



MEDIA RELEASE

Straco reports lower revenue and earnings for 2Q

Financial Highlights (S\$'mil)	3 Months to 30 June			6 Months to 30 June		
	2016	2015	% change	2016	2015	% change
Revenue	27.86	29.39	-5.2	54.29	54.54	-0.5
Profit before tax	13.99	15.79	-11.4	26.15	28.21	-7.3
Profit attributable to shareholders	9.25	10.46	-11.6	17.58	19.14	-8.2
Earnings per share (Scts)	1.08	1.22	-11.5	2.05	2.25	-8.9
Net asset value per share (Scts)	-	-	-	24.38	22.63	7.7

- 2Q revenue dropped 5.2% to \$27.86 million
- Paid out \$21.5 million in dividends
- Net cash of \$56.8 million

SINGAPORE, 10 August 2016:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a 5.2% decline in Group revenue to \$27.86 million for the second quarter ended 30 June 2016 compared to 2Q2015, mainly attributable to the lower revenue contributed by the two aquariums- Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) on declined visitation at SOA and lower yield at UWX. Higher revenue was reported at the Singapore Flyer for 2Q2016 on improved ticket yield. Group profit was \$9.25 million for the quarter, 11.6% lower than that of 2Q2015, partly attributable to the exchange loss recorded in the current period compared to an exchange gain recorded in 2Q2015, as RMB currency weakened against SGD in the current period. Taking away the exchange differences, Group profit would have declined approximately 6.4% instead.

For the quarter under review, overall visitation to all the attractions decreased 7.2% from 2Q2015 to 1.14 visitors.

Cumulatively, Group revenue for 1H2016 decreased marginally by 0.5%, as increased revenue at the Singapore Flyer was offset by declines at SOA and UWX. Group profit for 1H2016 fell 8.2% compared to 1H2015 as SOA, UWX and Singapore Flyer reported lower profits.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said: “Despite the continued economic slowdown and uncertainty, we are pleased with the

overall performance for the first half of the year as our flagship attractions continue to be a main draw for tourists.”

The National Bureau of Statistics of China reported that China’s gross domestic product (“GDP”) grew 6.7% in second quarter of 2016 from a year ago, unchanged from the previous quarter and also in line with the government’s target range of 6.5% to 7% for this year.

In Singapore, the economy grew 2.2% in the second quarter of 2016, with steady growth in the services sector. In its drive to boost tourism growth, the government has set aside \$700 million to a third tranche of the Tourism Development Fund from 2016 to 2020, focusing on product development, technology adoption and innovation, and upskilling the tourism workforce. In a statistics report from Singapore Tourism Board, the number of tourist arrivals from Jan-May 2016 grew 13.3% compared to the same period in 2015.

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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.