



MEDIA RELEASE

Straco reports 35% jump in earnings for 1H2010

Financial Highlights (S\$'mil)	3 months to 30 June			6 months to 30 June		
	2010	2009	% change	2010	2009	% change
Sales	11.03	8.36	31.8	17.61	15.52	13.4
Profit before tax	5.39	2.25	139.9	6.98	5.24	33.1
Profit for the year attributable to shareholders	3.66	1.30	180.5	4.67	3.45	35.3
Earnings per share (Scts)	0.42	0.15	180.0	0.54	0.40	35.0
Net asset value per share (Scts)	n.m.	n.m.	-	11.70	11.24	4.1

n.m. – not meaningful

SINGAPORE, 13 August 2010:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a net profit of \$3.66 million for the second quarter ended 30 June 2010. Group revenue was S\$11.03 million, an increase of 31.8% over 2Q2009, due to higher yield and increase in visitor numbers to our flagship attraction, Shanghai Ocean Aquarium (“SOA”).

For the quarter under review, combined visitation to our two main attractions, SOA and Underwater World Xiamen (“UWX”) registered a 5.1% increase over 2Q2009. Walk-in visitors, which constituted more than two-third of the total visitor number, grew 27.3%, while visitation from all other segments still experienced shortfall when compared against the corresponding period in FY2009.

Cumulatively, Group revenue for 1H2010 registered growth of 13.4% year on year. Group profits increased 35.3% over the corresponding period to \$4.67 million.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said “We are pleased with the second quarter results which saw revenue grew 31.8%. In conjunction with the 6 months’ long Shanghai World Expo 2010 which started in May 2010, we have extended the operating hours of SOA and intensify

our advertising to capture the World Expo crowds. These initiatives proved effective as reflected in the increase in walk-in visitors. Overall performance for the 1H2010 is satisfactory, with strong growth in our earnings. Our earnings per share increased 35% to 0.54 cents compared to 1H2009.”

Mr Wu added: “We continue to be optimistic on the outlook for domestic tourism in China. As released by the Tourism Bureau of Shanghai, visitation to Pudong District, Shanghai for the first half of 2010 has increased by 49% year-on-year.”

The National Bureau of Statistics reported that China’s gross domestic products grew 11.1% in the first half of this year, as second quarter’s growth rate slowed to 10.3%, compared to the first quarter’s growth rate of 11.9%.

As was reported, the slowdown will help the China economy avoid overheating and assist in transforming its economic model, providing more leeway to boost domestic consumption and wean the economy off its dependence on exports and state-driven investments.

In June this year, China announced the de-pegging of its RMB currency to the USD.

At the micro level, SOA will continue to develop and promote all market segments and leverage on the World Expo through appropriate marketing initiatives and activities.

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

##

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.

