



星雅集团  
STRACO

## MEDIA RELEASE

### Straco reports growth in earnings for 1H2011

Financial Highlights (S\$'mil)	3 months to 30 June			6 months to 30 June		
	2011	2010	% change	2011	2010	% change
Sales	11.01	11.03	-0.1	18.40	17.61	4.5
Profit before tax	5.67	5.39	5.2	7.41	6.98	6.3
Profit for the year attributable to shareholders	3.74	3.66	2.2	4.84	4.67	3.6
Earnings per share (Scts)	0.43	0.42	2.4	0.56	0.54	3.7
Net asset value per share (Scts)	-	-	-	12.42	11.70	6.2

SINGAPORE, 12 August 2011:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a net profit of \$3.74 million for the second quarter ended 30 June 2011. Group revenue was S\$11.01 million, a marginal decrease of 0.1% over 2Q2010.

For the quarter under review, combined visitation to our two main attractions, Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) registered a 12.3% increase over 2Q2010, as the significant surge of 41.6% in visitors to UWX more than offset the 4.9% decline in visitors to SOA. However, lower yield from higher proportion of tour and student groups and the weaker RMB currency against SGD resulted in the marginal decrease in revenue.

Cumulatively, Group revenue for 1H2011 registered growth of 4.5% year on year. Group profits increased 3.6% over the corresponding period to \$4.84 million.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said “Our second quarter results are encouraging. UWX registered a 38.6% increase in revenue on launch of themed exhibits and effective advertising. However, SOA revenue declined 4.9% due to the decline in walk-in visitors in the absence of the one-off World Expo which attracted many visitors to Shanghai city in 2010. Overall performance for the 1H2011 is satisfactory, with 3.6% growth in our earnings.”

Mr Wu added: "Barring any unforeseen circumstances, we expect the Group to remain profitable for the year."

The National Bureau of Statistics reported that China's gross domestic products grew 9.5% in the second quarter of 2011, helped by solid domestic consumption and investment. Year-on-year, the Chinese economy grew 9.6% in the first half of 2011 to almost 20.5 trillion Yuan (USD3.2 trillion), easing fear of a hard landing and confirm that the Chinese government's macroeconomic policy is on the right track.

Consumer price index (CPI) for the first half of 2011 was up 5.4% year-on-year; making it the top priority of the government to control inflation. It has raised interest rates by 25 basis points in July, the third increase this year. This is favourable to our Group as our cash balances are mainly in RMB deposits.

China will continue to rebalance its economy, boost domestic consumptions and be less reliance on export-driven growth. It was also reported by China Daily that Shanghai plans to build itself into an international tourism destination. These macro factors augur well for the tourism market, and 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.