



星雅集团
STRACO

MEDIA RELEASE

Straco reports strong growth in earnings for 1H2012

Financial Highlights (S\$'mil)	3 months to 30 June			6 months to 30 June		
	2012	2011	% change	2012	2011	% change
Revenue	13.76	11.01	24.9	22.83	18.40	24.0
Profit before tax	8.61	5.67	51.7	11.52	7.41	55.4
Profit attributable to shareholders	5.91	3.74	58.0	7.72	4.84	59.5
Earnings per share (Scts)	0.69	0.43	60.5	0.90	0.56	60.7
Net asset value per share (Scts)	-	-	-	14.40	12.42	15.9

SINGAPORE, 10 August 2012:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a net profit of \$5.91 million for the second quarter ended 30 June 2012, an increase of 58% compared to 2Q2011. Group revenue was S\$13.76 million for the quarter, an increase of 24.9% over 2Q2011.

For the quarter under review, combined visitor numbers to our two main attractions, Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) increased 9.7% over 2Q2011 and the admission ticket price revision at SOA since November 2011 resulted in better yield. UWX continued to see double digit increase in visitor numbers of 19.3% over the corresponding period in FY2011, while visitor arrivals to SOA increased a marginal 1.4% compared to 2Q2011.

Cumulatively, Group revenue for 1H2012 registered growth of 24% year on year. Group profit for 1H2012 surged 59.5% over the corresponding period to \$7.72 million.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said “We are happy with the second quarter results amid a challenging business environment and less than optimistic macro economy outlook. Both SOA and UWX registered double digit growth in revenue.”

Mr Wu added: “The good performance in the first half of the year was achieved through a combination of higher visitor numbers, better ticket yield and a conscious effort to contain operating costs among the operating units. 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 product (“GDP”) growth slowed to 7.6% in the second quarter of 2012 over the same period last year, the sixth consecutive quarter of slowdown in the world’s second largest economy.

For the first half of 2012, the China economy grew 7.8% while inflation rate was 3.3%. In its effort to boost growth, the Chinese government has cut interest rates twice in a month and lowered bank reserves ratio three times since last November. It is anticipated that monetary policy will ease further in this year.

Despite the economic slowdown in China, the domestic tourism segment has witnessed positive growth. Besides, the China government has taken various initiatives such as tourism promotion, branding and positioning of China as a tourism hub, cultural promotion, etc. to boost the tourism industry. These augur well for the Group.

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.

##

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, Guangzhou, Shanghai, and Beijing between December 2007 and January 2008; and Chengdu in 2011.

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.