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**[Second Quarter Results](#) \* Financial Statement And Related Announcement**

\* Asterisks denote mandatory information

Name of Announcer *	METRO HOLDINGS LIMITED
Company Registration No.	197301792W
Announcement submitted on behalf of	METRO HOLDINGS LIMITED
Announcement is submitted with respect to *	METRO HOLDINGS LIMITED
Announcement is submitted by *	Tan Ching Chek
Designation *	Company Secretary
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**>> [Announcement Details](#)**
[The details of the announcement start here ...](#)

For the Financial Period Ended *	30-09-2013
Description	Please refer to the attachment.

**Attachments**
 [MHL\\_Q2FY2014\\_Final.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 SECOND QUARTER ENDED 30 SEPTEMBER 2013

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

	Group			Group		
	2nd Qtr ended 30-Sep-2013 \$'000	2nd Qtr ended 30-Sep-2012 \$'000	% Change	Half Year ended 30-Sep-2013 \$'000	Half Year ended 30-Sep-2012 \$'000	% Change
Revenue	45,852	44,702	2.57	90,063	88,881	1.33
Cost of revenue	(33,582)	(32,146)	4.47	(67,465)	(63,580)	6.11
Gross profit	12,270	12,556	(2.28)	22,598	25,301	(10.68)
Other income including interest income	2,753	8,863	(68.94)	8,990	15,508	(42.03)
Gain on disposal of asset held for sale	29,559	-	n.m.	29,559	-	n.m.
Changes in fair value of short term investments	(722)	11,708	n.m.	(5,364)	17,536	n.m.
General and administrative expenses	(9,859)	(7,288)	35.28	(15,208)	(12,111)	25.57
Profit from operating activities	34,001	25,839	31.59	40,575	46,234	(12.24)
Interest on borrowings	(1,079)	(1,237)	(12.77)	(2,185)	(2,556)	(14.51)
Share of associates' results, net of tax	(238)	570	n.m.	34	(381)	n.m.
Profit from operations before taxation	32,684	25,172	29.84	38,424	43,297	(11.25)
Taxation	(2,120)	(5,375)	(60.56)	(4,605)	(8,585)	(46.36)
Profit net of taxation	30,564	19,797	54.39	33,819	34,712	(2.57)
Attributable to:						
Owners of the Company	30,562	19,808	54.29	33,776	34,600	(2.38)
Non-controlling interests	2	(11)	n.m.	43	112	(61.61)
	30,564	19,797	54.39	33,819	34,712	(2.57)

*n.m.* - not meaningful

## Statement of Comprehensive Income

	Group			Group		
	2nd Qtr ended 30-Sep-2013 \$'000	2nd Qtr ended 30-Sep-2012 \$'000	% Change	Half Year ended 30-Sep-2013 \$'000	Half Year ended 30-Sep-2012 \$'000	% Change
Profit net of taxation	30,564	19,797	54.39	33,819	34,712	(2.57)
Items that may be reclassified subsequently to profit or loss:						
Currency translation adjustments on foreign operations	(3,649)	(15,473)	(76.42)	12,940	(13,811)	n.m.
Changes in fair value of available-for-sale financial assets	(10,407)	(1,297)	702.39	(17,637)	(8,215)	114.69
Share of other comprehensive income of associates	120	840	(85.71)	1,335	842	58.55
Other comprehensive expense, net of tax:	(13,936)	(15,930)	(12.52)	(3,362)	(21,184)	(84.13)
Total comprehensive income for the period	<u>16,628</u>	<u>3,867</u>	330.00	<u>30,457</u>	<u>13,528</u>	125.14
Attributable to:						
Owners of the Company	16,463	4,128	298.81	30,797	13,656	125.52
Non-controlling interests	165	(261)	n.m.	(340)	(128)	165.63
	<u>16,628</u>	<u>3,867</u>	330.00	<u>30,457</u>	<u>13,528</u>	125.14

*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 in relation to Chinese Renminbi as 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		
	2nd Qtr ended 30-Sep-2013 \$'000	2nd Qtr ended 30-Sep-2012 \$'000	% Change	Half Year ended 30-Sep-2013 \$'000	Half Year ended 30-Sep-2012 \$'000	% Change
Retail	47,784	47,807	(0.05)	93,509	95,280	(1.86)
Property	15,604	14,400	8.36	31,114	29,185	6.61
	<u>63,388</u>	<u>62,207</u>	1.90	<u>124,623</u>	<u>124,465</u>	0.13

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

	Group			Group		
	2nd Qtr	2nd Qtr	% Change	Half Year	Half Year	% Change
	ended 30-Sep-2013 \$'000	ended 30-Sep-2012 \$'000		ended 30-Sep-2013 \$'000	ended 30-Sep-2012 \$'000	
Cost of revenue and general and administrative expenses includes:-						
Inventories recognised as an expense	(15,075)	(15,661)	(3.74)	(29,028)	(31,024)	(6.43)
Depreciation	(794)	(782)	1.53	(1,557)	(1,687)	(7.71)
Write-back/(allowance) for obsolete inventories	192	(212)	n.m.	177	(226)	n.m.
Inventories written back/(down)	63	65	(3.08)	(444)	(456)	(2.63)
Rental expense	(5,973)	(5,705)	4.70	(11,982)	(11,324)	5.81
Foreign exchange gain/(loss)	26	(191)	n.m.	(91)	(378)	(75.93)
Other income including interest income includes:-						
Interest income	1,111	3,384	(67.17)	2,103	4,283	(50.90)
Dividends from quoted and unquoted investments	2,729	3,302	(17.35)	5,528	7,370	(24.99)
(Loss)/gain on disposal of short term investments	(1,756)	1,012	n.m.	(2,140) *	1,012	n.m.
Management fee income from associates	168	552	(69.57)	373	1,009	(63.03)
Foreign exchange (loss)/gain	(170)	(309)	(44.98)	344	315	9.21
Government grant for refurbishment work	-	-	n.m.	1,483	-	n.m.

*n.m. - not meaningful*

\* The short term investments disposed of, had recorded a cumulative gain of \$13.6 million in the financial years up to 31 March 2013. This cumulative gain was reported as unrealised changes in fair value of short term investments in the prior years' income statements, on a mark-to-market basis, but is now realised on disposal.

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

	Group			Group		
	2nd Qtr	2nd Qtr	% Change	Half year	Half year	% Change
	ended	ended		ended	ended	
	30-Sep-2013	30-Sep-2012		30-Sep-2013	30-Sep-2012	
	\$'000	\$'000		\$'000	\$'000	
The Group's share of associates' results consists of:						
- Operating results	(277)	576	n.m.	43	(380)	n.m.
- Taxation	39	(6)	n.m.	(9)	(1)	800.00
	<u>(238)</u>	<u>570</u>	n.m.	<u>34</u>	<u>(381)</u>	n.m.

*n.m. - not meaningful*

1(a) (v) Taxation

	Group			Group		
	2nd Qtr	2nd Qtr	% Change	Half year	Half year	% Change
	ended	ended		ended	ended	
	30-Sep-2013	30-Sep-2012		30-Sep-2013	30-Sep-2012	
	\$'000	\$'000		\$'000	\$'000	
Current Year Tax	2,276	2,241	1.56	4,911	4,607	6.60
Under/(Over) provision in respect of prior years	24	-	n.m.	21	(916)	n.m.
Deferred Tax	(212)	3,101	n.m.	(359)	4,861	n.m.
Withholding Tax	32	33	(3.03)	32	33	(3.03)
	<u>2,120</u>	<u>5,375</u>	(60.56)	<u>4,605</u>	<u>8,585</u>	(46.36)

*n.m. - not meaningful*

The tax charge of the Group for the period ended 30 September 2013, excluding share of associates' results which is already stated net of tax, is lower than that derived by applying the Singapore statutory income tax rate of 17% applicable to company profits, mainly due to a gain on disposal of an asset held for sale which is not taxable for tax purposes, offset by 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. The deferred tax credit in the current period was mainly in relation to the fair value losses recorded for the Group's short term investments, against a deferred tax charge in the prior period where fair value gains were recorded for short term investments.

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

Balance Sheets as at	Group		Company	
	30-Sep-2013 \$'000	31-Mar-2013 \$'000	30-Sep-2013 \$'000	31-Mar-2013 \$'000
<b>Non-current assets</b>				
Property, plant and equipment	5,703	6,603	218	275
Investment properties	548,613	533,871	-	-
Subsidiaries	-	-	17,790	17,790
Amounts due from subsidiaries	-	-	529,145	593,409
Associates	57,314	57,338	500	500
Amounts due from associates	72,460	72,448	-	-
Amounts due from jointly controlled entities	4,695	2,555	-	-
Investments	82,040	90,002	-	-
Other receivable	76,873	29,981	-	-
	<u>847,698</u>	<u>792,798</u>	<u>547,653</u>	<u>611,974</u>
<b>Current assets</b>				
Development property	230,799	226,077	-	-
Inventories	14,575	14,977	-	-
Prepayments	799	721	-	14
Accounts and other receivables	21,155	16,354	171	181
Tax recoverable	186	269	-	-
Short term investments	42,243	99,291	-	-
Pledged fixed and bank deposits	37,386	34,982	-	-
Cash and cash equivalents	351,964	351,605	6,128	35,355
Asset held for sale	-	9,901	-	9,901
	<u>699,107</u>	<u>754,177</u>	<u>6,299</u>	<u>45,451</u>
<b>Current liabilities</b>				
Bank borrowings	30,160	41,865	-	-
Accounts and other payables	87,373	75,979	9,000	6,847
Provision for taxation	5,801	5,748	40	83
	<u>123,334</u>	<u>123,592</u>	<u>9,040</u>	<u>6,930</u>
<b>Net current assets</b>	575,773	630,585	(2,741)	38,521
<b>Non-current liabilities</b>				
Bank borrowings	193,298	194,983	-	-
Amounts due to subsidiaries	-	-	255,573	352,935
Other payables	4,011	779	-	-
Deferred taxation	80,296	79,091	325	319
	<u>(277,605)</u>	<u>(274,853)</u>	<u>(255,898)</u>	<u>(353,254)</u>
<b>Net assets</b>	<u>1,145,866</u>	<u>1,148,530</u>	<u>289,014</u>	<u>297,241</u>
<b>Equity attributable to owners of the Company</b>				
Share capital	169,717	169,717	169,717	169,717
Treasury shares	(1,768)	(1,768)	(1,768)	(1,768)
Reserves	974,645	967,850	121,065	120,173
Reserve of asset held for sale	-	9,119	-	9,119
	<u>1,142,594</u>	<u>1,144,918</u>	<u>289,014</u>	<u>297,241</u>
<b>Non-controlling interests</b>	3,272	3,612	-	-
<b>Total equity</b>	<u>1,145,866</u>	<u>1,148,530</u>	<u>289,014</u>	<u>297,241</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 30-Sep-2013		As at 31-Mar-2013	
Secured	Unsecured	Secured	Unsecured
30,159,629	-	41,865,320	-

Amount repayable after one year

As at 30-Sep-2013		As at 31-Mar-2013	
Secured	Unsecured	Secured	Unsecured
193,298,033	-	194,983,293	-

**Details of any collateral for banking facilities**

Subsidiaries:

An investment property with a fair value totaling S\$64.6 million as at 30 September 2013 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 30 September 2013 amounted to JPY5.3 billion (equivalent to S\$68.3 million).

Jointly-controlled entities:

Bank loans amounting to RMB227.5 million (equivalent to S\$46.6 million) were secured by an investment property with a fair value of S\$115.4 million as at 30 September 2013 and bank deposits totaling RMB17.8 million (equivalent to S\$3.7 million).

Bank loans amounting to S\$108.6 million are secured by a first legal mortgage over properties under development and assignment of all rights and benefits with respect to the properties.



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	
	2nd Qtr ended 30-Sep-2013 \$'000	2nd Qtr ended 30-Sep-2012 \$'000	Half Year ended 30-Sep-2013 \$'000	Half Year ended 30-Sep-2012 \$'000
<b>Cash flows from operating activities</b>				
Operating profit before reinvestment in working capital	3,799	11,077	12,138	22,085
Increase in development property	(2,262)	-	(4,722)	-
Decrease/(increase) in inventories	996	(140)	135	(353)
Increase in accounts and other receivables	(1,573)	(14,657)	(3,551)	(11,974)
Increase/(decrease) in accounts and other payables	1,424	(4,821)	14,624	(3,706)
Cash generated from/(used in) operations	2,384	(8,541)	18,624	6,052
Interest expense paid	(1,079)	(1,237)	(2,185)	(2,556)
Interest income received	1,111	3,384	2,103	4,283
Income taxes paid	(2,713)	(2,781)	(4,993)	(14,680)
Net cash flows (used in)/generated from operating activities	(297)	(9,175)	13,549	(6,901)
<b>Cash flows from investing activities</b>				
Purchase of property, plant & equipment	(245)	(647)	(661)	(959)
Subsequent expenditure on investment properties	(3,444)	-	(4,584)	(176)
Decrease/(increase) in investments	527	(1,099)	(8,551)	(424)
Loan to a joint venture partner	-	-	(45,764)	-
Purchase of short term investments	-	-	(65)	-
Proceeds from liquidation of associate	673	-	673	-
Proceeds from disposal of asset held for sale	39,460	-	39,460	-
Proceeds from disposal of property, plant and equipment	47	5	203	18
Proceeds from disposal of short term investments	18,231	3,412	49,608	3,412
Decrease in amounts due from associates	1,494	1,129	901	809
Additional loan to jointly controlled entities	(2,107)	-	(2,107)	-
Dividends received from quoted and unquoted investments	1,479	2,921	4,278	5,927
Changes in pledged fixed and bank deposits	(1,451)	(97)	(2,404)	508
Net cash flows generated from investing activities	54,664	5,624	30,987	9,115
<b>Cash flows from financing activities</b>				
Repayment of bank borrowings	(6,708)	(5,624)	(13,459)	(7,486)
Dividend paid	(33,121)	(49,682)	(33,121)	(49,682)
Net cash flows used in financing activities	(39,829)	(55,306)	(46,580)	(57,168)
<b>Net increase/(decrease) in cash and cash equivalents</b>	14,538	(58,857)	(2,044)	(54,954)
<b>Effect of exchange rate changes in cash and cash equivalents</b>	(466)	(2,923)	2,403	(2,397)
<b>Cash &amp; cash equivalents at beginning of financial period</b>	337,892	547,976	351,605	543,547
<b>Cash &amp; cash equivalents at end of financial period</b>	351,964	486,196	351,964	486,196

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

	Group		Group	
	2nd Qtr ended 30-Sep-2013 \$'000	2nd Qtr ended 30-Sep-2012 \$'000	Half Year ended 30-Sep-2013 \$'000	Half Year ended 30-Sep-2012 \$'000
Reconciliation between profit before taxation and operating cash flows before changes in working capital:				
Profit before taxation	32,684	25,172	38,424	43,297
Adjustments for:				
Interest expense	1,079	1,237	2,185	2,556
Depreciation of property, plant and equipment	794	782	1,557	1,687
Share of results of associates	238	(570)	(34)	381
Interest and investment income	(3,840)	(6,686)	(7,631)	(11,653)
Inventories written (back)/down	(63)	(65)	444	456
(Write-back)/allowance for obsolete inventories	(192)	212	(177)	226
Allowance for doubtful debts	5	-	5	-
Property, plant and equipment written off	4	-	4	-
Gain on disposal of asset held for sale	(29,559)	-	(29,559)	-
Gain on disposal of property, plant and equipment	(47)	-	(203)	(3)
Changes in fair value of short term investments	722	(11,708)	5,364	(17,536)
Loss/(gain) on disposal of short term investments	1,756	(1,012)	2,140	(1,012)
Foreign exchange adjustments	218	3,715	(381)	3,686
Operating profit before reinvestment in working capital	<u>3,799</u>	<u>11,077</u>	<u>12,138</u>	<u>22,085</u>

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

<b>Group</b>	Share Capital \$'000	Treasury Shares \$'000	Revaluation Reserve \$'000	Fair Value Reserve \$'000	Foreign Currency Translation Reserve \$'000	Revenue Reserve \$'000	Reserve of Asset classified as Held for Sale \$'000	<b>Total</b> \$'000	Non- controlling Interests \$'000	<b>Total Equity</b> \$'000
<b>At 1 April 2013</b>	169,717	(1,768)	9,954	21,988	(27,176)	963,084	9,119	<b>1,144,918</b>	3,612	<b>1,148,530</b>
Total comprehensive (expense)/income for the period	-	-	-	(6,624)	17,744	3,214	-	<b>14,334</b>	(505)	<b>13,829</b>
<b>At 30 June 2013</b>	169,717	(1,768)	9,954	15,364	(9,432)	966,298	9,119	<b>1,159,252</b>	3,107	<b>1,162,359</b>
Dividends paid	-	-	-	-	-	(33,121)	-	<b>(33,121)</b>	-	<b>(33,121)</b>
Realised on disposal of asset held for sale	-	-	-	-	-	9,119	(9,119)	-	-	-
Total comprehensive (expense)/income for the period	-	-	-	(10,590)	(3,509)	30,562	-	<b>16,463</b>	165	<b>16,628</b>
<b>At 30 September 2013</b>	169,717	(1,768)	9,954	4,774	(12,941)	972,858	-	<b>1,142,594</b>	3,272	<b>1,145,866</b>
<b>At 1 April 2012</b>	169,717	(1,768)	19,073	6,039	(26,733)	947,953	-	<b>1,114,281</b>	3,338	<b>1,117,619</b>
Total comprehensive (expense)/income for the period	-	-	-	(6,880)	1,616	14,792	-	<b>9,528</b>	133	<b>9,661</b>
<b>At 30 June 2012</b>	169,717	(1,768)	19,073	(841)	(25,117)	962,745	-	<b>1,123,809</b>	3,471	<b>1,127,280</b>
Dividends paid	-	-	-	-	-	(49,682)	-	<b>(49,682)</b>	-	<b>(49,682)</b>
Total comprehensive (expense)/income for the period	-	-	-	(1,173)	(14,507)	19,808	-	<b>4,128</b>	(261)	<b>3,867</b>
<b>At 30 September 2012</b>	169,717	(1,768)	19,073	(2,014)	(39,624)	932,871	-	<b>1,078,255</b>	3,210	<b>1,081,465</b>

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

<u>Company</u>	Share Capital	Treasury Shares	Revaluation Reserve	Revenue Reserve	Reserve of Asset classified as Held for Sale	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 April 2013</b>	169,717	(1,768)	-	120,173	9,119	<b>297,241</b>
Total comprehensive income for the period	-	-	-	313	-	<b>313</b>
<b>At 30 June 2013</b>	169,717	(1,768)	-	120,486	9,119	<b>297,554</b>
Dividends paid	-	-	-	(33,121)	-	<b>(33,121)</b>
Realised on disposal of asset held for sale	-	-	-	9,119	(9,119)	-
Total comprehensive income for the period	-	-	-	24,581	-	<b>24,581</b>
<b>At 30 September 2013</b>	169,717	(1,768)	-	121,065	-	<b>289,014</b>
<b>At 1 April 2012</b>	169,717	(1,768)	9,119	160,351	-	<b>337,419</b>
Total comprehensive expense for the period	-	-	-	(196)	-	<b>(196)</b>
<b>At 30 June 2012</b>	169,717	(1,768)	9,119	160,155	-	<b>337,223</b>
Dividends paid	-	-	-	(49,682)	-	<b>(49,682)</b>
Total comprehensive expense for the period	-	-	-	(4,139)	-	<b>(4,139)</b>
<b>At 30 September 2012</b>	169,717	(1,768)	9,119	106,334	-	<b>283,402</b>

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

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

As at 30 September 2013, there were 3,512,800 treasury shares (as at 30 September 2012: 3,512,800).

The Company did not issue any shares during the 3 months ended 30 September 2013.

There were no convertible instruments outstanding as at 30 September 2013 (30 September 2012: Nil).

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

	As at 30 September 2013 (end of current financial period)	As at 31 March 2013 (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 2nd Quarter period ended 30 September 2013.

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 2013.

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 2013, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 April 2013.

Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 April 2013 are:

- Amendments to FRS 1 Presentation of Items of Other Comprehensive Income;
  - Revised FRS 19 Employee Benefits;
  - FRS 113 Fair Value Measurement;
  - Amendments to FRS 107 Disclosures – Offsetting Financial Assets and Financial Liabilities; and
  - Improvements to FRSs 2012
- Amendment to FRS 1 Presentation of Financial Statements
  - Amendment to FRS 16 Property, Plant and Equipment
  - Amendment to FRS 32 Financial Instruments: Presentation

The adoption of the new and revised Financial Reporting Standards (FRS) that are mandatory for financial years beginning on or after 1 April 2013 has no significant impact on the Group.

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	3.7 cents	2.4 cents
(b) On a fully diluted basis	3.7 cents	2.4 cents

Earnings per share is calculated on the Group's profit attributable to shareholders of the Company of \$30,562,000 (period ended 30 September 2012: \$19,808,000) divided by the weighted average number of ordinary shares of 828,035,874 for the period ended 30 September 2013 (period ended 30 September 2012: 828,035,874).

Diluted earnings per ordinary share is computed based on the same basis as earnings per share by applying the weighted average number of ordinary shares in issuance during the periods under review and adjusted to include all potential dilutive ordinary shares up to 30 September 2013.

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	138.0 cents	34.9 cents
(b) 31 March 2013	138.3 cents	35.9 cents

Net asset value for the Group is calculated on the equity attributable to owners of the Company as at 30 September 2013 of \$1,142,594,000 (31 March 2013: \$1,144,918,000) divided by the total number of issued shares excluding treasury shares as at 30 September 2013 of 828,035,874 (31 March 2013: 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 2nd Quarter ended 30 September 2013 against 2nd Quarter ended 30 September 2012

The Group recorded turnover of \$45.9 million for the second financial quarter to 30 September 2013 ("2QFY2014"), a 2.6% increase over 2QFY2013. This was due to higher rental income at the property division. Gross profit for 2QFY2014 of \$12.3 million was lower than 2QFY2013's \$12.6 million because of refurbishment costs of the property division's Metro City Shanghai of about \$1.1 million incurred in 2QFY2014.

Other income fell to \$2.8 million from 2QFY2013's \$8.9 million as the previous 2QFY2013 included interest income of \$2.4 million from loan notes that were disposed of by the property division in 4QFY2013. In addition, the property division reported a loss of \$1.8 million on disposal of part of its portfolio of short term investments.

During 2QFY2014, the Company completed the sale of a freehold warehouse property in Singapore, as it had been underutilised by the Metro Group, resulting in a gain on disposal of \$29.6 million as well as a direct transfer of \$9.1 million from reserve of asset classified as held for sale to the revenue reserve.

Changes in fair value of short term investments relate to unrealised fair value losses of \$0.7 million in 2QFY2014 and an unrealised gain of \$11.7 million in 2QFY2013 of the Group's portfolio of short term equity investments in REITs held by the property division. In view of continued volatile market conditions, the Group has further reduced its portfolio of short term equity investments in 2QFY2014.

General and administration expenses rose to \$9.9 million in 2QFY2014 from \$7.3 million in 2QFY2013 mainly due to provision for management performance bonuses relating to the disposal of the warehouse property.

Share of associates' results was a loss of \$0.2 million in 2QFY2014 against a profit of \$0.6 million in 2QFY2013, mainly due to expenses of the new Nanchang project as well as lower profits of the retail division's Indonesian operations.

Profit before taxation rose to \$32.7 million in 2QFY2014 from \$25.2 million in 2QFY2013 mainly because of the gain on disposal of the freehold warehouse property offset by a decline in the fair value of the Group's portfolio of short term equity investments.

## Segmental Results for 2nd Quarter ended 30 September

### Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2013				
Sales to external customers	15,604	30,248	-	45,852
Inter-segment sales	-	-	-	-
Segment revenue	<u>15,604</u>	<u>30,248</u>	<u>-</u>	<u>45,852</u>
Segment results	34,893	(170)	-	34,723
Interest on borrowings	(1,079)	-	-	(1,079)
Changes in fair value of short term investments	(722)	-	-	(722)
Share of associates' results (net of tax)	<u>(380)</u>	<u>142</u>	<u>-</u>	<u>(238)</u>
Profit/(loss) from operations before taxation	32,712	(28)	-	32,684
Taxation				<u>(2,120)</u>
Profit net of taxation				<u>30,564</u>
Attributable to:				
Owners of the Company				30,562
Non-controlling interests				<u>2</u>
				<u>30,564</u>



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

### Business segment

	Property \$'000	Retail \$'000	Inter-segment Elimination \$'000	Group \$'000
2012				
Sales to external customers	14,400	30,302	-	44,702
Inter-segment sales	48	-	(48)	-
Segment revenue	<u>14,448</u>	<u>30,302</u>	<u>(48)</u>	<u>44,702</u>
Segment results	13,769	362	-	14,131
Interest on borrowings	(1,237)	-	-	(1,237)
Changes in fair value of short term investments	11,708	-	-	11,708
Share of associates' results (net of tax)	20	550	-	570
Profit from operations before taxation	<u>24,260</u>	<u>912</u>	<u>-</u>	<u>25,172</u>
Taxation				<u>(5,375)</u>
Profit net of taxation				<u>19,797</u>
Attributable to:				
Owners of the Company				19,808
Non-controlling interests				<u>(11)</u>
				<u>19,797</u>

### Geographical Segments

	Asean \$'000	Hong Kong and China \$'000	Japan \$'000	Group \$'000
2013				
Segment revenue	<u>30,248</u>	<u>14,754</u>	<u>850</u>	<u>45,852</u>
2012				
Segment revenue	<u>30,302</u>	<u>13,558</u>	<u>842</u>	<u>44,702</u>

### Segmental Results - Property Division

Turnover of the property division for 2QFY2014 rose to \$15.6 million from 2QFY2013's \$14.4 million as most of the investment properties in the People's Republic of China reported higher rental rates on renewal of leases and the Renminbi strengthened by 5.6%. The average occupancy of the Group's five investment properties as at 30 September 2013 was 93.2%. Metro City Shanghai is under a major refurbishment and reconfiguration exercise involving part of its space.

The portfolio summary of the Group's Investment Properties as at 30 September 2013 was 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	96	89.4%
GIE Tower, Guangzhou	100%	50 year term from 1994	36	95.6%
Metro Tower, Shanghai	60%	50 year term from 1993	24	98.0%
Frontier Koishikawa Building, Tokyo	100%	Freehold	5	85.3%
EC Mall, Beijing	31.65%	50 year term from 2001	90	97.5%

### Segmental Results - Retail Division

Sales of the Singapore operations of the retail division for 2QFY2014 held steady at \$30.2 million as compared to 2QFY2013's \$30.3 million. Domestic consumption was constrained and the retail trade remained competitive.

The retail division's associated company in Indonesia reported higher sales for the newer stores offset by lower sales for the older stores. Higher operational expenses resulted in lower profitability.

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

For 2QFY2014, Investments (Non-current assets) declined to \$82.0 million as at 30 September 2013 from \$93.5 million as at 30 June 2013, mainly due to changes in the fair value of available-for-sale investment, Top Spring International Holdings Ltd.

Short term investments declined to \$42.2 million as at 30 September 2013 from \$63.0 million as at 30 June 2013 mainly due to a reduction, through disposals, in the size of the Group's portfolio of short term equity investments.

The disposal of the Asset held for sale of \$9.9 million as at 30 June 2013, which represents the Group's carrying value of a freehold warehouse property, was completed in 2QFY2014 at the sale price of \$39.8 million.

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

Costs of the property division are expected to continue to be affected by the asset enhancement refurbishment exercise being undertaken by Metro City Shanghai in FY2014. Residential sale launches are expected to be conducted in FY2014 for the Prince Charles Crescent project in Singapore and the Nanchang project in the People's Republic of China. Based on accounting policies adopted by the Metro Group in compliance with Financial Reporting Standards, the Group expects to account for sales of the Prince Charles Crescent project on percentage of completion method and for the Nanchang project on a completion of contract method. The residential properties of the Nanchang project are being sold in phases and completion of the first phase for handover is currently scheduled for late 2014/early 2015.

The balance of 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.

The retail division continues to face trading pressure from an increase in the number of players in the retail scene and rising operational costs in both Singapore and Indonesia.

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 30 September 2013.

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 second quarter financial results to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Ching Chek and Lee Chin Yin  
Joint Company Secretaries  
Date 11 November 2013