



Friday, 24 January 2020

KLCCP Stapled Group closes 2019 with total dividend distribution of 38 sen



KLCCP Stapled Group delivered a sustained performance for the year ended Dec 31, 2019 amid the challenging market landscape, recording a revenue growth of 1.2% year-on-year (yoy) to RM1.4 bil and increased profits, boosted by stronger performance from the retail and hotel segments.

In keeping with its commitment to deliver sustainable returns and continued growth, KLCCP Stapled Group declared 38 sen in distribution per stapled security, a growth of 2.7% from 2018.

The group's property value increased to RM15.9 bil for FY19. The increase in the property value was mainly driven by the value uplift from the anchor-to-specialty reconfiguration in Suria KLCC.

The office segment remains the largest contributor to the group's revenue at 42% and maintained its stable performance, recording a revenue of RM597.3 mil and PBT of RM479.8 mil backed by the solid occupancy with long-term leases.

The retail segment comprising Suria KLCC and the retail podium of Menara 3 Petronas demonstrated resilience when in spite of the loss of income for eight months of the year due to the anchor-to-specialty space reconfiguration exercise, the segment posted a 2.3% yoy growth in revenue and a 1.9% increase in PBT, increasing its total moving annual turnover to RM2.67 bil for the year.

Amidst the tough and highly competitive hospitality market which saw new market entries in the second half of 2018, Mandarin Oriental, Kuala Lumpur recorded a 3.0% increase in revenue, on the back of stronger demand from leisure supported by MICE and banqueting events.

PBT rose to RM700,000, mainly contributed by improved occupancy and demand in food and beverage (F&B).

For the 4th quarter ended 31 December 2019, KLCCP Stapled Group's PBT, increased to RM362.5 million, mainly driven by the hotel and management services segment underpinned by the stable and resilient office and retail segments.

The hotel segment delivered a strong increase in revenue of 7.4% in 4Q from the preceding quarter. PBT increased to RM2.3 mil, mainly from higher demand in room and F&B segments.

The group's management services segment comprising facilities management and car parking management services registered an increase in PBT of 3.1% despite a decline in revenue of 5.9% stemming from the non-recurrence of the one-off projects under facilities management.

The office and retail segments continued to drive stability in the group's performance for the quarter. Suria KLCC saw the partial opening of the anchor-to-specialty reconfiguration exercise with new international brands making their entries. They include Le Labo, Gucci Beauty's first standalone boutique in Malaysia, Lululemon and Louis Vuitton's flagship store expansion.

The re-opening of half its food court also added to the foodie experience for its customers. These openings added to the diverse retail mix, providing a fresher and more exciting shopping experience.

For the quarter ended Dec 31, 2019, KLCCP Stapled Group declared a distribution per stapled security of 11.60 sen representing an increase of 6.4% from the corresponding quarter.

KLCCP Stapled Group expects to remain resilient amid the continued challenging market landscape, leveraging on the long-term profile of office leases. – Jan 24, 2020, Bernama

(Source: Focus Malaysia, Friday, 24 January 2020)