



PRESS RELEASE

KLCCP STAPLED GROUP BEGINS FIRST QUARTER WITH BOOST FROM STRONGER HOTEL PERFORMANCE

16 May 2018 -- KLCCP Stapled Group recorded a revenue of RM345.1 million in the first quarter of 2018, representing a growth of 2.5% compared to the corresponding quarter in the preceding year. Profit Before Tax (PBT) increased correspondingly by 2% year-on-year (y-o-y) from RM229.4 million to RM233.9 million. The financial performance for the quarter was stronger mainly due to the improved hotel performance and the resilient office segment.

KLCCP Stapled Group distributed 92% of its overall distributable income with a distribution per stapled security of 8.70sen, an increase of 1.2% from the first quarter of financial year 2017.

The office segment which comprises the PETRONAS Twin Towers, Menara 3 PETRONAS, Menara ExxonMobil and Menara Dayabumi recorded a 1.9% increase in revenue and a 2.7% growth in PBT resulting from the full occupancy of Menara ExxonMobil compared to 60% occupancy in Quarter 1, 2017 and the repayment of borrowings in April 2017.

Suria KLCC and the retail podium of Menara 3 PETRONAS representing the retail segment saw topline y-o-y revenue and PBT growth of 1.4% respectively. This was attributable to the higher rental rates from new tenants and rent reviews becoming effective during the quarter. The quarter also saw a 4.4% increase in the Moving Annual Turnover of tenant sales to RM2.6 million. Suria KLCC continued its tenant remixing exercise of the women's and men's luxury precinct on level 1, reinventing store experience for ultimate customer convenience.

The hotel segment represented by Mandarin Oriental, Kuala Lumpur continued to sustain its strong performance from Quarter 4, 2017 with a steady revenue growth of 12.3% in this quarter, from the improved demand for the newly renovated guestrooms and food and beverage (F&B) segment. This in turn contributed to the growth in PBT to RM2.4 million. The hotel continued its second phase guestroom renovation during the quarter which saw 230 Deluxe Rooms and Park Suites completed in March 2018.

The management services segment comprising facilities management and car parking management continue to deliver premium asset management services to KLCCP Stapled Group, with a 9% contribution to the overall revenue of the group.

KLCCP Stapled Group expects the overall performance of the Group to remain stable as it continues to leverage on its profile of long term office leases. The retail segment is expected to remain stable in spite of the current challenging market conditions whilst the hotel performance is to benefit from the newly renovated guestrooms.

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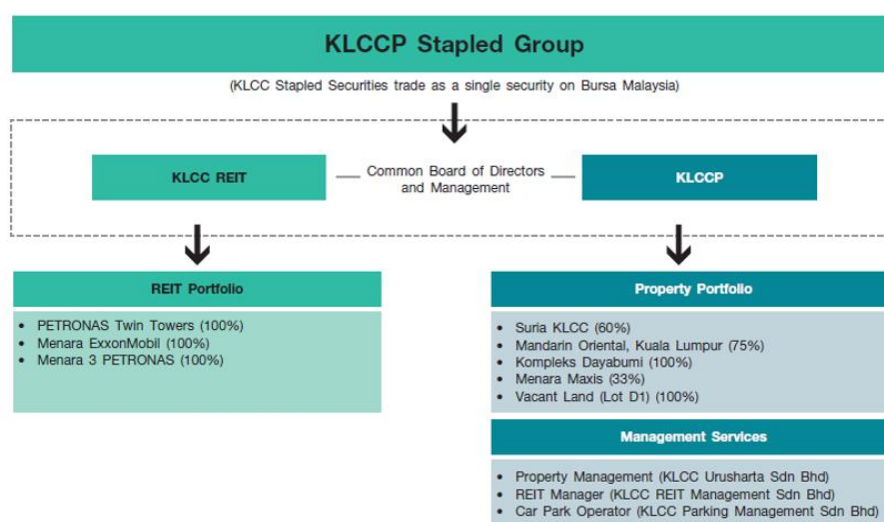
About KLCCP Stapled Group

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 RM12.9 billion as at March 2017, 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.

KLCC Stapled Group is continuously recognised for its excellence in the industry and has been included as a constituent of the FTSE4Good Bursa Malaysia Index and the FTSE4Good Emerging Index for demonstrating strong environmental, social and governance practices.

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