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KLCCP Stapled Group declares higher 4Q income distribution despite lower earnings

By [Ahmad Naqib Idris](#) / theedgemarkets.com | January 20, 2017 : 6:57 PM MYT

KUALA LUMPUR (Jan 20): KLCCP Stapled Group declared a higher income distribution for the fourth quarter ended Dec 31, 2016 (4QFY16) despite posting lower earnings.

The group's income distribution came in at RM177.83 million or 9.85 sen per unit for the quarter, up 0.3% from RM177.28 million or 9.82 sen per share in 4QFY15.

The stapled group comprises KLCC Property Holdings Bhd and KLCC Real Estate Investment Trust (KLCC REIT).

The income distribution for 4QFY16 comprises KLCC Property's interim dividend of RM75.28 million or 4.17 sen per unit and KLCC REIT's distribution of RM102.54 million or 5.68 sen per unit. Both will be payable on Feb 28.

According its bourse filing today, the stapled group's net profit dropped 44.3% to RM347.13 million in 4QFY16 from RM623.35 million in 4QFY15, while revenue declined by a marginal 0.7% to RM344.69 million from RM347.14 million.

KLCCP Stapled Group said its office segment saw marginally higher revenue, due to additional lease area in Menara Dayabumi here, while the retail segment saw a slight uptick in pre-tax profit.

Meanwhile, its hotel operations saw a pre-tax loss, while the management services segment saw lower profit for the quarter.

For the full year FY16, net profit fell 21.7% to RM885.97 million from RM1.13 billion the previous year, while revenue was slightly higher at RM1.343 billion compared with RM1.340 billion in FY15.

"The directors expect overall group performance in 2017 to be underpinned by, and continue to benefit from the long term lease arrangements of the office segment," said the group.

"However, on the basis of currently weaker consumer demand, the retail segment is not expected to show any significant growth.

"The hotel continues to trade in a difficult and challenging environment which, coupled with the ongoing refurbishment of the rooms, is not expected to report any significant improvement," it added.

KLCCP Stapled Group closed one sen or 0.13% higher at RM7.82 per unit today, bringing a market capitalisation of RM14.1 billion.