



星雅集团
STRACO

MEDIA RELEASE

Straco reports 39% increase in revenue for 1H2008

Financial Highlights (S\$'mil)	6 months to 30 June		
	2008	2007	% change
Sales	13.76	9.88	39.3
Profit/(Loss) Before Tax	2.91	3.14	(7.3)
Net Profits Attributable to Shareholders	2.01	2.46	(18.3)
Earnings Per Share (Scts)	0.23	0.28	(17.8)
Net Asset Value Per Share (Scts)	10.05	9.77	2.9

SINGAPORE, 14 August 2008:- Mainboard-listed Straco Corporation ("Straco" or "the Group"), a developer and operator of tourism-related attractions, reported a net profit of \$1.5 million for the second quarter ended 30 June 2008. Group revenue was S\$7.6 million, an increase of 25.4% over the same period in FY2007, as visitor numbers increased 51% over 2Q2007 with the addition of Underwater World Xiamen to the Group.

For the quarter under review, walk-in visitors grew 26%, tour groups registered strong growth of 190%, while corporate and student groups registered marginal decline of 1% and 5% respectively over the corresponding period in FY2007.

Cumulatively, Group revenue for 1H2008 registered growth of 39% year on year. Group profits however fell 18% to \$2.0 million due to one-off items such as donations to the Red Cross Society of China and the non-recurring interest provided on the outstanding shareholders' loans. Save for the above, Group profit would have increased by approximately 14% over corresponding period.

Commenting on the results, Straco's Executive Chairman, Mr Wu Hsioh Kwang said "Overall performance for the first half is satisfactory, with strong revenue growth of 39%, contributed largely by our newly acquired subsidiary, Underwater

World Xiamen, which has been successfully integrated into the Group's business."

Mr Wu added: "The uncertain outlook of the global economy and the current inflationary pressure may pose a threat to our business growth in the short term. However, we are confident that the outlook for the Group will remain positive as the business environments where our businesses are located remain resilient."

According to the National Bureau of Statistics, China economy grew at a slower pace of 10.1% in the second quarter from the same period last year, amidst slower exports and the tightening of credit by central bank. The slowing global economy and weaker demand on international markets also affected the Chinese economy.

Inflationary pressure remained at a fairly high level, as consumer price index rose 7.9% in the first 6 months this year, and the Chinese government will continue to concentrate on the battle against inflation.

At the micro level, the changes in the gazette holidays in the second quarter – a shortened May Day golden week and the new additional Qing Ming Festival in April and the Dragon-Boat Festival in June, had not resulted in any adverse impact to our Group. On the whole, our Attractions had experienced growth in visitation and revenue.

Marketing and sales focus is will be directed at mitigating the impact from the Beijing Olympics during the third quarter.

The Group will continue to seek and evaluate high quality tourism and entertainment projects to 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. 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 also owns and operates Lixing cable car service at Mount Lishan in Lishan in Lintong District, Shaanxi province. In 2006, Straco started a joint venture, Straco Creation Pte Ltd ("SCPL"), with Mr Carl Clerico, who is the third generation of the Clerico family which has managed the Lido and Moulin Rouge in Paris for more than 60 years. SCPL's first production "Paris Plumes!" debuted in December 2007, in the major Chinese cities of Shenzhen, Guangzhou, Shanghai and Beijing. In October 2007, Straco acquired Underwater World Xiamen ("UWX") on Gulangyu Island, a key tourist attraction of Xiamen City. The aquarium, with over 4 million litres of water capacity, features marine animal performances and displays a wide variety of fresh water and marine livestock.

Straco Corporation 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.