



MEDIA RELEASE

Straco reports growth in revenue and earnings for 1Q

Financial Highlights (S\$'mil)	3 months to 31 March		
	2017	2016	% change
Revenue	27.54	26.43	4.2
Profit before tax	13.23	12.16	8.8
Profit attributable to shareholders	8.91	8.34	6.9
Earnings per share (Scts)	1.04	0.97	7.2
Net asset value per share (Scts)	28.81	26.24	9.8

- 1Q revenue grew 4.2% to \$27.54 million
- 1Q profit grew 6.9% to \$8.91 million
- Net cash of \$109 million

SINGAPORE, 9 May 2017:- Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a 4.2% increase in revenue to \$27.54 million for the first quarter ended 31 March 2017, compared to 1Q2016, attributable to higher revenues from increased visitation to its three attractions in China and better yield at Singapore Flyer. Group profit was S\$8.91 million for the quarter, 6.9% higher than that of 1Q2016.

For the quarter under review, overall visitation to all attractions increased 7.8% over 1Q2016 to 1.07 million visitors.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said: “Our first quarter results were encouraging, with positive growth in revenue and earnings over the corresponding period in 2016. Our flagship asset, Shanghai Ocean Aquarium reported double-digit growth in visitor numbers compared to the corresponding period, while visitation to Underwater World Xiamen also increased 9.3%. While the number of visitors to Singapore Flyer remained stable, overall revenue for the quarter had increased on better yield and higher F&B revenue. Our earnings per share for the quarter increased 7.2% to 1.04 cent.”

Mr. Wu added: “The outlook of China’s tourism remains positive, as the government is committed to developing tourism as a major engine of growth. China’s domestic tourism industry earned about 3.9 trillion yuan in 2016, up 14% year-on-year.”

The National Bureau of Statistics of China reported that China’s gross domestic product (“GDP”) grew 6.9% in the first quarter of 2017 from a year ago. Although first quarter growth was driven by government investment in infrastructure as well as a recovery in exports, consumer spending remained strong as consumption contributed a higher percentage to growth compared to 2016.

According to the China National Tourism Administration, domestic tourism is expected to increase 10 percent year on year to 4.88 billion trips in 2017, with revenue rising 12.5 percent to 4.4 trillion yuan.

The Singapore economy grew 2.5% year-on-year in 1Q2017, based on advance estimates from the Ministry of Trade and Industry. On the tourism sector, the Singapore Tourism Board (“STB”) reported that tourist arrival reached 2.8 million as of February this year, an increase of 3.4% compared to the same period last year. For the whole of 2017, STB projects a 0-2% increase in visitor arrivals and 1-4% growth in tourism receipts.

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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.