



星雅集团
STRACO

MEDIA RELEASE

Straco reports 8% growth in earnings for 1Q2011

Financial Highlights (S\$'mil)	3 months to 31 March		
	2011	2010	% change
Sales	7.39	6.58	12.4
Profit/(Loss) before tax	1.74	1.58	10.1
Profits for the year attributable to shareholders	1.10	1.02	8.4
Earnings per share (Scts)	0.13	0.12	8.3
Net asset value per share (Scts)	12.81	11.70	9.5

SINGAPORE, 13 May 2011:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported an increase in net profits to \$1.10 million for the first quarter ended 31 March 2011. Group revenue was S\$7.39 million, an increase of 12.4% over 1Q2010, as combined visitor numbers to its two main attractions, Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) increased 11.3% over 1Q2010.

For the quarter under review, UWX saw significant increase of 35.4% in visitor numbers over the corresponding period in FY2010; while visitor arrivals to SOA declined 5.4% due to the unfavourable weather condition in Shanghai during the winter months.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said “Despite the slowdown in SOA in 1st quarter and the weaker RMB currency against SGD, the Group has managed to achieve positive growth in revenue and profit. The result is encouraging.”

Mr Wu added: “Domestic tourism in China is expected to remain buoyant as the average disposable income of the Chinese household increases, and the government will continue to boost domestic consumption. We will increase our

marketing effort and devise appropriate initiatives and activities for each target segment.”

The National Bureau of Statistics reported that China’s gross domestic products grew 9.7% in the first quarter of 2011, despite six months of tightening efforts in which the Chinese government has raised benchmark interest rates four times, and required banks to lock up 20.5% of their deposits as reserves.

Consumer price index (CPI) for the first quarter was up 5% when compared to the first quarter of 2010, making it the most pressing task and top priority of the government to control inflation.

China will continue to reshape its economy and move away from reliance of exports to domestic consumption. It has been reported that the government will make great effort to boost domestic demand, especially consumer demand over the next 5 years. This augurs well for the domestic tourism market, and therefore our Group’s Attractions.

At the Group level, the Company will continue to monitor the sales mix and contributions 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 (“Straco”), listed on the Singapore Stock Exchange in 2004, is a leading developer and operator of aquatic-related facilities and tourism-related assets in China. Straco’s operating assets include Shanghai Ocean Aquarium, situated in the New Pudong Area, next to Shanghai’s landmark Oriental Pearl Tower; Lixing cable car service at Mount Lishan in Lishan in Lintong District, Shaanxi province; and Underwater World Xiamen on the scenic Gulangyu Island, a key tourist attraction of Xiamen City. Apart from owning and operating tourist attractions, Straco also has an interest in the performing arts. Straco Creation Pte Ltd (“SCPL”) was started, in 2006, as a joint venture company between Straco and Mr Carl Clerico of the Clerico family, the famous music-hall family that has managed the Lido and Moulin Rouge in Paris for more than 60 years. SCPL produced its first cabaret show “Paris Plumes!” in 2007 which toured the Chinese cities of Shenzhen, Guanzhou, Shanghai, and Beijing between December 2007 and January 2008.

Straco 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.