

STRACO CORPORATION LIMITED
Company Registration No.: 200203482R
(Incorporated in Singapore)

**THIRD QUARTER ENDED 30 SEPTEMBER 2012 UNAUDITED FINANCIAL STATEMENT AND
DIVIDEND ANNOUNCEMENT**

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

1(a) 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.

INCOME STATEMENT

	3Q ended			9 months ended		
	30/09/2012	30/09/2011	Change	30/09/2012	30/09/2011	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	21,298	17,848	19	44,125	36,252	22
Other income	1,135	948	20	2,820	2,167	30
Operating expenses	(5,792)	(5,020)	15	(14,702)	(12,660)	16
Administrative expenses	(3,141)	(284)	1,006	(7,224)	(4,853)	49
Profit before income tax	13,500	13,492	0	25,019	20,906	20
Tax expense	(4,262)	(3,650)	17	(7,796)	(6,042)	29
Profit for the period	9,238	9,842	(6)	17,223	14,864	16
Profit attributable to:						
Owners of the Company	8,855	9,534	(7)	16,578	14,375	15
Non-controlling interests	383	308	24	645	489	32
Profit for the period	9,238	9,842	(6)	17,223	14,864	16

STATEMENT OF COMPREHENSIVE INCOME

	3Q ended			9 months ended		
	30/09/2012	30/09/2011	Change	30/09/2012	30/09/2011	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period	9,238	9,842	(6)	17,223	14,864	16
Other comprehensive income/(loss) for the period, net of tax						
Translation differences relating to financial statements of foreign subsidiaries	(2,882)	5,346	n.m.	(4,659)	3,603	n.m.
Exchange differences on monetary items forming part of net investment in a foreign operation	-	421	(100)	-	262	(100)
Other comprehensive (loss)/income for the period, net of tax	(2,882)	5,767	n.m.	(4,659)	3,865	n.m.
Total comprehensive income for the period	6,356	15,609	(59)	12,564	18,729	(33)
Total comprehensive income attributable to:						
Owners of the Company	6,070	15,112	(60)	12,085	18,115	(33)
Non-controlling interests	286	497	(42)	479	614	(22)
Total comprehensive income for the period	6,356	15,609	(59)	12,564	18,729	(33)

n.m. – not meaningful

The profit before tax was arrived at after charging or (crediting) the following:-

	3Q ended		9 months ended	
	30/09/2012	30/09/2011	30/09/2012	30/09/2011
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	1,192	1,168	3,619	3,482
Interest income	(777)	(483)	(1,944)	(1,148)
Foreign exchange loss/ (gain)	1,227	(1,439)	1,648	(784)
Loss on disposal of property, plant and equipment	-	7	50	8
Government grant	(14)	(8)	(42)	(25)
Impairment loss on trade receivables	-	-	42	-

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.

	Group		Company	
	As at 30/09/2012	As at 31/12/2011	As at 30/09/2012	As at 31/12/2011
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	47,817	53,273	2,432	2,491
Investments in subsidiaries	-	-	48,495	48,495
Intangible assets	1,419	1,419	-	-
	49,236	54,692	50,927	50,986
Current assets				
Inventories	1,113	898	-	-
Trade and other receivables	2,140	1,449	-	-
Loans and receivables from subsidiaries	-	-	30,831	23,832
Other current assets	339	513	30	22
Cash and cash equivalents	91,291	82,178	5,803	10,689
	94,883	85,038	36,664	34,543
Total assets	144,119	139,730	87,591	85,529
Equity attributable to owners of the Company				
Share capital	76,985	76,985	76,985	76,985
Reserves	(611)	5,652	(3,665)	(140)
Retained earnings	50,823	42,464	12,250	7,136
	127,197	125,101	85,570	83,981
Non-controlling interests	2,751	3,062	-	-
Total equity	129,948	128,163	85,570	83,981
Non-current liabilities				
Deferred income	242	300	-	-
Deferred tax liabilities	2,114	2,015	-	-
	2,356	2,315	-	-
Current liabilities				
Trade and other payables	6,350	5,981	473	739
Amounts due to subsidiaries	-	-	448	422
Current tax liabilities	5,465	3,271	1,100	387
	11,815	9,252	2,021	1,548
Total liabilities	14,171	11,567	2,021	1,548
Total equity and liabilities	144,119	139,730	87,591	85,529

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

	As at 30/09/2012		As at 31/12/2011	
	<u>Secured</u> S\$'000	<u>Unsecured</u> S\$'000	<u>Secured</u> S\$'000	<u>Unsecured</u> S\$'000
Amount payable in one year or less, or on demand	-	-	-	-
Amount payable after one year	-	-	-	-

Details of any collateral

Not applicable

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	Q3 ended 30/09/2012	Q3 ended 30/09/2011
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before income tax	13,500	13,492
Adjustments for:		
Depreciation of property, plant and equipment	1,192	1,168
Equity-settled share-based payment transactions	67	171
Loss on disposal of property, plant and equipment	-	7
Government grant utilised	(14)	(8)
Interest income	(777)	(483)
Exchange loss/(gain)	1,268	(855)
Operating profit before working capital changes	15,236	13,492
Changes in working capital:		
Trade and other receivables	513	(469)
Inventories	(210)	(30)
Trade and other payables	1,063	1,357
Cash generated from operating activities	16,602	14,350
Income taxes paid	(1,634)	(1,988)
Net cash from operating activities	14,968	12,362
Cash flows from investing activities		
Purchase of property, plant and equipment	(336)	(203)
Government grant received	-	146
Interest received	748	483
Net cash from investing activities	412	426
Cash flows from financing activities		
Repurchase of own shares	(540)	(302)
Proceeds from exercise of share options	28	39
Net cash used in financing activities	(512)	(263)
Net increase in cash and cash equivalents	14,868	12,525
Cash and cash equivalents at beginning of period	79,171	63,305
Effects of exchange rate fluctuations	(2,748)	3,825
Cash and cash equivalents at end of period	91,291	79,655

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.

(a) Group

(i)

	Share capital	Treasury shares	Capital reserve	Share option reserve	General reserve	Foreign currency translation reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2012	76,985	(1,512)	(13)	1,385	5,896	(104)	42,464	125,101	3,062	128,163
Changes in equity for the period:										
Purchase of own shares	-	(95)	-	-	-	-	-	(95)	-	(95)
Share-based payment transactions	-	-	-	171	-	-	-	171	-	171
Transfer to general reserve fund	-	-	-	-	1,756	-	(1,756)	-	-	-
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(790)	(790)
Total comprehensive income/(loss) for the period	-	-	-	-	-	(2,540)	1,815	(725)	(38)	(763)
At 31 March 2012	76,985	(1,607)	(13)	1,556	7,652	(2,644)	42,523	124,452	2,234	126,686
Changes in equity for the period:										
Purchase of own shares	-	(3,561)	-	-	-	-	-	(3,561)	-	(3,561)
Share-based payment transactions	-	-	-	102	-	-	-	102	-	102
Treasury shares reissued	-	406	(103)	-	-	-	-	303	-	303
Dividend paid of 0.75 cents per share	-	-	-	-	-	-	(6,463)	(6,463)	-	(6,463)
Total comprehensive income for the period	-	-	-	-	-	831	5,908	6,739	231	6,970
At 30 June 2012	76,985	(4,762)	(116)	1,658	7,652	(1,813)	41,968	121,572	2,465	124,037
Changes in equity for the period:										
Purchase of own shares	-	(540)	-	-	-	-	-	(540)	-	(540)
Share-based payment transactions	-	-	-	67	-	-	-	67	-	67
Treasury shares re-issued	-	31	(3)	-	-	-	-	28	-	28
Total comprehensive income for the period	-	-	-	-	-	(2,785)	8,855	6,070	286	6,356
At 30 September 2012	76,985	(5,271)	(119)	1,725	7,652	(4,598)	50,823	127,197	2,751	129,948

(ii)

	Share capital	Treasury shares	Capital reserve	Share option reserve	General reserve	Foreign currency translation reserve	Retained earnings	Total attributable to owners of the Company	Non-controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2011	76,985	-	-	811	4,063	(4,809)	34,281	111,331	2,742	114,073
Changes in equity for the period:										
Purchase of own shares	-	(64)	-	-	-	-	-	(64)	-	(64)
Share-based payment transactions	-	-	-	89	-	-	-	89	-	89
Transfer to general reserve fund	-	-	-	-	848	-	(848)	-	-	-
Dividend to non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	(382)	(382)
Total comprehensive income/(loss) for the period	-	-	-	-	-	(1,180)	1,101	(79)	(11)	(90)
At 31 March 2011	76,985	(64)	-	900	4,911	(5,989)	34,534	111,277	2,349	113,626
Changes in equity for the period:										
Purchase of own shares	-	(545)	-	-	-	-	-	(545)	-	(545)
Share-based payment transactions	-	-	-	144	-	-	-	144	-	144
Transfer to general reserve fund	-	-	-	-	985	-	(985)	-	-	-
Dividend paid of 0.75 cents per share	-	-	-	-	-	-	(6,510)	(6,510)	-	(6,510)
Total comprehensive income/(loss) for the period	-	-	-	-	-	(657)	3,740	3,083	127	3,210
At 30 June 2011	76,985	(609)	-	1,044	5,896	(6,646)	30,779	107,449	2,476	109,925
Changes in equity for the period:										
Purchase of own shares	-	(302)	-	-	-	-	-	(302)	-	(302)
Share-based payment transactions	-	-	-	171	-	-	-	171	-	171
Treasury shares re-issued	-	52	(13)	-	-	-	-	39	-	39
Total comprehensive income for the period	-	-	-	-	-	5,578	9,534	15,112	497	15,609
At 30 September 2011	76,985	(859)	(13)	1,215	5,896	(1,068)	40,313	122,469	2,973	125,442

(b) Company

(i)

	Share capital	Treasury shares	Capital reserve	Share option reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2012	76,985	(1,512)	(13)	1,385	7,136	83,981
Purchase of own shares	-	(95)	-	-	-	(95)
Share-based payment transactions	-	-	-	171	-	171
Total comprehensive income for the period	-	-	-	-	13,325	13,325
At 31 March 2012	76,985	(1,607)	(13)	1,556	20,461	97,382
Purchase of own shares	-	(3,561)	-	-	-	(3,561)
Share-based payment transactions	-	-	-	102	-	102
Treasury shares reissued	-	406	(103)	-	-	303
Total comprehensive loss for the period	-	-	-	-	(218)	(218)
Dividend paid of 0.75 cents per share	-	-	-	-	(6,463)	(6,463)
At 30 June 2012	76,985	(4,762)	(116)	1,658	13,780	87,545
Purchase of own shares	-	(540)	-	-	-	(540)
Share-based payment transactions	-	-	-	67	-	67
Treasury shares re-issued	-	31	(3)	-	-	28
Total comprehensive income for the period	-	-	-	-	(1,530)	(1,530)
At 30 September 2012	76,985	(5,271)	(119)	1,725	12,250	85,570

(ii)

	Share capital	Treasury shares	Capital reserve	Share option reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2011	76,985	-	-	811	8,842	86,638
Purchase of own shares	-	(64)	-	-	-	(64)
Share-based payment transactions	-	-	-	89	-	89
Total comprehensive income for the period	-	-	-	-	5,649	5,649
At 31 March 2011	76,985	(64)	-	900	14,491	92,312
Purchase of own shares	-	(545)	-	-	-	(545)
Share-based payment transactions	-	-	-	144	-	144
Total comprehensive income for the period	-	-	-	-	1,006	1,006
Dividend paid of 0.75 cents per share	-	-	-	-	(6,510)	(6,510)
At 30 June 2011	76,985	(609)	-	1,044	8,987	86,407
Purchase of own shares	-	(302)	-	-	-	(302)
Share-based payment transactions	-	-	-	171	-	171
Treasury shares re-issued	-	52	(13)	-	-	39
Total comprehensive income for the period	-	-	-	-	610	610
At 30 September 2011	76,985	(859)	(13)	1,215	9,597	86,925

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 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.

Pursuant to the Share Buy-back Mandate approved by shareholders, the Company purchased a total of 2,290,000 shares by way of on-market purchase for a total consideration of \$0.54 million (including transaction costs) in 3Q2012. The shares purchased were made out of the Company's capital and held as treasury shares.

During the third quarter ended 30 September 2012, 160,000 share options were exercised from the options that were granted in 2011, resulting in 160,000 treasury shares being reissued.

The Company's issued and fully paid up shares as at 30 September 2012 comprised 841,988,580 (30 September 2011: 863,803,580) ordinary shares and 26,941,000 (30 September 2011: 5,126,000) treasury shares.

As at 30 September 2012, options to subscribe for 20,590,000 (30 September 2011: 16,340,000) ordinary shares remain outstanding.

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 30/09/2012	As at 31/12/2011
Total number of issued shares	868,929,580	868,929,580
Less: Treasury shares	(26,941,000)	(8,860,000)
Total number of issued shares excluding treasury shares	841,988,580	860,069,580

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.

Treasury Shares	No. of shares	S\$'000
Balance as at 30/06/2012	24,811,000	4,762
No. of shares purchased	2,290,000	540
No. of shares transferred on exercise of share option	(160,000)	(31)
Balance as at 30/09/2012	26,941,000	5,271

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The financial statements have not been audited nor 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.

The Group has applied the same accounting policies and methods of computation used in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 31 December 2011.

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.

An assessment has been made of the Amendments and Interpretations to the Singapore Financial Reporting Standards ("FRSs") effective from 1 January 2012 and it is not expected to have any significant impact on the Group's financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per share	Q3 ended		9 months ended	
	30/09/2012	30/09/2011	30/09/2012	30/09/2011
(a) Based on the number of ordinary shares in issue (cents)	1.05	1.10	1.94	1.66
(b) On fully diluted basis (cents)	1.05	1.10	1.94	1.66

The calculations of basic earnings per share for 3Q and 9 months ended 30 September 2012 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2012 divided by the weighted average number of ordinary shares outstanding of 843,843,352 and 853,270,262 respectively.

The calculations of basic earnings per share for 3Q and 9 months ended 30 September 2011 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2011 divided by the weighted average number of ordinary shares outstanding of 865,185,710 and 867,215,606 respectively.

The calculations of diluted earnings per share for 3Q and 9 months ended 30 September 2012 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2012 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 845,440,480 and 855,058,678 respectively.

The calculations of diluted earnings per share for 3Q and 9 months ended 30 September 2011 are based on the net profits attributable to shareholders for the 3Q and 9 months ended 30 September 2011 divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 866,533,945 and 868,681,635 respectively.

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.

	Group		Company	
	30/09/2012	31/12/2011	30/09/2012	31/12/2011
Net asset value per ordinary share (cents) based on number of issued shares excluding treasury shares at the end of:	15.11	14.55	10.16	9.76

Net asset value per ordinary share was calculated based on 841,988,580 ordinary shares issued (excluding treasury shares) as at 30 September 2012 and 860,069,580 ordinary shares issued (excluding treasury shares) as at 31 December 2011.

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.**

Revenue

In the third quarter of FY2012, the Group achieved sales of \$21.30 million, an increase of 19.3% over the same period in FY2011, as our major attractions - Shanghai Ocean Aquarium ("SOA") and Underwater World Xiamen ("UWX") registered increases in revenue on higher visitor numbers; as well as better yield at SOA.

Combined visitation to our Group's major attractions was 947,000 visitors for the quarter, an increase of 8.9% compared to 3Q2011.

Cumulatively, overall revenue for the nine months of FY2012 amounted to \$44.13 million, an increase of \$7.87 million or 21.7% compared to corresponding period in FY2011.

Operational Results

Total expenses for 3Q2012 increased \$3.63 million; or 68.4% from 3Q2011. While operating expenses increased 15.4%, the Group's administrative expenses increased significantly due to the exchange loss recorded in the current quarter, as opposed to the exchange gain recorded in 3Q2011.

Operating expenses for 3Q2012 increased \$0.77 million over 3Q2011. Apart from higher variable cost which increased in line with the higher revenue, fixed operating expenses such as utilities, aquarium cost, repair and maintenance, depreciation, staff cost, and advertising and promotional expenses also increased.

Administrative expenses for 3Q2012 increased \$2.86 million from 3Q2011, mainly due to the foreign exchange loss of \$1.23 million recorded in the current period, as opposed to an exchange gain of \$1.44 million recorded in 3Q2011, as RMB weakened against SGD in the current quarter while in 3Q2011, RMB strengthened against SGD at that time. Staff cost and consultancy expenses were also higher in the current quarter. Taking away the exchange differences, administrative expenses of the current quarter would have been \$1.91 million, compared to \$1.72 million in 3Q2011; an increase of \$0.19 million or 11.1%.

Profit before tax was \$13.50 million for the current quarter, a marginal increase of 0.1% compared to the profit before tax of \$13.49 million for 3Q2011. Excluding exchange

differences in both periods, the profit before tax of 3Q2012 would have been \$14.73 million compared to \$12.05 million in 3Q2011; an increase of 22.2%.

Balance Sheet items

Property, plant and equipment decreased 10.2% from \$53.27 million in 31 December 2011 to \$47.82 million in 30 September 2012 mainly due to the weaker RMB currency which resulted in a translation loss of \$2.63 million as well as depreciation charge during the period; partially offset by addition of property, plant and equipment amounting to \$0.86 million during the period.

Inventories increased 23.9% from \$0.90 million in 31 December 2011 to \$1.11 million in 30 September 2012 mainly due to purchase of spare parts for the cable car facilities.

Trade and other receivables increased 47.7% from \$1.45 million in 31 December 2011 to \$2.14 million in 30 September 2012 mainly due to increase in other receivables in SOA and UWX arising from the interest receivables from fixed deposits placements.

Other current assets decreased 33.9% from \$0.51 million in 31 December 2011 to \$0.34 million in 30 September 2012 mainly due to the decrease in SOA as certain prepaid cost were expensed off in the current month, as well as advance payment of cable car equipment spare parts at LLC were reclassified to inventories.

Cash and cash equivalent increased 11.1% from \$82.18 million in 31 December 2011 to \$91.29 million in 30 September 2012, mainly due to the cash generated from operations during the period, offset by capital expenditure, dividend paid out, cash used in the re-purchase of own shares during the period, as well as the effect of a weaker RB exchange rate against SGD.

Reserves decreased 110.8% from \$5.65 million at 31 December 2011 to negative \$0.61 million at 30 September 2012 mainly due to the amount of \$1.76 million transferred by SOA from its FY2010 retained earnings to general reserves, share option reserves of \$0.34 million recognised in the current period arising from share options granted in May 2011 and May 2012, net increase in treasury shares from share buyback of \$4.20 million less cost of treasury shares transferred of \$0.44 million upon exercise of share options; offset by the loss on transfer of treasury shares of \$0.11 million, as well as translation loss of \$4.49 million arising from the weaker RMB currency against SGD at the end of the period compared to the end of last year.

Retained earnings increased 19.7% from \$42.46 million at 31 December 2011 to \$50.82 million at 30 September 2012 mainly due to the profit earned in the current period, partially offset by the amount of \$1.76 million transferred by SOA to general reserves, as well as dividend paid of \$6.46 million.

Non-controlling interests ("NCI") decreased 10.2% from \$3.06 million at 31 December 2011 to \$2.75 million at 30 September 2012 due to the dividend declared by SOA in the current period as well as increase in NCI's share of translation losses from the weaker RMB against SGD compared to last year end rate, partially offset by its share of current period profits.

Deferred income decreased 19.3% from \$0.30 million in 31 December 2011 to \$0.24 million in 30 September 2012 as the government grants previously received by SOA in respect of certain property, plant and equipment purchased were periodically recognised in profit and loss over the useful life of the assets associated with it.

Current tax liabilities increased 67.1% from \$3.27 million in 31 December 2011 to \$5.47 million in 30 September 2012, mainly due to the increase in provision of income tax for

3Q2012 profits in SOA, UWX, and Lixing Cable Car, as well as the increase in tax rate from 24% to 25% in the current year for SOA and UWX.

Cash flow Statement

The Group generated net cash from operating activities amounting to \$14.97 million in 3Q2012, an increase of 21.1% compared to the operating cash flow generated in 3Q2011. During the quarter, the Company used \$0.54 million cash to buy back its own shares. As at 30 September 2012, the Group's cash and cash equivalent balance amounted to \$91.29 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group did not previously disclose to shareholders any forecast or prospect statement with regard to the current quarter under review.

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.

The National Bureau of Statistics reported that China's gross domestic product ("GDP") growth slowed to 7.4% in the third quarter of 2012 from a year earlier, the seventh consecutive quarter of slowdown. For the first nine months of 2012, the China economy grew 7.7%. However, there were positive signs that the economy slowdown is bottoming out, as data released showed a 2.2% acceleration quarter-on-quarter, up from 2% in the second quarter. It was also reported that the Chinese government will continue to take steps to stabilise growth through monetary and fiscal policies.

Despite the economic slowdown, our business is expected to remain robust in view of the large domestic tourism market in China and the government's initiatives to boost the tourism industry.

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

11. Dividend

(a) Current Financial Period Reported On

Any interim (final) dividend declared (recommended) for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared/recommended for the current financial period.

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.

No IPT mandate has been obtained.

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).

To the best of our knowledge and belief, nothing has come to the attention of the Directors which may render the 3Q2012 financial results to be false or misleading in any material aspect.

On behalf of the Board

Wu Hsioh Kwang
Chairman

Lim Song Joo
Director

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable.

17. A breakdown of sales.

Not applicable.

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

- 19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Not applicable.

BY ORDER OF THE BOARD,

Lotus Isabella Lim Mei Hua
Company Secretary
9 November 2012