



MEDIA RELEASE

Straco reports strong growth in revenue and earnings for 2015

Financial Highlights (S\$'mil)	3 months to 31 December			12 months to 31 December		
	2015	2014	% change	2015	2014	% change
Revenue	23.83	19.42	22.7	127.66	92.32	38.3
Profit before tax	10.22	7.62	34.0	72.93	57.64	26.5
Profit attributable to shareholders	6.26	4.43	41.5	49.00	37.69	30.0
Earnings per share (Scts)	0.73	0.52	40.4	5.74	4.45	29.0
Net asset value per share (Scts)	-	-	-	25.95	22.02	17.8

- Full year revenue grew 38.3% to \$127.66 million
- Net profit increased 30% year-on-year
- Operating cash flow of \$65 million generated
- Proposed first and final dividend of 2.0 cents per share + special dividend of 0.5 cent per share

SINGAPORE, 24 February 2016:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported that net profit grew 41.5% to \$6.26 million for the fourth quarter ended 31 December 2015, compared to 4Q2014, mainly attributable to the profit contributed by the Singapore Flyer, partially offset by lower profit from Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) in the quarter. Group revenue was \$23.83 million for the quarter, an increase of 22.7% compared to 4Q2014, mainly attributable to the higher revenue from the Singapore Flyer as a full quarter was recorded compared to one month’s revenue in 4Q2014 when the acquisition was completed on 28 November 2014, partially offset by lower revenues from SOA and UWX as visitor numbers to the two aquariums fell below 4Q2014.

For the quarter under review, overall visitation to all the attractions increased 17.2% over 4Q2014 to 939,000 visitors.

Cumulatively, Group revenue for FY2015 registered growth of 38.3% year on year, mainly attributable to the revenue contributed by the Singapore Flyer, while Group profit increased 30% over the corresponding period to \$49.0 million, mainly attributable to the profit contributed by the Singapore Flyer and increased profitability at SOA, partially offset by decline in profit at UWX.

Commenting on the full year's results, Straco's Executive Chairman, Mr Wu Hsioh Kwang said: "2015 marked a new chapter for our Group as it was our first year of managing an attraction in Singapore. With the continuous hard work of the management and staff at Straco Leisure, Singapore Flyer achieved positive results and contributed approximately 19% of our Group's profit for FY2015. Our China businesses, in particular SOA continues to achieve positive growth in visitor numbers and profitability while UWX's profitability was lower amidst regulatory changes in the operating environment."

Mr. Wu added: "We generated net cash from operating activities of \$65.0 million for the year, 76% higher than that of last year. As at 31 December 2015, the Group has net cash of \$62.63 million."

The National Bureau of Statistics of China reported that China's gross domestic product ("GDP") grew 6.8% in the fourth quarter of 2015, the weakest pace of expansion since the first quarter of 2009 following the global financial crisis. Full-year growth was 6.9%, in line with the government's target.

On the tourism industry, it was reported that China's travel and tourism sector contributes over 10% of GDP and 10% of total employment. In 2015, the country records over 4 billion domestic tourist visits and 120 million outbound tourist visits, with tourism receipts exceeding 4 trillion Yuan, ranking it top of the world. The Chinese government will strive to implement national policies in support of tourism reform and development, speed up the building of tourism infrastructure and public service capacity, and strongly promote rural tourism. These augur well for the Group's attractions in China.

In Singapore, it was forecasted that growth outlook will remain tepid in the next six to nine months, before an improvement in the later part of 2016 can be expected, bringing an overall GDP growth of 2.1% for 2016. On the tourism sector, it was recently reported that Singapore was the second most popular Asia-Pacific destination among international visitors last year, and ranked third in terms of total spending of international visitors. In addition, as the city will play host to several prominent medical congresses in 2016, this will benefit the industry. From January to November 2015, tourist arrivals was 13.8 million, a marginal increase of 0.4% compared to the corresponding period.

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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.