

I. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Address	Occupation	Nationality
Datuk Ishak bin Imam Abas (Chief Executive Officer)	17, SS 3/2 47300 Petaling Jaya Selangor Darul Ehsan	Senior Vice- President PETRONAS	Malaysian
Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya (Independent Non-Executive Director)	5, Lorong Duta 1 50450 Kuala Lumpur	Company Director	Malaysian
Dato' Leong Ah Hin @ Leong Swee Kong (Independent Non-Executive Director)	E#808 Kelana D'Putera Condo 19, Jalan SS 7/26 47301 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Manharlal a/l Ratilal (Non-Independent Non-Executive Director)	1, Lorong 5/13G Section 5 46000 Petaling Jaya Selangor Darul Ehsan	Vice-President, Finance PETRONAS	Malaysian

AUDIT COMMITTEE

Name	Designation	Directorship
Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya	Chairman of the Committee	Non-Executive and Independent
Dato' Leong Ah Hin @ Leong Swee Kong	Member of the Committee	Non-Executive and Independent
Manharlal a/l Ratilal	Member of the Committee	Non-Executive and Non-Independent

COMPANY SECRETARIES

: Yeap Kok Leong (MAICSA 0862549)
11, Jalan 2/149G
Taman Sri Endah
57000 Kuala Lumpur

Telephone no.: 603-4043 9411

Mohd Yusof bin Johor Ali (LS 8787)
4, 14th Floor, Block 16
Kondominium Sri Mahligai
Jalan Tengku Ampuan Rahimah
Seksyen 9/20
40100 Shah Alam
Selangor Darul Ehsan

Telephone no.: 603-2382 8350

I. CORPORATE DIRECTORY (CONT'D)

- REGISTERED OFFICE** : Level 36, Tower 2
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur

Telephone no.: 603-2382 8000
- HEAD/MANAGEMENT OFFICE** : Level 36, Tower 2
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur

Telephone no.: 603-2382 8000
E-mail: info@klcc.com.my
Website: www.klcc.com.my
- AUDITORS AND REPORTING ACCOUNTANTS** : Ernst & Young (AF 0039)
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

Telephone no.: 603-2087 7000
- SOLICITORS FOR THE LISTING** : Zul Rafique & Partners
Suite 17.01, 17th Floor
Menara PanGlobal
8, Lorong P. Ramlee
50250 Kuala Lumpur

Telephone no.: 603-2078 8228
- VALUERS** : Jones Lang Wootton
8th Floor, Bangunan Getah Asli (Menara)
148, Jalan Ampang
50450 Kuala Lumpur

Telephone no.: 603-2161 2522
- PRINCIPAL BANKERS** : Bumiputra-Commerce Bank Berhad (Company No.: 13491-P)
Lot G35, Ground Level
Suria KLCC
Kuala Lumpur City Centre
50088 Kuala Lumpur

Telephone no.: 603-2161 5500

Malayan Banking Berhad (Company No.: 3813-K)
Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Telephone no.: 603-2070 8833

I. CORPORATE DIRECTORY (CONT'D)

**PRINCIPAL BANKERS
(CONT'D)**

Public Bank Berhad (Company No.: 6463-H)
Menara Public Bank
146, Jalan Ampang
50450 Kuala Lumpur

Telephone no.: 603-2176 6000

ISSUING HOUSE

: MIDF Consultancy and Corporate Services Sdn Bhd
(Company No.: 11324-H)
12th Floor, Bangunan MIDF
195A, Jalan Tun Razak
50400 Kuala Lumpur

Telephone no.: 603-2161 3355

REGISTRAR

: Tenaga Koperat Sdn Bhd (Company No.: 118401-V)
20th Floor, Plaza Permata
Jalan Kampar
Off Jalan Tun Razak
50400 Kuala Lumpur

Telephone no.: 603-4041 6522

**ADVISER, SOLE LEAD
MANAGER, SOLE LEAD
ARRANGER, SOLE
BOOKRUNNER AND
MANAGING
UNDERWRITER**

: Commerce International Merchant Bankers Berhad
(Company No.: 18417-M)
7th Floor, Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur

Telephone no.: 603-2084 8888

UNDERWRITERS

: Commerce International Merchant Bankers Berhad
(Company No.: 18417-M)
7th Floor, Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur

Telephone no.: 603-2084 8888

Aseambankers Malaysia Berhad (Company No.: 15938-H)
33rd Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Telephone no.: 603-2059 1888

AmMerchant Bank Berhad (Company No.: 23742-V)
22nd Floor, Bangunan AmBank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur

Telephone no.: 603-2070 7745

I. CORPORATE DIRECTORY (CONT'D)

UNDERWRITERS (CONT'D)	Public Merchant Bank Berhad (Company No.: 14328-V) 25th Floor, Menara Public Bank 146, Jalan Ampang 50450 Kuala Lumpur Telephone no.: 603-2166 9382 Avenue Securities Sdn Bhd (Company No.: 682-X) Ground Floor & Level 1, THB Satu Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Telephone no.: 603-2089 1989
LISTING SOUGHT	: Main Board of Bursa Securities

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II. INFORMATION SUMMARY

THIS SECTION OF THE PROSPECTUS REPRESENTS ONLY A SUMMARY OF THE SALIENT INFORMATION IN RELATION TO THE KLCCPROPERTY GROUP AND OF THE PUBLIC ISSUE. INVESTORS SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER TO INVEST IN THE ISSUE SHARES. THE FOLLOWING INFORMATION IS DERIVED FROM, AND SHOULD BE READ IN CONJUNCTION WITH, THE FULL TEXT OF THIS PROSPECTUS.

1. HISTORY AND BUSINESS

KLCCProperty was incorporated in Malaysia as a public limited company under the Companies Act, 1965 on 7 February 2004 under its present name.

On 28 May 2004, the Company acquired from its holding company, KLCCH, the latter's interest in various companies which collectively own the completed buildings and two vacant lots located at the world renowned KLCC Development.

The 40-hectare (100-acre) KLCC Development, which ranks among the largest real-estate developments in the world, is the redevelopment of the former Selangor Turf Club & Race Course which ceased its activities in 1992. The site is strategically located, within the Golden Triangle of Kuala Lumpur. KLCC was born of a vision to create a place where people can work, live, visit, shop and enjoy leisure cultural activities in a convenient and pleasant environment. The integrated mixed-use development is a landmark providing more than 1.6 million sq. m. (18.3 million sq. ft.), when fully developed, of commercial, retail, hotel, residential, entertainment, convention and exhibition facilities within a park setting.

Among the completed developments in the integrated mixed-use KLCC are the PETRONAS Twin Towers, Menara Maxis and Menara ExxonMobil. The respective subsidiaries and associate company of KLCCProperty who are the owners of these buildings have entered into long leases with reputable companies that provide very strong rental flows. The lessees are PETRONAS, Tanjong City Centre Property Management Sdn Bhd ("Tanjong City"), a subsidiary of Tanjong Public Limited Company and ExxonMobil Exploration and Production Malaysia Inc. ("ExxonMobil") respectively.

PETRONAS and Tanjong City have entered into fifteen (15)-year triple net leases with Midciti and Impian Klasik respectively for the entire lettable space of PETRONAS Twin Towers and Menara Maxis respectively. The triple net leases impose on the lessee the responsibility for meeting the cost of all the outgoings for the building, in addition to paying the rental. The owner, in essence, bears the financing cost for the development only.

Both PETRONAS and Tanjong City have subleased parts of the building to quality tenants. However, the risk arising out of such subtenancy is purely the lessees' and not the owners'.

ExxonMobil has entered into a twelve (12)-year lease with Arena Johan for the entire lettable space of Menara ExxonMobil. The lease is a conventional one where the owner is responsible for providing the services.

Another completed development in the KLCC is a world-class shopping centre, Suria KLCC, the owner of which has also entered into long term leases with its major tenants, Isetan of Japan Sdn Bhd, Parkson Corporation Sdn Bhd, Littles (Malaysia) Sdn Bhd (Marks & Spencer), Tanjong Golden Village Sdn Bhd and Dairy Farm Giant Retail Sdn Bhd (Cold Storage Supermarket).

The Mandarin Oriental Kuala Lumpur is managed under long term management agreements by subsidiaries of the Mandarin Oriental Hotel Group ("MOHG") in Hong Kong. Another subsidiary of MOHG, Mandarin Oriental Asia Limited is a 25% shareholder. The Mandarin Oriental chain of hotels is reputed for the quality of their service.

The KLCC Development, with the 20-hectare public park is acknowledged as being among the most attractive in the world.

II. INFORMATION SUMMARY (CONT'D)

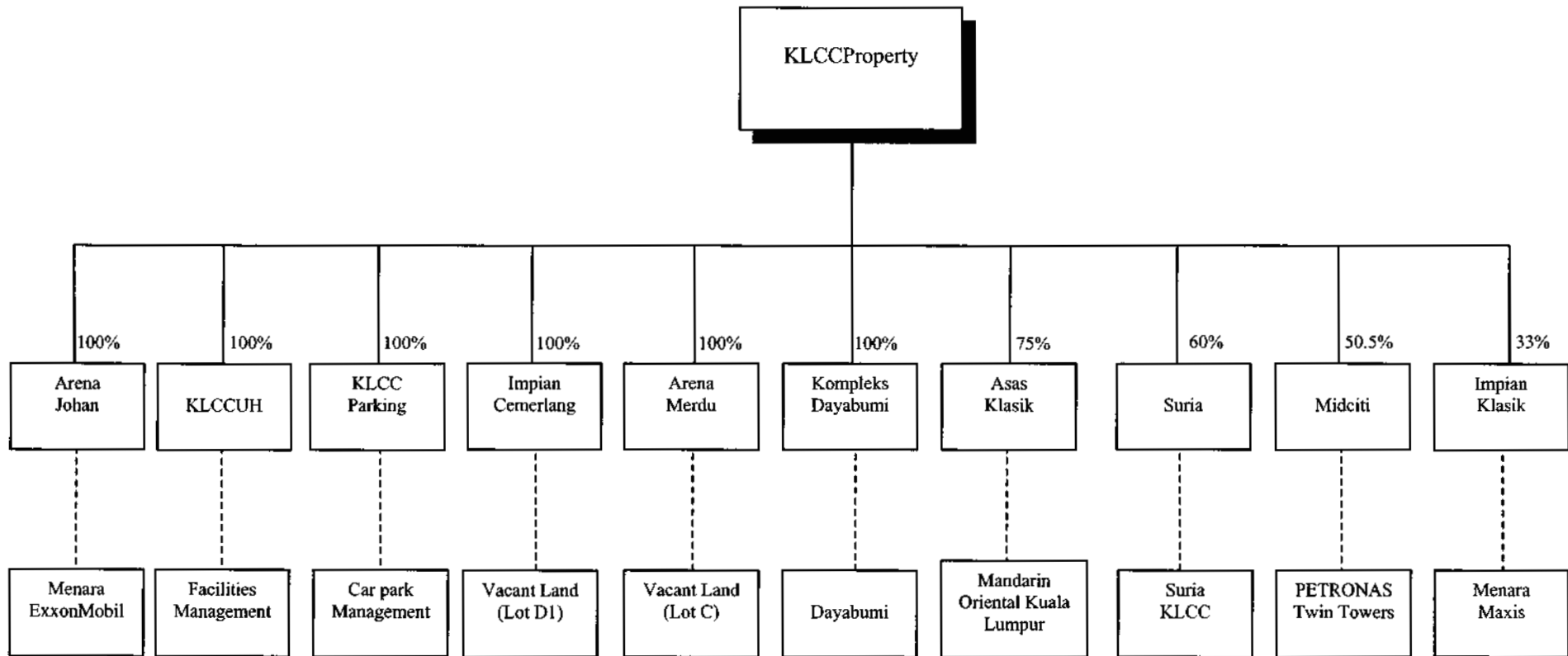
Two ongoing developments (which are not part of the KLCCProperty Group) being carried out by KLCCH are the Kuala Lumpur Convention Centre (including the Traders Hotel) and luxury condominiums to be known as The Binjai. The convention centre, when completed, will also house an aquarium. The expected international conferences and exhibitions to be hosted at the convention centre will enhance the value of the KLCCProperty Group.

The Binjai, when completed, is expected to be the residence of people who consider living in KLCC as a lifestyle. This would further add to the potential of the KLCCProperty Group.

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II. INFORMATION SUMMARY (CONT'D)

The corporate structure of the KLCCProperty Group is as follows:



II. INFORMATION SUMMARY (CONT'D)

The Company is principally involved in investment holding, property investment and the provision of management services whilst the principal activities of its subsidiaries and the associate company are as follows:

Company	Principal activities	Owner of
<i>Subsidiaries</i>		
Arena Johan	Property investment	Menara ExxonMobil
KLCCUH	Facilities management	-
KLCCParking	Management of car park operations	-
Impian Cemerlang	Property investment	Geran No. 43701 Lot 173, Section 58 Town and District of Kuala Lumpur Wilayah Persekutuan Kuala Lumpur (referred to as Lot D1 in KLCC, adjacent to Mandarin Oriental Kuala Lumpur)
Arena Merdu	Property investment	Geran No. 43699 Lot 171, Section 58 Town and District of Kuala Lumpur Wilayah Persekutuan Kuala Lumpur (referred to as Lot C in KLCC, adjoining Suria KLCC)
Kompleks Dayabumi	Property investment	Dayabumi
Asas Klasik	Property investment in a hotel	Mandarin Oriental Kuala Lumpur
Suria	Ownership and management of a shopping centre and the provision of business management services	Suria KLCC
Midciti	Property investment	PETRONAS Twin Towers
<i>Associate company</i>		
Impian Klasik	Property investment	Menara Maxis

Further information on the history and business of the KLCCProperty Group are set out in Parts VI and VIII of this Prospectus.

II. INFORMATION SUMMARY (CONT'D)

2. OWNERSHIP AND MANAGEMENT

2.1 Promoters

The Promoters and their respective shareholdings in KLCCProperty after the Acquisitions II, Debt Settlement and Public Issue are as follows:

Promoters	←-----After Acquisitions II, Debt Settlement and Public Issue-----→		←-----After Acquisitions II, Debt Settlement and Public Issue-----→	
	←-----Direct-----→		←-----Indirect-----→	
	No. of Shares	Percentage of share capital %	No. of Shares	Percentage of share capital %
KLCCH	296,380,000	31.73	-	-
PETRONAS	180,000,000	19.27	296,380,000 ¹	31.73

Note:

¹ Deemed interested through KLCCH.

2.2 Substantial Shareholders

The substantial shareholders of KLCCProperty and their respective shareholdings in KLCCProperty after the Acquisitions II, Debt Settlement and Public Issue are as follows:

Substantial shareholders	←-----After Acquisitions II, Debt Settlement and Public Issue-----→		←-----After Acquisitions II, Debt Settlement and Public Issue-----→	
	←-----Direct-----→		←-----Indirect-----→	
	No. of Shares	Percentage of share capital %	No. of Shares	Percentage of share capital %
KLCCH	296,380,000	31.73	-	-
PETRONAS	180,000,000	19.27	296,380,000 ¹	31.73
MoF Inc.	-	-	476,380,000 ²	51.00

Notes:

¹ Deemed interested through KLCCH.

² Deemed interested through PETRONAS.

II. INFORMATION SUMMARY (CONT'D)

2.3 Directors

The Directors of KLCCProperty and their respective shareholdings in KLCCProperty after the Acquisitions II, Debt Settlement and Public Issue are as follows:

Directors	Designation	<-After Acquisitions II, Debt Settlement and Public Issue->			
		<-----Direct----->		<-----Indirect----->	
		No. of Shares	Percentage of share capital %	No. of Shares	Percentage of share capital %
Datuk Ishak bin Imam Abas	Chief Executive Officer	50,000*	#	-	-
Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya	Independent Non-Executive Director	50,000*	#	-	-
Dato' Leong Ah Hin @ Leong Swee Kong	Independent Non-Executive Director	50,000*	#	-	-
Manharlal a/l Ratilal	Non-Independent Non-Executive Director	50,000*	#	-	-

Notes:

* Represents the number of Shares to be allocated pursuant to the issue of 15,568,000 Issue Shares reserved for Directors and eligible Malaysian employees of KLCCProperty and KLCCCH, and eligible Malaysian employees of the subsidiaries of KLCCProperty and KLCCCH pursuant to the Public Issue and on the assumption that the Directors of KLCCProperty will subscribe in full the Issue Shares allocated to them. The Directors of KLCCProperty do not have any shareholdings in KLCCProperty prior to the Public Issue.

Negligible.

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II. INFORMATION SUMMARY (CONT'D)

2.4 Key Management

The key management of the KLCCProperty Group, other than the Chief Executive Officer, and their respective shareholdings in KLCCProperty after the Acquisitions II, Debt Settlement and Public Issue are as follows:

Key management	Designation	<-After Acquisitions II, Debt Settlement and Public Issue->			
		<-----Direct----->		<-----Indirect----->	
		No. of Shares	Percentage of share capital %	No. of Shares	Percentage of share capital %
Mohd Yusof bin Johor Ali	Senior General Manager, General Counsel Division	20,000*	#	-	-
Md Akhir bin Mohd Sharif	General Manager, Finance	5,000*	#	-	-
Christian Hassing	General Manager, Asas Klasik	-	-	-	-
Teh Gaik Hong	Financial Controller, Asas Klasik	5,000*	#	-	-
Martin Schnider	Executive Assistant Manager, Asas Klasik	-	-	-	-
Robert Hauck	Director of Food & Beverage, Asas Klasik	-	-	-	-
Rachel Wong	Director of Sales & Marketing, Asas Klasik	10,000*	#	-	-
Andrew Brien	General Manager, Suria	-	-	-	-
Muralidaran Menon	Senior Manager (Retail), Suria	10,000*	#	-	-
Francis Tan Chee Way	Senior Manager (Leasing), Suria	5,000*	#	-	-
Datin Rafidah binti Abdul Jalil	Senior Manager (Marketing), Suria	10,000*	#	-	-
Ir. Hashimah Hashim	General Manager, KLCCParking	20,000*	#	-	-
Ab Hadi Muhamad Zin	General Manager, KLCCUH	10,000*	#	-	-

II. INFORMATION SUMMARY (CONT'D)

Key management	Designation	<-After Acquisitions II, Debt Settlement and Public Issue->			
		<-----Direct----->		<-----Indirect----->	
		No. of Shares	Percentage of share capital %	No. of Shares	Percentage of share capital %
Shamsudin Ishak	General Manager (Operation and Maintenance, Putrajaya), KLCCUH	20,000*	#	-	-

Notes:

* Represents the number of Shares to be allocated pursuant to the issue of 15,568,000 Issue Shares reserved for Directors and eligible Malaysian employees of KLCCProperty and KLCCH, and eligible Malaysian employees of the subsidiaries of KLCCProperty and KLCCH pursuant to the Public Issue and on the assumption that the key management of the KLCCProperty Group will subscribe in full the Issue Shares allocated to them. The key management of the KLCCProperty Group do not have any shareholdings in KLCCProperty prior to the Public Issue.

Negligible.

Detailed information on the Promoters, substantial shareholders and Directors of the Company, and key management of the KLCCProperty Group is set out in Part VII of this Prospectus.

3. LICENCES

The KLCCProperty Group has licences from various authorities. Further details on the Group's major licences are set out in Section 6.6 of Part VI of this Prospectus.

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II. INFORMATION SUMMARY (CONT'D)

4. FINANCIAL HIGHLIGHTS

4.1 Proforma Consolidated Income Statement

The table below sets out a summary of the proforma consolidated income statement of the KLCCProperty Group and its associate company for the five (5) financial years ended 31 March 2004, prepared based on the audited financial statements of the Group and its associate company and on the assumption that the current structure of the Group and its associate company had been in existence throughout the financial years under review. The proforma consolidated income statement is presented for illustrative purposes only and should be read in conjunction with the accompanying notes and assumptions included in the Accountants' Report as set out in Part XII of this Prospectus:

	←-----Financial years ended 31 March----->				
	←----- (Restated) ¹ ----->				
	2000	2001	2002	2003	2004
	RM 000	RM 000	RM 000	RM 000	RM 000
Revenue ²	448,569	504,625	550,224	596,349	628,328
EBITDA	338,685	381,588	422,049	444,259	476,350
Net interest expense	(223,984)	(228,235)	(219,679)	(202,200)	(186,048)
Depreciation	(10,780)	(19,314)	(19,840)	(17,958)	(14,779)
Exceptional items	-	-	-	-	-
Share of profit in associate company	5,615	6,150	6,987	7,607	8,117 ³
Consolidated PBT	109,536	140,189	189,517	231,708	283,640
Taxation	(35,066)	39,770 ⁴	(47,943)	(39,244) ⁵	(82,559)
Consolidated PAT before extraordinary items	74,470	179,959	141,574	192,464	201,081
Extraordinary items	-	-	-	-	-
MI	(31,272)	(71,060)	(55,939)	(72,770)	(80,429)
Consolidated PAT after MI	43,198	108,899	85,635	119,694	120,652
Number of Shares assumed in issue (000) ⁶	501,928	501,928	501,928	501,928	501,928
Gross EPS (sen) ⁷	21.82	27.93	37.76	46.16	56.51
Net EPS (sen) ⁸	8.61	21.70	17.06	23.85	24.04
Diluted net EPS (sen) ⁹	5.02	12.65	9.95	13.91	14.02

II. INFORMATION SUMMARY (CONT'D)

Notes:

- 1 *During the financial year ended 31 March 2004, the subsidiaries of KLCCProperty changed their accounting policy on the treatment of deferred tax in accordance with the requirements stated in MASB 25 "Income Taxes". The change in accounting policy was applied retrospectively. The audited accounts have been restated to reflect the change.*
- 2 *The proforma consolidated revenue of the KLCCProperty Group excludes rental revenue from Dayabumi as the property was only acquired by Kompleks Dayabumi on 3 June 2004.*
- 3 *The share of profit in associate company i.e. Impian Klasik, for the financial year ended 31 March 2004 includes the profit for the two (2) months period ended 31 March 2004 based on its management accounts.*
- 4 *Deferred tax asset arising from unabsorbed capital allowances and unabsorbed losses, of approximately RM76 million was recognised by Suria in the financial year ended 31 March 2001, following the change in accounting policy.*
- 5 *Deferred tax asset arising from unabsorbed capital allowances and unabsorbed losses, of approximately RM26 million was recognised by Asas Klasik in the financial year ended 31 March 2003, following the change in accounting policy.*
- 6 *The assumed issued and paid-up share capital of 501,928,279 Shares is based on the issued and paid-up share capital of KLCCProperty after the Acquisitions and Debt Settlement but prior to the Public Issue.*
- 7 *The gross EPS is computed based on the consolidated PBT divided by the number of Shares assumed in issue.*
- 8 *The net EPS is computed based on the consolidated PAT after MI divided by the number of Shares assumed in issue.*
- 9 *The diluted net EPS is computed based on the consolidated PAT after MI divided by the number of Shares assumed in issue adjusted for full conversion of 714,110,437 RCULS into 358,669,230 Shares at a conversion price of RM1.991 per RCULS (computed at a 10% premium over the assumed Institutional Price of RM1.81).*

Commentary:

- (i) The financial year end of Arena Johan and Impian Klasik is 31 December and 31 January respectively, which are not coterminous with the financial year end of KLCCProperty of 31 March. Accordingly, adjustments have been made on a time apportionment basis to arrive at the proforma consolidated income statement. However, Arena Johan has changed its financial year end to 31 March with effect from 1 January 2003, to be coterminous with the financial year end of KLCCProperty.
- (ii) Revenue is adjusted to exclude interest income.
- (iii) For the financial year ended 31 March 2000, revenue increased from RM350 million in the previous financial year to RM449 million, which represents an increase of approximately 28%. The significant increase is attributable to the first revision in base rent rates for the pioneer tenants of Suria KLCC since 1998, as well as the full year of operation of Mandarin Oriental Kuala Lumpur, which opened for business in October 1998. The consolidated PAT after MI also experienced a significant increase from RM21 million in the financial year ended 31 March 1999 to RM43 million. The increase is mainly due to the increase in revenue, as explained above, and the refinancing of Midciti's syndicated revolving credit facility via the issuance of private debt securities, which generally bear a lower rate of interest.

II. INFORMATION SUMMARY (CONT'D)

- (iv) For the financial year ended 31 March 2001, revenue increased by approximately 13% mainly due to the upward revision of the rent for the PETRONAS Twin Towers in October 2000. The lease agreement between Midciti and PETRONAS provides for the rent for the PETRONAS Twin Towers to be reviewed upwards every three (3) years by 3% per annum compounded for the preceding three (3) years. The improvement in the occupancy rates of Suria KLCC and Mandarin Oriental Kuala Lumpur also contributed to the increase in revenue. The consolidated PAT after MI improved significantly from RM43 million to RM109 million as a result of the recognition of deferred tax asset arising from unabsorbed capital allowances and unabsorbed losses, by Suria, amounting to approximately RM76 million following the adoption of MASB 25 "Income Taxes".
- (v) For the financial year ended 31 March 2002, revenue continued to grow by approximately 9% as the full year effect of the revision of the rent for the PETRONAS Twin Towers is recognised. The annual upward revision of the base rent rates of several of the existing tenants of Suria KLCC and the continuous improvement in the occupancy rates of Mandarin Oriental Kuala Lumpur also contributed to the increase in revenue recorded. The consolidated PAT after MI deteriorated by approximately 21% mainly due to the fact that the recognition of the deferred tax asset by Suria in the prior financial year is not a recurring event.
- (vi) For the financial year ended 31 March 2003, revenue increased from RM550 million to RM596 million, representing an increase of approximately 8%, which is attributable to the annual upward revision of the base rent rates of several existing tenants of Suria KLCC and the significant improvement in revenue of Mandarin Oriental Kuala Lumpur due to the hosting of several international events and conferences by Kuala Lumpur. KLCCUH also contributed to the increase in revenue, which is attributable to new facilities management contracts as well as the increase in scope of work for the existing facilities management contracts, mainly for new developments within Putrajaya. The consolidated PAT after MI increased by approximately 40% due to the recognition of deferred tax asset arising from unabsorbed capital allowances and unabsorbed losses by Asas Klasik, amounting to approximately RM26 million, following the adoption of MASB 25 "Income Taxes".
- (vii) For the financial year ended 31 March 2004, revenue increased by approximately 5% from RM596 million in the previous financial year to RM628 million. The increase is largely due to the upward revision of the rent for the PETRONAS Twin Towers, as per the terms of the lease agreement. The nominal increase of approximately 1% in the consolidated PAT after MI is due to the fact that the recognition of the deferred tax asset by Asas Klasik in the prior financial year is not a recurring event.

Further details on the proforma consolidated income statement of the KLCCProperty Group and its associate company are set out in Section 1.1 of Part XI of this Prospectus.

4.2 Proforma Consolidated Balance Sheets as at 31 March 2004

The table below sets out a summary of the proforma consolidated balance sheets of the KLCCProperty Group as at 31 March 2004 to show the effects of the Acquisitions, Debt Settlement, Public Issue, proposed utilisation of proceeds from the Public Issue, Issuance of RCULS and full conversion of the RCULS in conjunction with the Listing, on the assumption that the Listing was completed in March 2004. The proforma consolidated balance sheets are presented for illustrative purposes only and should be read in conjunction with the notes and assumptions to the proforma consolidated balance sheets as set out in Section 7 of Part XI of this Prospectus:

II. INFORMATION SUMMARY (CONT'D)

		Proforma I	Proforma II	Proforma III	Proforma IV	Proforma V	Proforma VI
	Audited financial statement as at 31 March 2004	After Acquisitions I	After Proforma I and Acquisitions II	After Proforma II and Debt Settlement	After Proforma III, Public Issue and utilisation of proceeds	After Proforma IV and Issuance of RCULS	After Proforma V and assuming full conversion of RCULS
	RM 000	RM 000	RM 000	RM 000	RM 000	RM 000	RM 000
Plant and equipment	-	5,839	44,885	44,885	44,885	44,885	44,885
Investment properties	-	625,927	5,616,215	5,616,215	5,616,215	5,616,215	5,616,215
Investment in associate company	-	-	99,158	99,158	99,158	99,158	99,158
Deferred tax	-	4,866	119,428	119,428	119,428	119,428	119,428
Amount due from holding company	-	104,633	-	-	-	-	-
Current assets	4,308	58,729	434,106	434,106	566,064	566,064	566,064
Inventories	-	-	597	597	597	597	597
Trade receivables	-	17,780	27,023	27,023	27,023	27,023	27,023
Deposits	-	107	582	582	582	582	582
Prepayments	-	950	9,368	9,368	9,368	9,368	9,368
Other receivables	4,308	6,013	10,483	10,483	6,175	6,175	6,175
Amount due from ultimate holding company	-	2,138	2,138	2,138	2,138	2,138	2,138
Amount due from related companies	-	1,397	5,876	5,876	5,876	5,876	5,876
Short term deposits	-	13,362	351,400	351,400	351,400	351,400	351,400
Cash and bank balances	*	16,982	26,639	26,639	162,905	162,905	162,905
Current liabilities	(4,388)	(44,085)	(347,742)	(347,742)	(343,434)	(343,434)	(343,434)
Short term borrowings	-	(9,600)	(203,163)	(203,163)	(203,163)	(203,163)	(203,163)
Trade payables	-	(3,538)	(9,803)	(9,803)	(9,803)	(9,803)	(9,803)
Accruals	-	(11,508)	(99,045)	(99,045)	(99,045)	(99,045)	(99,045)
Other payables	(4,009)	(8,812)	(17,250)	(17,250)	(13,242)	(13,242)	(13,242)
Taxation	-	(1,597)	(1,597)	(1,597)	(1,597)	(1,597)	(1,597)
Amount due to ultimate holding company	-	(2,371)	(2,371)	(2,371)	(2,371)	(2,371)	(2,371)
Amount due to holding company	(379)	-	(7,850)	(7,850)	(7,550)	(7,550)	(7,550)
Amount due to related companies	-	(6,659)	(6,663)	(6,663)	(6,663)	(6,663)	(6,663)
Net current (liabilities)/assets	(80)	14,644	86,364	86,364	222,630	222,630	222,630
	(80)	755,909	5,966,050	5,966,050	6,102,316	6,102,316	6,102,316

II. INFORMATION SUMMARY (CONT'D)

		Proforma I	Proforma II	Proforma III	Proforma IV	Proforma V	Proforma VI
	Audited financial statement as at 31 March 2004	After Acquisitions I	After Proforma I and Acquisitions II	After Proforma II and Debt Settlement	After Proforma III, Public Issue and utilisation of proceeds	After Proforma IV and Issuance of RCULS	After Proforma V and assuming full conversion of RCULS
	RM 000	RM 000	RM 000	RM 000	RM 000	RM 000	RM 000
Represented by:							
Share capital	*	189,277	321,928	501,928	934,074	934,074	1,292,743
Share premium	-	94,638	160,964	250,964	565,860	565,860	921,301
Accumulated losses	(80)	(80)	(80)	(80)	(80)	(80)	(80)
RCULS	-	-	-	-	-	714,110	-
Shareholders' funds	(80)	283,835	482,812	752,812	1,499,854	2,213,964	2,213,964
Reserve on consolidation	-	2,374	2,374	2,374	2,374	2,374	2,374
MI	-	-	1,035,295	1,035,295	1,035,295	1,035,295	1,035,295
Deferred tax liabilities	-	6,501	44,572	44,572	44,572	44,572	44,572
Advances from corporate shareholders	-	-	111,515	111,515	111,515	111,515	111,515
Long term loan	-	187,500	965,196	965,196	965,196	965,196	965,196
Private debt securities	-	-	1,698,918	1,698,918	1,698,918	1,698,918	1,698,918
Rental deposits	-	5,699	30,482	30,482	30,482	30,482	30,482
Amount due to holding company	-	-	1,324,886	1,324,886	714,110	-	-
Amount due to PETRONAS	-	270,000	270,000	-	-	-	-
	(80)	755,909	5,966,050	5,966,050	6,102,316	6,102,316	6,102,316
NTA per Share (RM)	#	1.50	1.50	1.50	1.61	2.37	1.71

Notes:

* Less than RM1,000.

Not meaningful comparison.

II. INFORMATION SUMMARY (CONT'D)

4.3 Audit Qualifications of the Audited Financial Statements

The audited financial statements of Arena Johan, KLCCUH, KLCCParking, Impian Cemerlang, Arena Merdu, Kompleks Dayabumi, Asas Klasik, Suria, Midciti and Impian Klasik for the past five (5) financial years were not subject to any audit qualifications or emphasis of matter.

5. PRINCIPAL STATISTICS**5.1 Share Capital**

	RM
<i>Authorised</i>	
5,000,000,000 ordinary shares of RM1.00 each	<u>5,000,000,000</u>
<i>Issued and fully paid-up as at the date of this Prospectus</i>	
189,276,674 ordinary shares of RM1.00 each	189,276,674
<i>To be issued pursuant to the Acquisitions II</i>	
132,651,605 new ordinary shares of RM1.00 each	132,651,605
<i>To be issued pursuant to the Debt Settlement</i>	
180,000,000 new ordinary shares of RM1.00 each	180,000,000
<i>To be issued pursuant to the Public Issue</i>	
432,146,000 new ordinary shares of RM1.00 each	432,146,000
<i>Enlarged issued and fully paid-up share capital</i>	<u>934,074,279</u>
<i>To be issued pursuant to the full conversion of RCULS*</i>	
358,669,230 new ordinary shares of RM1.00 each	358,669,230

Note:

+ The terms of the RCULS are set out in Section 2.4 of Part VI of this Prospectus.

II. INFORMATION SUMMARY (CONT'D)

5.2 Classes of Shares and Ranking

There is only one class of shares in the Company, being ordinary shares of RM1.00 each. The Issue Shares will rank *pari passu* in all respects with the other existing issued and paid-up ordinary shares of the Company including voting rights and will be entitled to all rights and dividends and distributions that may be declared subsequent to the date of this Prospectus.

The new Shares to be issued pursuant to the Acquisitions II and Debt Settlement will rank *pari passu* in all respects with the other existing issued and paid-up ordinary shares of the Company including voting rights and will be entitled to all rights and dividends and distributions that may be declared subsequent to the date of this Prospectus.

The new Shares to be issued upon conversion of the RCULS will rank *pari passu* in all respects with the other existing issued and paid-up ordinary shares of the Company including voting rights and will be entitled to all rights and dividends and distributions that may be declared subsequent to the date of allotment of the new Shares to be issued upon the conversion of the RCULS.

Subject to any special rights attaching to any shares that may be issued by the Company in the future, the shareholders of the Company shall, in proportion to the amount paid-up on the shares held by them, be entitled to share in the whole of the profits paid out by the Company as dividends and other distributions and the whole of any surplus in the event of liquidation of the Company in accordance with the Articles of Association of the Company.

At a general meeting of the Company, each shareholder shall be entitled to vote in person or by proxy or by attorney and, on a show of hands, every person present who is a shareholder or proxy or attorney of a shareholder or other duly authorised representative shall have one vote and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each ordinary share held. A proxy may but need not be a member of the Company.

5.3 Retail Price for the Retail Offering RM1.68 per Issue Share
(subject to adjustment pursuant to Section 6 of Part III of this Prospectus)

5.4 Proforma Consolidated NTA as at 31 March 2004

Proforma consolidated NTA (RM 000) 2,213,964
(after adjusting for the Acquisitions, Debt Settlement, Public Issue, Issuance of RCULS and deducting the total estimated listing expenses amounting to RM23.00 million)

Proforma consolidated NTA per Share (RM) 2.37
(based on the enlarged issued and paid-up share capital of 934,074,279 Shares)

II. INFORMATION SUMMARY (CONT'D)

5.5 Consolidated Profit Forecast

The consolidated profit forecast of the KLCCProperty Group and its associate company for the financial year ending 31 March 2005 is as follows:

Financial year ending 31 March	Forecast 2005 RM 000
Revenue	704,620
EBITDA	504,068
Consolidated PBT	311,295
Taxation	(89,992)
Consolidated PAT	221,303
MI	(86,303)
Consolidated PAT after MI	135,000
Less: Pre-acquisition profit	(24,452)
Consolidated profit attributable to shareholders	110,548
Weighted average number of Shares assumed in issue (000) ¹	754,013
Gross EPS ² (sen)	41.29
Net EPS ³ (sen)	17.90
Diluted net EPS ⁴	12.13
Gross PE Multiple (times) ⁵	4.07
Net PE Multiple (times) ⁵	9.38

Notes:

- 1 Computed based on the assumption that the Public Issue will be completed in August 2004.
- 2 Computed based on the consolidated PBT divided by the weighted average number of Shares assumed in issue.
- 3 Computed based on the consolidated PAT after MI divided by the weighted average number of Shares assumed in issue.
- 4 Computed based on the consolidated PAT after MI divided by the weighted average number of Shares assumed in issue adjusted for full conversion of 714,110,437 RCULS into 358,669,230 Shares at a conversion price of RM1.991 per RCULS (computed at a 10% premium over the assumed Institutional Price of RM1.81).
- 5 Based on the Retail Price of RM1.68 per Issue Share.

The principal bases and assumptions upon which the consolidated profit forecast of the KLCCProperty Group and its associate company have been made are set out in Section 3.2 of Part XI of this Prospectus.

II. INFORMATION SUMMARY (CONT'D)

5.6 Dividend Forecast

The dividend forecast for the financial year ending 31 March 2005 is as follows:

Financial year ending 31 March	Forecast 2005
Gross dividend per Share (sen) ¹	9.34
Net dividend per Share (sen) ¹	6.73
Gross dividend yield (%) ²	5.56
Net dividend yield (%) ²	4.01
Net dividend cover (times)	1.76

Notes:

- 1 Computed based on the enlarged issued and paid-up share capital of 934,074,279 Shares.
- 2 Based on the Retail Price of RM1.68 per Issue Share.

6. PROCEEDS FROM THE PUBLIC ISSUE AND THE UTILISATION THEREOF

The estimated total gross proceeds receivable by KLCCProperty from the Public Issue of approximately RM770.041 million is expected to be fully utilised by the Group for its core business by March 2006 in the following manner:

	RM 000
Part payment to KLCCH for the Acquisitions II	598,222
Working capital	148,819
Estimated listing expenses	23,000
Total	770,041*

Note:

- * Calculation of the proceeds arising from the Public Issue is based on the Retail Price of RM1.68 per Issue Share for the Retail Offering and an assumed Institutional Price of RM1.81 per Issue Share for the Institutional Offering.

The estimated listing expenses and fees, including brokerage, professional fees, underwriting and selling commission, and agency fees relating to the Issue Shares and RCULS, incidental to the Listing amounting to RM23.00 million shall be borne by the Company.

In the event the amount of proceeds raised from the Public Issue exceed RM700.00 million, the holder of the RCULS, namely KLCCH, shall have an option within two (2) months from the date of issue of the RCULS to require KLCCProperty to redeem the RCULS. However, the amount of RCULS to be redeemed in this situation shall be limited to the quantum of proceeds in excess of RM700.00 million only. If KLCCH exercises this option, the amount to be set aside for working capital purposes will be reduced accordingly.

Details of the utilisation of proceeds are set out in Section 8 of Part III of this Prospectus.

II. INFORMATION SUMMARY (CONT'D)

7. WORKING CAPITAL, MATERIAL COMMITMENTS, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL LITIGATION

7.1 Working Capital

The Board of Directors of KLCCProperty is of the opinion that after taking into account the consolidated cashflow position, banking facilities available and the total gross proceeds from the Public Issue, the Group will have adequate working capital for a period of twelve (12) months from the date of this Prospectus.

7.2 Material Commitments

Save as disclosed below, as at 7 July 2004, being the latest practicable date prior to the printing of this Prospectus, the Board of Directors of KLCCProperty is not aware of any material commitments for capital expenditure, which upon becoming enforceable, may have a material effect on the financial position of the Group:

	Notes	RM 000
Approved and contracted for	1	13,660
Approved and not contracted for	2	48,576

Notes:

- Acquisition of fixtures, fittings and equipment, building expansion and renovation, car park equipment and the upgrading of certain management systems.*
- Acquisition of fixtures, fittings and equipment, building expansion and renovation, car park equipment, fit-out contributions to relocate tenants and the upgrading of mechanical and electrical systems and building control system.*

7.3 Borrowings

The total outstanding borrowings (which are interest-bearing) of the Group as at 7 July 2004 are as follows:

Outstanding borrowings	Payable within 12 months RM 000	Payable after 12 months RM 000
Term loans	69,239	949,686
Private debt securities	129,877	1,693,066
Total	199,116	2,642,752

The Group has not defaulted on payments of either interest and/or principal sums in respect of any borrowings throughout the past one (1) financial year and the subsequent period thereof immediately preceding the date of this Prospectus.

7.4 Contingent Liabilities

As at 7 July 2004, being the latest practicable date prior to the printing of this Prospectus, the Board of Directors of KLCCProperty is not aware of any material contingent liabilities incurred by the Company or its subsidiaries, which upon becoming enforceable, may have a material effect on the financial position of the Company or its subsidiaries.

II. INFORMATION SUMMARY (CONT'D)

7.5 Material Litigation

As at 7 July 2004, being the latest practicable date prior to the printing of this Prospectus, neither KLCCProperty nor its subsidiaries is engaged in any litigation and/or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries, and the Board of Directors of KLCCProperty is not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Company or its subsidiaries.

8. RISK FACTORS

An investment in shares listed/to be listed on Bursa Securities involves a number of risks. Investors should rely on their own evaluations and carefully consider the risk factors, together with other information contained in this Prospectus before subscribing or applying for any of the Issue Shares which are the subject of this Prospectus.

The following are the risk factors (which may not be exhaustive) of which the details are set out in Part IV of this Prospectus:

- (i) Delay in or Failure of the Listing;
- (ii) No Prior Market for the Shares;
- (iii) Delay in Settlement and Trading;
- (iv) Ability to Realise Dividends from Its Subsidiaries;
- (v) Property Investment Risk;
- (vi) Illiquidity of Property Investment;
- (vii) Competition;
- (viii) Control by Certain Substantial Shareholders;
- (ix) Dependency on Major Tenants and Lease Renewals;
- (x) Dependency on Key Personnel;
- (xi) Adequacy of Insurance Coverage;
- (xii) Risks of Fire, Energy Crisis and Other Emergencies;
- (xiii) Risks Associated with Bank Borrowings and Restrictive Covenants under Borrowing Facility Agreements;
- (xiv) Approvals, Licences and Permits;
- (xv) Possible Disposal of Investment in Associate Company;
- (xvi) Political, Economic and Regulatory Considerations;
- (xvii) Related Party Transactions and Conflict of Interests;
- (xviii) Profit Forecast;
- (xix) Dividend Forecast; and
- (xx) Forward-Looking Statements.