



## **PRESS RELEASE**

For immediate release

### **KLCCP Stapled Group Records Revenue of RM353.5 Million in Third Quarter 2019**

11 November 2019 – KLCCP Stapled Group recorded a stable performance for the third quarter ended 30 September 2019, demonstrating its resilience and sustained momentum in the current challenging market landscape. The Group's revenue grew 1.2% Year-on-Year (YoY) to RM353.5 million and Profit Before Tax (PBT) increased to RM235.2 million.

With strong growth in its distributable income, KLCCP Stapled Group proposed a distribution per Stapled Security of 8.80 sen for the quarter. This brings the distribution per stapled security to 26.40 sen for the cumulative nine months of 2019, a 1.1% increase YoY.

#### **Stable earnings boosted by retail segment in quarter 3, 2019**

The office segment comprising PETRONAS Twin Towers, Menara 3 PETRONAS, Menara Dayabumi and Menara ExxonMobil continued to generate a stable income stream to the Group, underpinned by the long-term lease profile and full occupancy at all the office towers. The asset enhancement initiative at Menara Dayabumi at the lower ground floor to provide higher visibility to the retail podium and further enhance the building's connectivity to the surrounding areas, is steadily progressing and expected to be completed by year end.

The retail segment represented by Suria KLCC and the retail podium of Menara 3 PETRONAS recorded a marginal increase in revenue to RM125.2 million in spite of the ongoing anchor-to-specialty reconfiguration exercise. PBT saw a significant growth of 4.4% YoY to RM97.3 million from positive rental reversions and increased contribution from internal digital advertising.

During the quarter, Suria KLCC welcomed five new tenants onboard which saw the entry of Babel, a premium health and wellness club offering state-of-the-art gym equipment for health enthusiasts. F&B outlets, Dunkin and Cold Stone Creamery also made their presence in the mall while children's store, Sketcher Kids and skincare outlet, The Face Shop added to the exciting tenant mix which continues to draw footfall, contributing to the steady 6.3% increase in year-to-date customer count.

The hotel segment has been beset by challenges in the Malaysian hospitality industry, stemming from the intense competition of new hotels in the Kuala Lumpur city centre. In spite of the improvement in occupancy, Mandarin Oriental, Kuala Lumpur (MOKL Hotel) recorded an overall decline of 3.2% in revenue mainly due to the softer demand for food & beverage, particularly banqueting and the weaker Meetings, Incentives, Conferences

and Exhibitions (MICE) events calendar. PBT continued to be impacted by the higher operating expenses and depreciation on fully refurbished rooms.

The management services segment saw an encouraging increase in revenue and PBT of 8.7% and 4.4% respectively. This was mainly contributed by one-off projects under the facilities management operations.

### **Nine months cumulative result - On track towards a stronger performance**

The Group's overall performance for the cumulative nine-month period from 1 January to 30 September 2019 saw an increase in revenue of 1.8% to RM1.1 billion compared to the nine months of 2018 while PBT rose 1.1% YoY to RM708.9 million. This is mainly contributed by the resilience of the office and retail segments and stronger performance of the management services segment.

With Suria KLCC's anchor-to-specialty space reconfiguration scheduled for opening in December 2019, shoppers can look forward to an infusion of first-to-market stores to satisfy the most fashion-savvy and style-conscious shoppers. This is expected to contribute positively to the Group's earnings.

The hotel segment will continue to face intensified competition from the new entries to the market. Nevertheless, MOKL Hotel is aggressively strengthening its positioning in the market, leveraging its brand expressions with new improved experiences for its guests.

Chief Executive Officer, KLCC Property Holdings Berhad, Datuk Hashim Wahir said, "Amidst the looming uncertainties and cautiously constructive economic outlook, we remain committed to delivering sustainable income distributions to our holders of Stapled Securities by ensuring that our assets continue to be attractive and relevant. With strategic plans in place, in particular with the transformation in store at Suria KLCC, we will continue to create a progressive lifestyle experience within the KLCC Precinct for our customers and community.

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### **About KLCCP Stapled Group**

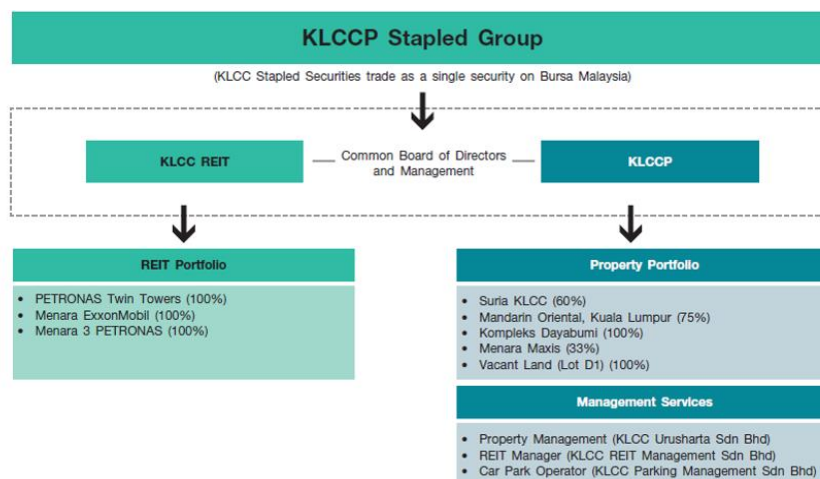
KLCC Property Holdings Berhad (KLCCP) and KLCC REIT, collectively known as KLCCP Stapled Group is Malaysia's largest self-managed stapled security that invests, develops, owns and manages a stable of iconic and quality assets.

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. KLCCSS trades as a single price quotation under the REIT sector on Bursa Malaysia.

With a market capitalisation of RM14.6 billion as at September 2019, KLCCP Stapled Group constitutes 34% 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.

KLCCP Stapled Group is continuously recognised for its excellence in the industry and is listed as one of the Top 10 Public Listed Companies in Malaysia for its transparency in corporate reporting.

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

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