



星雅集团
STRACO

MEDIA RELEASE

Straco reports strong growth in revenue and earnings

Financial Highlights (S\$'mil)	3 months to 31 December			12 months to 31 December		
	2013	2012	% change	2013	2012	% change
Revenue	14.63	11.07	32.2	72.84	55.20	32.0
Profit before tax	8.64	5.07	70.4	50.27	30.09	67.1
Profit attributable to shareholders	5.63	3.15	78.7	34.10	19.73	72.8
Earnings per share (Scts)	0.67	0.37	81.1	4.05	2.32	74.6
Net asset value per share (Scts)	-	-	-	19.07	15.57	22.5

- Cumulative revenue grew 32% to \$72.8 million
- Cumulative net profit surged 72.8% to \$34.1 million
- Debt free since 2008
- Operating cash flow of \$35.7 million generated
- Proposed first and final dividend of 1.25 cent per share + special dividend of 0.75 cent per share

SINGAPORE, 28 February 2014:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a surge in net profit of 78.7% to \$5.63 million for the fourth quarter ended 31 December 2013, compared to 4Q2012. Group revenue was S\$14.63 million for the quarter, an increase of 32.2% over 4Q2012, mainly attributable to increased visitation at our flagship attraction, Shanghai Ocean Aquarium (“SOA”).

For the quarter under review, combined visitor numbers to its two main attractions, SOA and Underwater World Xiamen (“UWX”) increased 17.1% over 4Q2012 to 0.59 million visitors.

Cumulatively, Group revenue for FY2013 registered growth of 32% year on year. Group profit surged 72.8% over the corresponding period to \$34.1 million. Apart from a 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 1Q2013.

Commenting on the results, Straco's Executive Chairman, Mr Wu Hsioh Kwang said "FY2013 saw another record performance for our Group, with revenue of \$72.8 million and net profit of \$34.1 million. Visitor numbers to each of our three attractions saw double digit growth ranging from 10% to 33%. Our operating cash flow reached \$35.7 million for FY2013, an increase of 29.6% over FY2012. Our net asset value also increased 22.5% to 19.07 cents per share"

Mr Wu added: "In view of the good performance, the Board will be recommending a first and final dividend of 1.25 cent per share and a special dividend of 0.75 cent per share, a total of 2.00 cents per share."

For the whole of 2013, the Chinese economy grew a stable 7.7%; setting the stage for the government to focus on economic reforms this year and anti-corruption campaign, which augur well for China's economic and social stability in the long run. The Chinese government has been shifting its economic reliance away from exports and foreign trade to domestic consumption. This directly benefits China's tourism industry. According to the World Travel and Tourism Council, travel and tourism generated 9.3% of China's GDP in 2013. Domestic tourism is expected to continue to grow with the nation's increasing affluence and accessibility. This augurs well for the Group.

The first China Tourism Law, which came into effect on 1st October 2013, is reshaping the domestic travel industry, and has increased the number of higher-yielding free independent travellers (FITs) to Straco's attractions since its implementation. It is expected that the new law will strengthen long term regulation of the travel industry.

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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 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.