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KLCCP Stapled Group posts flattish net profit at RM345.5m in 4Q

KUALA LUMPUR (Jan 24): KLCCP Stapled Group's net profit remain relatively flat at RM345.52 million for the fourth quarter ended Dec 31, 2017 (4QFY17) compared with RM347.13 million in 4QFY16, despite stronger performance in its hotel segment.

Earnings per share fell to 19.14 sen from 19.23 sen.

The higher revenue and earnings for the hotel segment came about after Mandarin Oriental Hotel, Kuala Lumpur completed the first phase of guestroom renovation, the group said in a filing to Bursa Malaysia.

Quarterly revenue came in at RM352.07 million, up 2.1% from RM344.69 million in 4QFY16.

KLCCP Stapled Group, which is made up of KLCC Property Holdings Bhd and KLCC Real Estate Investment Trust, said the group maintained its momentum in 2017 and distributed 97% of its overall distributable income with a distribution per stapled security of 36.15 sen representing an increase of 1.4% compared to 2016.

"This translates to a full year dividend payment of RM652.6 million and an annual total return of 8.3% to the holders of Stapled Securities," it added.

For the full financial year (FY17), KLCCP Stapled Group reported a net profit of RM877.9 million, down 0.91% compared with RM885.97 million in FY16, despite revenue improving 1.7% to RM1.37 billion from RM1.34 billion.

The group said that as at December 2017, its investment portfolio of assets grew to RM15.8 billion in market value, recognising a fair value gain of RM182.5 million.

Moving forward, KLCCP Stapled Group said it will continue to focus on building long-term value across its portfolio.

The office segment, which accounts for 43% of its revenue, is expected to remain stable with its solid 100% occupancy and long-term leases.

For its hotel segment, it said the Mandarin Oriental Hotel is expected to remain stable and will continue the ongoing refurbishment of guestrooms throughout 2018 and be ready to showcase the fully renovated property by 2019.

KLCCP Stapled Group's share price closed unchanged today at RM7.80, giving a market capitalisation of RM14.08 billion.

(Source: <http://www.theedgemarkets.com/article/klccp-stapled-group-posts-flattish-net-profit-rm3455m-4q>)