



MEDIA RELEASE

Straco reports 3-fold leap in earnings and outlook remains strong

Financial Highlights (S\$'mil)	6 months to 30 June		
	2007	2006	% change
Sales	9.88	8.10	22.0
Profit/(Loss) Before Tax	3.14	1.07	195.1
Net Profits Attributable to Shareholders	2.46	0.75	228.6.
Earnings Per Share (Scts)	0.28	0.09	211.1
Net Asset Value Per Share (Scts)	9.77	9.38	4.2

SINGAPORE, 2 August 2007:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a net profit of \$2.2 million for the quarter ended 30 June 2007. Group revenue for 2Q2007 was \$6.1 million, an increase of 28% over the same period in FY2006 as visitor numbers at Shanghai Ocean Aquarium grew 20% over 2Q2006.

For the quarter under review, walk-in visitors grew 19%, student groups registered strong growth of 64%, while tour and corporate groups also grew 13% and 22% respectively over the corresponding period in FY2006.

Cumulatively, Group revenue for 1H2007 registered a growth of 22% year on year. Group profit increased 228.6% to \$2.5 million compared to 1H2006, as the aquarium operated in higher economies of scale with improved revenue.

Commenting on the results, Straco’s Executive Chairman Mr Wu Hsioh Kwang said “We are happy with the strong growth in visitor numbers and revenue, which resulted in a 3-fold leap in our net profits for the first half, compared to same period last year.”

Mr Wu added: “Apart from the improved macro-environment for consumer consumption, our Aquarium has gained greater visibility through constant media and trade channel exposures. Our earnings per share increased from 0.09 cents in 1H2006 to 0.28 cents in 1H2007. Cashflow from operations amounted to \$4.5 million for the first half of the year. We are confident that the outlook for the Group remains bright.”

China economy grew a robust 11.9% in the second quarter from a year ago, the fastest pace in 12 years. Gross Domestic Product rose 11.5% to 10.68 trillion Yuan in the first half of 2007, up 0.5 percentage point on the same period in 2006.

Domestic consumption rose 11.5% in the first half of the year, as the Chinese government encourage consumer spending by raising minimum wages and improving social security.

The favourable macro conditions augur well for the Group’s flagship attraction, Shanghai Ocean Aquarium, and will continue to underpin its performance.

The Group is looking at new growth engines which will broaden its earnings base and enhance shareholder value.

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About Straco Corporation

Straco Corporation Limited is a leading developer and operator of tourism-related assets in China. It was listed on the Mainboard of the Singapore Exchange on 20 February 2004. Straco’s key asset is the Shanghai Ocean Aquarium, one of the largest indoor, closed systems aquariums in the world with a total built up area of 20,000 m² and a designed capacity of 21,000 people per day. The world-class aquarium showcases over 10,000 fishes and marine livestock of over 350 species from all over the world. It is situated across the Huang Pu River in the New Pudong Area, next to Shanghai’s landmark Oriental Pearl Tower.

Straco Corporation has been constantly sourcing for tourism projects to tap into the expected tourism boom in Asia. The Group is well placed to leverage on its experience and track record in the China tourism industry to form strategic investment alliance to develop and operate tourism resources in China.