



MEDIA RELEASE

Straco's profit more than doubled for FY2010

Financial Highlights (S\$'mil)	3 months to 31 December			12 months to 31 December		
	2010	2009	% change	2010	2009	% change
Sales	9.29	6.50	42.9	51.57	34.54	49.3
Profit before tax	3.70	0.74	401.6	27.61	13.15	110.0
Profit for the year attributable to shareholders	2.49	0.18	1259.0	18.67	8.84	111.2
Earnings per share (Scts)	0.29	0.02	1350.0	2.15	1.02	110.8
Net asset value per share (Scts)	n.m.	n.m.	-	12.81	11.61	10.3

n.m. – not meaningful

- Full Year Revenue surged 49.3% to S\$51.57 million
- Full Year Net profits more than doubled to S\$18.67 million
- Earnings per share more than doubled to 2.15 cents
- Proposed first and final dividend of 0.75 cents per share

SINGAPORE, 24 February 2011:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a net profit of \$2.49 million for the fourth quarter ended 31 December 2010. Group revenue increased 42.9% over 4Q2009 to S\$9.29 million, due to higher visitation at all our Attractions and higher yield achieved.

For the quarter under review, combined visitation to our two main attractions, Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) shown a year-on-year improvement of 25.2% to 465,000 visitors.

Cumulatively, Group revenue for the year ended 31 December 2010 registered growth of 49.3% year on year, while Group profits more than doubled to \$18.67 million.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said “2010 was an exceptionally good year for our Group as we hit record revenue and profits

since inception. Though our business units operate in generally favourable conditions – the buoyant PRC tourism industry, the positive impact from the World Expo event, and the incremental revenue and profits brought about from high yield achieved, credit must be given to our management and staff for their collective effort in ensuring smooth and incident free operations during the extended peak period. For the full year, revenue was up 49.3% and net profits surged 111.2% year-on-year. Our earnings per share more than doubled to 2.15 cents compared to FY2009.”

Mr Wu added: “With the strong Chinese economy, and the Chinese government’s continual effort to boost domestic consumption, we remain positive on the outlook for domestic tourism in China.”

The National Bureau of Statistics reported that China’s economic growth in 4Q2010 rose 9.8% from the same period a year earlier, despite efforts to curb investment and rising prices. For the whole year of 2010, gross domestic product grew 10.3%, the sharpest since the global financial crisis began, while consumer price index rose 3.3%.

As reported, the Chinese government planned to implement a prudent monetary policy in 2011, aimed at tackling inflation and stepping up efforts to transform the country’s economic growth pattern; that is, boosting domestic consumption and reducing its reliance on exports and investments. It has raised interest rates twice in the fourth quarter, and ordered banks to increase the amount of money they kept in reserves, in its efforts to fight inflation and curb lending.

As the Group does not have any debt obligation; and with steady stream of operating cash-flow, it is not likely to be impacted by any credit tightening.

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 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, 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.