



MEDIA RELEASE

Straco reports strong growth in revenue and earnings for 1Q

| Financial Highlights (S\$'mil) | 3 months to 31 March | | |
|-------------------------------------|----------------------|-------|-------------|
| | 2015 | 2014 | % change |
| Revenue | 25.15 | 14.66 | 71.5 |
| Profit before tax | 12.41 | 8.22 | 51.0 |
| Profit attributable to shareholders | 8.68 | 5.41 | 60.5 |
| Earnings per share (Scts) | 1.02 | 0.64 | 59.4 |
| Net asset value per share (Scts) | 23.76 | 19.41 | 22.4 |

- 1Q revenue grew 71.5% to \$25.15 million
- Positive contribution by the Singapore Flyer
- Strong cash balance of \$123.54 million

SINGAPORE, 8 May 2015:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a 71.5% surge in revenue to \$25.15 million for the first quarter ended 31 March 2015, compared to 1Q2014, mainly attributable to the revenue contributed by the Singapore Flyer which was acquired in November 2014 via its subsidiary, Straco Leisure Pte Ltd, as well as more visitor arrival to its Shanghai Ocean Aquarium (“SOA”). Group profit was S\$8.68 million for the quarter, an increase of 60.5% compared to 1Q2014.

For the quarter under review, overall visitation to all the attractions increased 32.9% over 1Q2014 to 942,000 visitors with the addition of the Singapore Flyer to the Group.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said: “We are happy with this quarter’s result which saw revenue grew 71.5% over last year’s corresponding period and our net profit increased 60.5% over 1Q2014 with the addition of the Singapore Flyer to our portfolio of tourism assets. We generated net cash from operating activities of \$11.0 million for the quarter.”

Mr Wu added: “China’s domestic tourism market is expected to remain buoyant, as the industry plays an important role in the country’s economic growth. Despite new government guidelines to manage overcrowding, which have impacted our visitor numbers at UWX, we opined that the long term effect will be the smoothening out of domestic travel

over the year, leading to less overcrowding and more optimal experience for our visitors. We will continue to enhance our exhibits to reap the benefits of smoothed visitor numbers throughout the year. In Singapore, while the outlook in 2015 appears to be challenging, we expect the nation's Golden Jubilee campaign to have a positive impact on our business.”

The National Bureau of Statistics of China reported that China's gross domestic product (“GDP”) grew 7% in the first quarter of 2015, compared to the same period a year ago. This was the weakest quarterly expansion since 2009, and was widely expected as the Chinese government continues with structural adjustment and transformation to move the economy towards a more sustainable growth model. However, to avoid an abrupt slowdown that could cause unemployment and threaten financial stability, further easing of monetary policy is expected in the coming months.

In Singapore, the outlook of the tourism sector remains good. Despite a dip in the total number of visitors in 2014, tourism receipts had remained constant, as per capita spending rose. The Singapore Tourism Board has recently announced a \$20 million campaign to attract visitors to Singapore. The campaign will run from middle of the year till December and will be launched in several countries in Asia. This augurs well for the Group.

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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. Straco's main 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; Underwater World Xiamen on the scenic Gulangyu Island, a key tourist attraction of Xiamen City, and the Singapore Flyer, an iconic landmark located in the Marina Bay skyline.

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.