



## MEDIA RELEASE

### Straco reports increased revenue and profits for 1Q2007

Financial Highlights (S\$'mil)	3 months to 31 March		
	2007	2006	% change
<b>Sales</b>	3.82	3.38	13.2
Profit/(Loss) Before Tax	0.34	(0.13)	<i>n.m.</i>
Net Profits Attributable to Shareholders	0.24	(0.17)	<i>n.m.</i>
Earnings Per Share (Scts)	0.03	(0.02)	<i>n.m.</i>
Net Asset Value Per Share (Scts)	9.65	9.53	1.3

*n.m.* – not meaningful

SINGAPORE, 9 May 2007:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a net profit of \$0.24 million for the first quarter ended 31 March 2007, a reversal from a loss of \$0.17 million in 1Q2006. Group revenue was S\$3.82 million, an increase of 13.2% over the same period in FY2006 as visitor numbers at Shanghai Ocean Aquarium grew 13.5% over 1Q2006.

For the quarter under review, walk-in visitors grew 15.2%, corporate groups registered strong growth of 39.2%, while tour groups declined 5.7% over the corresponding period in FY2006.

Commenting on the results, Straco’s Executive Chairman Mr Wu Hsioh Kwang said “We are happy with the double-digit growth in visitor numbers from walk-in and group segments and the positive earnings for the first quarter, which traditionally was a lull period.”

Mr Wu added: “The Aquarium has recently underwent some re-planning and re-zoning of the exhibition areas which had resulted in an increase in exhibition zones and expanded retail area which will yield an additional 220 square metre

of retail space. Visitors can look forth to a wider range of merchandise and souvenirs.”

China’s gross domestic product (“GDP”) growth accelerated to 11.1% year-on-year in the first quarter of 2007. Consumer price index, or CPI, rose 3.3% in March, compared with a year ago and grew by 2.7% in the first quarter, 1.5 percentage points higher than the same period in 2006.

As reported, China will continue to impose measures to further strengthen controls over fixed assets investment and loans, and to boost domestic consumption.

In Shanghai, the economy soared 12.5% in the first three months to 262.5 billion Yuan, on the back of strong growth in the service sector. The city’s GDP has grown by double digits for 15 straight years, and is not expected to slowdown sharply in the near future.

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

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. 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 m<sup>2</sup> 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.