



星雅集团
STRACO

MEDIA RELEASE

Straco reports strong growth in earnings for 1H2013

Financial Highlights (S\$'mil)	3 months to 30 June			6 months to 30 June		
	2013	2012	% change	2013	2012	% change
Revenue	16.37	13.76	19.0	27.69	22.83	21.3
Profit before tax	11.28	8.61	31.0	19.05	11.52	65.4
Profit attributable to shareholders	7.76	5.91	31.3	13.22	7.72	71.2
Earnings per share (Scts)	0.92	0.69	33.3	1.57	0.90	74.4
Net asset value per share (Scts)	-	-	-	16.41	14.40	13.9

- Cumulative 1H2013 revenue grew 21.3% to \$27.69 million
- Cumulative 1H2013 net profit surged 71.2% to \$13.22 million
- Healthy cash balance of \$100.07 million

SINGAPORE, 7 August 2013:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a net profit of \$7.76 million for the second quarter ended 30 June 2013, an increase of 31.3% compared to 2Q2012. Group revenue was S\$16.37 million for the quarter, an increase of 19% over 2Q2012.

For the quarter under review, combined visitor numbers to our two main attractions, Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) increased 13.7% over 2Q2012. SOA and UWX registered increase in visitor numbers of 17.4% and 10.2% respectively over the corresponding period in FY2012.

Cumulatively, Group revenue for 1H2013 registered growth of 21.3% year on year. Group profit for 1H2013 surged 71.2% over the corresponding period to \$13.22 million, boosted by the exchange gain arising from the stronger Chinese Yuan against the Singapore Dollar and the one-off gain on the disposal of a Land Use Rights as reported in 1Q.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said “The tourism sector has recovered with the abatement of the H7N9 virus scare in April/May. Both SOA and UWX registered more than 10% growth in visitor numbers and revenue in the second quarter compared to 2Q2012.”

Mr Wu added: “The good performance in the first half of the year was mainly attributable to higher visitor numbers at all our attractions, as well as exchange gain from the stronger RMB currency and the one-off gain from land use rights acquired by the local government. 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 in the second quarter of 2013 to 7.5% year-on-year, amid structural reform, a tepid recovery in the world economy and appreciation of the RMB currency which affected export growth.

For the first half of 2013, the Chinese economy was stable with GDP growth of 7.6% from the same period last year. The Chinese government is not expected to introduce any major stimulus or policy shift as they pursue a longer term vision of reforming the economy towards consumer-led, rather than export- and investment-led growth.

The State Council of China issued “The Outline for National Tourism and Leisure (2013-2020)” in February this year, setting the ground for the redefinition of tourism development and management in the country to meet the people’s growing needs in tourism and leisure. This new Chinese national tourism strategy focuses on promoting the taking of paid annual leave days and boosting the healthy development of the tourism sector in China, and included initiatives aimed at improving China’s travel and tourism infrastructure to make inbound travel easier for tourists visiting China. This augurs well for our 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.

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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, 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.