



## MEDIA RELEASE

### Straco reports growth in revenue and earnings for FY2009

Financial Highlights (S\$'mil)	3 months to 31 December			12 months to 31 December		
	2009	2008	% <i>change</i>	2009	2008	% <i>change</i>
<b>Sales</b>	6.50	6.62	-1.8	34.54	32.30	6.9
Profit/(Loss) before tax	0.74	0.92	-19.5	13.15	11.24	17.0
Profits for the year attributable to shareholders	0.18	0.19	-2.1	8.84	7.74	14.2
Earnings per share (Scts)	0.02	0.02	-	1.02	0.89	14.6
Net asset value per share (Scts)	n.m.	n.m.	-	11.61	11.16	4.0

n.m. – not meaningful

- Full Year Revenue up 6.9% to S\$34.54 million
- Full Year Net profits up 14.2% to S\$8.84 million
- Tax rate increased from previous 18% to 20% under the unified PRC corporate income tax law
- Proposed first and final dividend of 0.5 cents per share (2008: 0.375 cents per share)

*SINGAPORE, 24 February 2010:-* Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a 14.2% increase in net profit to S\$8.84 million for the year ended 31 December 2009. Group revenue was S\$34.54 million, an increase of 6.9% over FY2008, while overall visitor numbers at our two main attractions, Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) grew 1.4% over FY2008.

For the quarter under review, Group revenue was S\$6.5 million, a slight decline of 1.8% over the same period in FY2008, as visitor numbers to the Group’s major attractions decreased 3.4% compared to the corresponding period in FY2008. Group net profits decreased 19.5% to S\$0.74 million, partly due to the provision of impairment loss of S\$0.33 million on the fixed and intangible assets of Straco Creation Pte Ltd, our joint venture company in the cabaret show business.

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 increase in revenue and a healthy growth in profitability despite the economic uncertainties during the year. Our major attractions attracted more than 1.8 million visitors for the year. Our earnings per share increased 14.6% to 1.02 cents."

Mr Wu added: "The outlook for tourism in China remains positive, and with the upcoming World Expo in Shanghai, we are confident that the Group will continue to deliver positive growth."

The National Bureau of Statistics reported that China's economic growth in 4Q2009 accelerated to its fastest pace since 2007. Gross domestic product rose 10.7% from the same period a year earlier. For the full year, GDP grew 8.7% surpassing official target. The stimulus package put in place by the Chinese government has had a positive impact on a number of industries. However it has been reported of actions to reins in the stimulus measures to prevent the economy from overheating.

As the Group has no debt obligation and with steady stream of operating cash-flow, it is not likely to be impacted by any credit tightening.

Tourism sectors in the cities where the Group operates continue to be buoyant.

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 include the Shanghai Ocean Aquarium, one of the largest indoor, closed systems aquariums in the world with a total built up area of 20,000 m<sup>2</sup> 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, and the 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 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.

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.

