



MEDIA RELEASE

Straco reports strong growth for FY2007

Financial Highlights (S\$'mil)	12 months to 31 December		
	2007	2006	% change
Sales	24.17	18.50	30.6
Profit/(Loss) Before Tax	8.37	4.35	92.6
Net Profits Attributable to Shareholders	6.20	3.38	83.5
Earnings Per Share (Scts)	0.71	0.39	82.1
Net Asset Value Per Share (Scts)	10.15	9.62	5.5

- Net profit soared 83.5% to S\$6.2 million
- Revenue climbed 30.6% to S\$24.2 million
- Proposed first and final dividend of 0.375 cents per share

SINGAPORE, 29 February 2008:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported an 83.5% surge in net profit to \$6.2 million for the year-ended 31 December 2007. Group revenue was \$24.2 million, an increase of 30.6% over FY2006.

For the fourth quarter ended 31 December 2007, Group revenue was \$5.6 million, an increase of 49% over the same period in FY2006 as visitor numbers at Shanghai Ocean Aquarium (“SOA”) grew 11% over 4Q2006. Visitors from walk-in, tour, and corporate groups achieved growth of 4% to 31% over the corresponding period in FY2006. The Group reported a net profit of \$0.41 million for 4Q2007, compared to a net profit of \$0.24 million for 4Q2006.

Commenting on the full year results, Straco’s Executive Chairman Mr Wu Hsioh Kwang said “We are pleased with the overall results which saw net profits surging 84%. Visitor numbers from all segments achieved double-digit growth, and overall visitation reached 1.17 million for the year. The growth trend has

been most pronounced over the last two years. Our earnings per share increased, by 0.32 cents to 0.71 cents.”

Mr Wu added: “We generated net operating cashflow of \$11 million for the year, up 54% from FY2006. With the addition of Underwater World Xiamen, a major attraction on the Gulangyu Island in Southern China, we are confident that the outlook for the Group will remain bright amid the buoyant tourism market.”

China’s economy grew by 11.4% in 2007, the fastest pace in 13 years; and the fifth straight year of double-digit growth, as announced by the National Bureau of Statistics. Although there had been efforts by the Chinese government to cool the economy and slow the growth, the Group is expected to continue operating in favourable business environment as evidenced by the increase in visitors number over the last two years. Tourist numbers are expected to increase during the 2008 Summer Olympic year.

In addition, the Group’s earnings will be boosted by the newly acquired subsidiary, Underwater World Xiamen.

The Group will continue to source for new growth engines to broaden its earnings base and enhance shareholder value.

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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 managed the Lido and Moulin Rouge in Paris for more than 60 years. SCPL’s first production “Paris Plumes!” debut its performances in December 2007. Straco has acquired Underwater World Xiamen (“UWX”) in Gulangyu Island, a key attraction of Xiamen City. The aquarium, with over 4 million litres of water capacity, features marine animal performances and a display of a wide range 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 is well placed to leverage on its experience and track record in the China tourism industry to form strategic investment alliance to develop and operate tourism resources in China.