



星雅集团
STRACO

MEDIA RELEASE

Straco reports 25% growth in earnings for FY2008

Financial Highlights (S\$'mil)	12 months to 31 December		
	2008	2007	% change
Sales	32.30	24.17	33.6
Profit/(Loss) Before Tax	11.24	8.37	34.3
Net Profits Attributable to Shareholders	7.74	6.20	24.9
Earnings Per Share (Scts)	0.89	0.71	25.4
Net Asset Value Per Share (Scts)	11.16	10.15	10.0

- Full Year Revenue up 33.6% to S\$32.3 million
- Full Year Net profits up 24.9% to S\$7.7 million
- Tax rate increased from previous 15% to 18% under the unified PRC corporate income tax law
- Proposed first and final dividend of 0.375 cents per share

SINGAPORE, 26 February 2009:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a 24.9 % increase in net profits to \$7.7 million for the year ended 31 December 2008. Group revenue was S\$32.3 million, an increase of 33.6% over FY2007, as visitor numbers increased 48% with the addition of Underwater World Xiamen to the Group.

For the fourth quarter ended 31 December 2008, Group revenue was S\$6.6 million, an increase of 18% over the same period in FY2007, as visitor numbers to the Group’s major attractions increased 22.5% compared to the corresponding period in FY2007. However, Group’s net profit decreased 53% to S\$0.19 million for 4Q2008, compared S\$0.41 million for 4Q2007, mainly due to increase in administrative expenses and a one-off interest expense on the shareholders loan that was fully paid during the quarter. 2008 also saw the introduction of the

unified PRC corporate income tax law which resulted in a higher effective tax rate for our subsidiaries.

Commenting on the results, Straco's Executive Chairman, Mr Wu Hsioh Kwang said "On the whole, we are pleased with the Group results which saw revenue grew 33.6% and net profits increased 24.9% despite many global and domestic issues that have affected many businesses during the year. Combined visitor numbers to our major attractions hit 1.8 million for the year. Our earnings per share increased 25.4% to 0.89 cents."

Mr Wu added: "Going forward, we have to guard against complacency and be ever vigilant as events unfold amid changing economic landscape. Despite the challenging time ahead, we are confident and remain cautiously positive on the outlook for the Group as domestic tourism is expected to remain strong."

The National Bureau of Statistics reported that China's economic growth slowed to its seven year low of 6.8% in the 4th quarter of 2008, dragging down the full year growth to 9%, the lowest level since 2001, as the global financial crisis deepened and spread across Asia.

The Chinese government has announced a 4 trillion Yuan (US\$580 billion) stimulus package to boost domestic consumption. This augurs well for the Group.

As the Group has no debt obligation, with healthy cashflow generated and significant cash holdings, it will be in a good position to tap on any opportunities that may arise.

Other than the above, we are not aware of any impending factors or events that may affect the Group in the next 12 months.

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About Straco Corporation

Straco Corporation Limited is a leading developer and operator of tourism-related assets in China. Straco's key asset is the Shanghai Ocean Aquarium, one of the largest indoor, closed systems aquariums in the world with a total built up area of 20,000 m² and a designed capacity of 21,000 people per day. The world-class aquarium showcases over 10,000 fishes and marine livestock of over 350 species from all over the world. It is situated across the Huang Pu River in the New Pudong Area, next to Shanghai's landmark Oriental Pearl Tower. Straco also owns and operates Lixing cable car service at Mount Lishan in Lishan in Lintong District, Shaanxi province. In 2006, Straco started a joint venture, Straco Creation Pte Ltd ("SCPL"), with Mr Carl Clerico, who is the third generation of the Clerico family which has managed the Lido and Moulin Rouge in Paris for more than 60 years. SCPL's first production "Paris Plumes!" debuted in December 2007, in the major Chinese cities of Shenzhen, Guangzhou, Shanghai and Beijing. In October 2007, Straco acquired Underwater World Xiamen ("UWX") on Gulangyu Island, a key tourist attraction of

Xiamen City. The aquarium, with over 4 million litres of water capacity, features marine animal performances and displays a wide variety of fresh water and marine livestock.

Straco Corporation has been constantly sourcing for tourism projects to tap into the expected tourism boom in Asia. The Group will leverage on its experience and track record in the China market to form strategic investment alliances to develop and operate tourism resources in China and the region.