



MEDIA RELEASE

Straco reports double-digit growth in revenue and earnings for 3Q

Financial Highlights (S\$'mil)	3 months to 30 September			9 months to 30 September		
	2015	2014	% change	2015	2014	% change
Revenue	49.29	38.57	27.8	103.84	72.90	42.4
Profit before tax	34.51	29.04	18.8	62.71	50.02	25.4
Profit attributable to shareholders	23.60	19.52	20.9	42.74	33.26	28.5
Earnings per share (Scts)	2.75	2.30	19.6	5.01	3.93	27.5
Net asset value per share (Scts)	-	-	-	25.73	21.05	22.2

- 3Q revenue grew 27.8% to \$49.29 million
- Positive contribution by the Singapore Flyer
- Net cash of \$64.03 million

SINGAPORE, 13 November 2015:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a 27.8% growth in revenue to \$49.29 million for the third quarter ended 30 September 2015, compared to 3Q2014, mainly attributable to the revenue contributed by the Singapore Flyer, sustained visitor growth to its Shanghai Ocean Aquarium (“SOA”), and the RMB strengthening against SGD as compared to 3Q2014. The increase was offset by lower revenue from Underwater World Xiamen (“UWX”), which resulted from government control of tourist traffic to Gulangyu Island where UWX is located. Group profit was S\$23.6 million for the quarter, an increase of 20.9% compared to 3Q2014.

For the quarter under review, overall visitation to all the attractions increased 5.1% over 3Q2014 to 2.03 million visitors.

Cumulatively, Group revenue for the nine months of 2015 registered growth of 42.4% year on year, mainly attributable to the revenue contributed by the Singapore Flyer, while Group profit increased 28.5% over the corresponding period to \$42.74 million, due in part to an exchange loss of \$1.45 million recorded in 2014 as opposed to an exchange gain of \$136,000 recorded in the current period. Taking away the exchange differences in both periods, Group profit for would have increased approximately 22% over the corresponding

period in 2014, 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 results, Straco's Executive Chairman, Mr Wu Hsioh Kwang said: "We are happy with this quarter's results which saw the Group's revenue and profit achieve double-digit growth compared to 3Q14, as positive contribution from Singapore Flyer boosted the Group's earnings while our China operations maintained overall positive growth despite new challenges in the macroeconomic environment."

Mr. Wu added: "We generated net cash from operating activities of \$34.77 million for the third quarter, an increase of 15% compared to that of 3Q2014. As at 30 September 2015, the Group has net cash of \$64.03 million."

The National Bureau of Statistics of China reported that China's gross domestic product ("GDP") grew 6.9% in the third quarter of 2015, down from 7% in the first two quarters, and the slowest since the first quarter of 2009 following the global financial crisis.

In the recent Global Tourism Economy Forum Macao 2015 held in October, the chairman of the China National Tourism Administration pointed out that China's tourism was in a new stage of adjustment, and would maintain rapid growth. This augurs well for the Group's businesses in China.

In Singapore, the tourism sector is expected to be on target to meet its forecast of more than 15 million travellers this year, despite a dimmed economic outlook ahead, as the economy grew 1.4% in the three months to September 2015 compared to the same period a year ago, its slowest pace in three years. From January to August 2015, tourist arrivals hit 10.22 million, a marginal drop of 0.6% 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.