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Unaudited Results For The Third Quarter Ended 31 December 2012 * 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 *	31-12-2012
Description	Please refer to the attachment.

Attachments
 [MHLQ3.pdf](#)
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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 2012

1(a) (i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		%	Group		%
	3rd Qtr ended 31-Dec-2012 \$'000	3rd Qtr ended 31-Dec-2011 \$'000		9 months ended 31-Dec-2012 \$'000	9 months ended 31-Dec-2011 \$'000	
Revenue	50,608	51,598	(1.92)	139,489	138,847	0.46
Cost of revenue	(38,602)	(35,516)	8.69	(102,182)	(95,235)	7.29
Gross profit	12,006	16,082	(25.35)	37,307	43,612	(14.46)
Other income including interest income	9,982	3,410	192.73	25,490	12,515	103.68
Changes in fair value of short term investments	3,480	1,967	76.92	21,016	(8,337)	n.m.
General and administrative expenses	(6,515)	(6,964)	(6.45)	(18,626)	(19,535)	(4.65)
Profit from operating activities	18,953	14,495	30.76	65,187	28,255	130.71
Interest on borrowings	(1,179)	(3,199)	(63.14)	(3,735)	(9,090)	(58.91)
Share of associates' results, net of tax	473	1,074	(55.96)	92	704	(86.93)
Profit from operations before taxation	18,247	12,370	47.51	61,544	19,869	209.75
Taxation	(2,942)	(1,696)	73.47	(11,527)	(6,507)	77.15
Profit net of taxation	15,305	10,674	43.39	50,017	13,362	274.32
Attributable to:						
Owners of the Company	15,308	10,678	43.36	49,908	13,327	274.49
Non-controlling interests	(3)	(4)	(25.00)	109	35	211.43
	15,305	10,674	43.39	50,017	13,362	274.32

n.m. - not meaningful

Statement of Comprehensive Income

	Group			Group		
	3rd Qtr	3rd Qtr	% Change	9 months	9 months	% Change
	ended	ended		ended	ended	
31-Dec-2012	31-Dec-2011		31-Dec-2012	31-Dec-2011		
	\$'000	\$'000		\$'000	\$'000	
Profit net of taxation	15,305	10,674	43.39	50,017	13,362	274.32
Other comprehensive income/ (expense), net of tax:						
Currency translation adjustments on foreign operations	1,906	6,195	(69.23)	(11,905)	31,872	n.m.
Changes in fair value of available-for-sale financial assets	25,561	9,163	178.96	17,346	(34,772)	n.m.
Share of other comprehensive income/(expense) of associates	185	7	2,542.86	1,027	(749)	n.m.
	27,652	15,365	79.97	6,468	(3,649)	n.m.
Total comprehensive income for the period	<u>42,957</u>	<u>26,039</u>	64.97	<u>56,485</u>	<u>9,713</u>	481.54
Attributable to:						
Owners of the Company	42,451	25,789	64.61	56,107	10,794	419.80
Non-controlling interests	506	250	102.40	378	(1,081)	n.m.
	<u>42,957</u>	<u>26,039</u>	64.97	<u>56,485</u>	<u>9,713</u>	481.54

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

1(a) (ii)

Revenue

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

Revenue of the Group reported on a gross transaction basis, which includes 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-2012 \$'000	3rd Qtr ended 31-Dec-2011 \$'000	% Change	9 months ended 31-Dec-2012 \$'000	9 months ended 31-Dec-2011 \$'000	% Change
Retail	60,529	59,180	2.28	155,809	148,330	5.04
Property	14,023	17,082	(17.91)	43,208	49,541	(12.78)
	<u>74,552</u>	<u>76,262</u>	(2.24)	<u>199,017</u>	<u>197,871</u>	0.58

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

	Group			Group		
	3rd Qtr ended 31-Dec-2012 \$'000	3rd Qtr ended 31-Dec-2011 \$'000	% Change	9 months ended 31-Dec-2012 \$'000	9 months ended 31-Dec-2011 \$'000	% Change
Cost of revenue and general and administrative expenses includes:-						
Inventories recognised as an expense	(18,865)	(16,519)	14.20	(49,889)	(43,493)	14.71
Depreciation	(637)	(957)	(33.44)	(2,324)	(2,517)	(7.67)
Allowance for obsolete inventories	(15)	(14)	7.14	(241)	(134)	79.85
Inventories written down	(691)	(665)	3.91	(1,147)	(1,164)	(1.46)
Rental expense	(6,407)	(5,863)	9.28	(17,731)	(16,469)	7.66
Foreign exchange loss	(641)	(91)	604.40	(1,019)	(464)	119.61
Other income including interest income includes:-						
Interest income	6,841	628	989.33	11,124	1,817	512.22
Dividends from quoted and unquoted investments	1,056	1,132	(6.71)	8,426	5,940	41.85
Gain on disposal of short term investments	-	-	n.m.	1,012	-	n.m.
Management fee income from associates	596	559	6.62	1,605	1,442	11.30
Foreign exchange gain	3	83	(96.39)	318	667	(52.32)

n.m. - not meaningful

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-2012	31-Dec-2011		31-Dec-2012	31-Dec-2011	
	\$'000	\$'000		\$'000	\$'000	
The Group's share of associates' results consists of:						
- Operating results	472	1,089	(56.66)	92	784	(88.27)
- Taxation	1	(15)	n.m.	-	(80)	n.m.
	<u>473</u>	<u>1,074</u>	<u>(55.96)</u>	<u>92</u>	<u>704</u>	<u>(86.93)</u>

1(a) (v) Taxation

	Group			Group		
	3rd Qtr	3rd Qtr	% Change	9 months	9 months	% Change
	ended	ended		ended	ended	
	31-Dec-2012	31-Dec-2011		31-Dec-2012	31-Dec-2011	
	\$'000	\$'000		\$'000	\$'000	
Current Year Tax	2,083	2,870	(27.42)	6,690	7,393	(9.51)
Overprovision in respect of prior years	(440)	(2,189)	(79.90)	(1,356)	(2,147)	(36.84)
Deferred Tax	1,299	969	34.06	6,160	1,186	419.39
Withholding Tax	-	46	n.m.	33	75	(56.00)
	<u>2,942</u>	<u>1,696</u>	<u>73.47</u>	<u>11,527</u>	<u>6,507</u>	<u>77.15</u>

n.m. - not meaningful

The tax charge of the Group for the third quarter period and the 9 month period ended 31 December 2012, excluding share of associates' results which is already stated net of tax and write back of overprovisions in respect of prior years, is higher than that derived by applying the Singapore statutory income tax rate of 17% applicable to company profits, mainly due to higher tax rates applied to overseas subsidiaries and jointly controlled entities, losses in certain group companies which are not available for set off against Group results for tax purposes and expenditure not deductible for tax purposes.

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

Balance Sheets as at

	Group		Company	
	31-Dec-2012 \$'000	31-Mar-2012 \$'000	31-Dec-2012 \$'000	31-Mar-2012 \$'000
Non-current assets				
Property, plant and equipment	16,738	16,490	10,225	10,409
Investment properties	535,086	550,194	-	-
Subsidiaries	-	-	17,174	17,174
Amounts due from subsidiaries	-	-	504,609	395,948
Associates	17,015	18,060	500	500
Amounts due from associates	72,612	75,992	-	-
Amounts due from jointly controlled entities	2,175	1,245	-	-
Investments	120,925	72,985	-	-
	<u>764,551</u>	<u>734,966</u>	<u>532,508</u>	<u>424,031</u>
Current assets				
Development property	214,453	-	-	-
Inventories	15,474	16,125	-	-
Deposits	7,896	7,737	149	149
Prepayments	831	893	70	14
Accounts receivables	21,816	10,365	34	95
Tax recoverable	329	259	-	-
Short term investments	90,754	72,137	-	-
Loan notes	15,248	15,248	-	-
Pledged fixed and bank deposits	35,071	36,007	-	-
Cash and cash equivalents	367,863	543,547	43,366	61,452
	<u>769,735</u>	<u>702,318</u>	<u>43,619</u>	<u>61,710</u>
Current liabilities				
Bank borrowings	43,905	53,585	-	-
Accounts payables	90,164	80,216	3,804	10,859
Provision for taxation	6,333	16,459	88	149
	<u>140,402</u>	<u>150,260</u>	<u>3,892</u>	<u>11,008</u>
Net current assets	629,333	552,058	39,727	50,702
Non-current liabilities				
Bank borrowings	194,245	97,897	-	-
Amounts due to subsidiaries	-	-	289,610	136,994
Deferred taxation	75,217	71,508	324	320
	<u>(269,462)</u>	<u>(169,405)</u>	<u>(289,934)</u>	<u>(137,314)</u>
Net assets	<u>1,124,422</u>	<u>1,117,619</u>	<u>282,301</u>	<u>337,419</u>
Equity attributable to owners of the Company				
Share capital	169,717	169,717	169,717	169,717
Treasury shares	(1,768)	(1,768)	(1,768)	(1,768)
Reserves	952,757	946,332	114,352	169,470
	<u>1,120,706</u>	<u>1,114,281</u>	<u>282,301</u>	<u>337,419</u>
Non-controlling interests	3,716	3,338	-	-
Total equity	<u>1,124,422</u>	<u>1,117,619</u>	<u>282,301</u>	<u>337,419</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-2012		As at 31-Mar-2012	
Secured	Unsecured	Secured	Unsecured
43,904,780	-	53,584,613	-

Amount repayable after one year

As at 31-Dec-2012		As at 31-Mar-2012	
Secured	Unsecured	Secured	Unsecured
194,245,609	-	97,896,814	-

Details of any collateral for banking facilities

Subsidiaries:

An investment property with a fair value totaling S\$77.7 million as at 31 December 2012 and fixed deposits totaling S\$33.7 million have been mortgaged to banks for banking facilities granted to certain subsidiaries. Total loans drawn on such facilities as at 31 December 2012 amounted to JPY5.4 billion (equivalent to S\$77.0 million).

Short term loans of HK\$71.1 million (equivalent to S\$11.2 million) granted to a subsidiary were secured by marketable securities and shares of subsidiaries which own an investment property with a fair value of S\$93.1 million as at 31 December 2012.

Jointly-controlled entities:

Bank loans amounting to RMB238.3 million (equivalent to S\$46.7 million) were secured by an investment property with a fair value of S\$104.2 million as at 31 December 2012 and bank deposits totaling RMB7.1 million (equivalent to S\$1.4 million).

Bank loans amounting to S\$103.2 million are secured by a deed of subordination from the Company and a subsidiary; and a first legal mortgage over a development property with a carrying value of S\$214.5 million as at 31 December 2012.

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

Consolidated Statement of Cash Flows for the period

	Group		Group	
	3rd Qtr ended 31-Dec-2012 \$'000	3rd Qtr ended 31-Dec-2011 \$'000	9 months ended 31-Dec-2012 \$'000	9 months ended 31-Dec-2011 \$'000
Cash flows from operating activities				
Operating profit before reinvestment in working capital	8,258	11,979	31,357	29,401
Increase in development property	(214,453)	-	(214,453)	-
Increase in inventories	(384)	(1,105)	(737)	(4,464)
Decrease/(increase) in accounts receivables	6,157	(32,087)	(5,817)	(33,261)
Decrease/(increase) in short term investments	-	-	2,400	(8,017)
Increase in accounts payables	13,676	110,384	9,948	156,273
Cash (used in)/generated from operations	(186,746)	89,171	(177,302)	139,932
Interest expense paid	(1,179)	(3,199)	(3,735)	(9,090)
Interest income received	1,026	628	5,309	1,817
Income taxes paid	(1,791)	(952)	(16,471)	(5,696)
Net cash flows (used in)/generated from operating activities	(188,690)	85,648	(192,199)	126,963
Cash flows from investing activities				
Purchase of property, plant & equipment	(1,661)	(794)	(2,620)	(3,042)
Subsequent expenditure on investment properties	-	(76)	(154)	(209)
Proceeds from sale of property, plant and equipment	-	45	18	53
Proceeds from liquidation of associate	-	-	-	460
Proceeds from collateral assets	-	9,377	-	9,377
Increase in investments	(32,509)	(3,981)	(32,933)	(4,590)
Decrease/(increase) in amounts due from associates	1,348	-	2,157	(23,874)
Additional loan to jointly controlled entities	(1,121)	(25)	(1,121)	(1,404)
Dividends received from quoted and unquoted investments	2,499	2,396	8,426	5,940
Dividends received from associates	-	-	-	38,000
Changes in pledged fixed and bank deposits	428	(311)	936	(1,344)
Net cash flows (used in)/generated from investing activities	(31,016)	6,631	(25,291)	19,367
Cash flows from financing activities				
Drawdown of bank borrowings	103,200	-	103,200	216
Repayment of bank borrowings	(1,975)	(102,579)	(9,461)	(107,949)
Dividend paid	-	-	(49,682)	(24,659)
Proceeds from issue of shares	-	-	-	24,660
Net cash flows generated from/(used in) financing activities	101,225	(102,579)	44,057	(107,732)
Net (decrease)/increase in cash and cash equivalents	(118,481)	(10,300)	(173,433)	38,598
Effect of exchange rate changes in cash and cash equivalents	148	484	(2,251)	3,934
Cash & cash equivalents at beginning of financial period	486,196	425,259	543,547	372,911
Cash & cash equivalents at end of financial period	367,863	415,443	367,863	415,443

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

	Group		Group	
	3rd Qtr ended 31-Dec-2012 \$'000	3rd Qtr ended 31-Dec-2011 \$'000	9 months ended 31-Dec-2012 \$'000	9 months ended 31-Dec-2011 \$'000
Reconciliation between profit before taxation and operating cash flows before changes in working capital:				
Profit before taxation	18,247	12,370	61,544	19,869
Adjustments for:				
Interest expense	1,179	3,199	3,735	9,090
Depreciation of property, plant and equipment	637	957	2,324	2,517
Share of results of associates	(473)	(1,074)	(92)	(704)
Interest and investment income	(7,897)	(1,760)	(19,550)	(7,757)
Inventories written down	691	665	1,147	1,164
Allowance for obsolete inventories	15	14	241	134
Loss/(profit) on disposal of property, plant and equipment	25	(45)	22	(53)
Changes in fair value of short term investments	(3,480)	(1,967)	(21,016)	8,337
Foreign exchange adjustments	(686)	(380)	3,002	(3,202)
Loss on liquidation of an associate	-	-	-	6
Operating profit before reinvestment in working capital	<u>8,258</u>	<u>11,979</u>	<u>31,357</u>	<u>29,401</u>

Note:

Cash and cash equivalents comprise:

	\$'000	\$'000	\$'000	\$'000
Bank balances and deposits				
- Continuing operations	367,863	413,891	367,863	413,891
- Assets of disposal entity held for sale under FRS 105	-	1,552	-	1,552
Cash and cash equivalents	<u>367,863</u>	<u>415,443</u>	<u>367,863</u>	<u>415,443</u>

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

Group	Share Capital \$'000	Treasury Shares \$'000	Warrants Reserve \$'000	Revaluation Reserve \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Revenue Reserve \$'000	Reserve of Disposal Entity classified as Held for Sale \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
At 1 April 2012	169,717	(1,768)	-	19,073	6,039	(26,733)	947,953	-	1,114,281	3,338	1,117,619
Dividends paid	-	-	-	-	-	-	(49,682)	-	(49,682)	-	(49,682)
Total comprehensive (expense)/income for the period	-	-	-	-	(8,053)	(12,891)	34,600	-	13,656	(128)	13,528
At 30 September 2012	169,717	(1,768)	-	19,073	(2,014)	(39,624)	932,871	-	1,078,255	3,210	1,081,465
Total comprehensive income for the period	-	-	-	-	25,042	2,101	15,308	-	42,451	506	42,957
At 31 December 2012	169,717	(1,768)	-	19,073	23,028	(37,523)	948,179	-	1,120,706	3,716	1,124,422
At 1 April 2011	142,432	(1,397)	2,688	19,073	7,807	(38,770)	880,657	-	1,012,490	4,063	1,016,553
Dividends paid	-	-	-	-	-	-	(24,659)	-	(24,659)	-	(24,659)
Reserve attributable to disposal entity classified as held for sale	-	-	-	-	-	(2,417)	-	2,417	-	-	-
Conversion of warrants into shares	27,285	-	(2,625)	-	-	-	-	-	24,660	-	24,660
Expiry of warrants	-	-	(63)	-	-	-	63	-	-	-	-
Total comprehensive (expense)/income for the period	-	-	-	-	(42,894)	25,250	2,649	-	(14,995)	(1,331)	(16,326)
At 30 September 2011	169,717	(1,397)	-	19,073	(35,087)	(15,937)	858,710	2,417	997,496	2,732	1,000,228
Reserve attributable to disposal entity classified as held for sale	-	-	-	-	-	98	-	(98)	-	-	-
Total comprehensive income for the period	-	-	-	-	8,915	6,196	10,678	-	25,789	250	26,039
At 31 December 2011	169,717	(1,397)	-	19,073	(26,172)	(9,643)	869,388	2,319	1,023,285	2,982	1,026,267

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

<u>Company</u>	Share Capital	Treasury Shares	Warrants Reserve	Revaluation Reserve	Revenue Reserve	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2012	169,717	(1,768)	-	9,119	160,351	337,419
Dividends paid	-	-	-	-	(49,682)	(49,682)
Total comprehensive expense for the period	-	-	-	-	(4,335)	(4,335)
At 30 September 2012	169,717	(1,768)	-	9,119	106,334	283,402
Total comprehensive expense for the period	-	-	-	-	(1,101)	(1,101)
At 31 December 2012	169,717	(1,768)	-	9,119	105,233	282,301
At 1 April 2011	142,432	(1,397)	2,688	9,119	152,434	305,276
Dividends paid	-	-	-	-	(24,659)	(24,659)
Conversion of warrants into shares	27,285	-	(2,625)	-	-	24,660
Expiry of warrants	-	-	(63)	-	63	-
Total comprehensive income for the period	-	-	-	-	45,799	45,799
At 30 September 2011	169,717	(1,397)	-	9,119	173,637	351,076
Total comprehensive expense for the period	-	-	-	-	(1,633)	(1,633)
At 31 December 2011	169,717	(1,397)	-	9,119	172,004	349,443

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

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

As at 31 December 2012, there were 3,512,800 treasury shares (as at 31 December 2011: 2,962,800).

The Company did not issue any shares during the 3 months ended 31 December 2012.

There were no convertible instruments outstanding as at 31 December 2012 (31 December 2011: Nil).

The total proceeds from the issue of shares due to warrants conversion ("Proceeds") between the warrants' issue date, 23 September 2008 and expiry date, 22 September 2011, amounted to \$39,309,000. As at 31 December 2012, none of these Proceeds have been utilised.

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 2012 (end of current financial period)	As at 31 March 2012 (end of immediately preceding year)
Total number of issued shares (excluding treasury shares)	828,035,874	828,035,874

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 2012.

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 Note 5 below, the Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 March 2012.

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 applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the year ended 31 March 2012, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 April 2012.

Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 April 2012 are:

Amendments to FRS 12 Income Taxes: Deferred Tax Recovery of Underlying Assets; and
Amendments to FRS 107 Disclosures - Transfers of Financial Assets.

The Group does not expect any significant financial impact on its financial position or performance from the adoption of these amendments to FRS.

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 (Restated*)
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	1.8 cents	1.3 cents
(b) On a fully diluted basis	1.8 cents	1.3 cents

Earnings per share is calculated on the Group's profit attributable to shareholders of the Company of \$15,308,000 (period ended 31 December 2011: \$10,678,000) divided by the weighted average number of ordinary shares of 828,126,037 for the period ended 31 December 2012 (period ended 31 December 2011: 800,995,824).

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 2012.

*Comparative figures for EPS have been adjusted for the bonus issue of shares of 1 share for every 5 shares held.

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

Net Asset Value

	Group	Company
Net asset value per ordinary share based on issued share capital at end of the period reported on		
(a) Current Period	135.3 cents	34.1 cents
(b) 31 March 2012	134.6 cents	40.7 cents

Net asset value for the Group is calculated on the equity attributable to owners of the Company as at 31 December 2012 of \$1,120,706,000 (31 March 2012: \$1,114,281,000) divided by the total number of issued shares excluding treasury shares as at 31 December 2012 of 828,035,874 (31 March 2012: 828,035,874).

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) Review of Group Results for 3rd Quarter ended 31 December 2012 against 3rd Quarter ended 31 December 2011

The Group's turnover for the third financial quarter to 31 December 2012 ("3QFY2013") declined marginally to \$50.6 million against 3QFY2012's \$51.6 million. Higher sales of the retail division were insufficient to fully offset the decline in rental due to the disposal of Metro City Beijing. Gross profit for 3QFY2013 of \$12.0 million was lower than 3QFY2012's \$16.1 million without the contribution from Metro City Beijing at this level and significant pressure on margins and higher operational costs of the retail division.

Other income rose to \$10.0 million for 3QFY2013 from \$3.4 million in 3QFY2012 mainly due to a balloon payment of interest income of \$5.8 million from loan notes held by the property division. The loan notes were liquidated in early 4QFY2013.

Unrealised fair value gains of \$3.5 million in 3QFY2013 and the corresponding 3QFY2012's unrealised fair value gains of \$2.0 million, relate to movements in the fair value of the Group's portfolio of short term equity investments in property REITs held by the property division.

Interest on borrowings in 3QFY2013 of \$1.2 million fell from 3QFY2012's \$3.2 million due to the disposal of Metro City Beijing and the associated bank borrowings.

Profit before taxation rose to \$18.2 million in 3QFY2013 from \$12.4 million in 3QFY2012. This was mainly due to higher interest income from loan notes held by the property division.

Segmental Results for 3rd Quarter ended 31 December

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2012				
Sales to external customers	14,023	36,585	-	50,608
Inter-segment sales	48	-	(48)	-
Segment revenue	<u>14,071</u>	<u>36,585</u>	<u>(48)</u>	<u>50,608</u>
Segment results	13,772	1,701	-	15,473
Interest on borrowings	(1,179)	-	-	(1,179)
Changes in fair value of short term investments	3,480	-	-	3,480
Share of associates' results (net of tax)	121	352	-	473
Profit from operations before taxation	<u>16,194</u>	<u>2,053</u>	<u>-</u>	<u>18,247</u>
Taxation				<u>(2,942)</u>
Profit net of taxation				<u>15,305</u>
Attributable to:				
Owners of the Company				15,308
Non-controlling interests				<u>(3)</u>
				<u>15,305</u>

Segmental Results for 3rd Quarter ended 31 December (Cont'd)

Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2011				
Sales to external customers	17,082	34,516	-	51,598
Inter-segment sales	48	-	(48)	-
Segment revenue	<u>17,130</u>	<u>34,516</u>	<u>(48)</u>	<u>51,598</u>
Segment results	9,407	3,121	-	12,528
Interest on borrowings	(3,199)	-	-	(3,199)
Changes in fair value of short term investments	1,967	-	-	1,967
Share of associates' results (net of tax)	363	711	-	1,074
Profit from operations before taxation	<u>8,538</u>	<u>3,832</u>	<u>-</u>	<u>12,370</u>
Taxation				<u>(1,696)</u>
Profit net of taxation				<u>10,674</u>
Attributable to:				
Owners of the Company				10,678
Non-controlling interests				<u>(4)</u>
				<u>10,674</u>

Geographical Segments

	Asean \$'000	Hong Kong and China \$'000	Japan \$'000	Group \$'000
2012				
Segment revenue	<u>36,585</u>	<u>13,244</u>	<u>779</u>	<u>50,608</u>
2011				
Segment revenue	<u>34,516</u>	<u>15,769</u>	<u>1,313</u>	<u>51,598</u>

Segmental Results - Property Division

Turnover of the property division for 3QFY2013 fell 17.9% to \$14.0 million from 3QFY2012's \$17.1 million. The decline in rental income was due to the disposal of Metro City Beijing, a 3.0% decrease in the value of the renminbi against the Singapore dollar and lower occupancies at Frontier Koishikawa. The average occupancy of the Group's five investment properties as at 31 December 2012 was 88.8% as compared to that as at 31 December 2011 of 92.2% for the same properties. Occupancy at Frontier Koishikawa is expected to improve in 4QFY2013 as new tenants commence their leases.

The portfolio summary of the Group's Investment Properties as at 31 December 2012 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	104	96.3%
GIE Tower, Guangzhou	100%	50 year term from 1994	39	94.6%
Metro Tower, Shanghai	60%	50 year term from 1993	23	99.7%
Frontier Koishikawa Building, Tokyo	100%	Freehold	4	55.0%
EC Mall, Beijing	31.65%	50 year term from 2001	93	98.4%

Segmental Results - Retail Division

Sales of the retail division for 3QFY2013 rose 6.0% to \$36.6 million as compared to 3QFY2012's \$34.5 million. Revenue growth for the Singapore operations as compared to the prior 3QFY2012 was not matched by improved profitability due to lower margins as well as higher operating expenses.

Whilst sales of the retail division's associated company in Indonesia grew, higher operating costs affected profitability.

8(b) Cash Flow, Working Capital, Assets and Liabilities

For 3QFY2013, Investments (Non-current assets) rose to \$120.9 million as at 31 December 2012 from \$63.2 million as at 30 September 2012, mainly due to a loan of \$29.4 million extended to a joint venture partner. Changes in the fair value of available for sale investments, Top Spring International Holdings Ltd and Shui On Land Ltd, accounted for the balance of the increase in Investments (Non-current assets).

With the incorporation of jointly controlled entity, Wingcrown Investment Pte Ltd, to undertake the development of a land parcel located at Prince Charles Crescent, Singapore for residential development for sale, the Metro Group accounted for its share of Development property of \$214.5 million and Bank borrowings (Non-current liabilities) of \$103.2 million as at 31 December 2012. This resulted in net cash used in operating activities and net cash generated from financing activities in 3QFY2013 respectively. A deposit of \$14.0 million as at 30 September 2012 for the tender for this land parcel, was reclassified accordingly.

Cash and cash equivalents declined from \$486.2 million as at 30 September 2012 to \$367.9 million as at 31 December 2012, mainly due to funding requirements for the Prince Charles Crescent development mentioned in the preceding paragraph above.

Accounts receivable increased from \$9.3 million as at 30 September 2012 to \$21.8 million as at 31 December 2012, mainly due to interest receivable and an amount due by a joint venture partner.

There were no other material factors that affected the cash flow, working capital, assets and liabilities of the Group during the current financial quarter reported on.

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

There have been no material variances with forecast or prospect statements 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

Turnover of the property division is expected to continue to be adversely affected as the contribution to rental income of the Group's investment properties by Metro City Beijing ceased with its disposal in March 2012. Profit from operations before taxation for 4QFY2013 is also expected to be significantly lower than that reported in 4QFY2012 as that quarter included the gain on the disposal of Metro City Beijing. The Group's portfolio of quoted equity investments will continue to be subject to fluctuations in their fair value due to volatile market conditions. The Group will continue to be subject to significant currency translation adjustments on foreign operations, due to volatility in foreign currency exchange rates, as a significant portion of its net assets which mainly represent investment properties situated in the People's Republic of China, are denominated in the Chinese renminbi.

Growth in domestic consumption is expected to continue to moderate, notwithstanding the longer trading period leading up to the Chinese New Year festivities this year which may assist in improving revenue growth of the retail division. Competitive trading conditions and rising operational costs is expected to continue to put pressure on margins.

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 2012.

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

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

14. Negative 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 6 February 2013