose of the impairment assessment.

15. Amounts due from subsidiaries (cont'd)

The cash flow projections represent the income, net of related costs, which the Group will earn based on past experience and expectations for the subsidiaries in general, for a period of 5 years. A pre-tax discount rate of 7% (2010: 7%) per annum is applied to the cash flow projections. The discount rate reflects management's estimate of the risks specific to the CGUs. In determining the appropriate discount rate, regard has been given to the prevailing interest rates on borrowings in similar economic environments as the subsidiaries. The Group believes that any reasonably possible changes in the above key assumptions are not likely to materially cause the recoverable amount to be lower than its carrying amount.

16. Associates

	Group		Company	
	2011	**2010**	**2011**	**2010**
	$'000	**$'000**	**$'000**	**$'000**
Unquoted equity shares, at cost	7,230	7,237	500	500
Share of post-acquisition reserves				
- revaluation reserve	–	2,438	–	–
- revenue reserve	56,567	43,820	–	–
- foreign currency translation reserve	285	(2,950)	–	–
	56,852	43,308	–	–
	64,082	50,545	500	500

Details of the associates are shown in Note 38.

The summarised financial information of the associates, not adjusted for the proportion of ownership interest by the Group, is as follows:

	Group	
	2011	**2010**
	$'000	**$'000**
Assets and liabilities:		
Current assets	298,992	934,472
Non-current assets	338,184	323,187
Total assets	637,176	1,257,659
Current liabilities	137,955	579,043
Non-current liabilities	361,394	582,518
Total liabilities	499,349	1,161,561
Results:		
Revenue	277,654	188,632
Fair value adjustments on investment properties	12,095	18,263
Profit/(loss) after taxation	116,916	(48,850)

17. Amounts due from associates

	Note	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Amounts due from associates	22	43,605	255,337	–	–

The amounts due from associates are unsecured and are not expected to be repaid within the next financial year. Included in the previous financial year was an amount of $214,086,000, which bore interest at 19% per annum and the remaining balance was interest-free. These amounts due from associates are considered quasi-equity in nature and are expected to be settled in cash.

During the financial year, an amount of $3,828,000 (2010: $nil) due from associates, which was unrecoverable, was written off.

18. Amounts due from jointly controlled entities

	Note	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Amounts due from jointly controlled entities	22	174	55,807	–	–

As at 31 March 2011, the amounts due from jointly controlled entities are interest-free.

As at 31 March 2010, $55,213,000 of the amounts due from jointly controlled entities bore interest ranging from 15% to 25% per annum whilst the remaining balances were interest-free.

19. Investments

	Group 2011 $'000	Group 2010 $'000
Current:		
Financial assets at fair value through profit and loss		
- Held-for-trading investments		
Shares (quoted)	67,272	44,040
Non-current:		
Available-for-sale investments		
Shares (unquoted), at cost	52	1,111
Shares (unquoted), at fair value	4,283	–
Shares (quoted)	85,006	57,886
	89,341	58,997

Investments pledged as security

The Group's investment in quoted shares amounting to $33,726,400 (2010: $42,651,000) have been pledged as security for bank loans (Note 25). Under the terms and conditions of the bank facilities, the Group is restricted from disposing those investments or subjecting them to further charges without furnishing a security of similar value.

20. Inventories

	Note	Group 2011 $'000	Group 2010 $'000
Statement of financial position:			
Inventories held for resale		13,501	11,216
Raw materials		122	90
Total inventories at lower of cost and net realisable value		13,623	11,306
Inventories are stated after deducting allowance for obsolete inventories of		485	514
Balance at 1 April		514	399
(Credited)/charged to the income statement	7	(29)	115
Balance at 31 March		485	514
Income statement:			
Inventories recognised as an expense in cost of sales		53,709	44,868
Inventories recognised as an expense in cost of sales is inclusive of the following charge:			
- Inventories written down	7	1,271	856
- (Reversal of)/allowance for obsolete inventories	7	(29)	115

21. Deposits and prepayments

	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Deposits	7,575	3,201	133	132
Prepayments	872	1,516	49	202
	8,447	4,717	182	334

The Group's share of jointly controlled entities' deposits and prepayments amounted to $4,656,000 as at 31 March 2011 (2010: $437,000) (Note 33).

22. Accounts receivables

	Note	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Current					
Trade receivables	(a)	8,245	7,269	–	–
Other receivables	(b)				
- Recoverables and sundry debtors		2,071	5,362	16	171
- Others		–	59	–	–
		10,316	12,690	16	171
Non-current					
Amounts due from associates	17	43,605	255,337	–	–
Amounts due from subsidiaries	15	–	–	398,283	481,718
Amounts due from jointly controlled entities	18	174	55,807	–	–
Total receivables (current and non-current)		54,095	323,834	398,299	481,889
Add: Collateral assets	23	24,560	51,625	–	–
Deposits	21	7,575	3,201	133	132
Cash and cash equivalents	24	407,786	174,124	30,601	18,409
Total loans and receivables		494,016	552,784	429,033	500,430

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group's share of jointly controlled entities' trade receivables balances amounted to $6,899,000 (2010: $6,110,000) (Note 33).

(a) *Receivables that are impaired*

As at 31 March 2011, the Group has trade receivables amounting to $27,000 (2010: $112,000) that are past due at the end of the reporting period but not impaired.

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Individually impaired				
Trade receivables – nominal amounts	2,212	2,202	–	–
Less: Allowance for impairment	(2,212)	(2,202)	–	–
	–	–	–	–

Movement in allowance for doubtful debts is as follows:

	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Balance at 1 April	2,202	1,937	–	–
Charged to the income statement	56	310	–	–
Bad debts written off	(46)	(45)	–	–
Balance at 31 March	2,212	2,202	–	–

22. Accounts receivables (cont'd)

(a) *Receivables that are impaired (cont'd)*

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

For assets to be classified as "past due" or "impaired", contractual payments must be in arrears for more than 90 days. No collateral is held as security for any past due or impaired assets.

For the financial year, an impairment loss of $56,000 (2010: $310,000) was recognised in the income statement subsequent to a debt recovery assessment performed on trade and other receivables as at 31 March 2011.

(b) *Other receivables*

The Group's share of jointly controlled entities' other receivables amounted to $983,000 as at 31 March 2011 (2010: $976,000) (Note 33).

(c) *Current receivables denominated in foreign currencies as at 31 March are as follows:*

	Group		Company	
	2011 $'000	**2010 $'000**	**2011 $'000**	**2010 $'000**
United States dollar	239	733	–	–
Chinese renminbi	9,405	10,067	–	–
Japanese yen	312	–	–	–
	9,956	10,800	–	–

23. Collateral assets

	Note	Group	
		2011 $'000	**2010 $'000**
Balance at 1 April		51,625	24,560
Reclassification from investments	19	–	21,477
Additions during the financial year		–	4,448
Disposal during the financial year		(27,065)	–
Exchange adjustments		–	1,140
Balance at 31 March		24,560	51,625

The collateral assets held for sale/redemption arise from the following:

- Secured loan notes in Datawin Trading Limited	(a)	24,560	24,560
- Secured loan notes in Chigwell Holdings Limited	(b)	–	22,617
- Secured convertible loan notes in Billion High Limited	(b)	–	4,448
		24,560	51,625

23. Collateral assets (cont'd)

(a) The collateral assets arising from the unquoted secured loan notes in Datawin Trading Limited ("Datawin") of $24,560,000 (2010: $24,560,000) are held by a subsidiary and secured by a charge over the entire share capital of Datawin and Wisdom Top International Limited ("Wisdom Top"), a related company of Datawin. The Subscription Agreement provides for a mandatory redemption of US$5 million on the principal amount by the issuer on 5 January 2009, being 24 months after the issue date. The loan notes were due for full redemption on 4 January 2010. The principal activities of Wisdom Top are those of property investment and investment holding.

Pursuant to the Mortgage Agreement, the subsidiary's financial interest in the assets of Wisdom Top is restricted to the repayment of the principal amount of loan notes, and the interest due and cost incurred in connection with servicing the repayment of the loan notes. The subsidiary is obliged to return the shares in Wisdom Top to the original shareholders of Wisdom Top upon the settlement of the loan notes.

(b) These were held by a subsidiary and were disposed of during the financial year.

24. Cash and bank balances

Cash and bank balances and fixed deposits placed with financial institutions are as follows:

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Fixed deposits	319,342	144,195	13,163	17,028
Cash on hand and at bank	88,444	29,929	17,438	1,381
	407,786	174,124	30,601	18,409
Less: Fixed and bank deposits pledged as security	(34,875)	(26,752)	–	(17,028)
Cash and cash equivalents	372,911	147,372	30,601	1,381

Fixed deposits are made for varying periods of not more than six months depending on the immediate cash requirements of the Group and bear interest ranging from 0.01% to 1.35% (2010: 0.01% to 1.00%) per annum. Cash on hand and at bank earn interest at floating rates based on daily bank deposit rates at 0.36% (2010: 0.36%) per annum.

Fixed deposits of $33,589,000 (2010: $26,752,000) and bank deposits of $1,286,000 (2010: nil) have been pledged to financial institutions as security for bank loans (Note 25).

The Group's share of jointly controlled entities' cash and bank balances as at the financial year end amounted to $32,313,000 (2010: $43,614,000) (Note 33).

Cash and bank balances denominated in foreign currencies as at 31 March are as follows:

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
United States dollar	81,911	17,334	13,340	338
Chinese renminbi	36,332	35,270	–	–
Japanese yen	4,868	–	–	–
	123,111	52,604	13,340	338

25. Bank borrowings

	Note	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Current					
Bank revolving credit facilities, denominated in					
- HK dollar, secured	(a)	15,420	17,901	–	–
- US dollar, secured	(a)	–	35,025	–	–
- Japanese yen, secured	(a)	35,678	–	–	–
Share of jointly controlled entities' RMB-denominated bank loans, secured	(b)	4,711	17,169	–	–
Share of jointly controlled entities' RMB-denominated bank loans, unsecured	(c)	–	2,563	–	–
		55,809	72,658	–	–
Non-current					
Bank loans, denominated in Japanese yen	(a)	55,821	–	–	–
Share of jointly controlled entities' RMB-denominated bank loans, secured	(b)	140,008	140,536	–	–
		195,829	140,536	–	–
Maturity of bank borrowings					
Repayable:					
Within 1 year		55,809	72,658	–	–
After 1 year but within 5 years		123,349	11,486	–	–
More than 5 years		72,480	129,050	–	–
		251,638	213,194	–	–

(a) The Hong Kong dollar denominated revolving credit facility bears interest at rates ranging from 1.52% to 1.90% (2010: 1.50% to 1.78%) per annum and the United States dollar denominated revolving credit facility bore interest at rates ranging from 0.85% to 1.66% per annum in 2010. These bank loans are secured by charges over an investment property of $90,816,000 (2010: $95,735,000) (Note 12), investments of $33,726,400 (2010: $42,651,000) (Note 19) and a pledge over 100% of the issued share capital of subsidiaries, namely Metrobilt Enterprise Ltd and Guangzhou International Electronics Building Co Ltd.

The Japanese yen denominated revolving credit facilities and loans bear interest at rates ranging from 2.44% to 2.52% (2010: nil) per annum. These bank loans are secured by charges over an investment property of $86,697,000, fixed deposits of $33,589,000 and a pledge over 50.1% of the issued preference share capital of a subsidiary owned by Bunkyo Property Pte Ltd.

(b) The Group's share of secured RMB denominated loans held by jointly controlled entities amounted to $144,719,000 (2010: $157,705,000). Loans amounting to $95,040,000 (2010: $102,500,000) are secured against a jointly controlled entity's investment property of $160,138,000 (2010: $168,561,000) (Note 12) and bears interest at rates ranging from 5.94% to 6.60% (2010: 5.94% to 9.00%) per annum.

The balance of loans amounting to $49,679,000 (2010: $55,205,000) are secured against jointly controlled entities' investment property of $100,056,000 (2010: $113,568,000) (Note 12) and $1,286,000 in bank deposits (2010: $9,724,000 in fixed deposits) (Note 24) and bear interest at rates ranging from 5.88% to 6.45% (2010: 4.78% to 7.48%).

(c) In the previous financial year, the Group's share of unsecured RMB denominated loans held by a jointly controlled entity amounted to $2,563,000 and bore interest at 8.00% per annum.

26. Accounts payables

	Note	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Current					
Trade payables		14,768	20,597	–	–
Other payables					
- Sundry creditors		24,347	24,670	540	571
- Accruals		26,573	19,639	10,760	4,311
- Refundable deposits		11,741	10,860	–	–
		77,429	75,766	11,300	4,882
Non-current					
Amounts due to subsidiaries		–	–	140,486	275,965
Total accounts payables (current and non-current)		77,429	75,766	151,786	280,847
Add: Total bank borrowings	25	251,638	213,194	–	–
Total financial liabilities carried at amortised cost		329,067	288,960	151,786	280,847

Trade payables

Trade payables are non-interest bearing and are normally settled on 30-60 day terms.

Other payables

The amounts due to subsidiaries (non-current) are non-trade related, unsecured, interest-free and have no fixed terms of repayment. These are expected to be settled in cash.

The Group's share of jointly controlled entities' accounts payables as at 31 March 2011 amounted to $35,890,000 (2010: $36,814,000) (Note 33).

Current payables denominated in foreign currencies as at 31 March are as follows:

	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
United States dollar	6,999	–	–	–
Chinese renminbi	28,142	38,954	–	17
Sterling pound	744	196	–	–
Hong Kong dollar	166	40	–	–
Euro	19	–	–	–
Japanese yen	2,073	–	–	–
	38,143	39,190	–	17

27. Financial guarantee

In the previous financial year, this represents the fair value of the financial liability assumed in connection with a corporate guarantee provided by the Group to a bank for an amount of up to US$9,450,000 in respect of its interests in share of loans undertaken by jointly controlled entities.

The corresponding loans were repaid during the financial year resulting in the extinguishment of the financial guarantee.

28. Share capital and treasury shares

(a) ***Share capital***

	Group and Company 2011 No. of shares '000	2011 $'000	2010 No. of shares '000	2010 $'000
Issued and fully paid:				
Ordinary shares				
Balance at beginning of the financial year	636,810	130,379	630,777	126,155
Exercise of warrants	17,219	12,053	6,033	4,224
Balance at end of the financial year	654,029	142,432	636,810	130,379

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

(b) ***Treasury shares***

	Group and Company 2011 No. of shares '000	2011 $'000	2010 No. of shares '000	2010 $'000
Balance at beginning of the financial year	2,469	1,397	769	266
Acquired during the financial year	–	–	1,700	1,131
Balance at end of the financial year	2,469	1,397	2,469	1,397

Treasury shares relate to ordinary shares of the Company that are held by the Company.

During the previous financial year, the Company acquired 1,700,000 shares in the Company through purchases on the Singapore Exchange. The total amount paid to acquire the shares was $1,131,000 and this was presented as a component within shareholders' equity.

29. Reserves

	Note	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Revaluation reserve	(a)	19,073	16,891	9,119	6,301
Foreign currency translation reserve	(b)	(38,770)	(3,447)	–	–
Revenue reserve	(c)	880,657	828,449	152,434	105,293
Fair value reserve	(d)	7,807	16,173	–	–
Warrants reserve	(e)	2,688	3,893	2,688	3,893
		871,455	861,959	164,241	115,487

(a) ***Revaluation reserve***

The revaluation reserve is used to record the increases in the fair value of land and buildings, net of tax, and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in other comprehensive income.

Included in the revaluation reserve as at 31 March 2011 are amounts of $9,954,000 (2010: $8,151,000) relating to fair value adjustments on acquisition of jointly controlled entities relating to previously held interest.

	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Net surplus on revaluation of:				
- Freehold land and buildings	9,119	8,740	9,119	6,301
- Revaluation on acquisition of jointly controlled entities	9,954	8,151	–	–
	19,073	16,891	9,119	6,301

(b) ***Foreign currency translation reserve***

The foreign currency translation reserve is used to record exchange differences arising from translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

29. Reserves (cont'd)

(c) ***Revenue reserve***

Included in the Group's revenue reserve is a balance of approximately $1,717,000 (2010: $1,208,000), which is restricted in use as required by the relevant laws and regulations of the People's Republic of China.

(d) ***Fair value reserve***

Fair value reserve records the cumulative fair value changes net of tax, of available-for-sale assets until they are derecognised or impaired.

(e) ***Warrants reserve***

The warrants reserve comprises the proceeds from the warrants issued, net of warrant issue expense. As and when the warrants are exercised, the net proceeds relating to the warrants exercised will be transferred to share capital.

Each warrant carries the right to subscribe for one ordinary share at the issue price of $0.63 each in the capital of the Company. The warrants expire on 22 September 2011.

As of 31 March 2011, 39,825,150 (2010: 57,044,203) warrants are outstanding.

30. Dividends

	Group and Company	
	2011	2010
	$'000	$'000
Dividends paid during the financial year:		
Final exempt (one-tier) dividend of 2.0 cents per ordinary share for 2010 (2009: 2.0 cent)	12,819	12,600
Final special exempt (one-tier) dividend of 1.0 cents per ordinary share for 2010 (2009: nil)	6,410	–
Interim special exempt (one-tier) dividend of 2.0 cents per ordinary shares for 2011 (2010: nil)	12,898	–
	32,127	12,600
Dividends proposed but not recognised as a liability as at 31 March:		
Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:		
Final exempt (one-tier) dividend of 2.0 cents (2010: 2.0 cents) per ordinary share	15,748	12,687
Final special exempt (one-tier) dividend of 1.0 cent (2010: 1.0 cent) per ordinary share	7,874	6,343
	23,622	19,030

The Final and Final special dividends are estimated based on the number of issued shares fully paid as at 17 June 2011 and including a 20% increase in the issued share capital resulting from the 1 for 5 bonus shares issue. The actual dividend payment can only be determined on the books closure date.

31. Commitments

(i) *Capital commitments*

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group 2011 $'000	Group 2010 $'000
Capital commitments in respect of investment	20,673	19,964
Share of joint venture's capital commitments in relation to investment properties	–	1,182
	20,673	21,146

(ii) *Operating lease commitments*

(a) *As lessee*

The Group leases certain properties under non-cancellable lease arrangements which do not have any purchase options and expire at various dates till 2014. All leases include a clause to enable upward revision of the rental charge on a periodic basis based on prevailing market conditions. The future minimum rentals under these non-cancellable leases are:

	2011 $'000	2010 $'000
Not later than one year	20,676	19,372
Later than one year but not later than five years	28,018	39,290
	48,694	58,662

(b) *As lessor*

The Group has entered into commercial property leases on its property portfolio. These non-cancellable leases have remaining non-cancellable lease terms of between 1 and 18 years. Certain leases include a clause to enable upward revision of the rental charge on a periodic basis based on prevailing market conditions.

Future minimum lease payments receivable under non-cancellable operating leases as at 31 March are as follows:

	2011 $'000	2010 $'000
Not later than one year	53,976	40,704
Later than one year but not later than five years	104,495	104,390
Later than five years	60,564	76,346
	219,035	221,440

32. Contingent liabilities

The Group and Company has undertaken to provide financial support to certain subsidiaries, jointly controlled entities and associates for deficiencies in their shareholders' funds and to extend adequate funding to meeting their net current liability positions for the financial years ended 31 March 2011 and 2010.

33. Jointly controlled entities

(a) The Group's share of the assets and liabilities of the jointly controlled entities, which have been included in these financial statements, are as follows:

	Note	Group's share 2011 $'000	Group's share 2010 $'000
Investment properties	12	505,774	529,626
Property, plant and equipment	11	701	827
Investments		52	60
Loans to jointly controlled entities	18	174	55,807
Deposits and prepayments	21	4,656	437
Trade receivables	22	6,899	6,110
Other receivables	22	983	976
Cash and bank balances	24	32,313	43,614
Bank borrowings	25	(144,719)	(160,268)
Accounts payables	26	(35,890)	(36,814)
Provision for taxation		(3,965)	(1,797)
Deferred tax liabilities	9	(70,491)	(64,627)
		296,487	373,951

(b) The Group's share of the results of jointly controlled entities, which have been included in these financial statements, are as follows:

	Group's share 2011 $'000	Group's share 2010 $'000
Income statement		
Gross property income	40,103	29,968
Gain from fair value adjustments on investment properties	16,166	44,209
Other income	11,000	8,921
Expenses	(13,178)	(13,410)
Profit before taxation	54,091	69,688
Tax expense	(18,432)	(17,987)
Profit after taxation	35,659	51,701
Equity		
Share of adjustment to revaluation surplus on disposal of jointly controlled entity, net of tax	1,803	–

Details of the Group's jointly controlled entities are shown in Note 38.

34. Related party disclosures

An entity or individual is considered a related party of the Group for the purposes of the financial statements if:

(i) it possesses the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Group or vice versa; or

(ii) it is subject to common control or common significant influence.

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties who are not members of the Group took place during the financial year at terms agreed between the parties:

(a) ***Sales and purchase of goods and services and other fees***

	Group	
	2011	**2010**
	$'000	**$'000**
Interest income from an associate	(13,087)	(27,531)
Purchases from an associate	–	5
Management fee received from associates	(3,572)	(3,512)
Sales to an associate	–	(401)
Rental income from a company in which a Director has an interest *	(184)	(182)
Rental income from an associate	–	(6)
Corporate advisory fee paid to a company that is controlled by a Director	330	485

* The related party above refers to an entity affiliated with the controlling shareholder of the Company.

(b) ***Compensation of key management personnel***

Salary, bonus and other benefits	12,627	5,340
Contributions to CPF	50	47
Provision for long-service benefits	232	(27)
Total compensation paid to key management personnel	12,909	5,360
Comprise amounts paid to:		
Directors of the Company	8,989	2,902
Other key management personnel	3,920	2,458
	12,909	5,360

35. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has two reportable operating segments as follows:

(i) The property sector is involved in the leasing of shopping and office spaces owned by the Group, operating of hotels and investing in property-related investments.

(ii) The retail segment is involved in the business of retailing and operating of departmental stores.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Business segments

	Property $'000	Retail $'000	Inter-segment eliminations $'000	Total $'000
2011				
Sales to external customers	63,393	111,852	–	175,245
Inter-segment sales	980	–	(980)	–
Segment revenue	64,373	111,852	(980)	175,245
Segment results	48,589	6,578	–	55,167
Share of results of associates	49,853	496	–	50,349
Segment profit before taxation	98,442	7,074	–	105,516
Taxation	(21,650)	(1,709)	–	(23,359)
Profit for the year	76,792	5,365	–	82,157
2010				
Sales to external customers	54,654	96,327	–	150,981
Inter-segment sales	930	–	(930)	–
Segment revenue	55,584	96,327	(930)	150,981
Segment results	131,304	5,171	–	136,475
Share of results of associates	(22,515)	991	–	(21,524)
Segment profit before taxation	108,789	6,162	–	114,951
Taxation	(19,947)	(1,015)	–	(20,962)
Profit for the year	88,842	5,147	–	93,989

35. Segment information (cont'd)

Business segments (cont'd)

	Property $'000	Retail $'000	Total $'000
Assets and liabilities			
2011			
Segment assets	1,277,003	49,300	1,326,303
Investment in associates	97,678	10,009	107,687
Total assets	1,374,681	59,309	1,433,990
Segment liabilities	301,434	27,633	329,067
Provision for taxation	5,461	1,750	7,211
Deferred taxation	80,207	952	81,159
Total liabilities	387,102	30,335	417,437
Other segment information			
Additions to non-current assets			
- Property, plant and equipment	871	2,033	2,904
- Investment properties	93,181	–	93,181
	94,052	2,033	96,085
Interest expense	11,367	–	11,367
Interest income	(24,481)	(63)	(24,544)
Depreciation of property, plant and equipment	531	2,220	2,751
Other material non-cash items			
Allowance for doubtful debts, net	–	56	56
Inventories written down	–	1,271	1,271
Fair value loss on held-for-trading investments (unrealised)	266	–	266
Gain from fair value adjustments on investment properties	(13,601)	–	(13,601)
Reversal of allowance for obsolete inventory	–	(29)	(29)

35. Segment information (cont'd)

Business segments (cont'd)

	Property $'000	Retail $'000	Total $'000
Assets and liabilities			
2010			
Segment assets	1,011,316	46,483	1,057,799
Investment in associates	295,974	9,908	305,882
Total assets	1,307,290	56,391	1,363,681
Segment liabilities	258,540	30,777	289,317
Provision for taxation	3,682	1,029	4,711
Deferred taxation	72,959	988	73,947
Total liabilities	335,181	32,794	367,975
Other segment information			
Additions to non-current assets			
- Property, plant and equipment	143	4,357	4,500
- Investment properties	10,748	–	10,748
	10,891	4,357	15,248
Interest expense	9,372	–	9,372
Interest Income	(39,462)	(56)	(39,518)
Depreciation of property, plant and equipment	885	1,728	2,613
Other material non-cash items			
Allowance for doubtful debts, net	30	280	310
Inventories written down	–	856	856
Fair value gains on held-for-trading investments (unrealised)	(17,356)	–	(17,356)
Gain from fair value adjustments on investment properties	(49,682)	–	(49,682)
Allowance for obsolete inventory	–	115	115

35. Segment information (cont'd)

Geographical information

Revenue and non-current asset information based on the geographical location of the customers and assets respectively, are as follows:

	Singapore $'000	Other Asean $'000	Japan, Hong Kong and China $'000	Group $'000
2011				
Segment revenue from external customers	111,852	–	63,393	175,245
Non-current assets				
- Property, plant and equipment	15,491	–	732	16,223
- Investment properties	–	–	688,452	688,452
- Investment in associates	–	59,650	4,432	64,082
	15,491	59,650	693,616	768,757
2010				
Segment revenue from external customers	96,327	–	54,654	150,981
Non-current assets				
- Property, plant and equipment	12,839	–	881	13,720
- Investment properties	–	–	630,773	630,773
- Investment in associates	–	78,460	(27,915)	50,545
	12,839	78,460	603,739	695,038

36. Financial instruments

(a) ***Financial risk management objectives and policies***

The Group is exposed to interest rate, foreign currency, credit, liquidity and market price risks. The Group's risk management approach seeks to minimise the potential material adverse impact of these exposures.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk on interest bearing assets arises primarily from their loans and borrowings, interest-bearing loans given to related parties and investments in debt securities. The Group invests in fixed rate debt securities to ensure certainty over the cashflows. The Group's loans at floating rate given to related parties form a natural hedge for its non-current floating rate bank loans.

The Group is also exposed to interest rate risk from loans and borrowings. All of the Group's and Company's financial assets and liabilities at floating rates are contractually repriced at intervals of 1 to 3 months (2010: 1 to 3 months) from the end of the reporting period.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the Group's floating rate loans and borrowings, with all other variables held constant and the impact on the Group's profit before tax and equity.

		2011		2010	
	Increase/ decrease in basis points	**Profit before tax $'000**	**Equity $'000**	**Profit before tax $'000**	**Equity $'000**
Group					
- Chinese renminbi	+100	(1,447)	(1,447)	(1,603)	(1,603)
- United States dollar	+100	–	–	(350)	(350)
- Hong Kong dollar	+100	(154)	(154)	(179)	(179)
- Japanese yen	+100	(915)	(915)	–	–
- Chinese renminbi	-100	1,447	1,447	1,603	1,603
- United States dollar	-100	–	–	350	350
- Hong Kong dollar	-100	154	154	179	179
- Japanese yen	-100	915	915	–	–

36. Financial instruments (cont'd)

(a) ***Financial risk management objectives and policies (cont'd)***

Foreign currency risk

The Group is exposed to the effects of foreign currency exchange rate fluctuations, primarily in relation to Chinese renminbi (RMB), United States dollars (USD), Hong Kong dollars (HKD) and Japanese yen (JPY). Whenever possible, the Group seeks to maintain a natural hedge through the matching of liabilities, including borrowings, against assets in the same currency or against the entity's functional currency, in particular its future revenue stream. Transactional exposures in currencies other than the entity's functional currency are kept to a minimal level.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the RMB, USD and HKD exchange rates (against SGD), with all other variables held constant, on the Group's profit before tax and equity.

		2011		**2010**	
		Profit before tax $'000	**Equity $'000**	**Profit before tax $'000**	**Equity $'000**
RMB	- strengthened 5% (2010: 5%)	(6,356)	(6,353)	(7,694)	3,036
	- weakened 5% (2010: 5%)	6,356	6,353	7,694	(3,036)
USD	- strengthened 5% (2010: 5%)	3,976	6,592	(848)	3,439
	- weakened 5% (2010: 5%)	(3,976)	(6,592)	848	(3,439)
HKD	- strengthened 5% (2010: 5%)	129	4,379	246	3,298
	- weakened 5% (2010: 5%)	(129)	(4,379)	(246)	(3,298)
JPY	- strengthened 5% (2010: 5%)	(4,414)	(4,414)	–	–
	- weakened 5% (2010: 5%)	4,414	4,414	–	–

The method used for deriving sensitivity information and significant variables did not change from the previous period.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy to ensure that credit customers are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant. Collaterals are obtained when appropriate. The amount and type of collateral depends on an assessment of the credit risk of the counterparty. Sufficient rental deposits are obtained to mitigate against the credit risk from tenants.

The carrying amounts of investments, trade and other accounts receivables, collateral assets and cash and cash equivalents represent the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

36. Financial instruments (cont'd)

(a) ***Financial risk management objectives and policies (cont'd)***

Credit risk (cont'd)

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its financial assets on an on-going basis. The credit risk concentration profile of the Group's financial assets at the end of the reporting period by country is as follows:

	Singapore $'000	Japan/People's Republic of China/Hong Kong $'000	Total $'000
By country:			
At 31 March 2011			
Loans and receivables			
Amounts due from jointly controlled entities (Note 18)	–	174	174
Amounts due from associates (Note 17)	–	43,605	43,605
Trade and other receivables (Note 22)	1,018	9,298	10,316
Deposits (Note 21)	3,209	4,366	7,575
Collateral assets (Note 23)	–	24,560	24,560
Total	4,227	82,003	86,230
At 31 March 2010			
Loans and receivables			
Amounts due from jointly controlled entities (Note 18)	–	55,807	55,807
Amounts due from associates (Note 17)	–	255,337	255,337
Trade and other receivables (Note 22)	1,153	11,537	12,690
Deposits (Note 21)	3,201	–	3,201
Collateral assets (Note 23)	–	51,625	51,625
Total	4,354	374,306	378,660

Of the total financial assets disclosed above of $86,230,000 (2010: $378,660,000), 95.6% (2010: 99.0%) is invested in the property sector.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents and investments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Notes 22.

36. Financial instruments (cont'd)

(a) ***Financial risk management objectives and policies (cont'd)***

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's cash and short term deposits, operating cash flows, availability of banking facilities and debt maturity profile are actively managed to ensure adequate working capital requirements and that repayment and funding needs are met.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations, including estimated interest payments.

Group	1 year or less $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
2011				
Financial assets:				
Accounts receivables	10,316	–	–	10,316
Amounts due from jointly controlled entities	–	174	–	174
Amounts due from associates	–	33,498	10,107	43,605
Deposits	7,575	–	–	7,575
Collateral assets	24,560	–	–	24,560
Pledged deposits	34,875	–	–	34,875
Cash and cash equivalents	372,911	–	–	372,911
Total undiscounted financial assets	450,237	33,672	10,107	494,016
Financial liabilities:				
Accounts payables	77,429	–	–	77,429
Loans and borrowings	66,278	155,067	93,927	315,272
Total undiscounted financial liabilities	143,707	155,067	93,927	392,701
Total net undiscounted financial assets/(liabilities)	306,530	(121,395)	(83,820)	101,315

36. Financial instruments (cont'd)

(a) ***Financial risk management objectives and policies (cont'd)***

Liquidity risk (cont'd)

Group	1 year or less $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
2010				
Financial assets:				
Accounts receivables	12,690	–	–	12,690
Amounts due from jointly controlled entities	–	55,807	–	55,807
Amounts due from associates	–	255,337	–	255,337
Deposits	3,201	–	–	3,201
Collateral assets	51,625	–	–	51,625
Pledged deposits	26,752	–	–	26,752
Cash and cash equivalents	147,372	–	–	147,372
Total undiscounted financial assets	241,640	311,144	–	552,784
Financial liabilities:				
Accounts payables	75,766	–	–	75,766
Loans and borrowings	82,590	45,152	156,969	284,711
Financial guarantees	–	357	–	357
Total undiscounted financial liabilities	158,356	45,509	156,969	360,834
Total net undiscounted financial assets/(liabilities)	83,284	265,635	(156,969)	191,950

36. Financial instruments (cont'd)

(a) ***Financial risk management objectives and policies (cont'd)***

Liquidity risk (cont'd)

Company	**1 year or less $'000**	**1 to 5 years $'000**	**Total $'000**
2011			
Financial assets:			
Accounts receivables	16	–	16
Amounts due from subsidiaries	–	398,283	398,283
Deposits	133	–	133
Cash and cash equivalents	30,601	–	30,601
Total undiscounted financial assets	30,750	398,283	429,033
Financial liabilities:			
Trade and other payables	11,300	–	11,300
Amounts due to subsidiaries	–	140,486	140,486
Total undiscounted financial liabilities	11,300	140,486	151,786
Total net undiscounted financial assets	19,450	257,797	277,247
2010			
Financial assets:			
Accounts receivables	171	–	171
Amounts due from subsidiaries	–	481,718	481,718
Deposits	132	–	132
Cash and cash equivalents	1,381	–	1,381
Pledged fixed deposits	17,028	–	17,028
Total undiscounted financial assets	18,712	481,718	500,430
Financial liabilities:			
Trade and other payables	4,882	–	4,882
Amounts due to subsidiaries	–	275,965	275,965
Financial guarantees	–	357	357
Total undiscounted financial liabilities	4,882	276,322	281,204
Total net undiscounted financial assets	13,830	205,396	219,226

36. Financial instruments (cont'd)

(a) ***Financial risk management objectives and policies (cont'd)***

Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to equity price risk arising from its investment in quoted equity instruments. These instruments are mainly quoted on the SGX-ST in Singapore and HKSE in Hong Kong and are classified as held-for-trading or available-for-sale financial assets. The Group does not have exposure to commodity price risk. The Group's objective is to manage investment returns and equity price risk using a mix of investment grade shares with steady dividend yield and non-investment grade shares.

Sensitivity analysis for equity price risk

The following table demonstrates the sensitivity to a reasonably possible change in the Straits Times Index (STI) and Hang Seng Index (HSI), with all other variables held constant, on the fair value of equity instruments held by the Group. The correlation of variables will have a significant effect in determining the ultimate impact on equity price risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis.

	2011		2010	
	Profit before tax $'000	Equity $'000	Profit before tax $'000	Equity $'000
HSI				
- 10% higher	678	9,179	–	5,789
- 10% lower	(678)	(9,179)	–	(5,789)
STI				
- 10% higher	6,049	6,049	4,404	4,404
- 10% lower	(6,049)	(6,049)	(4,404)	(4,404)

The method used for deriving sensitivity information and significant variables did not change from the previous period.

36. Financial instruments (cont'd)

(b) *Fair values of financial assets that are carried at fair value*

The following table shows an analysis of financial assets recorded at fair value by level of fair value hierarchy.

	Quoted market price (Level 1) $'000	Valuation techniques - market observable inputs (Level 2) $'000	Valuation techniques - non - market observable inputs (Level 3) $'000	Total $'000
2011				
Financial assets				
Financial assets held-for-trading				
- quoted equity shares	67,272	–	–	67,272
Financial assets available-for-sale				
- quoted equity shares	85,006	–	–	85,006
- unquoted equity shares	–	–	4,283	4,283
	152,278	–	4,283	156,561
2010				
Financial assets				
Financial assets held-for-trading				
- quoted equity shares	44,040	–	–	44,040
Financial assets available-for-sale				
- quoted equity shares	57,886	–	–	57,886
	101,926	–	–	101,926
Financial liabilities				
Financial guarantees	–	357	–	357

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

36. Financial instruments (cont'd)

(b) ***Fair values of financial assets that are carried at fair value (cont'd)***

Determination of fair value

Quoted equity instruments (Note 19): Fair value is determined directly by reference to their published market bid price at the end of the reporting period.

Unquoted equity instruments (Note 19): Fair value is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.

These inputs are developed based on the best information available, which include the Group's own data.

Movements in level 3 financial instruments measured at fair value

The following table presents the reconciliation for all financial instruments measured at fair value based on significant unobservable inputs (level 3).

	Group Financial assets at fair value through profit and loss 2011 $'000	 2010 $'000
Opening balance	–	2,352
Transfer from financial asset previously recognised at cost	1,051	–
Additions during the financial year	2,457	–
Fair value adjustment	880	
Currency realignment	(105)	(184)
Derecognised during the financial year	–	(2,168)
Closing balance	4,283	–

Financial instruments transferred between Level 1, Level 2 and Level 3

There were no transfers of financial instruments between Level 1, Level 2 and Level 3 during the financial year.

(c) ***Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value***

Financial instruments whose carrying amount approximate fair value

Management has determined that the carrying amounts of cash and short term deposits, current trade and other receivables, amounts due from associates, subsidiaries and jointly controlled entities that are interest-bearing, bank overdrafts, current trade and other payables and current bank loans, based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

Amounts due from jointly controlled entities that are non interest-bearing are stated at fair values by discounting expected future cash flows at market incremental lending rates for similar types of lending arrangements at the end of the reporting period.

36. Financial instruments (cont'd)

(d) ***Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value***

The fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

		Group				Company			
		Carrying amount		Fair value		Carrying amount		Fair value	
	Note	2011	2010	2011	2010	2011	2010	2011	2010
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets:									
Amounts due from subsidiaries (non-current) [(1)] - non interest - bearing	15	–	–	–	–	307,305	407,846	(ii)	(ii)
Unquoted shares	19	52	1,111	(i)	(i)	–	–	–	–
Amounts due from associates (non-current) [(1)] - non interest - bearing	17	43,605	41,251	(ii)	(ii)	–	–	–	–
Collateral assets	23	24,560	51,625	24,560	51,625	–	–	–	–
Financial liabilities:									
Amounts due to subsidiaries (non-current) [(1)] - non interest - bearing	26	–	–	–	–	140,486	275,965	(ii)	(ii)

(i) The unquoted shares have been stated at cost because of the lack of market prices and assumptions used in valuation models to value these investments cannot be reasonably supported by observable market data. However, the cash flows from these investments are expected to be in excess of their carrying amounts. The Group intends to dispose of the unquoted shares via a sale.

(ii) The amounts due from/(to) subsidiaries and associates have no repayment terms and are repayable only when the cash flows of the borrower permits. Accordingly, the fair values of these balances are not determinable as the timing of the future cash flows arising from the balances cannot be estimated reliably.

[(1)] The interest-bearing amounts due from/(to) subsidiaries, associates and jointly controlled entities have been excluded as they are stated at fair values.

37. Capital management policy

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2011 and 31 March 2010.

As disclosed in Note 29(c), a subsidiary of the Group is required by the Foreign Enterprise Law of the PRC to contribute to and maintain a non-distributable statutory reserve fund whose utilisation is subject to approval by the relevant PRC authorities. This externally imposed capital requirement has been complied with by the above-mentioned subsidiary for the financial years ended 31 March 2011 and 31 March 2010.

The Group monitors capital using a debt-equity ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents. Capital includes equity attributable to the equity holders of the Company less the above-mentioned restricted statutory reserve fund.

		Group	
	Note	2011 $'000	2010 $'000
Loans and borrowings	25	251,638	213,194
Less: Cash and cash equivalents	24	(407,786)	(174,124)
Net (cash)/debt		(156,148)	39,070
Equity attributable to the equity holders of the Company		1,012,490	990,941
Less: Statutory reserve fund	29(c)	(1,717)	(1,208)
Total capital		1,010,773	989,733
Debt-equity ratio (times)		–	0.04

38. Subsidiaries, associates and jointly controlled entities

Investments in the unquoted equity interests in subsidiaries at cost at 31 March are:

	Group 2011 $'000	Group 2010 $'000
Name of company		
Metro (Private) Limited	8,914	8,914
Orchard Square Development Corporation Pte Ltd	7,576	7,576
Metrobilt Pte Ltd	4,038	4,038
Metro Australia Holdings Pte Ltd	1,000	1,000
Meren Pte Ltd	300	300
Metro China Holdings Pte Ltd	*	*
Sun Capital Assets Pte Ltd	*	*
Metro Holdings (Japan) Pte Ltd	*	*
	21,828	21,828

* Cost is $2.

Details of subsidiaries and associates and jointly controlled entities at 31 March are:

Subsidiaries (Country of incorporation)	Place of business	Percentage of equity held by the Group 2011 %	Percentage of equity held by the Group 2010 %
Held by the Company			
Retailers and department store operators			
Metro (Private) Limited (Singapore)	Singapore	100.0	100.0
Property			
Orchard Square Development Corporation Pte Ltd (Singapore)	Singapore	100.0	100.0
Investment holding			
Metrobilt Pte Ltd (Singapore)	Singapore	100.0	100.0
Metro China Holdings Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
Metro Australia Holdings Pte Ltd (Singapore)	Singapore	100.0	100.0
Sun Capital Assets Pte Ltd (Singapore)	Singapore	100.0	100.0
Metro Holdings (Japan) Pte Ltd (Singapore)	Singapore	100.0	100.0

38. Subsidiaries, associates and jointly controlled entities (cont'd)

	Subsidiaries (Country of incorporation)	Place of business	Percentage of equity held by the Group 2011 %	2010 %
	Held by the Company (cont'd)			
	Investment trading			
	Meren Pte Ltd (Singapore)	Singapore	100.0	100.0
	Held by subsidiaries			
	Retailers and department store operators			
	The Marketing Co Pte Ltd (Singapore)	Singapore	100.0	100.0
#	Metro Trading (Shanghai) Co Ltd (People's Republic of China)	People's Republic of China	–	100.0
	Property			
+ (2)	Guangzhou International Electronics Building Co Ltd (People's Republic of China)	People's Republic of China	100.0	100.0
+ (1)	Zensei Tokutei Mokuteki Kaisha (Japan)	Japan	100.0	–
	Investment holding			
	Metro Xinjiang Investments Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
	Metro Properties (Shanghai) Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
	Metro Leisure (Shanghai) Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
+	Metrobilt South China Ltd (Hong Kong)	Hong Kong	100.0	100.0
+ (2)	Metrobilt Enterprise Ltd (Hong Kong)	People's Republic of China	100.0	100.0
+	MetroProp (China) (Mauritius)	People's Republic of China	94.0	94.0
	Metro City (Beijing) Pte Ltd (Singapore)	People's Republic of China	100.0	100.0

38. Subsidiaries, associates and jointly controlled entities (cont'd)

	Subsidiaries (Country of incorporation)	Place of business	Percentage of equity held by the Group 2011 %	2010 %
	Held by subsidiaries (cont'd)			
	Investment holding (cont'd)			
+	Crown Investments Ltd (Mauritius)	People's Republic of China	100.0	100.0
	Metro Prop Japan Pte Ltd (Singapore)	Singapore	100.0	100.0
	Kowa Property Pte Ltd (Singapore)	Singapore	100.0	100.0
	Bunkyo Property Pte Ltd (Singapore)	Japan	100.0	100.0
	Management service consultants			
	Metrobilt Construction Pte Ltd (Singapore)	Singapore	100.0	100.0
(1)	Zensei Leasing GK (Japan)	Japan	100.0	–
	Dormant companies			
	Idea Shoppe Pte Ltd (Singapore)	Singapore	100.0	100.0
+	Metro Factory Outlet (Malaysia) Sdn Bhd (Malaysia)	Malaysia	100.0	100.0

38. Subsidiaries, associates and jointly controlled entities (cont'd)

	Associates (Country of incorporation)	Place of business	Percentage of equity held by the Group 2011 %	2010 %
	Retailers and department store operators			
&	PT Metropolitan Retailmart (Indonesia)	Indonesia	50.0	50.0
	Intrad Pte Ltd (Singapore)	Singapore	50.0	50.0
	Property			
&	Etika Cekap Sdn Bhd (Malaysia)	Malaysia	49.0	49.0
#	Etika Utama Sdn Bhd (Malaysia)	Malaysia	–	49.0
&	Gurney Plaza Sdn Bhd (Malaysia)	Malaysia	49.0	49.0
&	G Limousine Services Sdn Bhd (Malaysia)	Malaysia	49.0	49.0
&	Unojaya Sdn Bhd (Malaysia)	Malaysia	49.0	49.0
#	Ghotel Sdn Bhd (Malaysia)	Malaysia	–	49.0
	Investment holding			
	Gurney Investments Pte Ltd (Singapore)	Singapore	50.0	50.0
+	China Infrastructure Group Limited (British Virgin Islands)	People's Republic of China	45.0	45.0
&	Diamond Wind Company Limited (British Virgin Islands)	People's Republic of China	21.4	21.4
(1)	Choice Bright Holdings Limited (British Virgin Islands)	People's Republic of China	21.4	–

38. Subsidiaries, associates and jointly controlled entities (cont'd)

	Jointly controlled entities (Country of incorporation)	Place of business	Percentage of equity held by the Group 2011 %	2010 %
	Property			
+@	Shanghai Metro City Cultural and Entertainment Co Ltd (People's Republic of China)	People's Republic of China	60.0	60.0
+@	Shanghai Huimei Property Co Ltd (People's Republic of China)	People's Republic of China	60.0	60.0
+	Beijing Huamao Property Co Ltd (People's Republic of China)	People's Republic of China	50.0	50.0
&Ω	Nordevo Investments Limited (British Virgin Islands)	People's Republic of China	50.0	50.0
	Held through jointly controlled entity			
&Ω	China East Investment Limited (Hong Kong)	People's Republic of China	31.7	25.1
&Ω	Metropolis Holding China Limited (Hong Kong)	People's Republic of China	–	25.1

+ Audited by associated firms of Ernst & Young LLP, Singapore.

& Audited by other firms. These foreign subsidiaries and associates are not considered significant as defined under Clause 718 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

@ The Group has not accounted for its interests in Shanghai Metro City Cultural and Entertainment Co Ltd and Shanghai Huimei Property Co Ltd as subsidiaries although its interests is in excess of 50% because under the joint venture agreements, the joint venture parties are entitled to a share of the profits of the jointly controlled entities in proportion to their respective capital contributions but have contractual joint control of the jointly controlled entities.

(1) Incorporated during the financial year.

(2) 100% of the issued share capital of Metrobilt Enterprise Ltd and Guangzhou International Electronics Building Co Ltd are pledged as security for bank loans (Note 25).

Ω During the financial year, Nordevo Investments Limited ("Nordevo"), one of the Group's jointly controlled entity, entered into a sale and purchase agreement to sell its 50.1% interest in the issued capital of Metropolis Holding China Limited ("MHC"). In addition, Nordevo entered into a Supplemental Deed to increase its 50.1% equity interest in China East Investment Limited ("CEI") to 63.3%. Accordingly, the Group's effective interest in CEI and MHC became 31.7% and nil respectively.

Disposed of during the financial year.

39. Subsequent event

Subsequent to the financial year end;

(a) the Group entered into a conditional equity transfer framework agreement to sell its 50% equity interest in the registered capital of a jointly controlled entity, Beijing Huamao Property Co Ltd ("Huamao"), for approximately Rmb 688.5 million (approximately S$132.0 million). Completion of the sale and purchase of Huamao is subject to certain conditions precedent, which may or may not be satisfied, including obtaining the approval of various authorities in the PRC.

(b) a subsidiary of the Group, Crown Investments Ltd ("Crown") has incorporated a 33.3% associate, Barlo Development Company Limited ("Barlo"). The principal activity of the associate is investment holding.

40. Authorisation of financial statements for issue

The financial statements for the year ended 31 March 2011 were authorised for issue in accordance with a resolution of the directors on 17 June 2011.

STATISTICS OF SHAREHOLDINGS

As at 13 June 2011

(i)	Number of fully issued and paid shares (excluding treasury shares)	:	655,568,193
(ii)	Amount of issued and paid up shares	:	S$141,932,000
(iii)	Class of shares	:	Ordinary Shares
(iv)	Voting rights	:	1 vote per share
(v)	Treasury shares	:	2,469,000

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 999	305	6.12	87,553	0.01
1,000 - 10,000	2,480	49.77	15,538,597	2.37
10,001 - 1,000,000	2,158	43.31	118,730,413	18.11
1,000,001 AND ABOVE	40	0.80	521,211,630	79.51
TOTAL	**4,983**	**100.00**	**655,568,193**	**100.00**

TWENTY LARGEST SHAREHOLDERS

No.	Shareholder's Name	No. of Shares Held	%
1	ENG KUAN COMPANY PTE LTD	109,335,362	16.68
2	NGEE ANN DEVELOPMENT PTE LTD	57,300,800	8.74
3	CITIBANK NOMINEES SINGAPORE PTE LTD	49,634,733	7.57
4	MAYBAN NOMINEES (SINGAPORE) PTE LTD	42,300,158	6.45
5	LEROY SINGAPORE PTE LTD	39,248,673	5.99
6	DBS NOMINEES PTE LTD	39,040,683	5.96
7	DYNAMIC HOLDINGS PTE LTD	23,744,337	3.62
8	ONG SIOE HONG	17,469,078	2.66
9	HSBC (SINGAPORE) NOMINEES PTE LTD	17,194,504	2.62
10	GAN TENG SIEW REALTY SDN BHD	15,980,664	2.44
11	UNITED OVERSEAS BANK NOMINEES PTE LTD	12,704,301	1.94
12	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	10,546,818	1.61
13	DBSN SERVICES PTE LTD	7,887,545	1.20
14	LEE YUEN SHIH	7,036,000	1.07
15	HL BANK NOMINEES (SINGAPORE) PTE LTD	6,643,800	1.01
16	PHILLIP SECURITIES PTE LTD	6,320,388	0.96
17	MORPH INVESTMENTS LTD	5,890,000	0.90
18	SHAW VEE KING	4,890,720	0.75
19	CITY DEVELOPMENTS REALTY LIMITED	3,840,000	0.59
20	COMO HOLDINGS INC	3,640,000	0.56
	TOTAL	**480,648,564**	**73.32**

STATISTICS OF SHAREHOLDINGS

As at 13 June 2011

DISTRIBUTION OF WARRANTHOLDERS BY SIZE OF WARRANTHOLDINGS

Size of Warrantholdings	No. of Warrantholders	%	No. of Warrants	%
1 - 999	42	5.34	23,729	0.07
1,000 - 10,000	534	67.85	2,206,155	6.16
10,001 - 1,000,000	202	25.67	14,233,948	39.74
1,000,001 AND ABOVE	9	1.14	19,353,318	54.03
TOTAL	**787**	**100.00**	**35,817,150**	**100.00**

TWENTY LARGEST WARRANTHOLDERS

No.	Warrantholder's Name	No. of Warrants Held	%
1	NGEE ANN DEVELOPMENT PTE LTD	5,730,080	16.00
2	MAYBAN NOMINEES (SINGAPORE) PTE LTD	4,200,700	11.73
3	ENG KUAN COMPANY PTE LTD	1,961,002	5.48
4	DBS NOMINEES PTE LTD	1,869,500	5.22
5	HSBC (SINGAPORE) NOMINEES PTE LTD	1,236,700	3.45
6	CITIBANK CONSUMER NOMINEES PTE LTD	1,178,000	3.29
7	CIMB SECURITIES (SINGAPORE) PTE LTD	1,086,248	3.03
8	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	1,071,740	2.99
9	CITIBANK NOMINEES SINGAPORE PTE LTD	1,019,348	2.85
10	UOB KAY HIAN PTE LTD	970,000	2.71
11	LIM & TAN SECURITIES PTE LTD	747,000	2.09
12	HL BANK NOMINEES (S) PTE LTD	640,520	1.79
13	LEROY SINGAPORE PTE LTD	550,415	1.54
14	LAU PUAY HENG	532,000	1.49
15	PHILLIP SECURITIES PTE LTD	518,240	1.45
16	MORPH INVESTMENTS LTD	508,000	1.42
17	SHAW VEE KING	464,000	1.30
18	OCBC SECURITIES PRIVATE LTD	440,500	1.23
19	CHIAM TOON CHEW	422,000	1.18
20	COMO HOLDINGS INC	364,000	1.02
	TOTAL	**25,509,993**	**71.26**

SUBSTANTIAL SHAREHOLDERS

As at 13 June 2011

Name	No of shares Direct Interest	Deemed Interest
Jopie Ong Hie Koan (Note 1)	-	229,328,372
Eng Kuan Company Private Limited (Note 2)	109,335,362	42,000,000
Dynamic Holdings Pte Ltd (Note 3)	23,744,337	15,000,000
Leroy Singapore Pte Ltd	39,248,673	-
Ong Jen Yaw (Note 4)	-	173,424,874
Ong Ling Ling (Note 5)	62,800	38,744,337
Ong Jenn (Note 5)	52,800	38,744,337
Ong Ching Ping (Note 5)	52,800	38,744,337
Ong Sek Hian (Wang ShiXian) (Note 5)	52,800	38,744,337
Ngee Ann Development Pte Ltd	57,300,800	-
Ngee Ann Kongsi (Note 6)	-	57,300,800
Takashimaya Co Limited (Note 7)	-	57,300,800

Note 1 - Mr Jopie Ong Hie Koan is deemed to be interested in the shares of the Company through his interests in Eng Kuan Company Private Limited, Dynamic Holdings Pte Ltd and Leroy Singapore Pte Ltd by virtue of Section 7 of the Companies Act, Chapter 50.

Note 2 - Eng Kuan Company Private Limited's deemed interest is held through Mayban Nominees (Singapore) Pte Ltd.

Note 3 - Dynamic Holdings Pte Ltd's deemed interest is held through DBS Nominees Pte Ltd.

Note 4 - Mr Ong Jen Yaw's deemed interest is held through Eng Kuan Company Private Limited and Citibank Nominees. Mr Ong Jen Yaw is deemed to be interested in the shares of the Company through his interests in Eng Kuan Company Private Limited by virtue of Section 7 of the Companies Act, Chapter 50.

Note 5 - Ms Ong Ling Ling, Mr Ong Jenn, Ms Ong Ching Ping and Mr Ong Sek Hian (Wang ShiXian) are deemed to be interested in the shares of the Company through their interests in Dynamic Holdings Pte Ltd by virtue of Section 7 of the Companies Act, Chapter 50.

Note 6 - Ngee Ann Kongsi is deemed to be interested in the shares of the Company through its interests in Ngee Ann Development Pte Ltd by virtue of Section 7 of the Companies Act, Chapter 50.

Note 7 - Takashimaya Co Limited is deemed to be interested in the shares of the Company through its interests in Ngee Ann Development Pte Ltd by virtue of Section 7 of the Companies Act, Chapter 50.

Based on the Register of Shareholders, and to the best knowledge of the Company, the percentage of shareholding held in the hands of public as at 13 June 2011 is approximately 49.39% of the total issued shares, excluding treasury shares. Therefore, the Company has complied with Rule 723 of the Listing Manual.

NOTICE OF ANNUAL GENERAL MEETING AND NOTICE OF BOOKS CLOSURE DATE

NOTICE IS HEREBY GIVEN that the Thirty-Eighth Annual General Meeting of the Company will be held at *Mandarin Ballroom, 6th Floor Main Tower, Mandarin Orchard Singapore, 333 Orchard Road, Singapore 238867* on 28 July 2011 at 11:30 a.m. for the purpose of transacting the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Report and Audiited Financial Statements for the year ended 31 March 2011 and the Independent Auditor's Report thereon. (Resolution 1)

2. To declare the payment of a final tax exempt (one tier) dividend of 2.0 cents per ordinary share for the year ended 31 March 2011.* (Resolution 2)

3. To declare the payment of a special tax exempt (one tier) dividend of 1.0 cent per ordinary share for the year ended 31 March 2011.* (Resolution 3)

4. To re-appoint Mr Phua Bah Lee, who is retiring under Section 153(6) of the Companies Act, Cap. 50 to hold office from the date of this Annual General Meeting until the next Annual General Meeting. *[to refer to explanatory note (a)]* (Resolution 4)

5. To re-appoint Lt-Gen (Retd) Winston Choo Wee Leong, who is retiring under Section 153(6) of the Companies Act, Cap. 50 to hold office from the date of this Annual General Meeting until the next Annual General Meeting. *[to refer to explanatory note (b)]* (Resolution 5)

6. To re-appoint Mr Jopie Ong Hie Koan, who is retiring under Section 153(6) of the Companies Act, Cap. 50 to hold office from the date of this Annual General Meeting until the next Annual General Meeting. *[to refer to explanatory note (c)]* (Resolution 6)

7. To re-elect Mr Gerald Ong Chong Keng, a Director retiring pursuant to Article 94 of the Company's Articles of Association. *[to refer to explanatory note (d)]* (Resolution 7)

8. To approve the Directors' Fees of $314,000 for the year ended 31 March 2011. (2010: $353,000). (Resolution 8)

9. To re-appoint Ernst & Young LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. (Resolution 9)

10. To transact any other business of an Annual General Meeting.

SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:-

11. Share Issue Mandate

    "That authority be and is hereby given to the Directors of the Company to:

    (a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or

    (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

    at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding at the time this Resolution is passed; and

(b) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Articles of Association for the time being of the Company; and

(4) (unless revoked or varied by the Company in General Meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. *[to refer to explanatory note (e)]* (Resolution10)

* **The book closure date and payment date of dividends will be announced at a later date.**

By Order of the Board

Tan Ching Chek and Lee Chin Yin
Joint Company Secretaries

Singapore
12 July 2011

NOTICE OF ANNUAL GENERAL MEETING AND NOTICE OF BOOKS CLOSURE DATE

Explanatory Notes:

(a) Mr Phua Bah Lee, if re-appointed, will continue to serve as the Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee. Mr Phua Bah Lee is considered by the Board of Directors as an Independent Director.

(b) Lt-Gen (Retd) Winston Choo Wee Leong, if re-appointed, will continue to serve as the Chairman of the Board, Chairman of the Nominating Committee and a member of the Remuneration Committee. Lt-Gen (Retd) Winston Choo Wee Leong, is considered by the Board of Directors as an Independent Director.

(c) Mr Jopie Ong Hie Koan, the Group Managing Director, if re-appointed, will continue to serve as the Group Managing Director and a member of the Nominating Committee.

(d) Mr Gerald Ong Chong Keng, if re-elected, will continue to serve as a member of the Audit Committee, Remuneration Committee and Nominating Committee. Mr Gerald Ong Chong Keng is considered by the Board of Directors as a Non-Executive and Non-Independent Director.

(e) The proposed ordinary resolution 10 in item 11 above, if passed, will empower the Directors of the Company from the date of the above meeting until the next Annual General Meeting to issue shares in the Company up to the limits as specified in the resolution for such purposes as they consider would be in the interests of the Company. This authority will continue in force until the next Annual General Meeting of the Company, unless previously revoked or varied at a general meeting.

Notes:

(i) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

(ii) If a proxy is to be appointed, the form of proxy must be deposited at the registered office of the Company, 391A Orchard Road #19-00 Tower A, Ngee Ann City Singapore 238873 not less than 48 hours before the Annual General Meeting.

(iii) The form of proxy must be signed by the appointor or his attorney duly authorised in writing. In the case of joint shareholders, all holders must sign the form of proxy.

METRO HOLDINGS LIMITED
Company Registration No: 197301792W
(Incorporated in the Republic of Singapore)

Annual General Meeting

PROXY FORM

Important

1. For investors who have used their CPF monies to buy Metro Holdings Limited shares, this Annual Report is sent to them at the request of their CPF Agent Banks and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is **not valid for use by CPF investors**, and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Annual General Meeting as OBSERVERS must submit their requests through their respective Agent Banks so that their Agent Banks may register, in the required format with the Company Secretary, by the time frame specified. **(Agent Banks: Please see Note 9 on required format) Any voting instructions must also be submitted to their Agent Banks within the time frame specified to enable them to vote on the CPF investor's behalf.**

I/We (Name) ______________________________ ., NRIC/Passport No./Co.Regn. No: ______________

of (Address) ____

being a member/members of METRO HOLDINGS LIMITED (the "Company") hereby appoint:–

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Annual General Meeting of the Company (the "**Meeting**") to be held on 28 July 2011 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

No.	Resolutions relating to	For	Against
1.	To adopt the Directors' Reports and Audited Financial Statements		
2.	To declare Final Dividend		
3.	To declare Special Dividend		
4.	To re-appoint Mr Phua Bah Lee pursuant to Section 153(6) of Companies Act, Cap 50		
5.	To re-appoint Lt-Gen (Retd) Winston Choo Wee Leong pursuant to Section 153(6) of Companies Act, Cap 50		
6.	To re-elect Mr Jopie Ong Hie Koan pursuant to Section 153(6) of Companies Act, Cap 50		
7.	To re-elect Mr Gerald Ong Chong Keng, a Director retiring under Article 94 of the Articles of Association		
8.	To approve Directors' Fees		
9.	To re-appoint Auditors and authorise the directors to fix their remuneration		
10.	Any other business		
	SPECIAL BUSINESS		
11.	To approve the Share Issue Mandate		

If you wish to exercise all your votes For or Against, please tick with ' ✓ '. Alternatively, please indicate the number of votes For or Against each resolution.

Dated this ______________ day of ______________ 2011.

Total No. of Shares Held	

____
Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.

3. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.

4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all shares held by the member.

5. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 391A Orchard Road #19-00 Tower A, Ngee Ann City Singapore 238873 not less than 48 hours before the time set for the Meeting.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with section 179 of the Companies Act, Chapter 50 of Singapore.

9. Agent Banks acting on the request of CPF Investors who wish to attend the Meeting as observers are requested to submit in writing, a list of details of the Investors' names, NRIC/Passport numbers, addresses and numbers of shares held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company Secretary, at the registered office of the Company not later than 48 hours before the time appointed for the Meeting.

GENERAL

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

METRO HOLDINGS LIMITED

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