



星雅集团  
STRACO

## MEDIA RELEASE

### Straco reports lower earnings for 1Q2010

Financial Highlights (S\$'mil)	3 months to 31 March		
	2010	2009	% change
Sales	6.58	7.15	-8.0
Profit/(Loss) before tax	1.58	2.99	-47.1
Profits for the year attributable to shareholders	1.02	2.15	-52.8
Earnings per share (Scts)	0.12	0.25	-52.0
Net asset value per share (Scts)	11.70	11.84	-1.2

SINGAPORE, 11 May 2010:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a decrease in net profits to \$1.02 million for the first quarter ended 31 March 2010, as lower revenue and a weakened RMB currency against SGD hit the Group’s profits. Group revenue was S\$6.58 million, a decrease of 8% over 1Q2009, as combined visitor numbers to its two main attractions, Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) declined 10% over 1Q2009.

For the quarter under review, combined revenue from walk-in visitors to SOA and UWX grew 8%, due in part to the upward revision in ticket prices at both attractions. Tour, corporate, and student groups however registered double-digit decline over the corresponding period in FY2009. The revision in ticket prices for group tour takes effect only in the second quarter.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said “First quarter has traditionally being a seasonal lull period. The decline in the group segment has affected the group overall profitability, though the revision in ticket prices for the walk-in segment had cushioned the decline.”

Mr Wu added: “We will intensify our marketing efforts with increased spending in advertisement and promotional activities to tap on the expected influx of visitors to Shanghai’s 6 months long World Expo event. We remain cautiously optimistic on the outlook for the Group in the light of a buoyant domestic tourism market.”

The National Bureau of Statistics reported that China’s gross domestic products grew 11.9% in the first quarter of 2010, the fastest pace of expansion since 2007. While the growth rate was flattered by a low base of comparison a year earlier, it also highlighted overheating risks that may prompt the Chinese government to tighten monetary policy and raise interest rate.

At the Group level, the Company will continue to monitor the sales mix and contribution from the various segments and devise appropriate and targeted marketing initiatives and activities for each.

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.

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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 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. 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. In October 2007, Straco acquired 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 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.