



星雅集团
STRACO

MEDIA RELEASE

Straco reports strong growth in revenue and earnings for Q3

Financial Highlights (S\$'mil)	3 months to 30 September			9 months to 30 September		
	2013	2012	% change	2013	2012	% change
Revenue	30.52	21.30	43.3	58.21	44.13	31.9
Profit before tax	22.58	13.50	67.3	41.63	25.02	66.4
Profit attributable to shareholders	15.24	8.85	72.2	28.47	16.58	71.7
Earnings per share (Scts)	1.81	1.05	72.4	3.38	1.94	74.2
Net asset value per share (Scts)	-	-	-	18.23	15.11	20.6

- Cumulative revenue grew 31.9% to \$58.21 million
- Cumulative net profit surged 71.7% to \$28.47 million
- Strong cash balance of \$101.15 million

SINGAPORE, 12 November 2013:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported that net profit surged 72.2% to \$15.24 million for the third quarter ended 30 September 2013, compared to 3Q2012. Group revenue was S\$30.52 million for the quarter, an increase of 43.3% over 3Q2012 as visitor numbers to our attractions increased.

For the quarter under review, combined visitor numbers to our two main attractions, Shanghai Ocean Aquarium (“SOA”) and Underwater World Xiamen (“UWX”) increased 33.4% over 3Q2012 to 1.26 million visitors. SOA and UWX registered increase in visitor numbers of 48.6% and 18.9% respectively over the corresponding period in FY2012.

Cumulatively, Group revenue for the first nine months of FY2013 registered growth of 31.9% year on year. Group profit surged 71.7% over the corresponding period to \$28.47 million. Apart from the strong operating performance, net profit was also boosted by the exchange gain arising from the stronger Chinese Yuan against the Singapore Dollar this year, and the one-off gain on the disposal of a Land Use Rights in 1Q.

Commenting on the results, Straco's Executive Chairman, Mr Wu Hsioh Kwang said "We are very pleased with another record performance for the quarter, with both our visitor numbers and earnings registering double digit growth over the corresponding period."

Mr Wu added: "We generated net operating cash flow of \$20.74 million for the quarter, a 38.5% increase over operating cash flow generated in 3Q2012. Our Group's cash balance increased 5.4% to \$101.15 million from the beginning of the year, despite paying out dividends and the deposit for the bidding of a project."

The National Bureau of Statistics reported that China, the world's second largest economy, grew 7.8% in the third quarter from a year earlier, underpinned by investment, which accounted for more than half of the expansion so far this year.

For the first nine months of 2013, the Chinese economy grew 7.7%; as investment and consumption rose, while exports contracted. It was reported that the Chinese government will continue to work towards the longer-term reform aimed at steering the economy to a slower, more sustainable level based on domestic consumption instead of exports and investment.

On the tourism sector, the China National Tourism Administration ("CNTA") issued the Outline for Tourism Quality Development (2013-2020) in March this year, setting out the strategic goal of strengthening tourism by focusing on quality, and to foster the tourism industry into a strategic pillar industry in the national economy. This augurs well for our Group.

The first China Tourism Law came into effect on 1st October 2013 and includes measures to address issues such as unfair competition and forced shopping trips, in which agencies offer cheap tours but recoup their costs from commissions in partner shops. The new law is expected to have an impact on the travel industry and could increase higher-yielding free independent travellers (FITs) to our tourism attractions.

##

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 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; 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 through its 51% owned Straco Creation Pte Ltd ("SCPL"), 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.

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.