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KLCCP Stapled 3Q's distributable income slips 2.3%

By Chester Tay | November 12, 2015 11:56 AM MYT



KUALA LUMPUR (Nov 12): The KLCCP Stapled Group, which comprises KLCC Property Holdings Bhd (KLCCP) and KLCC Real Estate Investment Trust (KLCC REIT), saw its total distributable income for the third quarter ended Sept 30, 2015 (3QFY15) fall 2.3% to RM147.13 million from RM150.85 million a year ago.

Basic earnings per stapled security (EPS) thus fell to 8.30 sen from 9.48 sen in 3QFY14, the group's filing with Bursa Malaysia yesterday showed.

The group declared a 99.85% distribution rate versus 98.02% previously. This resulted in an 8.15 sen dividend/income distribution (versus 8.19 sen previously), comprising a third interim income distribution of 5.35 sen for KLCC REIT and a third interim dividend of 2.8 sen, both payable on Dec 21. This represents a total payout of RM147.13 million versus RM147.86 million in 3QFY14.

The stapled group said the decline in earnings was primarily due to a RM32.2 million write-off of its City Point Kompleks Dayabumi project, which has been closed for redevelopment.

Nevertheless, KLCCP Stapled's revenue for 3QFY15 increased 1.31% to RM337.19 million, from RM332.82 million last year, driven by its retail segment, which saw higher rental rates coming into effect during the quarter.

In the cumulative nine-month period (9MFY15), the group's total realised distributable income was marginally higher at RM467.92 million versus RM463.69 million in 9MFY14. EPS thus rose to 28.15 sen from 28.03 sen.

Revenue for the cumulative period was however, down 1.33% to RM993.09 million from RM1.01 billion in 9MFY14.

Moving forward, the directors expect performance of the office and retail segments to remain stable for the remainder of the year.

"The hotel segment, however, will continue to trade in a challenging environment although some improvement in performance can be expected as a result of the completion of the renovation works on common facilities," the group said.

KLCCP Stapled closed three sen or 0.43% higher at RM7 yesterday, giving it a market capitalisation of RM12.58 billion.