



PRESS RELEASE

For immediate release

## **KLCCP STAPLED GROUP CLOSES 2019 WITH A TOTAL DIVIDEND DISTRIBUTION OF 38SEN**

Kuala Lumpur, 23 January 2020

### Highlights of FY2019

- Top-line growth of 1.2% Year-on-Year (YoY), increasing revenue to RM1.4 billion.
- Increase in Profit Before Tax (PBT) to RM1.1 billion as compared to RM964.1 million in the preceding year.
- Property value increased from RM15.7 billion to RM15.9 billion as at 31 December 2019, attributable to the fair value gain of RM118.5 million.
- Retail and hotel segments were key revenue drivers boosting the Group's credible performance amid challenges in the operating landscape.
- Proposed distribution per stapled security of 11.60 sen for the 4th quarter, bringing total distribution per stapled security for the financial year to 38.00 sen.

### Year-to-Date, 2019 Performance

KLCCP Stapled Group delivered a sustained performance for the year ended 31 December 2019 amid the challenging market landscape, recording a revenue growth of 1.2% YoY to RM1.4 billion and increased profits, boosted by stronger performance from the retail and hotel segments.

In keeping with its commitment to deliver sustainable returns and continued growth, KLCCP Stapled Group declared 38.00 sen in distribution per stapled security, a growth of 2.7% from 2018.

KLCCP Stapled Group's property value increased to RM15.9 billion for the financial year ended 31 December 2019. The increase in the property value was mainly driven by the value uplift from the anchor-to-specialty reconfiguration in Suria KLCC.

The office segment remains the largest contributor to the Group's revenue at 42% and maintained its stable performance, recording a revenue of RM597.3 million and PBT of RM479.8 million backed by the solid occupancy with long term leases.

The retail segment comprising Suria KLCC and the retail podium of Menara 3 PETRONAS demonstrated sheer strength and resilience when in spite of the loss of income for 8 months of the year due to the anchor-to-specialty space reconfiguration exercise, Suria KLCC together with the retail podium of Menara 3 PETRONAS posted a 2.3% YoY growth in revenue and a 1.9% increase in PBT, increasing its Total Moving Annual Turnover to RM2.67 billion for the year.

Amidst the tough and highly competitive hospitality market which saw new market entries in the second half of 2018, Mandarin Oriental, Kuala Lumpur (MOKL Hotel), capitalized on its full year completion of its guestrooms with improved performance during the year. MOKL Hotel recorded a 3.0% increase in revenue, on the back of stronger demand from leisure supported by MICE and banqueting events. PBT rose to RM0.7 million mainly contributed by improved occupancy and demand in food and beverage (F&B).

#### Quarter 4, 2019 Performance

For the 4<sup>th</sup> quarter ended 31 December 2019, KLCCP Stapled Group's PBT, increased to RM362.5 million, mainly driven by the hotel and management services segment underpinned by the stable and resilient office and retail segments.

The hotel segment ended the year with a solid 4<sup>th</sup> quarter performance, delivering a strong increase in revenue of 7.4% from the preceding quarter. PBT increased to RM2.3 million mainly from higher demand in room and F&B segments.

The Group's Management Services segment comprising facilities management and car parking management services registered an increase in PBT of 3.1% despite a decline in revenue of 5.9% stemming from the non-recurrence of the one-off projects under facilities management.

The office and retail segments continued to drive stability in the Group's performance for the quarter. Suria KLCC saw the partial opening of the anchor-to-specialty reconfiguration exercise with new international brands making their entries including Le Labo, Gucci Beauty's first standalone boutique in Malaysia, Lululemon and Louis Vuitton's flagship store expansion. The re-opening of half its food court also added to the foodie experience for its customers. These openings added to the diverse retail mix, providing a fresher and more exciting shopping experience.

For the quarter ended 31 December 2019, KLCCP Stapled Group declared a distribution per stapled security of 11.60 sen representing an increase of 6.4% compared to the corresponding quarter.

## Prospects

KLCCP Stapled Group expects to remain resilient amid the continued challenging market landscape, leveraging on the long term profile of office leases. The full opening of the reconfigured space by mid 2020 is expected to further boost the retail performance while the hotel segment is expected to benefit from higher tourist arrivals in conjunction with Visit Malaysia Year 2020 campaign.

“In our quest to deliver long term value and sustainable returns to holders of Stapled Securities, the Group will continue to focus on creating value from the KLCC Precinct, progressing lifestyle towards a digitally smart, connected and sustainable city.”

*Datuk Hashim Bin Wahir, Chief Executive Officer, KLCC Property Holdings Berhad*

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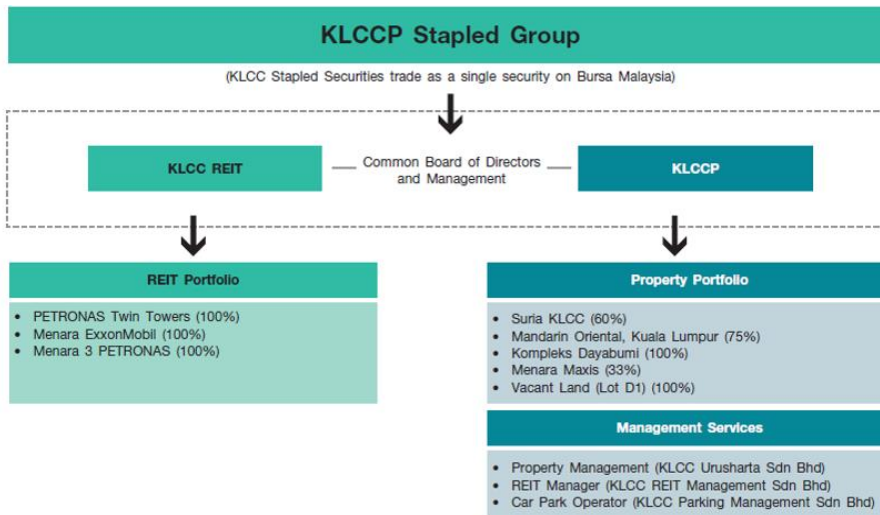
## About KLCCP Stapled Group

KLCC Property Holdings Berhad (KLCCP) and KLCC REIT, collectively known as KLCCP Stapled Group is Malaysia’s largest self-managed stapled security that invests, develops, owns and manages a stable of iconic and quality assets.

KLCCP Stapled Group became the first ever Shariah compliant stapled structure in Malaysia upon the listing of KLCC Stapled Securities (KLCCSS) on 9 May 2013. As a constituent of the FBM KLCI Index, KLCCSS trades under the REIT sector of the Index as a single price quotation.

With a market capitalisation of RM14.3 billion as at December 2019, KLCCP Stapled Group constitutes 33% of the market capitalisation of the Malaysian REIT segment.

With KLCCP Stapled Group’s core business in property investment and development, the Group has a diverse property portfolio largely located within the Kuala Lumpur City Centre comprising prime Grade A office buildings, a premier retail mall and a luxury hotel. The stabilised and wholly-owned assets namely PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS are under KLCC REIT and the non-wholly owned assets and assets with development and redevelopment potential, Suria KLCC, Mandarin Oriental, Kuala Lumpur hotel and a vacant land (Lot D1) are in KLCCP. KLCCP also has a 33% stake in Menara Maxis.



Two of KLCCP’s wholly-owned subsidiaries, namely KLCC Urusharta Sdn Bhd and KLCC Parking Management Sdn Bhd, are engaged in providing facility management services and car parking management services respectively. The REIT Manager who is engaged to manage and administer KLCC REIT is internal and resides within KLCCP as a 100% owned subsidiary.

KLCC Stapled Group is continuously recognised for its excellence in the industry and remains a constituent of the FTSE4Good Emerging Index for demonstrating strong environmental, social and governance practices.

*Issued by:*

**Corporate Communications**  
**Investor Relations and Business Development Department**

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