



## MEDIA RELEASE

### Straco reports strong earnings for 1Q2013

Financial Highlights (S\$'mil)	3 months to 31 March		
	2013	2012	% change
<b>Revenue</b>	11.32	9.07	24.8
Profit/(Loss) before tax	7.77	2.91	166.9
Profits for the year attributable to shareholders	5.46	1.82	201.0
Earnings per share (Scts)	0.65	0.21	209.5
Net asset value per share (Scts)	16.41	14.48	13.3

*SINGAPORE, 10 May 2013:-* Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a net profit of \$5.46 million for the first quarter ended 31 March 2013, a 200% increase compared to 1Q2012. Apart from the better performance at all three attractions, a one-off gain arising from the disposal of a land use rights at our subsidiary, Xián Lintong Zhongxin Tourism Development Co. Ltd, to the local government, as well as favourable exchange differences from the stronger Chinese Yuan against the Singapore dollar in the current quarter also contributed to the bottom-line for the quarter. Group revenue was S\$11.32 million for the quarter, an increase of 24.8% over 1Q2012, attributable to higher visitor numbers to all its attractions. Combined visitor numbers to its two main attractions, Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) increased 22.5% over 1Q2012.

For the quarter under review, visitor arrivals to UWX increased 25.6% over the corresponding period in FY2012; while visitor arrivals to SOA increased 19.0% compared to 1Q2012.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said “Despite the slower growth in the Chinese economy reported in 1<sup>st</sup> quarter,

the Group has achieved strong growth in revenue and profit in the period. However, we remain cautiously optimistic of our performance, as recent cases of the H7N9 avian influenza outbreak may have a negative impact on businesses. Nonetheless, we shall remain vigilant and adopt safety precautions at our attractions, where appropriate.”

China’s economic growth slowed to 7.7% in the first quarter of 2013, lower than the fourth quarter’s 7.9% in 2012, amid weaker than expected industrial production, retail sales, and fixed asset investment.

It was also reported that tourist numbers in Eastern China have fallen over fears regarding the H7N9. However, as domestic consumption becomes an increasingly important driver of economic growth this year, as exports and property investments falter, the local authorities have started providing incentives for travel, such as the waiver of highway tolls to encourage road trips and cutting admission prices to tourism sites in China.

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.