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### Miscellaneous

\* Asterisks denote mandatory information

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### >> Announcement Details

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Announcement Title *	Press Release
Description	Please refer to the attached file.
<b>Attachments</b>	 <a href="#">PressRelease.pdf</a> Total size = <b>264K</b> (2048K size limit recommended)

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## NEWS RELEASE

### **METRO'S NET PROFIT UP 25.6% TO S\$10.7 MILLION IN 3QFY2012**

- ***Achieves 9.0% increase in revenue to S\$51.6 million***
- ***Increase in revenue for both Property and Retail divisions***
- ***Property division records 4.4% rental income growth***
  - o ***Metro Tower Shanghai records higher occupancy of 97.9%***
- ***Retail division achieves 11.4% sales growth***
  - o ***Metro in Indonesia expands to eight stores with the addition of Metro Surabaya in 3QFY2012***
- ***Strong balance sheet with cash of S\$450.1 million***
- ***Shareholders' equity of S\$1.0 billion***

**Singapore, 10 February 2012** – Mainboard-listed Metro Holdings Limited (“Metro” or the “Group”) (“美罗控股有限公司”), a property development and investment group backed by established retail operations in the region, reported stronger performance for the three months ended 31 December 2011 (“3QFY2012”).

Group revenue grew 9.0% to S\$51.6 million from S\$47.3 million achieved in the previous corresponding period (“3QFY2011”), mainly buoyed by revenue growth in the Retail division. The Group reported a net profit of S\$10.7 million in 3QFY2012, up 25.6% from S\$8.5 million in 3QFY2011 on higher turnover from both its Property and Retail divisions.

Commenting on the Group's performance, Metro's Chairman, Lt Gen (Rtd) Winston Choo (朱维良) said, "We are pleased that our asset enhancement initiatives have yielded positive results for the Group's Property division. Average occupancy at our six investment properties as at 31 December 2011 was 89.2% as compared to 85.0% same time last year. As we continue to streamline our asset portfolio and simultaneously enhance existing properties, Metro is well positioned for further growth. With our strong balance sheet, we are poised to capture viable investment opportunities in China and other markets."

### **Review of Financial Performance**

In 3QFY2012, Metro's core Property division reported a 4.4% increase in revenue to S\$17.1 million from S\$16.4 million in 3QFY2011. This was due to higher rental income, in particular from higher occupancy at Metro Tower Shanghai which stood at 97.9%, and a 3.0% increase in the value of the renminbi against the Singapore dollar. For the period under review, Metro City, Shanghai continues to be the most significant rental income contributor to the Property division with a high occupancy rate of 96.8%, following the successful completion of an asset enhancement exercise in the first half of 2010.

Profit before tax for the Property division declined from S\$9.5 million in 3QFY2011 to S\$8.5 million in 3QFY2012, mainly due to the decline in share of associates' results as 3QFY2011 had included contribution from Gurney Plaza Extension which was divested in 4QFY2011.

Despite moderated growth amidst an increasingly crowded retail scene, the Group's Retail division reported an 11.4% increase in revenue to S\$34.5 million in 3QFY2012, with higher revenue growth from Metro Woodlands, offsetting earlier disruptions to sales activities during retrofitting works which were carried out in 1QFY2012. In Indonesia, Metro expanded its departmental store footprint with the openings of Metro Gandaria City in January 2011 and during the quarter, Metro Surabaya in December 2011, which helped grow sales of the Retail division's associated company.

“Despite new entrants to the retail scene, Metro continues to perform well in the face of keen retail competition. Sales growth was particularly strong at the recently refurbished Metro Woodlands in Singapore, and Metro Gandaria City and Metro Surabaya in Indonesia – all of which contributed to the Retail division’s revenue which boosted our topline,” reiterated Lt Gen (Rtd) Winston Choo.

Overall, Group profit before tax held steady at S\$12.4 million for 3QFY2012 compared to the previous corresponding period.

### **Strong Balance Sheet**

The Group continued to maintain a strong balance sheet, with a healthy cash position of S\$450.1 million and shareholders’ equity of approximately S\$1.0 billion as at 31 December 2011.

### **Outlook**

Rental income from the Group’s investment properties is expected to remain stable, subject to the completion of the disposal of Metro City Beijing, contingent on the fulfillment of conditions precedent where the risk of non-completion exists.

Notwithstanding keen competition in the retail trade and an anticipated slowdown in consumer spending following the just-over Chinese New Year festive buying, the Group seeks to maintain the sales performance of its Retail Division.

## **About Metro Holdings Limited**

Listed on the Main Board of the SGX-ST in 1973, Metro Holdings started out in 1957 as a textile store on 72 High Street. Over the years, Metro has grown to become a property and retail group with operations and investments in the region.

Today, the Group operates two core business divisions – property development and investment, and retail – and is focused on key markets in the region such as China, Indonesia and Singapore.

### **Property Development and Investment**

The Group's property arm owns and manages several prime retail and office properties in first-tier cities in China, such as Beijing, Shanghai and Guangzhou. It also holds significant investments in certain property businesses in China.

### **Retail**

Metro's retail arm serves customers through a chain of four Metro department stores in Singapore, and another eight department stores in Indonesia. The Metro shopping brand is an established household name in the retail industry, and offers a wide range of quality merchandise over 1,249,000 square feet of downtown and suburban retail space in Singapore and Indonesia.

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ISSUED ON BEHALF OF : Metro Holdings Limited  
BY : Citigate Dewe Rogerson, i.MAGE Pte Ltd  
1 Raffles Place  
#26-02 One Raffles Place  
SINGAPORE 048616  
CONTACT : Ms Dolores Phua / Ms Holly Huang  
at telephone  
DURING OFFICE HOURS : 6534-5122 (Office)  
AFTER OFFICE HOURS : 9750-8237 / 9127-7768 (Handphone)  
EMAIL : [dolores.phua@citigatedrimage.com](mailto:dolores.phua@citigatedrimage.com)  
[holly.huang@citigatedrimage.com](mailto:holly.huang@citigatedrimage.com)

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