

Unaudited Results For The Third Quarter Ended 31 December 2010 * Financial Statement And Related Announcement

* Asterisks denote mandatory information

Name of Announcer *	METRO HOLDINGS LIMITED
Company Registration No.	197301792W
Announcement submitted on behalf of	METRO HOLDINGS LIMITED
Announcement is submitted with respect to *	METRO HOLDINGS LIMITED
Announcement is submitted by *	Tan Ching Chek
Designation *	Company Secretary
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>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	31-12-2010
Description	Please refer to the attached file.

Attachments

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METRO HOLDINGS LIMITED

The Board of Directors of Metro Holdings Limited is pleased to announce the following:-

UNAUDITED RESULTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2010

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		% Change	Group		% Change
	3rd Qtr ended 31-Dec-2010 \$'000	3rd Qtr ended 31-Dec-2009 \$'000		9 Months ended 31-Dec-2010 \$'000	9 Months ended 31-Dec-2009 \$'000	
Revenue	47,328	41,385	14.36	129,895	111,064	16.96
Cost of Revenue	(32,652)	(32,259)	1.22	(89,054)	(81,778)	8.90
Gross Profit	14,676	9,126	60.82	40,841	29,286	39.46
Other income including interest income	7,848	20,262	(61.27)	46,172	56,936	(18.91)
General and administrative expenses	(9,537)	(4,798)	98.77	(43,491)	(16,378)	165.55
Profit from operating activities	12,987	24,590	(47.19)	43,522	69,844	(37.69)
Finance costs	(2,462)	(2,925)	(15.83)	(9,046)	(6,647)	36.09
Share of associates' results (net of tax)	1,843	(5,324)	n.m.	45,678	(16,479)	n.m.
Profit from operating activities before taxation	12,368	16,341	(24.31)	80,154	46,718	71.57
Taxation	(3,868)	(858)	350.82	(12,511)	(8,695)	43.89
Profit after taxation	8,500	15,483	(45.10)	67,643	38,023	77.90
Attributable to:						
Owners of the Company	8,500	15,475	(45.07)	67,340	37,885	77.75
Non-controlling interests	-	8	n.m.	303	138	119.57
	8,500	15,483	(45.10)	67,643	38,023	77.90

n.m. - not meaningful

1(a) (i) Statement of Comprehensive Income

	Group		% Change	Group		% Change
	3rd Qtr ended	3rd Qtr ended		9 months ended	9 months ended	
	31-Dec-2010 \$'000	31-Dec-2009 \$'000		31-Dec-2010 \$'000	31-Dec-2009 \$'000	
Profit for the period	8,500	15,483	(45.10)	67,643	38,023	77.90
Other comprehensive income:						
Currency translation adjustments on foreign operations	(8,158)	(2,921)	179.29	(28,225)	(50,710)	(44.34)
Surplus on revaluation of investment property	-	-	n.m.	2,573	-	n.m.
Changes in fair value of available-for-sale financial assets	(715)	2,158	n.m.	(5,938)	31,581	n.m.
Other comprehensive expense for the the period, net of tax	(8,873)	(763)	1,062.91	(31,590)	(19,129)	65.14
Total comprehensive income/(expense) for the period	<u>(373)</u>	<u>14,720</u>	n.m.	<u>36,053</u>	<u>18,894</u>	90.82
Attributable to:						
Owners of the Company	(201)	14,618	n.m.	36,593	17,141	113.48
Non-controlling interests	<u>(172)</u>	<u>102</u>	n.m.	<u>(540)</u>	<u>1,753</u>	n.m.
	<u>(373)</u>	<u>14,720</u>	n.m.	<u>36,053</u>	<u>18,894</u>	90.82

n.m. - not meaningful

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

Changes in fair value of available-for-sale financial assets relates to fluctuations in the fair value of the Group's investments in Shui On Land Ltd.

1 (a) (ii)

Revenue

Revenue of the Group comprises sales of goods and services and net commission from concessionaires.

Turnover of the Group reported on a gross transaction basis, which represents the value of the overall activity of the Group based on the gross value achieved by the concessionaire on the sale, is presented as follows:-

	Group			Group		
	3rd Qtr ended 31-Dec-2010 \$'000	3rd Qtr ended 31-Dec-2009 \$'000	% Change	9 months ended 31-Dec-2010 \$'000	9 months ended 31-Dec-2009 \$'000	% Change
Retail	52,939	48,098	10.06	139,655	121,961	14.51
Property	16,358	14,167	15.47	47,136	40,599	16.10
	<u>69,297</u>	<u>62,265</u>	11.29	<u>186,791</u>	<u>162,560</u>	14.91

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

	Group			Group		
	3rd Qtr	3rd Qtr	%	9 months	9 months	%
	ended	ended		ended	ended	
	31-Dec-2010	31-Dec-2009	Change	31-Dec-2010	31-Dec-2009	Change
	\$'000	\$'000		\$'000	\$'000	
Cost of revenue and general and administrative expenses includes:-						
Inventories recognised as an expense	(14,807)	(13,045)	13.51	(40,264)	(35,062)	14.84
Depreciation	(653)	(757)	(13.74)	(2,079)	(1,823)	14.04
Provision for obsolete inventory	(13)	(14)	(7.14)	(19)	(57)	(66.67)
Write off of inventory	(783)	(410)	90.98	(1,254)	(804)	55.97
Rental expense	(5,561)	(4,780)	16.34	(15,722)	(12,909)	21.79
Impairment loss on amount due from associate *	-	-	n.m.	(4,230)	-	n.m.
Foreign exchange (loss)/gain	(2,553)	655	n.m.	(5,533)	950	n.m.
Foreign exchange loss realised on repayment of shareholders loans *	-	-	n.m.	(10,735)	-	n.m.
Other income including interest income includes:-						
Interest income	5,379	9,381	(42.66)	24,042	29,896	(19.58)
Dividends from quoted and unquoted investments	253	438	(42.24)	4,127	2,278	81.17
Changes in fair value of short term investments	(740)	7,664	n.m.	2,757	14,424	(80.89)
Gain on disposal of short term investments	64	48	33.33	64	992	(93.55)
Gain on disposal of available-for-sale investments	-	-	n.m.	2,575	2,056	25.24
Gain on disposal of jointly controlled entity	-	-	n.m.	4,569	-	n.m.
Management and advisory fees	504	515	(2.14)	1,324	1,298	2.00
Foreign exchange gain	471	115	309.57	1,228	1,506	(18.46)
Negative goodwill	-	-	n.m.	1,337	-	n.m.

n.m. - not meaningful

* A subsidiary company made quasi-equity interest-bearing shareholder loans in RMB to an associate, China Infrastructure Group Ltd (“CIG”) to enable CIG to acquire subsidiaries which owned the 1 Financial Street building in Beijing. CIG disposed of the subsidiaries in 2QFY2011 and repaid the quasi-equity shareholder loans using the net proceeds from the said-disposal but because there was a shortfall of \$4.2 million, the Group incurred an impairment loss. As the quasi-equity shareholder loans were accounted for as part of the net investment in the associate, the foreign exchange translation gains or losses arising thereof had previously been taken to the foreign exchange translation reserve. \$7.9 million of the net foreign exchange loss on the quasi-equity shareholder loans was charged to the income statement in 2QFY2011 upon settlement of the quasi-equity shareholder loans. A further foreign exchange loss of \$2.8 million was recognised on settlement of similar quasi-equity shareholder loans made to certain jointly controlled entities, using funds from the disposal of the jointly controlled entity owning Metropolis Tower.

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

	Group			Group		
	3rd Qtr	3rd Qtr	% Change	9 months	9 months	% Change
	ended	ended		ended	ended	
	31-Dec-2010	31-Dec-2009		31-Dec-2010	31-Dec-2009	
	\$'000	\$'000		\$'000	\$'000	
The Group's share of associates' results consists of:						
- Operating results	1,649	(5,136)	n.m.	(9,455)	(16,034)	(41.03)
- Non-operating results *	572	-	n.m.	68,477	-	n.m.
- Taxation *	(378)	(188)	101.06	(13,344)	(445)	2,898.65
	<u>1,843</u>	<u>(5,324)</u>	n.m.	<u>45,678</u>	<u>(16,479)</u>	n.m.

n.m. - not meaningful

* The non-operating results of associates of \$68.5 million refer to a divestment gain made by CIG (as mentioned in Note 1(a)(iii)). The tax expense incurred in respect of this divestment gain was \$12.7 million.

1(a) (v) Taxation

	Group			Group		
	3rd Qtr	3rd Qtr	% Change	9 months	9 months	% Change
	ended	ended		ended	ended	
	31-Dec-2010	31-Dec-2009		31-Dec-2010	31-Dec-2009	
	\$'000	\$'000		\$'000	\$'000	
Current Year Tax	2,742	1,970	39.19	9,394	6,571	42.96
Over-provision in respect of prior years	(74)	(2,492)	(97.03)	(74)	(2,431)	(96.96)
Deferred Tax	1,142	1,362	(16.15)	3,133	4,478	(30.04)
Withholding Tax	58	18	222.22	58	77	(24.68)
	<u>3,868</u>	<u>858</u>	350.82	<u>12,511</u>	<u>8,695</u>	43.89

The tax charge of the Group for the period ended 31 December 2010, excluding share of associated companies' results which is already stated net of tax, is higher than that derived by applying the standard rate applicable to company profits mainly due to higher tax rates applied to overseas subsidiaries and jointly controlled entity and losses in subsidiaries which are not available for set off against Group results for tax purposes and expenditure not deductible for tax purposes.

1(b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Balance Sheets as at

	Group		Company	
	31-Dec-2010 \$'000	31-Mar-2010 \$'000	31-Dec-2010 \$'000	31-Mar-2010 \$'000
Non-current assets				
Property, plant and equipment	13,280	13,720	8,106	7,895
Investment properties	686,077	630,773	-	-
Subsidiaries	-	-	17,174	17,174
Amounts due from subsidiaries	-	-	327,209	481,718
Associates	75,559	50,545	500	500
Amounts due from associates	35,448	255,337	-	-
Amounts due from jointly controlled entities	248	55,807	-	-
Investments	43,498	58,997	-	-
	<u>854,110</u>	<u>1,065,179</u>	<u>352,989</u>	<u>507,287</u>
Current assets				
Inventories	13,607	11,306	-	-
Deposits and prepayments	9,716	4,717	141	334
Accounts receivable	12,482	12,690	-	171
Short term investments	73,690	44,040	-	-
Collateral assets	51,625	51,625	-	-
Pledged fixed deposits	33,589	26,752	-	17,028
Cash and cash equivalents	382,128	147,372	102,660	1,381
	<u>576,837</u>	<u>298,502</u>	<u>102,801</u>	<u>18,914</u>
Current liabilities				
Bank borrowings	51,117	72,658	-	-
Accounts payable	84,565	75,766	8,877	4,882
Provision for taxation	7,849	4,711	75	110
	<u>143,531</u>	<u>153,135</u>	<u>8,952</u>	<u>4,992</u>
Net current assets	433,306	145,367	93,849	13,922
Non-current liabilities				
Bank borrowings	207,878	140,536	-	-
Amounts due to subsidiaries	-	-	173,186	275,965
Financial guarantees	-	357	-	357
Deferred taxation	73,278	73,947	413	418
	<u>(281,156)</u>	<u>(214,840)</u>	<u>(173,599)</u>	<u>(276,740)</u>
Net assets	<u>1,006,260</u>	<u>995,706</u>	<u>273,239</u>	<u>244,469</u>
Equity attributable to owners of the Company				
Share capital	137,744	130,379	137,744	130,379
Treasury shares	(1,397)	(1,397)	(1,397)	(1,397)
Reserves	865,688	861,959	136,892	115,487
	<u>1,002,035</u>	<u>990,941</u>	<u>273,239</u>	<u>244,469</u>
Non-controlling interests	4,225	4,765	-	-
Total equity	<u>1,006,260</u>	<u>995,706</u>	<u>273,239</u>	<u>244,469</u>

1(b) (ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31-Dec-2010		As at 31-Mar-2010	
Secured	Unsecured	Secured	Unsecured
51,117,189	-	70,095,582	2,562,500

Amount repayable after one year

As at 31-Dec-2010		As at 31-Mar-2010	
Secured	Unsecured	Secured	Unsecured
207,878,238	-	140,535,887	-

Details of any collateral

An investment property with a fair value as at 31 December 2010 totaling S\$160.3 million has been mortgaged to banks for banking facilities granted to a jointly controlled entity. Total loans drawn on such facilities as at 31 December 2010 amounted to S\$97.0 million. An investment property with a fair value as at 31 December 2010 totaling S\$93.5 million and fixed deposits totaling S\$33.6 million have been mortgaged to banks for banking facilities granted to certain subsidiaries. Total loans drawn on such facilities as at 31 December 2010 amounted to JPY6.1 billion (equivalent to S\$96.3 million). Short term loans of HK\$99.5 million (equivalent to S\$16.4 million) granted to a subsidiary were secured by marketable securities and shares of subsidiaries which own an investment property with a fair value as at 31 December 2010 of S\$88.8 million. Bank facilities granted to a jointly controlled entity, of which an amount of RMB252.8 million (equivalent to S\$49.3 million) have been drawn, were secured by an investment property with a fair value as at 31 December 2010 of S\$100.3 million.

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

Consolidated Cash Flow Statement for the period

	Group	
	3rd Qtr ended 31-Dec-2010 \$'000	3rd Qtr ended 31-Dec-2009 \$'000
Cash flows from operating activities		
Operating profit before reinvestment in working capital	9,644	8,164
Increase in inventories	(2,070)	(730)
Decrease/(increase) in accounts receivable	7,527	(1,235)
Increase in deposits and prepayments	(238)	(49)
Increase in short term investments	(26,893)	(6,345)
Increase in accounts payable	<u>3,199</u>	<u>9,963</u>
Cash (used in)/generated from operations	(8,831)	9,768
Interest expense paid	(2,462)	(2,925)
Interest income received	6,045	1,814
Income taxes paid	<u>(4,145)</u>	<u>(4,981)</u>
Net cash (used in)/provided by operating activities	<u>(9,393)</u>	<u>3,676</u>
Cash flows from investing activities		
Additions to property, plant & equipment	(316)	(389)
Additional cost to investment properties	(1,304)	-
Additional cost to properties under development	-	(4,336)
Purchase of treasury shares	-	(511)
Proceeds from sale of available-for-sale investments	5	-
Increase in investments	(534)	-
Increase in amount owing by associates	-	(42,064)
Repayment of loans to jointly controlled entities	1,528	5,151
Dividends received from quoted and unquoted investments	912	438
Changes in fixed deposits held as security	<u>(39)</u>	<u>5,241</u>
Net cash provided by/(used in) investing activities	<u>252</u>	<u>(36,470)</u>
Cash flows from financing activities		
Drawdown of bank borrowings	957	3,083
Repayment of bank borrowings	(32,943)	(2,585)
Dividend paid during the period	(12,898)	-
Dividend paid to minority shareholders of subsidiary company	-	(251)
Additional minority interests' loans to subsidiary company	-	1,264
Proceeds from issue of shares	<u>2,407</u>	<u>1</u>
Net cash (used in)/provided by financing activities	<u>(42,477)</u>	<u>1,512</u>
Net decrease in cash and cash equivalents	(51,618)	(31,282)
Effect of exchange rate changes on cash and cash equivalents	(716)	(530)
Cash & cash equivalents at beginning of financial period	<u>434,462</u>	<u>164,669</u>
Cash & cash equivalents at end of financial period	<u><u>382,128</u></u>	<u><u>132,857</u></u>

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

	Group	
	3rd Qtr ended 31-Dec-2010 \$'000	3rd Qtr ended 31-Dec-2009 \$'000
Reconciliation between profit before taxation and operating profit before reinvestment in working capital:		
Profit before taxation	12,368	16,341
Adjustments for:		
Interest expense	2,462	2,925
Depreciation of property, plant and equipment	653	757
Share of results of associates (net of tax)	(1,843)	5,324
Inventory written off	783	410
Provision for obsolete stock	13	14
Property, plant and equipment written off	173	-
(Gain)/loss on disposal of property, plant and equipment	(166)	9
Interest and investment income	(5,632)	(9,819)
Foreign exchange adjustments	93	(133)
Changes in fair value of short term investments	740	(7,664)
Operating profit before reinvestment in working capital	9,644	8,164

1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	Share Capital \$'000	Treasury Shares \$'000	Warrant 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
At 1 April 2010	130,379	(1,397)	3,893	16,891	16,173	(3,447)	828,449	990,941	4,765	995,706
Dividend paid	-	-	-	-	-	-	(19,229)	(19,229)	-	(19,229)
Conversion of warrants into shares	4,690	-	(469)	-	-	-	-	4,221	-	4,221
Total comprehensive income/(expense) for the period	-	-	-	2,573	(4,910)	(19,709)	58,840	36,794	(368)	36,426
At 30 September 2010	135,069	(1,397)	3,424	19,464	11,263	(23,156)	868,060	1,012,727	4,397	1,017,124
Dividend paid	-	-	-	-	-	-	(12,898)	(12,898)	-	(12,898)
Conversion of warrants into shares	2,675	-	(268)	-	-	-	-	2,407	-	2,407
Total comprehensive (expense)/income for the period	-	-	-	-	(672)	(8,029)	8,500	(201)	(172)	(373)
At 31 December 2010	137,744	(1,397)	3,156	19,464	10,591	(31,185)	863,662	1,002,035	4,225	1,006,260
At 1 April 2009	126,155	(266)	4,315	16,891	(4,390)	44,099	747,188	933,992	2,580	936,572
Dividend paid	-	-	-	-	-	-	(12,600)	(12,600)	-	(12,600)
Purchase of treasury shares	-	(620)	-	-	-	-	-	(620)	-	(620)
Total comprehensive income/(expense) for the period	-	-	-	-	27,521	(47,408)	22,410	2,523	1,651	4,174
At 30 September 2009	126,155	(886)	4,315	16,891	23,131	(3,309)	756,998	923,295	4,231	927,526
Additional quasi-equity loans extended by minority interest	-	-	-	-	-	-	-	-	1,264	1,264
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	(251)	(251)
Conversion of warrants into shares	2	-	-	-	-	-	-	2	-	2
Purchase of treasury shares	-	(511)	-	-	-	-	-	(511)	-	(511)
Total comprehensive income/(expense) for the period	-	-	-	-	1,833	(2,690)	15,475	14,618	102	14,720
At 31 December 2009	126,157	(1,397)	4,315	16,891	24,964	(5,999)	772,473	937,404	5,346	942,750

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

<u>Company</u>	Share Capital \$'000	Treasury Shares \$'000	Warrant Reserve \$'000	Revaluation Reserve \$'000	Revenue Reserve \$'000	Total Equity \$'000
At 1 April 2010	130,379	(1,397)	3,893	6,301	105,293	244,469
Dividend paid	-	-	-	-	(19,229)	(19,229)
Conversion of warrants into shares	4,690	-	(469)	-	-	4,221
Total comprehensive income for the period	-	-	-	-	60,877	60,877
At 30 September 2010	135,069	(1,397)	3,424	6,301	146,941	290,338
Dividend paid	-	-	-	-	(12,898)	(12,898)
Conversion of warrants into shares	2,675	-	(268)	-	-	2,407
Total comprehensive expense for the period	-	-	-	-	(6,608)	(6,608)
At 31 December 2010	137,744	(1,397)	3,156	6,301	127,435	273,239
At 1 April 2009	126,155	(266)	4,315	6,301	84,886	221,391
Dividend paid	-	-	-	-	(12,600)	(12,600)
Purchase of treasury shares	-	(620)	-	-	-	(620)
Total comprehensive expense for the period	-	-	-	-	(8,961)	(8,961)
At 30 September 2009	126,155	(886)	4,315	6,301	63,325	199,210
Conversion of warrants into shares	2	-	-	-	-	2
Purchase of treasury shares	-	(511)	-	-	-	(511)
Total comprehensive expense for the period	-	-	-	-	(2,160)	(2,160)
At 31 December 2009	126,157	(1,397)	4,315	6,301	61,165	196,541

1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

As at 31 December 2010, there were 2,469,000 treasury shares (as at 31 December 2009: 2,469,000).

During the 3 months ended 31 December 2010, the Company issued 3,821,800 shares from the exercise of 3,821,800 warrants arising from the warrants issued.

As at 31 December 2010, there were 46,522,510 warrants (as at 31 December 2009: 63,075,467) that could be exercised into ordinary shares. Each warrant carries the right to subscribe in cash for one new share in the issued share capital of the Company at \$0.63.

1(d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31 December 2010 (end of current financial period)	As at 31 March 2010 (end of immediately preceding year)
Total number of issued shares (excluding treasury shares)	644,862,833	634,341,140

1(d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company did not sell, transfer, dispose, cancel or use any treasury shares in the 3rd Quarter period ended 31 December 2010.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as compared to the most recently audited financial statements as at 31 March 2010.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the improvements to Singapore Financial Reporting Standards ("FRSs") that are mandatory for financial years beginning on and after 1 April 2010, where applicable. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no impact on the retained earnings of the Group as at 1 April 2010.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Earnings Per Share

	Group Figures	
	Latest Period	Previous corresponding period
Earnings per ordinary share based on net profit attributable to shareholders and after deducting any provision for preference dividends		
(a) Based on existing issued share capital	1.33 cents	2.46 cents
(b) On a fully diluted basis	1.24 cents	2.23 cents

Earnings per share is calculated on the Group's profit attributable to shareholders of the Company divided by the weighted average number of ordinary shares of 637,063,665 for the quarter ended 31 December 2010 (quarter ended 31 December 2009: 629,581,203).

Diluted earnings per ordinary share is computed based on the same basis as earnings per share by applying the weighted average number of ordinary shares in issuance during the periods under review and adjusted to include all potential dilutive ordinary shares up to 31 December 2010.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

Net Asset Value

	Group	Company
Net asset value per ordinary share based on issued share capital at end of the period reported on		
(a) Current Period	155.4 cents	42.4 cents
(b) 31 March 2010	156.2 cents	38.5 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

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

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2010				
Sales to external customers	16,358	30,970	-	47,328
Inter-segment sales	392	-	(392)	-
Segment revenue	<u>16,750</u>	<u>30,970</u>	<u>(392)</u>	<u>47,328</u>
Segment results	10,580	2,407	-	12,987
Finance costs	(2,462)	-	-	(2,462)
Share of associates' results (net of tax)	<u>1,415</u>	<u>428</u>	<u>-</u>	<u>1,843</u>
Profit before taxation	9,533	2,835	-	12,368
Taxation				<u>(3,868)</u>
Profit for the period				<u>8,500</u>
Attributable to:				
Owners of the Company				8,500
Non-controlling interests				<u>-</u>
				<u>8,500</u>

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

Business segment

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

Geographical Segments

	Asean \$'000	Japan, Hong Kong and China \$'000	Group \$'000
2010			
Segment revenue	<u>30,970</u>	<u>16,358</u>	<u>47,328</u>
2009			
Segment revenue	<u>27,218</u>	<u>14,167</u>	<u>41,385</u>

8(b) Review

The Group's turnover for the third financial quarter to 31 December 2010 ("3QFY2011") rose to \$47.3 million from \$41.4 million in the previous corresponding quarter ("3QFY2010") with the retail division reporting higher sales and the property division reporting higher rental. Profit before tax of \$12.4 million declined from \$16.3 million in 3QFY2010 mainly because the previous 3QFY2010 results included a \$7.7 million increase in the fair value of the Group's portfolio of short term investments. The resultant decline in profit before tax was partially offset by a \$3.2 million improvement in Metro City Shanghai's results.

The property division's revenue for 3QFY2011 rose to \$16.4 million from \$14.2 million for 3QFY2010. Higher rental income from Metro City Shanghai after completion of an asset enhancement exercise, EC Mall and rental from the newly acquired Frontier Koishikawa Building helped to offset Metro Tower Shanghai's lower rental due to lower occupancy. Rental income would have been higher if not for a 3.9% decrease in the value of the renminbi against the Singapore dollar.

Profit before taxation of the property division was reported at \$9.5 million in 3QFY2011 as compared to \$14.1 million in 3QFY2010. Other income included a \$0.7 million decline in the fair value of the Group's portfolio of short term investments as compared to a \$7.7 million increase in 3QFY2010. The consequential decline in profit before tax as compared to 3QFY2010 was mitigated by Metro City Shanghai which reported higher profit of \$3.2 million due to higher rental and lower costs of asset enhancement activities.

The portfolio summary of the Group's Properties as at 31 December 2010 is as follows:

	<i>Percentage owned by the Group</i>	<i>Tenure</i>	<i>No. of Tenants</i>	<i>Occupancy Rate (%)</i>
Metro City, Shanghai	60%	36 year term from 1993	114	99.3%
Metro City, Beijing	50%	40 year term from 2004	14	74.6%
GIE Tower, Guangzhou	100%	50 year term from 1994	41	94.3%
Metro Tower, Shanghai	60%	50 year term from 1993	21	81.2%
Frontier Koishikawa Building, Tokyo	100%	Freehold	5	73.2%
Gurney Plaza Extension, Penang	49%	Freehold	54	100%
EC Mall, Beijing	31.65%	50 year term from 2001	77	87.2%

Sales of the retail division rose 13.8% to \$31.0 million as compared with 3QFY2010. The improvement in sales was broad based although stores in Orchard Road reflected a higher level of shopper activity. Competition in the retail sector remained keen with the expansion of retail space. Sales and profitability of the retail division's associated company in Indonesia remained steady.

During 3QFY2011, Short term investments rose from \$47.5 million to \$73.7 million with a \$25 million investment in a REIT. Together with the repayment of short term bank borrowings of \$32.9 million and an interim dividend of \$12.9 million, Cash and cash equivalents declined accordingly from \$434.5 million to \$382.1 million. There were no other material factors that affected the cashflow, working capital, assets and liabilities of the Group during the current financial quarter reported on.

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

No forecast or prospect statement has been issued for the period being reported on.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Rental income of the Group's investment properties is expected to remain stable.

Notwithstanding the keen competition and the reduced length of the shopping period leading up to Chinese New Year, trading conditions are expected to remain unchanged for the retail industry.

11. Dividends

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately preceding financial year? None

(c) Date payable

Not applicable

(d) Book closure date

Not applicable

12. If no dividend has been declared/recommended, a statement to that effect

No interim dividend has been declared for the quarter ended 31 December 2010

13. Negative assurance statement by directors

The Board of Directors confirms that to the best of their knowledge, nothing has come to their attention which may render the third quarter financial results to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Ching Chek and Lee Chin Yin
Joint Company Secretaries
Date 14 February 2011