

Thursday, 17 May 2018

# KLCCP Stapled Group posts marginal rise in 1Q net profit, pays 8.7 sen distribution

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KUALA LUMPUR (May 16): KLCCP Stapled Group, comprising KLCC Property Holdings Bhd and KLCC Real Estate Investment Trust (REIT), posted a marginal 2.2% increase in net profit to RM180.67 million in the first quarter ended March 31, 2018 (1QFY18), from RM176.73 million a year ago, on improved occupancy at Menara ExxonMobil here, as well as on lower finance costs.

Earnings per share was higher at 10.01 sen in 1QFY18, compared with 9.79 sen in 1QFY17. Quarterly revenue grew 2.5% to RM345.11 million, from RM336.66 million a year ago.

The group also declared a first interim distribution per stapled security of 8.7 sen for the financial year ending Dec 31, 2018 (FY18), payable on June 29. Of this amount, dividend declared by KLCC Property stood at 2.98 sen, while KLCC REIT declared an income distribution of 5.72 sen.

In a filing with Bursa Malaysia today, KLCCP Stapled Group said improved quarterly results reflected the full occupancy of Menara ExxonMobil compared with 1QFY17 when it was 60% occupied, as well as lower finance costs as repayment of borrowings was made in April last year.

Going forward, the group expects its overall performance to remain stable, as it continues to leverage on the long-term profile of office leases.

"The retail segment will continue to trade in challenging market conditions and is not expected to report significant growth," the filing said.

"The hotel performance is expected to benefit from the refurbished rooms. The refurbishment of the rooms are currently still ongoing and is expected to complete by the end of 2018.

"However, this segment will continue to be impacted by competitive market conditions," the group added.

Shares of KLCCP Stapled Group closed unchanged at RM7.82 today, for a market capitalisation of RM14.12 billion.

(Source : <https://www.theedgemarkets.com/article/klccp-stapled-group-posts-marginal-rise-1q-net-profit-pays-87-sen-distribution>)