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 2018

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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-2018	2nd Qtr ended 30-Sep-2017 (restated*)	% Change	Half Year ended 30-Sep-2018	Half Year ended 30-Sep-2017 (restated*)	% Change
	$'000	$'000		$'000	$'000	
Revenue						
- Retail	30,716	28,616	7.34	59,179	59,431	(0.42)
- Sale of property rights	13,953	-	n.m.	13,953	-	n.m.
- Rental income	1,661	1,630	1.90	3,365	3,239	3.89
	46,330	30,246	53.18	76,497	62,670	22.06
Cost of revenue	(43,867)	(29,886)	46.78	(73,496)	(61,214)	20.06
Gross profit	2,463	360	584.17	3,001	1,456	106.11
Other net income	4,497	4,862	(7.51)	15,826	13,551	16.79
General and administrative expenses	(6,724)	(5,071)	32.60	(11,655)	(10,377)	12.32
Interest on borrowings	(725)	(453)	60.04	(1,375)	(819)	67.89
Interest in associates						
- Share of results, net of tax	4,944	(2,134)	n.m.	4,319	11,249	(61.61)
- Dilution loss	125	(2,498)	n.m.	(72)	(2,498)	(97.12)
	5,069	(4,632)	n.m.	4,247	8,751	(51.47)
Interest in joint ventures						
- Share of results, net of tax	9,844	(17,013)	n.m.	26,109	(8,929)	n.m.
- Reversal of write down of amount due from a joint venture	-	9,472	n.m.	-	9,472	n.m.
	9,844	(7,541)	n.m.	26,109	543	n.m.
Profit/(loss) from operations before taxation	14,424	(12,475)	n.m.	36,153	13,105	175.87
Taxation	(1,454)	(1,256)	15.76	(2,927)	(1,794)	63.15
Profit/(loss) net of taxation	12,970	(13,731)	n.m.	33,226	11,311	193.75
Attributable to:						
Owners of the Company	12,810	(13,751)	n.m.	33,037	11,239	193.95
Non-controlling interests	160	20	700.00	189	72	162.50
	12,970	(13,731)	n.m.	33,226	11,311	193.75

n.m. - not meaningful

* The results for the period ended 30 September 2017 are restated following the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International) (SFRS(I)). Please refer to para 5 for the details of the financial impact from the adoption of SFRS(I).

Statement of Comprehensive Income

	Group			Group		
	2nd Qtr ended 30-Sep-2018 $'000	2nd Qtr ended 30-Sep-2017 (restated) $'000	% Change	Half Year ended 30-Sep-2018 $'000	Half Year ended 30-Sep-2017 (restated) $'000	% Change
Profit/(loss) net of taxation	12,970	(13,731)	n.m.	33,226	11,311	193.75
Other comprehensive income/ (expense):						
Items that may be reclassified subsequently to profit or loss:						
Currency translation adjustments on foreign subsidiaries, associates and joint ventures (Note 1)	(15,600)	(876)	n.m.	(3,551)	(5,697)	(37.67)
Investments at fair value through other comprehensive income (Refer to Section 1(a)(ii) Note 3 on page 3)						
- net fair value changes	-	(8)	n.m.	-	4,957	n.m.
- net fair value changes reclassified to profit or loss	-	-	n.m.	-	(423)	n.m.
Share of other comprehensive (expense)/income of associates and joint ventures (Note 2)	(10,217)	13,476	n.m.	(5,239)	14,360	n.m.
Other comprehensive (expense) /income, net of tax:	(25,817)	12,592	n.m.	(8,790)	13,197	n.m.
Total comprehensive (expense) /income for the period	(12,847)	(1,139)	1,027.92	24,436	24,508	(0.29)
Total comprehensive (expense) /income attributable to:						
Owners of the Company	(12,570)	(1,150)	993.04	26,112	24,183	7.98
Non-controlling interests	(277)	11	n.m.	(1,676)	325	n.m.
	(12,847)	(1,139)	1,027.92	24,436	24,508	(0.29)

n.m. - not meaningful

Note:

(1) Currency translation adjustments on foreign subsidiaries, associates and joint ventures are mainly a result of the Group's exposure to the effects of fluctuations in foreign currency exchange rates in relation to Chinese Renminbi ("RMB") for the Group's investment properties and development projects situated in the People's Republic of China ("PRC"). There is also exposure to British pounds and Indonesian rupiah in respect of the projects in the United Kingdom and Indonesia. Whenever possible, the Group seeks to maintain a natural hedge through the matching of liabilities, including borrowings, against assets in the same currency.

(2) The share of other comprehensive income/(expense) of associates and joint ventures relates mainly to the share of foreign currency translation reserve. 2QFY2019's share of exchange difference arose mainly due to an associate which is exposed to foreign currency translation from the exposure of RMB as a result of its investment in the PRC.

1(a) (ii) Profit from operations before taxation is arrived at after accounting for:-

	Group			Group		
	2nd Qtr ended 30-Sep-2018	2nd Qtr ended 30-Sep-2017 (restated)	% Change	Half Year ended 30-Sep-2018	Half Year ended 30-Sep-2017 (restated)	% Change
	$'000	$'000		$'000	$'000	
Cost of revenue and general and administrative expenses includes:-						
Depreciation of plant and equipment	(602)	(523)	15.11	(1,211)	(1,000)	21.10
Cost of property rights sold	(12,058)	-	n.m.	(12,058)	-	n.m.
Inventories recognised as an expense	(20,217)	(18,168)	11.28	(38,370)	(37,638)	1.94
Allowance for obsolete inventories	(9)	(521)	(98.27)	(18)	(530)	(96.60)
Inventories written (down)/back	(352)	111	n.m.	(667)	(184)	262.50
Rental expense	(5,919)	(5,693)	3.97	(11,839)	(11,532)	2.66
Other net income/(loss) includes:-						
Interest income	3,713	3,738	(0.67)	7,486	7,064	5.97
Dividends from						
- long term investments	1,756	388	352.58	2,090	2,227	(6.15)
- short term investments	300	490	(38.78)	1,088	1,602	(32.08)
Net change in fair value of investments at fair value through profit and loss (Note 3)	(1,321)	215	n.m.	5,386	2,073	159.82
- long term investments	(1,895)	-	n.m.	6,600	-	n.m.
- short term investments	574	215	166.98	(1,214)	2,073	n.m.
Gain on disposal of						
- short term investments	-	207	n.m.	-	291	n.m.
- an investment property (Note 4)	-	-	n.m.	-	809	n.m.
Management fee income from associates	83	185	(55.14)	198	434	(54.38)
Foreign exchange loss	(616)	(817)	(24.60)	(1,169)	(1,520)	(23.09)

n.m. - not meaningful

Note:

(3) On 1 April 2018, the Group adopted SFRS(I) 9 Financial Instruments and reclassified the "Long term investments – available-for-sale ("AFS")" to "Long term investments – fair value through profit or loss ("FVTPL")" (please refer to Section 5(b) on page 16 for more details). Consequently, changes in fair value of previously held AFS are recognised in profit or loss instead of fair value through other comprehensive income ("FVOCI").

(4) In the previous period ended 30 September 2017, the gain on disposal of an investment property relates to the gain arising on the sale of Lakeville Regency, Shanghai, being gross proceeds over and above the valuation as at 31 March 2017.

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

	Group			Group		
	2nd Qtr ended 30-Sep-2018	2nd Qtr ended 30-Sep-2017 (restated)	% Change	Half year ended 30-Sep-2018	Half year ended 30-Sep-2017 (restated)	% Change
	$'000	$'000		$'000	$'000	
The Group's share of associates' results consists of:						
- Operating results	1,880	(1,104)	n.m.	334	12,024	(97.22)
- Fair value gain on investment properties	3,623	2,321	56.10	4,779	9,181	(47.95)
- Taxation	(276)	(4,263)	(93.53)	(934)	(10,160)	(90.81)
- Others	(283)	912	n.m.	140	204	(31.37)
	4,944	(2,134)	n.m.	4,319	11,249	(61.61)

n.m. - not meaningful

Note:

The Group, in 2QFY2019, has applied the equity method for the operating results of the Top Spring group using financial statements that are prepared as of a different reporting date from that of the Company, after adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Company. As Top Spring releases its results on a half-year basis, with the last financial statements as at 30 June 2018, in accordance with the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited, the Group has equity accounted for Top Spring using its results for the 6 months to 30 June 2018 less estimates of its results for the 3 months to 31 March 2018 and adjusted for the effects of significant transactions or events that occurred between 1 July 2018 and 30 September 2018.

1(a) (iv) Share of Joint Ventures' results (net of tax)

	Group 2nd Qtr ended			Group Half year ended		
	30-Sep-2018 $'000	30-Sep-2017 $'000	% Change	30-Sep-2018 $'000	30-Sep-2017 $'000	% Change
The Group's share of joint ventures' results consists of:						
- Operating results	13,440	(14,337)	n.m.	32,398	(3,261)	n.m.
- Fair value (loss)/gain on investment properties	(1,314)	56	n.m.	(536)	(224)	139.29
- Taxation	(2,282)	(2,732)	(16.47)	(5,753)	(5,444)	5.68
	9,844	(17,013)	n.m.	26,109	(8,929)	n.m.

n.m. - not meaningful

1(a) (v) Taxation

	Group 2nd Qtr ended 30-Sep-2018 $'000	2nd Qtr ended 30-Sep-2017 $'000	% Change	Group Half year ended 30-Sep-2018 $'000	Half year ended 30-Sep-2017 $'000	% Change
Current Year Tax	57	1,377	(95.86)	1,996	2,002	(0.30)
Overprovision in respect of prior year	-	-	n.m.	(15)	(208)	(92.79)
Deferred Tax	1,397	(121)	n.m.	946	-	n.m.
	1,454	1,256	15.76	2,927	1,794	63.15

n.m. - not meaningful

The tax charge of the Group for the second quarter period ended 30 September 2018, excluding share of results of associates and joint ventures which is already stated net of tax, is higher than that derived by applying the Singapore statutory income tax rate of 17% applicable to company profits, mainly due to deferred tax expense being withholding tax provided on undistributed profits of joint ventures 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	
	30-Sep-2018	31-Mar-2018 (restated)	30-Sep-2018	31-Mar-2018
	$'000	$'000	$'000	$'000
Non-current assets				
Plant and equipment	3,855	4,466	32	42
Investment properties	95,878	100,214	-	-
Subsidiaries	-	-	17,790	17,790
Amounts due from subsidiaries	-	-	291,496	535,448
Associates	619,460	544,174	500	500
Joint ventures	197,313	419,917	-	-
Long term investments				
- Fair value through profit or loss	87,021	-	-	-
- Available-for-sale	-	80,336	-	-
	1,003,527	1,149,107	309,818	553,780
Current assets				
Development properties	74,296	50,556	-	-
Inventories	15,893	16,950	-	-
Prepayments	1,199	1,922	-	-
Accounts and other receivables	53,507	135,350	196	192
Tax recoverable	94	-	-	-
Amounts due from subsidiaries	-	-	238,165	-
Amounts due from associates	1,957	-	-	-
Amounts due from joint ventures	191,968	-	4,272	-
Short term investments	30,016	30,262	-	-
Pledged fixed bank deposits	118,510	158,409	-	-
Cash and cash equivalents	202,686	159,364	2,120	9,588
	690,126	552,813	244,753	9,780
Current liabilities				
Bank borrowings	102,388	136,752	-	-
Accounts and other payables	48,868	53,876	4,073	7,954
Amounts due to subsidiaries	-	-	234,663	-
Amount due to a joint venture	22,409	-	-	-
Provision for taxation	594	1,448	6	15
	174,259	192,076	238,742	7,969
Net current assets	515,867	360,737	6,011	1,811
Non-current liabilities				
Amounts due to subsidiaries	-	-	-	255,192
Amount due to a joint venture	19,522	-	-	-
Deferred income	10,247	11,325	-	-
Deferred taxation	16,758	16,377	21	12
	(46,527)	(27,702)	(21)	(255,204)
Net assets	1,472,867	1,482,142	315,808	300,387
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	1,290,318	1,305,608	147,859	132,438
	1,458,267	1,473,557	315,808	300,387
Non-controlling interests	14,600	8,585	-	-
Total equity	1,472,867	1,482,142	315,808	300,387

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-2018		As at 31-Mar-2018	
Secured	Unsecured	Secured	Unsecured
102,388,000	-	136,752,000	-

Amount repayable after one year

As at 30-Sep-2018		As at 31-Mar-2018	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral for banking facilities

Subsidiaries:

Fixed deposits totaling S$118.5 million (31 March 2018: S$158.4 million) have been pledged to banks for banking facilities of GBP78.5 million (31 March 2018: GBP78.5 million) granted to certain subsidiaries. Total loans drawn on such facilities as at 30 September 2018 amounted to S$102.4 million (equivalent to GBP57.4 million) (31 March 2018: S$136.8 million (equivalent to GBP74.2 million)).

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 ended

	Group		Group	
	2nd Qtr ended 30-Sep-2018	2nd Qtr ended 30-Sep-2017 (restated)	Half Year ended 30-Sep-2018	Half Year ended 30-Sep-2017 (restated)
	$'000	$'000	$'000	$'000
Cash flows from operating activities				
Operating loss before reinvestment in working capital	(2,669)	(3,622)	(5,325)	(5,857)
Decrease/(increase) in development properties	2,731	-	(26,593)	-
(Increase)/decrease in inventories	(396)	(1,645)	372	(1,712)
(Increase)/decrease in accounts and other receivables	(39,606)	303	82,565	404
(Decrease)/increase in accounts and other payables	(1,874)	(2,597)	(6,086)	212
Cash used in operations	(41,814)	(7,561)	44,933	(6,953)
Interest expense paid	(725)	(453)	(1,375)	(819)
Interest income received	2,938	2,546	6,290	5,018
Income taxes paid	(1,054)	(1,719)	(2,915)	(1,865)
Net cash flows (used in)/generated from operating activities	(40,655)	(7,187)	46,933	(4,619)
Cash flows from investing activities				
Purchase of plant & equipment	(368)	(730)	(644)	(878)
Decrease/(increase) in investments	52	69	118	(27)
Purchase of short term investments	-	-	(967)	-
Proceeds from:				
- disposal of an investment property	-	4,791	-	7,833
- disposal of plant and equipment	-	1	-	1
- disposal of short term investments	-	1,627	-	5,112
Investment in associates	(7,678)	(4,149)	(14,597)	6,470
Decrease in amount due to an associate	-	(19,370)	-	(19,376)
Decrease/(increase) in amounts due from associates	8,298	(81,804)	(64,184)	(91,489)
Increase in amounts due to joint venture	-	-	43,407	-
(Increase)/decrease in amounts due from joint ventures	-	(2,286)	31,859	(9,477)
Dividends received from:				
- long term investments	1,756	1,273	2,090	2,227
- short term investments	300	490	1,088	1,602
- associates	-	16,700	13,489	36,455
- joint ventures	5,570	22,360	7,888	22,360
Changes in pledged fixed bank deposits	6,956	(5,000)	39,899	(5,000)
Net cash flows generated from/(used in) investing activities	14,886	(66,028)	59,446	(44,187)
Cash flows from financing activities				
Drawdown of bank borrowings	-	12,097	-	33,231
Repayment of bank borrowings	-	-	(29,954)	-
Dividend paid	(41,402)	(41,402)	(41,402)	(41,402)
Contributions from non-controlling interest	3,647	-	7,691	-
Net cash flows used in financing activities	(37,755)	(29,305)	(63,665)	(8,171)
Net (decrease)/increase in cash and cash equivalents	(63,524)	(102,520)	42,714	(56,977)
Effect of exchange rate changes in cash and cash equivalents	(2,177)	(922)	608	(2,221)
Cash & cash equivalents at beginning of financial period	268,387	322,408	159,364	278,164
Cash & cash equivalents at end of financial period	202,686	218,966	202,686	218,966

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

	Group		Group	
	2nd Qtr ended 30-Sep-2018	2nd Qtr ended 30-Sep-2017 (restated)	Half Year ended 30-Sep-2018	Half Year ended 30-Sep-2017 (restated)
	$'000	$'000	$'000	$'000
Reconciliation between profit/(loss) from operations before taxation and operating cash flows before changes in working capital:				
Profit/(loss) from operations before taxation	14,424	(12,475)	36,153	13,105
Adjustments for:				
Interest expense	725	453	1,375	819
Depreciation of plant and equipment	602	523	1,211	1,000
Share of results of associates	(4,944)	2,134	(4,319)	(11,249)
Dilution loss on interest in associates	(125)	2,498	72	2,498
Share of results of joint ventures	(9,844)	17,013	(26,109)	8,929
Reversal of write down of amount due from a joint venture	-	(9,472)	-	(9,472)
Interest income	(3,713)	(3,738)	(7,486)	(7,064)
Dividends from				
- long term investments	(1,756)	(388)	(2,090)	(2,227)
- short term investments	(300)	(490)	(1,088)	(1,602)
Inventories written down/(back)	352	(111)	667	184
Allowance for obsolete inventories	9	521	18	530
Allowance for doubtful debts	1	2	1	2
Plant and equipment written off	-	-	43	-
Gain on disposal of an investment property	-	-	-	(809)
Gain on disposal of plant and equipment	-	(1)	-	(1)
Net change in fair value of investments at fair value through profit and loss	1,321	(215)	(5,386)	(2,073)
Gain on disposal of short term investments	-	(207)	-	(291)
Foreign exchange adjustments	579	331	1,613	1,864
Operating loss before reinvestment in working capital	(2,669)	(3,622)	(5,325)	(5,857)

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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Changes in Shareholders' Equity

Group	Share Capital $'000	Treasury Shares $'000	FVOCI Reserve $'000	Foreign Currency Translation Reserve $'000	Statutory reserve $'000	Other Reserve $'000	Revenue Reserve $'000	**Total $'000**	Non-controlling Interests $'000	**Total Equity $'000**
At 30 June 2018	169,717	(1,768)	-	24,316	4,138	1,187	1,314,649	**1,512,239**	11,230	**1,523,469**
Profit for the period	-	-	-	-	-	-	12,810	**12,810**	160	**12,970**
Other comprehensive income/(expense)										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	(15,163)	-	-	-	**(15,163)**	(437)	**(15,600)**
Share of other comprehensive income/(expense) of associates and joint ventures	-	-	-	(10,627)	-	410	-	**(10,217)**	-	**(10,217)**
Other comprehensive income/(expense) for the financial period, net of tax	-	-	-	(25,790)	-	410	-	**(25,380)**	(437)	**(25,817)**
Total comprehensive income/(expense) for the financial period	-	-	-	(25,790)	-	410	12,810	**(12,570)**	(277)	**(12,847)**
Changes in ownership interests in a subsidiary										
Interest in a subsidiary	-	-	-	-	-	-	-	**-**	3,647	**3,647**
Total changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	**-**	3,647	**3,647**
Contributions by and distributions to owners										
Dividends paid	-	-	-	-	-	-	(41,402)	**(41,402)**	-	**(41,402)**
Total contributions by and distributions to owners	-	-	-	-	-	-	(41,402)	**(41,402)**	-	**(41,402)**
Others										
Transfer to statutory reserve fund	-	-	-	-	53	-	(53)	**-**	-	**-**
At 30 September 2018	169,717	(1,768)	-	(1,474)	4,191	1,597	1,286,004	**1,458,267**	14,600	**1,472,867**

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

Group	Share Capital $'000	Treasury Shares $'000	FVOCI Reserve $'000	Foreign Currency Translation Reserve $'000	Statutory reserve $'000	Other Reserve $'000	Revenue Reserve $'000	**Total $'000**	Non-controlling Interests $'000	**Total Equity $'000**
At 1 April 2018 (as previously stated)	169,717	(1,768)	5,330	(42,219)	4,081	1,811	1,336,605	**1,473,557**	8,585	**1,482,142**
Effects of adoption of SFRS(I)	-	-	(5,330)	47,456	-	-	(42,126)	**-**	-	**-**
At 1 April 2018 (as restated)	169,717	(1,768)	-	5,237	4,081	1,811	1,294,479	**1,473,557**	8,585	**1,482,142**
Profit for the period	-	-	-	-	-	-	20,227	**20,227**	29	**20,256**
Other comprehensive income/(expense)										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	13,477	-	-	-	**13,477**	(1,428)	**12,049**
Share of other comprehensive income/(expense) of associates and joint ventures	-	-	-	5,602	-	(624)	-	**4,978**	-	**4,978**
Other comprehensive income/(expense) for the financial period, net of tax	-	-	-	19,079	-	(624)	-	**18,455**	(1,428)	**17,027**
Total comprehensive income/(expense) for the financial period	-	-	-	19,079	-	(624)	20,227	**38,682**	(1,399)	**37,283**
Changes in ownership interests in a subsidiary										
Interest in a subsidiary	-	-	-	-	-	-	-	**-**	4,044	**4,044**
Total changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	**-**	4,044	**4,044**
Others										
Transfer to statutory reserve fund	-	-	-	-	57	-	(57)	**-**	-	**-**
At 30 June 2018	169,717	(1,768)	-	24,316	4,138	1,187	1,314,649	**1,512,239**	11,230	**1,523,469**

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

Group	Share Capital $'000	Treasury Shares $'000	FVOCI Reserve $'000	Foreign Currency Translation Reserve $'000	Statutory reserve $'000	Other Reserve $'000	Revenue Reserve $'000	**Total $'000**	Non-controlling Interests $'000	**Total Equity $'000**
At 30 June 2017	169,717	(1,768)	7,609	(3,900)	3,936	1,474	1,196,491	**1,373,559**	2,787	**1,376,346**
(Loss)/profit for the period	-	-	-	-	-	-	(13,751)	**(13,751)**	20	**(13,731)**
Other comprehensive income/(expense)										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	(841)	-	-	-	**(841)**	(35)	**(876)**
Investments at fair value through other comprehensive income - net fair value changes	-	-	(34)	-	-	-	-	**(34)**	26	**(8)**
Share of other comprehensive income of associates and joint ventures	-	-	-	13,152	-	324	-	**13,476**	-	**13,476**
Other comprehensive (expense)/income for the financial period, net of tax	-	-	(34)	12,311	-	324	-	**12,601**	(9)	**12,592**
Total comprehensive (expense)/income for the financial period	-	-	(34)	12,311	-	324	(13,751)	**(1,150)**	11	**(1,139)**
Changes in ownership interests in a subsidiary										
Interest in a subsidiary	-	-	-	-	-	-	-	-	-	-
Total changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	-	-	-
Contributions by and distributions to owners										
Dividends paid	-	-	-	-	-	-	(41,402)	**(41,402)**	-	**(41,402)**
Total contributions by and distributions to owners	-	-	-	-	-	-	(41,402)	**(41,402)**	-	**(41,402)**
Others										
Transfer to statutory reserve fund	-	-	-	-	98	-	(98)	-	-	-
At 30 September 2017	169,717	(1,768)	7,575	8,411	4,034	1,798	1,141,240	**1,331,007**	2,798	**1,333,805**

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

Group	Share Capital $'000	Treasury Shares $'000	FVOCI Reserve $'000	Foreign Currency Translation Reserve $'000	Statutory reserve $'000	Other Reserve $'000	Revenue Reserve $'000	**Total $'000**	Non-controlling Interests $'000	**Total Equity $'000**
At 1 April 2017 (As previously stated)	169,717	(1,768)	3,366	(50,177)	3,880	1,474	1,221,734	**1,348,226**	2,473	**1,350,699**
Effects of adoption of SFRS(I)	-	-	-	50,177	-	-	(50,177)	**-**	-	**-**
At 1 April 2017 (As restated)	169,717	(1,768)	3,366	-	3,880	1,474	1,171,557	**1,348,226**	2,473	**1,350,699**
Profit for the period	-	-	-	-	-	-	24,990	**24,990**	52	**25,042**
Other comprehensive income/(expense)										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	(4,784)	-	-	-	**(4,784)**	(37)	**(4,821)**
Investments at fair value through other comprehensive income										
- net fair value changes	-	-	4,641	-	-	-	-	**4,641**	324	**4,965**
- net fair value changes reclassified to profit or loss	-	-	(398)	-	-	-	-	**(398)**	(25)	**(423)**
Share of other comprehensive income of associates and joint ventures	-	-	-	884	-	-	-	**884**	-	**884**
Other comprehensive income/(expense) for the financial period, net of tax	-	-	4,243	(3,900)	-	-	-	**343**	262	**605**
Total comprehensive income/(expense) for the financial period	-	-	4,243	(3,900)	-	-	24,990	**25,333**	314	**25,647**
Others										
Transfer to statutory reserve fund	-	-	-	-	56	-	(56)	**-**	-	**-**
At 30 June 2017	169,717	(1,768)	7,609	(3,900)	3,936	1,474	1,196,491	**1,373,559**	2,787	**1,376,346**

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

Company	Share Capital $'000	Treasury Shares $'000	Revenue Reserve $'000	**Total Equity** $'000
At 1 April 2018	169,717	(1,768)	132,438	**300,387**
Profit for the period, representing total comprehensive income for the financial period	-	-	8,977	**8,977**
At 30 June 2018	169,717	(1,768)	141,415	**309,364**
Profit for the period, representing total comprehensive income for the financial period	-	-	47,846	**47,846**
Contributions by and distribution to owners				
Dividends paid	-	-	(41,402)	**(41,402)**
At 30 September 2018	169,717	(1,768)	147,859	**315,808**
At 1 April 2017	169,717	(1,768)	103,071	**271,020**
Loss for the period, representing total comprehensive expense for the financial period	-	-	(969)	**(969)**
At 30 June 2017	169,717	(1,768)	102,102	**270,051**
Loss for the period, representing total comprehensive income for the financial period	-	-	(1,462)	**(1,462)**
Contributions by and distribution to owners				
Dividends paid	-	-	(41,402)	**(41,402)**
At 30 September 2017	169,717	(1,768)	59,238	**227,187**

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 for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 2018, there were 3,512,800 treasury shares (as at 30 September 2017: 3,512,800).

The Company did not issue any shares during the 3 months ended 30 September 2018.

There were no convertible instruments outstanding as at 30 September 2018 (30 September 2017: 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 2018 (end of current financial period)	As at 31 March 2018 (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, cancellation and/or use of treasury shares as at the end of the current financial period reported on

The Company did not sell, transfer, cancel or use any treasury shares in the 2nd Quarter period ended 30 September 2018.

1(d) (v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period report on.

The Company did not have any subsidiary holdings in the 2nd Quarter period ended 30 September 2018.

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 2018.

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

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) (SFRS(I)). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Group's financial statements for the financial year ending 31 March 2019 will be prepared in accordance with SFRS(I) issued by the ASC, and IFRS issued by the IASB.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 March 2018, except for the adoption of new/revised SFRS(I) applicable for the financial period beginning 1 April 2018 as follows:

SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)
SFRS(I) 9 Financial Instruments
SFRS(I) 15 Revenue from Contracts with Customers

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 (cont'd)

(a) Application of SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)

The Group is required to retrospectively apply all SFRS(I) effective at the end of the first SFRS(I) reporting period (financial year ending 31 March 2019), subject to the mandatory exceptions and optional exemptions under SFRS(I)1. The Group has elected the relevant optional exemptions and the exemptions resulting in adjustments to the Group's financial statements are as follows:

Cumulative translation differences

The Group has elected for the optional exemption to reset its cumulative translation differences for all foreign operations to nil at the date of transition at 1 April 2017. As a result, cumulative translation losses of $50,177,000 were reclassified from foreign currency translation reserve to retained earnings as at 1 April 2017 for the Group. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before 1 April 2017.

(b) Adoption of SFRS(I) 9 Financial Instruments

The Group has applied the exemption in SFRS(I) 9 which allowed it not to restate comparative information in the FY2019 SFRS(I) financial statements. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised as an adjustment to the opening balance of retained earnings and reserves as at 1 April 2018.

Amounts due from subsidiaries and joint ventures

The Group and the Company have reclassified certain amounts due from subsidiaries and joint ventures from non-current assets to current assets and amounts due to subsidiaries from non-current liabilities to current liabilities to conform with the requirements of SFRS(I) 9.

Investments

On adoption of SFRS(I) 9, the Group has reclassified "Long term investments – available-for-sale" of $80.3 million to "Long term investments – fair value through profit or loss" (Please refer to Section 1(a)(ii) Note 3 on Page 3 for the consequential impact on the income statement and other comprehensive income).

The Group continues to measure the "Short term investments" at fair value through profit or loss.

(c) SFRS(I) 15 Revenue from Contracts with Customers

SFRS(I) 15 establishes a five-step model to account for revenue arising from contracts with customers, and introduces new contract cost guidance. Under SFRS(I) 15, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The Group has applied the changes in accounting policies, using the full retrospective approach.

The adoption of the SFRS(I) 15 did not have any significant impact on the financial statements of 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 (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	1.5 cents	(1.7) cents
(b) On a fully diluted basis	1.5 cents	(1.7) cents

Earnings per share is calculated on the Group's profit attributable to shareholders of the Company of $12,810,000 (period ended 30 September 2017: Loss of $13,751,000) divided by the weighted average number of ordinary shares of 828,035,874 for the period ended 30 September 2018 (period ended 30 September 2017: 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 2018.

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 - 30 September 2018	$1.76	$0.38
(b) 31 March 2018	$1.78	$0.36

Net asset value for the Group is calculated on the equity attributable to owners of the Company as at 30 September 2018 of $1,458,267,000 (31 March 2018: $1,473,557,000) divided by the total number of issued shares excluding treasury shares as at 30 September 2018 of 828,035,874 (31 March 2018: 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 2018 against 2nd Quarter ended 30 September 2017

The Group's revenue of $46.3 million for the second financial quarter to 30 September 2018 ("2QFY2019") increased by 53.2% over 2QFY2018's $30.2 million as the property division recognised revenue of $14.0 million from the sale of property rights of the residential development properties in Bekasi, Jakarta. The retail division also reported higher sales. Correspondingly, gross profit for 2QFY2019 increased to $2.5 million as compared to 2QFY2018's $0.4 million.

Share of results of associates recorded a gain of $4.9 million in 2QFY2019 against a loss of $2.1 million in 2QFY2018 mainly because in this quarter the Group recorded a $1.3 million share of profit from Top Spring as compared to a $4.4 million share of loss in 2QFY2018. The Group also recognised its share of profit from the Middlewood Locks development in the United Kingdom amounting to $2.8 million.

Share of results of joint ventures recorded a gain of $9.8 million in 2QFY2019 as compared to a loss of $17.0 million in 2QFY2018 mainly due to contribution from The Crest, Singapore in 2QFY2019. In the prior 2QFY2018, the Group recorded a one-off expense arising on the expiry of conditional remission of Additional Buyer's Stamp Duty (ABSD) for The Crest, Singapore, with the Group's share of $27.7 million fully accounted for, which was partially mitigated by a reversal of a $9.5 million write down of amount due from this joint venture.

As a result of the foregoing, profit before taxation increased to $14.4 million in 2QFY2019 from a loss of $12.5 million in 2QFY2018.

Segmental Results for 2nd Quarter ended 30 September

Business segment

2018

	Property $'000	Retail $'000	Group $'000
Segment revenue			
- Sale of goods and net commission from concessionaires	-	30,716	30,716
- Sale of property rights	13,953	-	13,953
- Rental income	1,661	-	1,661
	15,614	30,716	46,330
Segment results	2,709	(2,473)	236
Interest on borrowings	(725)	-	(725)
Interest in associates			
- Share of results, net of tax	5,171	(227)	4,944
- Dilution gain	125	-	125
	5,296	(227)	5,069
Interest in joint ventures			
- Share of results, net of tax (Note)	9,844	-	9,844
Profit/(loss) from operations before taxation	17,124	(2,700)	14,424
Taxation			(1,454)
Profit net of taxation			12,970
Attributable to:			
Owners of the Company			12,810
Non-controlling interests			160
			12,970

Note:

Share of joint ventures' results, net of tax

	$'000
Segment revenue	32,206
Segment results	14,109
Fair value loss on investment properties	(1,314)
Interest on borrowings	(669)
Profit from operations before taxation	12,126
Taxation	(2,282)
Profit net of taxation	9,844

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

Business segment

2017 (restated)

	Property $'000	Retail $'000	Group $'000
Segment revenue			
- Sale of goods and net commission from concessionaires	-	28,616	28,616
- Rental income	1,630	-	1,630
	1,630	28,616	30,246
Segment results	2,859	(2,708)	151
Interest on borrowings	(453)	-	(453)
Interest in associates			
- Share of results, net of tax	(2,399)	265	(2,134)
- Dilution loss	(2,498)	-	(2,498)
	(4,897)	265	(4,632)
Interest in joint ventures			
- Share of results, net of tax (Note)	(17,013)	-	(17,013)
- Reversal of write down of amount due from a joint venture	9,472	-	9,472
	(7,541)	-	(7,541)
Loss from operations before taxation	(10,032)	(2,443)	(12,475)
Taxation			(1,256)
Loss net of taxation			(13,731)
Attributable to:			
Owners of the Company			(13,751)
Non-controlling interests			20
			(13,731)

Note:

Share of joint ventures' results, net of tax

	$'000
Segment revenue	33,925
Segment results	(14,337)
Fair value gain on investment properties	56
Loss from operations before taxation	(14,281)
Taxation	(2,732)
Loss net of taxation	(17,013)

Geographical Segments

	Asean $'000	People's Republic of China $'000	Group $'000
Segment revenue			
2018	44,669	1,661	46,330
2017	28,616	1,630	30,246

Segmental Results - Property Division

Revenue from the property division, for 2QFY2019 increased to $15.6 million from 2QFY2018's $1.6 million mainly due to revenue recognition of $14.0 million from the sale of property rights of the residential development properties in Bekasi, Jakarta. Revenue from GIE Tower remains comparable.

Segment results of the property division, excluding associates and joint ventures, reported a gain of $2.7 million in 2QFY2019, comparable to 2QFY2018.

Share of results of associates improved because the previous 2QFY2018 included a $4.4 million share of loss from Top Spring as compared to a $1.3 million share of profit from Top Spring in 2QFY2019. The Group recorded a share of profit of $2.8 million from the Middlewood Locks development, United Kingdom.

Share of results of joint ventures also improved to S$9.8 million in 2QFY2019 from a loss of S$17.0 million over the same period, lifted by higher contributions from its joint venture project, The Crest, driven by profits recognition of the residential units sold and an absence of a one-off Additional Buyer's Stamp Duty expense recorded in 2QFY2018, which was partially mitigated by a reversal of a $9.5 million write down of amount due from this joint venture.

The average occupancy of the Group's four investment properties held by a subsidiary and joint ventures as at 30 September 2018 was 96.6%.

The portfolio summary of the Group's Investment Properties as at 30 September 2018 was as follows:

	Percentage Owned	*Tenure*	*No. of Tenants*	*Occupancy Rate (%)*
Owned by a Subsidiary				
GIE Tower, Guangzhou	100%	50 year term from 1994	35	90.7%
Owned by Joint Ventures				
Metro City, Shanghai	60%	36 year term from 1993	178	97.6%
Metro Tower, Shanghai	60%	50 year term from 1993	32	98.1%
5 Chancery Lane, London	50%	Freehold	1	100.0%

Segmental Results - Retail Division

Revenue from the Singapore operations of the retail division for 2QFY2019 increased to $30.7 million from 2QFY2018's $28.6 million. Consequently, the losses reduced by $0.2 million.

The retail division's associate company in Indonesia reported strong competition. Overall profitability declined marginally.

8(b) Cash Flow, Working Capital, Assets and Liabilities of the group during the current financial period reported on

Associates (Non-current assets) and Amounts due from associates (Current assets) decreased from $628.7 million as at 30 June 2018 to $621.4 million as at 30 September 2018 mainly due to the repayment of a shareholder loan of $20.7 million from an associate, Jovial Paradise Limited and currency translation adjustments of foreign associates. These were partially offset by a loan of $10.6 million extended to the 35% associate, Shanghai Yi Zhou Property Management Co., Ltd., as share of funding for Shanghai Plaza in Shanghai.

Joint ventures (Non-current assets) and Amounts due from joint ventures (Current assets) decreased marginally from $391.5 million as at 30 June 2018 to $389.3 million as at 30 September 2018.

Development properties (Current assets) decreased to $74.3 million as at 30 September 2018 from $79.9 million as at 30 June 2018. This relates to the residential development properties in Jakarta, Indonesia, held for sales.

Accounts and other receivables (Current assets) increased from $14.3 million as at 30 June 2018 to $53.5 million as at 30 September 2018 mainly due to advance progress payment relating to the residential development properties in Jakarta, Indonesia, held for sales.

Consequently, Cash and cash equivalents decreased from $268.4 million as at 30 June 2018 to $202.7 million as at 30 September 2018 after taking into account a dividend of $41.4 million paid to shareholders and the above mentioned funds flow.

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.

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 GIE Tower investment property, as well as those held by our joint ventures, Metro City and Metro Tower, Shanghai, and 5 Chancery Lane, London, is expected to remain steady.

Sales of the residential project, The Crest at Prince Charles Crescent in Singapore, will be subject to the impact of recent cooling measures announced on 5 July 2018 in the Singapore property market.

Leasing activities for the office buildings in Bay Valley, New Jiangwan City, Yangpu District, Shanghai, are underway.

Phase 1, comprising 571 apartment units of the Middlewood Locks development, has been completed and is being handed over in stages. Sales and marketing activities of the units are in progress. The whole development will eventually provide 2,215 new homes and 750,000 square feet of commercial space including offices, hotel, shops, restaurants, a convenience store and gym.

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 (cont'd)

In 2QFY2019, the Group has entered into an agreement to sell 277 units in Phase 1 and all 546 apartment units of Phase 2 to a single buyer. The 277 units in Phase 1 will be handed over in 3QFY2019 while construction work has commenced on Phase 2.

Construction work and presales of the residential projects in Bekasi and Bintaro, Jakarta, Indonesia, which commenced in late 2017 and March 2018 respectively, are ongoing.

The Group's portfolio of investments, held at fair value through profit or loss, will continue to be subject to fluctuations in their fair value.

The Group will continue to be subject to significant currency translation adjustments on foreign operations which will affect the results and other comprehensive income and the balance sheet, due to volatility in foreign currency exchange rates, as a major portion of its net assets which mainly represent investment properties and projects situated in the People's Republic of China, are denominated in the Chinese Renminbi. Some of the Group's net assets are also denominated in British pounds and Indonesian rupiah.

The retail division continues to operate amidst difficult trading conditions.

11. If a decision regarding dividend has been made:-

(a) Whether an final ordinary dividend has been declared (recommended);

None

(b) (i) Amount per share (cents) – None

(ii) Previous corresponding period (cents) – None

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. If the dividend is not taxable in the hands of shareholders, this must be stated.

Not applicable

(d) The date the dividend is payable.

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

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 2018.

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 confirmation pursuant to Rule 705(5)

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.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD
Tan Ching Chek and Eve Chan Bee Leng
Joint Company Secretaries
Date: 12 November 2018