



## MEDIA RELEASE

### Straco continues to report strong performance for 3Q

Financial Highlights (S\$'mil)	3 Months to 30 September			9 Months to 30 September		
	2017	2016	% change	2017	2016	% change
<b>Revenue</b>	46.11	47.63	-3.2	103.85	101.92	1.9
Profit before tax	31.28	33.13	-5.6	61.14	59.28	3.1
Profit attributable to shareholders	21.35	22.74	-6.1	41.67	40.32	3.3
Earnings per share (Scts)	2.48	2.65	-6.4	4.85	4.70	3.2
Net asset value per share (Scts)	-	-	-	30.21	27.17	11.2

- Year-to-date revenue increased 1.9% to \$103.85 million
- Net asset value per share increased 11.2% to 30.21 cents
- Net cash of \$136.21 million

*SINGAPORE, 14 November 2017:-* Mainboard-listed Straco Corporation (“Straco” or “the Group”), a developer and operator of tourism-related attractions, reported a marginal decline in Group revenue to \$46.11 million for the third quarter ended 30 September 2017 compared to 3Q2016, mainly attributable to lower revenue contributed by Underwater World Xiamen (“UWX”), partially offset by higher revenue achieved by Shanghai Ocean Aquarium (“SOA”), Lixing Cable Car (“LCC”) and Singapore Flyer. Group profit was \$21.35 million for the quarter, 6.1% lower than that of 3Q2016, mainly attributable to lower revenue.

For the quarter under review, overall visitor numbers to all the attractions decreased 5.1% from 3Q2016 to 1.91 million visitors.

Cumulatively, Group revenue for the nine months of 2017 increased 1.9% over the corresponding period in 2016, as revenues at SOA, LCC, and the Singapore Flyer increased. Group net profit for the period increased 3.3%.

Commenting on the results, Straco’s Executive Chairman, Mr Wu Hsioh Kwang said: “We are satisfied with the overall performance for the year-to-date as our attractions, other than UWX, registered positive growth. UWX’s performance had been impacted by falling visitor numbers, which dropped more than 30% in 3Q due to the further restriction on visitor

numbers to Gulangyu by the local authorities, as well as tight traffic control in Xiamen city in view of the 2017 BRICS Summit held in September.”

Mr Wu added: “We generated net operating cash flow of \$33.06 million for the quarter. Our Group’s cash balance increased 15.9% to \$189.11 million from the beginning of the year, after making dividend payment and repayment of loan instalments during the year.”

The National Bureau of Statistics of China reported that China’s gross domestic product (“GDP”) grew a stable 6.8% in the third quarter of 2017 from a year ago. Consumption contributed 64.5% to GDP growth in the first nine months.

On the tourism sector, the China National Tourism Administration reported that a total of 705 million tourists travelled around the country during the National Day golden week, generating 583.6 billion Yuan of revenue, representing 11.9% and 13.9% increase year-on-year respectively. According to the State Council five-year tourism plan (2016-2020), the sector will contribute more than 12% of GDP growth, as the nation works towards developing tourism into a major driver of economic transformation.

Singapore economy grew 4.6% year-on-year in 3Q2017 on a strong showing by the manufacturing sector, based on advance estimates from the Ministry of Trade and Industry. On the tourism sector, it was reported that the Singapore Tourism Board (“STB”) has signed a memorandum of understanding with Alipay to enhance Chinese tourists’ overall experience in Singapore with better access to information before and during their trip. The collaboration is part of STB’s overall strategy to better engage visitors through digital channel, which will in turn increase overall visitor satisfaction, increase tourism receipts and drive repeat visits.

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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.