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>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

Announcement Title *	Press Release - Results for Q2FY09
Description	Please see attachment.
Attachments	<p> ThakralCorp_Annmt_PR_Q2FY09_20090806.pdf</p> <p>Total size = 21K (2048K size limit recommended)</p>

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THAKRAL CORPORATION LTD

(Incorporated in the Republic of Singapore on 7 October 1993)
(Company Registration No. 199306606E)

PRESS RELEASE – RESULTS FOR Q2FY09

THAKRAL REPORTS NET PROFIT OF S\$3.5 MILLION FOR Q2FY09

- **Group revenue up by 28% to S\$114 million for Q2FY09, reflecting improved performance from its Consumer Electronics Distribution Business**

Singapore, August 6, 2009 – SGX-MAINBOARD-LISTED Thakral Corporation Ltd (“Thakral” or the “Group”), which is in the business of consumer electronics distribution as well as strategic property and equity investments, has reported a net profit of S\$3.5 million for Q2FY09, reversing the S\$6.1 million loss in Q2FY08.

The Group’s turnover rose 28% to S\$114.3 million in Q2FY09 compared to the same period in FY08.

Despite challenging market conditions, both turnover and margins showed significant improvement. For the half year ended June 30, 2009, Group net profit improved to S\$4.3 million against a S\$6.6 million loss in the same period of last year. Group turnover rose 21% to S\$212.2 million during the same comparative periods.

This sharp profit turnaround for the Group stemmed mainly from the Group’s higher revenue and improved profit margins as well as the cessation of its loss making electronic manufacturing services and home entertainment business units. The loss making units accounted for S\$6.5 million of losses in FY08. The Group also benefited from its cost reduction measures for the half year under review.

Group gross profit margin for the half year ended June 30, 2009 improved to 4.82% from 4.23% in the same period of last year, mainly due to better margin products, to record a profit of S\$3.7 million attributable to the Distribution Division.

The Group also gained from an increase in other income of S\$1.4 million for the six months ended June 30, 2009, which was double that of the S\$0.7 million in the same period last year. The settlement of litigation in respect of a marine cargo insurance claim contributed S\$0.9 million out of the amount.

The Group has also gained S\$1.3 million from the disposal by its associate of the associate's sole investment in an enterprise engaged in the development and management of an information technology park in India.

Mr Kartar Singh Thakral ("Mr Kartar"), Executive Chairman of Thakral said, "The improved results reflect rising optimism that China and other Asian countries are leading the global economic recovery in 2009. The Chinese government's stimulus plan, in particular, is bearing fruit as the trickle-down effects are being felt in stronger demand for consumer goods, which in turn is benefiting our distribution business in China.

The Group also sees positive results from our continuous efforts to streamline our core businesses, improve the mix of brands and products in our existing portfolios while maintaining a tight control on operating expenses."

Earnings Per Share and Net Asset Value Per Share

The Group Earnings Per Share achieved for Q2FY09 was 0.13 cent compared to a Group Loss Per Share of 0.22 cent recorded for Q2FY08.

For the half year under review, the Group Earnings Per Share was 0.16 cent compared to a Group Loss Per Share of 0.24 cent for the previous corresponding period in FY08.

Group Net Asset Value Per Share also rose to 8.1 cents as at June 30, 2009 against 7.9 cents as at December 31, 2008 on the back of the improved market value of the Group's investment in India.

Segmental Performance

Distribution

The Distribution Division saw its turnover increase by 22% in 1HFY09 to hit S\$211 million, or 99% of the Group revenue for the same period.

This division also registered a significant improvement in its performance. It returned to the black with a profit of S\$3.7 million compared to the loss of S\$2.0 million in the previous corresponding period.

Aside from the improved margins of its products, this division also gained S\$0.9 million from settlement of litigation in respect of a marine cargo insurance claim.

Discontinued Operations

The Group registered a profit of S\$57,000 for the first half of FY09 from its electronic manufacturing services – which has since been discontinued - reversing losses of S\$8.0 million in 1HFY08.

Property Holding

Revenue for the property segment in Thakral fell by 15.9% from S\$0.75 million to S\$0.63 million for the six months ended June 30, 2009, reflecting the on-going softness in the commercial property market in China for the period under review.

Going Forward

Mr Kartar Singh said “Barring unforeseen circumstances, we remain optimistic that our healthy cash balance of S\$123.5 million, competitive strengths and leaner cost structure will position us well to take advantage of new growth opportunities in China and other parts of Asia as the economic situation improves further in the current year.

We will also continue to be on the look-out for investment opportunities that meet the Group’s investment criteria. The Group is currently working on seeking approval from its shareholders to diversify the business to include real estate and related infrastructure business in the Pan Asian region as part of the Group’s core business. We are confident that this strategic initiative will provide attractive returns to shareholders in the foreseeable future.”

About Thakral

Listed on the SGX Mainboard since December 1995 with its Distribution business headquartered in Shanghai, the People's Republic of China ("PRC"), Thakral Corporation Ltd ("the Company") is involved in the distribution business in the consumer electronics sector, as well as strategic property and equity investments.

Presently, the PRC, Hong Kong and India are the Group's key markets for its products. The Group distributes an extensive consumer brand portfolio including global consumer

electronics brands such as Apple, Asus, Canon, Casio, Fuji, Kodak, Lenovo, Nikon, Nokia, Olympus, Orion, Panasonic, Pentax, Samsung and Sony. Some of the major products distributed under these key brands include digital video cameras, digital still cameras, plasma TVs, desktop and notebook computers, personal digital assistants (PDAs), data projectors, electronic accessories, mobile phones and audio products including MP3/MP4/MP5 players.

In addition, the Group has also successfully created and marketed trendy consumer products such as audio players and accessories, LCD TVs, memory cards, portable DVD players and digital photo frames under its own "YES" brand.

Currently, the Company is trawling for investment opportunities in the property sector as it seeks to diversify its business to include real estate.

*Release issued on behalf of Thakral Corporation Ltd by
Stratagem Consultants Pte Ltd*

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