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KLCCP Stapled Group's 1H net profit rises to RM414.89 mil

KUALA LUMPUR (Aug 15): KLCCP Stapled Group (KLCCP), comprising KLCC Property Holdings Bhd and KLCC Real Estate Investment Trust, posted a higher net profit of RM414.89 million for the first half ended June 30, 2018 (1HFY18), up from RM408.29 million in the same period a year ago.

Revenue increased to RM690.11 million from RM674.18 million previously.

In a statement today, KLCCP said net profit for the second quarter ended June 30, 2018 (2QFY18) increased to RM206.21 million, from RM204.85 million from the previous corresponding quarter, while revenue was higher at RM345.0 million from RM337.52 million previously.

KLCCP attributed Q2 growth to additional contracts in the management services segment and stronger revenue from the hotel segment.

"The management services segment's revenue grew 5.5 per cent year-on-year (y-o-y) in Q2, while profit before tax (PBT) increased 6.8 per cent y-o-y, contributed by the new contracts and one-off works under facilities management," the statement said.

On the hotel segment represented by Mandarin Oriental in Kuala Lumpur, KLCCP said Q2 revenue rose 7.2% y-o-y backed by higher average room rate, due to higher demand for its newly-renovated rooms.

"However, PBT recorded a loss due to higher depreciation expenses arising from the renovation," it said.

KLCCP added that the hotel completed the renovation for 561 rooms and its second phase refurbishment of the guest rooms is expected to be completed by Q3 2018.

Moving forward, the group said it expected overall performance to remain stable, primarily anchored by the long-term leases in the office segment.

“The retail segment is expected to remain resilient amidst the challenging market environment, while the hotel segment should continue to benefit from the refurbished rooms,” it added. — *Bernama*

(Source : <http://www.theedgemarkets.com/article/klccp-stapled-groups-1h-net-profit-rises-rm41489-mil>)