

**REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECASTS FOR THE KLCCP
STAPLED GROUP FOR THE YEARS ENDING 31 DECEMBER 2013 AND 2014**



Ernst & Young

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**REPORTING ACCOUNTANTS' LETTER ON PROFIT FORECASTS FOR KLCC PROPERTY
HOLDINGS BERHAD**

(Prepared for inclusion in the Prospectus)

3 April 2013

The Board of Directors
KLCC Property Holdings Berhad
Levels 4 & 5 City Point
Kompleks Dayabumi
Jalan Hishamuddin
50050 Kuala Lumpur

Dear Sirs

**KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY"), ITS SUBSIDIARIES
AND CONTROLLED ENTITY, KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT")
(COLLECTIVELY KNOWN AS "KLCCP STAPLED GROUP")
PROFIT FORECASTS FOR THE TWO FINANCIAL YEARS ENDING 31 DECEMBER 2013 AND
2014**

We have examined the profit forecasts of KLCCP Stapled Group for the two financial years ending 31 December 2013 and 2014 ("Profit Forecasts"). The Profit Forecasts, and the basis of assumptions upon which they are based, for which the Board of Directors ("the Board") of KLCCP are solely responsible, are as set out in the accompanying Appendix of which we have stamped for the purpose of identification.

This letter is prepared for the inclusion in the prospectus in connection with the listing of and quotation for 1,805,333,083 stapled securities comprising the stapling of 1,805,333,083 ordinary shares of RM1.00 each in KLCCP and 1,805,333,083 units in KLCC REIT on the Main Market of Bursa Malaysia Securities Berhad (the "Proposal").

Responsibilities

The Board of KLCCP is solely responsible for the preparation and presentation of the Profit Forecasts, including the assumptions on which the Profit Forecasts are based.



Our examination has been undertaken to enable us to form an opinion, as required by the Prospectus Guidelines and Prospectus Guidelines for Collective Investment Schemes issued by the Securities Commission Malaysia (“the Guidelines”), as to whether the Profit Forecasts, in all material aspects, are properly prepared on the basis of the calculations and assumptions made by the Board of KLCCP, and are consistent with the accounting policies adopted by the KLCCP Stapled Group.

Basis of Opinion

We conducted our work in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3400, “The Examination of Prospective Financial Information”.

A forecast, in this context, means prospective financial information prepared on the basis of assumptions as to future events which management expects to take place and the actions which management expects to take as of the date the information is prepared (best-estimate assumptions). While information may be available to support the assumptions on which the forecast is based, such information is generally future oriented and therefore uncertain. Thus, actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material. Consequently, we do not express any opinion as to the possibility of achievement of the Profit Forecasts.

Opinion

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that the assumptions made by the Board of KLCCP do not provide a reasonable basis for the Profit Forecasts. Further, in our opinion, the Profit Forecasts are properly prepared, in all material aspects, on the basis of the calculations and assumptions made by the Board of KLCCP as set out in the accompanying statement, and are consistent with the accounting policies adopted by the KLCCP Stapled Group.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2(f) of the assumptions as set out in the accompanying Appendix, which states that the Board of KLCCP assumes that the fair value of investment properties of the KLCCP Stapled Group remains unchanged from its fair value as at 1 October 2012, resulting in no fair value gain or loss for the financial years ending 31 December 2013 and 2014.



Other Matters

This report is issued for the sole purpose of complying with the Guidelines in connection with the Proposal. Our work has been carried out in accordance with Malaysian Approved Standards on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this report is not appropriate in other jurisdictions and should not be relied upon for any purposes other than the Proposal described above. We accept no duty or responsibility and deny any liability to any party in respect of any use of, or reliance upon, this report in connection with any type of transaction, including the sale of securities other than the Proposal.

Yours faithfully,

Ernst & Young
AF: 0039
Chartered Accountants

Kuala Lumpur

Ahmad Zahirudin bin Abdul Rahim
No. 2607/12/14(J)
Chartered Accountant

KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY")
PROFIT FORECASTS OF THE KLCCP STAPLED GROUP FOR THE FINANCIAL YEARS ENDING
31 DECEMBER 2013 AND 2014

The Directors of KLCCP have prepared the profit forecasts based on assumptions as disclosed in the notes to these forecasts, that in the absence of unforeseen circumstances, the income available for distribution to stapled security holders for the financial years ending 31 December 2013 and 2014 will be as follows:-

	Note	← Forecasts →	
		2013 RM'million	2014 RM'million
Total revenue	2(b)	1,295	1,333
Total operating expenses	2(c)	(345)	(339)
Operating profit		950	994
Interest/Profit income	2(d)	21	18
Finance costs	2(e)	(127)	(124)
Fair value adjustments on investment properties	2(f)	-	-
Share of profit of an associate	2(g)	13	15
Profit before tax		857	903
Taxation	2(h)	(96)	(104)
Profit after tax		761	799
Profit attributable to:			
Equity holders of the Company		225	251
Non controlling interest ("NCI") relating to KLCC Real Estate Investment Trust ("KLCC REIT")		444	449
Other NCI		92	99
		761	799
Distribution			
Distribution from KLCC REIT			
Distributable income (RM'million)		363	371
Distribution rate (%)		95%	95%
Distribution (RM'million)		345	352
Distribution to stapled security holders			
Overall distributable income* (RM'million)	2(i)	588	622
Distribution rate (%)		95%	95%
Distribution (RM'million)		559	591
Number of stapled securities in issue (million)		1,805	1,805
Distribution covers (times)		0.95	0.95
Distribution per stapled security (sen)		30.95	32.74
Closing price as at 26 November 2012 (RM)		5.66	5.66
Distribution yield on closing price as at 26 November 2012 (%)		5.47%	5.78%

* Overall distributable income to the stapled security holders as disclosed in Note 2(j) consist of:

- (i) profit attributable to the equity holders of the Company, excluding any fair value adjustments on investment properties, if any; and
- (ii) distributable income of KLCC REIT

**KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY")
PROFIT FORECASTS OF THE KLCCP STAPLED GROUP FOR THE FINANCIAL YEARS ENDING
31 DECEMBER 2013 AND 2014**

**Notes to the Profit Forecasts of the KLCCP Stapled Group for the financial years ending 31
December 2013 and 2014**

1. Basis of preparation

The profit forecasts of the KLCCP Stapled Group for the financial years ending 31 December 2013 and 2014 have been prepared for the inclusion in the prospectus in connection with the listing of and quotation for 1,805,333,083 stapled securities comprising the stapling of 1,805,333,083 ordinary shares of RM1.00 each in KLCCP and 1,805,333,083 units in KLCC REIT on the Main Market of Bursa Malaysia Securities Berhad (the "Proposal"), and should not be relied upon for any other purposes. Further details of the Proposal are set out in Section 3 of the prospectus.

2. Bases and Assumptions

The Directors of KLCCP ("Directors"), have prepared the profit forecasts of the KLCCP Stapled Group for the financial years ending 31 December 2013 and 2014 based on the following assumptions, for which the Directors are solely responsible.

Specific assumptions

(a) The financial year end of the KLCCP Stapled Group is 31 December. The profit forecasts have been prepared on the assumption that KLCC REIT, the units of which will be stapled with the ordinary shares of KLCCP, was established and had commenced operations on 1 January 2013.

(b) Total Revenue

Total Revenue of the KLCCP Stapled Group is expected to be as follows:

		← Forecasts →	
		2013	2014
		RM'million	RM'million
Office buildings	(i)	597	600
Hotel	(ii)	165	165
Retail	(iii)	423	452
Management services	(iv)	110	116
		1,295	1,333

(i) Office buildings

Revenue from rental of office buildings is derived from:

		← Forecasts →	
		2013	2014
		RM'million	RM'million
KLCC REIT		552	553
Kompleks Dayabumi		45	47
		597	600

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Chartered Accountants, Kuala Lumpur
For identification purposes only

**KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY")
PROFIT FORECASTS OF THE KLCCP STAPLED GROUP FOR THE FINANCIAL YEARS ENDING
31 DECEMBER 2013 AND 2014**

Notes to the Profit Forecasts of the KLCCP Stapled Group for the financial years ending 31 December 2013 and 2014 (cont'd.)

2. Bases and Assumptions (cont'd.)

Specific assumptions (cont'd.)

(b) Total Revenue (cont'd.)

(i) Office buildings (cont'd.)

KLCC REIT

The forecast office rental income from KLCC REIT, comprising PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS, is based on committed tenancies. As the leases are non-cancellable, the rental income is recognised on a straight-line basis over the lease tenure.

Kompleks Dayabumi

The forecast rental of Kompleks Dayabumi is based on committed tenancies. The forecast growth rates of the office rental income for the forecast years of 2013 and 2014 are 7% and 4% per annum respectively.

(ii) Hotel

Hotel revenue is generated by Mandarin Oriental Kuala Lumpur, owned by Asas Klasik Sdn Bhd ("AKSB"). Hotel revenue consists of:

	← Forecasts →	
	2013	2014
	RM'million	RM'million
Room	88	81
Food and beverage	62	70
Others	15	14
	<u>165</u>	<u>165</u>

The room average occupancy rates are forecast at 63% and 56% for forecast years 2013 and 2014 respectively. The average room rate is expected to be at RM601 and RM604 per night for the forecast years 2013 and 2014 respectively.

Food and beverage revenue is forecast based on the expected numbers of patrons.

**KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY")
PROFIT FORECASTS OF THE KLCCP STAPLED GROUP FOR THE FINANCIAL YEARS ENDING
31 DECEMBER 2013 AND 2014**

Notes to the Profit Forecasts of the KLCCP Stapled Group for the financial years ending 31 December 2013 and 2014 (cont'd.)

2. Bases and Assumptions (cont'd.)

Specific assumptions (cont'd.)

(b) Total Revenue (cont'd.)

(iii) Retail

Retail rental income comprise of base rent, percentage rent and service charges of Suria KLCC and KLCC REIT (i.e. Menara 3 PETRONAS):

	← Forecasts →	
	2013	2014
	RM'million	RM'million
Suria KLCC	386	413
KLCC REIT	37	39
	<u>423</u>	<u>452</u>

Base rent is forecast based on committed tenancies. Percentage rent is calculated based on a percentage of the total expected gross sales generated by each tenant, where applicable, during each relevant period. Service charges are back-charges of service works for tenants which are based on charge rate per square foot. The service charges are projected to increase at 5% and 4% per annum respectively for the forecast years 2013 and 2014.

The expected occupancy rate of Suria KLCC is 99% and retail podium of Menara 3 PETRONAS is 95% for the forecast years of 2013 and 2014. The forecast growth rates of total retail rental income are 9% and 7% per annum respectively for the forecast years of 2013 and 2014.

- (iv) Management services income is expected to increase at 16% and 5% per annum respectively for the forecast years 2013 and 2014.

**KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY")
PROFIT FORECASTS OF THE KLCCP STAPLED GROUP FOR THE FINANCIAL YEARS ENDING
31 DECEMBER 2013 AND 2014**

Notes to the Profit Forecasts of the KLCCP Stapled Group for the financial years ending 31 December 2013 and 2014 (cont'd.)

2. Bases and Assumptions (cont'd.)

Specific assumptions (cont'd.)

(c) Total operating expenses

Total operating expenses comprise of:		← Forecasts →	
		2013	2014
		RM'million	RM'million
Utilities	(i)	55	56
Rent and assessment	(ii)	12	12
Selling, marketing and distribution	(iii)	12	12
Repair and maintenance	(iv)	26	27
Depreciation	(v)	36	34
Other operating expenses	(vi)	204	198
		345	339

- (i) Utilities expenses refer to electricity, chilled water, sewerage and water. Total utilities expenses are expected to increase at 2% per annum for the forecast years 2013 and 2014.
- (ii) Rent and assessment is expected to remain consistent for the forecast years 2013 and 2014.
- (iii) Selling, marketing and distribution costs are mainly derived from Suria KLCC and AKSB. The costs are expected to be at 2% of the combined total income of Suria KLCC and AKSB for forecast years 2013 and 2014.
- (iv) Repair and maintenance is expected to increase at 18% and 4% per annum respectively for the forecast years 2013 and 2014.
- (v) The depreciation rates used are as follows:

Hotel building	80 years
Building improvements	5 to 6 years
Furniture and fittings	5 to 10 years
Plant and equipment	4 to 10 years
Renovation	5 years
Others	3 to 5 years

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KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY")
PROFIT FORECASTS OF THE KLCCP STAPLED GROUP FOR THE FINANCIAL YEARS ENDING
31 DECEMBER 2013 AND 2014

Notes to the Profit Forecasts of the KLCCP Stapled Group for the financial years ending 31 December 2013 and 2014 (cont'd.)

2. Bases and Assumptions (cont'd.)

Specific assumptions (cont'd.)

(c) Total operating expenses (cont'd.)

(vi) Other operating expenses include, among others, staff costs, property management fee and trustee fee. The expenses are expected to be at 16% and 15% of total revenue for forecast years 2013 and 2014 respectively.

(d) Interest/Profit income on fixed deposit is computed on monthly basis at an interest/profit rate of 3% per annum for forecast years 2013 and 2014.

(e) Finance costs

Included in finance costs are interest/profit for borrowings/financing and fair value accretion of financial instruments. Interest/profit for borrowings/financing is assumed to be incurred based on the loan agreements.

(f) Fair value adjustments on investment properties

It is assumed that the fair value of investment properties of the KLCCP Stapled Group remains unchanged from its fair value as at 1 October 2012 as the future market value cannot be reliably measured, resulting in no subsequent fair value gain or loss.

(g) The share of an associate's profit excluding the share of fair value gain, is expected to increase by 23% and 15% per annum respectively for the forecast years 2013 and 2014.

(h) The effective tax rate of the KLCCP Stapled Group is expected to be 11% and 12% per annum respectively for the forecast years 2013 and 2014.

KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY")
 PROFIT FORECASTS OF THE KLCCP STAPLED GROUP FOR THE FINANCIAL YEARS ENDING
 31 DECEMBER 2013 AND 2014

Notes to the Profit Forecasts of the KLCCP Stapled Group for the financial years ending 31 December 2013 and 2014 (cont'd.)

2. Bases and Assumptions (cont'd.)

Specific assumptions (cont'd.)

(i) **Distribution to stapled security holders**

Total distribution to stapled security holders consist of distribution from KLCC REIT and dividend from KLCCP are assumed to be as follows for forecast years 2013 and 2014:

	← Forecasts →	
	2013	2014
	RM'million	RM'million
Distribution from KLCC REIT		
Distributable income (RM'million)	363	371
Distribution rate (%)	95%	95%
Distribution (RM'million)	<u>345</u>	<u>352</u>
Dividend from KLCCP	<u>214</u>	<u>239</u>

(j) Overall distributable income is derived as follows:

	← Forecasts →	
	2013	2014
	RM'million	RM'million
Profit attributable to the equity holders of the Company in the KLCCP Stapled Group	225	251
Distributable income of KLCC REIT	<u>363</u>	<u>371</u>
Overall distributable income	<u>588</u>	<u>622</u>

General assumptions:

- (k) There will be no significant changes in the asset portfolio and structure of the KLCCP Stapled Group.
- (l) There will be no significant changes in the principal activities of the KLCCP Stapled Group.
- (m) There will be no significant changes to the prevailing Malaysian and global economic and political conditions which will adversely affect the activities or performance of the KLCCP Stapled Group.
- (n) There will be no major changes in the KLCCP Stapled Group's operations that will adversely affect the performance of the KLCCP Stapled Group.

KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY")
PROFIT FORECASTS OF THE KLCCP STAPLED GROUP FOR THE FINANCIAL YEARS ENDING
31 DECEMBER 2013 AND 2014

Notes to the Profit Forecasts of the KLCCP Stapled Group for the financial years ending 31
December 2013 and 2014 (cont'd.)

2. Bases and Assumptions (cont'd.)

General assumptions (cont'd.)

- (o) There will not be any significant changes in tax laws that will affect the KLCCP Stapled Group. Goods and services tax will not be implemented during the forecast years.
- (p) There will be no material changes in the present legislation or government regulations, lending guidelines and other operating guidelines and regulations that will adversely affect the principal activities of the KLCCP Stapled Group.
- (q) There will be no major disruption in the operations and there will be no other events and abnormal factors including war, terrorism attacks, epidemic outbreak or natural disaster which will adversely affect the operation of the KLCCP Stapled Group.
- (r) There will be no major industrial disputes or any other abnormal factors or changes that will significantly affect the KLCCP Stapled Group's operation or rental rate or disrupt its planned operations.
- (s) The KLCCP Stapled Group will not be engaged in any material litigation and there will be no legal proceedings which will adversely affect its activities or performance or give rise to any additional contingent liabilities, which will materially affect its business.
- (t) There will be no significant changes in the Malaysian Financial Reporting Standards issued by Malaysian Accounting Standards Board or other financial reporting requirements that may have a material effect on the Profit Forecasts.
- (u) There will be no significant changes in the terms and conditions of material contracts and agreements, including but not limited to, the sale and purchase agreements for the sale of the Subject Properties to KLCC REIT as defined in the prospectus, the deed of KLCC REIT, the tenancy agreements and the property management agreement.
- (v) There will be no change in the prevailing inflation rate, property expenses, the financing costs and trust expenses of KLCC REIT other than that forecast.

REPORTING ACCOUNTANTS' LETTER ON THE PROFIT FORECASTS FOR KLCC REIT FOR THE YEARS ENDING 31 DECEMBER 2013 AND 2014

**Ernst & Young**

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REPORTING ACCOUNTANTS' LETTER ON PROFIT FORECASTS FOR KLCC REAL ESTATE INVESTMENT TRUST

(Prepared for inclusion in the Prospectus)

3 April 2013

The Board of Directors
 KLCC REIT Management Sdn Bhd
 Levels 4 & 5 City Point
 Kompleks Dayabumi
 Jalan Hishamuddin
 50050 Kuala Lumpur

Dear Sirs

**KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") AND ITS SUBSIDIARY (THE "GROUP")
 PROFIT FORECASTS FOR THE TWO FINANCIAL YEARS ENDING 31 DECEMBER 2013 AND 2014**

We have examined the profit forecasts of KLCC REIT for the two financial years ending 31 December 2013 and 2014 ("Profit Forecasts"). The Profit Forecasts, and the basis of assumptions upon which they are based, for which the Board of Directors (the "Board") of KLCC REIT Management Sdn Bhd (the "Manager") are solely responsible, are as set out in the accompanying Appendix of which we have stamped for the purpose of identification.

This letter is prepared for the inclusion in the prospectus in connection with the listing of and quotation for 1,805,333,083 stapled securities comprising the stapling of 1,805,333,083 ordinary shares of RM1.00 each in KLCC Property Holdings Berhad and 1,805,333,083 units in KLCC REIT on the Main Market of Bursa Malaysia Securities Berhad (the "Proposal"), and should not be relied upon for any other purposes.

Responsibilities

The Board of the Manager, in its capacity as the management company of KLCC REIT, is solely responsible for the preparation and presentation of the Profit Forecasts, including the assumptions on which the Profit Forecasts are based.



Our examination has been undertaken to enable us to form an opinion, as required by the Prospectus Guidelines for Collective Investment Schemes issued by the Securities Commission Malaysia (“Prospectus Guidelines”), as to whether the Profit Forecasts, in all material aspects, are properly prepared on the basis of the calculations and assumptions made by the Board of the Manager, and are consistent with the accounting policies to be adopted by KLCC REIT.

Basis of Opinion

We conducted our work in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3400, “The Examination of Prospective Financial Information”.

A forecast, in this context, means prospective financial information prepared on the basis of assumptions as to future events which management expects to take place and the actions which management expects to take as of the date the information is prepared (best-estimate assumptions). While information may be available to support the assumptions on which the forecast is based, such information is generally future oriented and therefore uncertain. Thus, actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material. Consequently, we do not express any opinion as to the possibility of achievement of the Profit Forecasts.

Opinion

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that the assumptions made by the Board of the Manager do not provide a reasonable basis for the Profit Forecasts. Further, in our opinion, the Profit Forecasts are properly prepared, in all material aspects, on the basis of the calculations and assumptions made by the Board of the Manager as set out in the accompanying statement, and are consistent with the accounting policies to be adopted by KLCC REIT.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2(j) of the assumptions as set out in the accompanying Appendix, which states that the Board of the Manager assumes that the fair value of investment properties of KLCC REIT remains unchanged from its fair value as at 1 October 2012, resulting in no fair value gain or loss for the financial years ending 31 December 2013 and 2014.



Other Matters

This report is issued for the sole purpose of complying with the Prospectus Guidelines in connection with the Proposal. Our work has been carried out in accordance with Malaysian Approved Standards on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this report is not appropriate in other jurisdictions and should not be relied upon for any purposes other than the Proposal described above. We accept no duty or responsibility and deny any liability to any party in respect of any use of, or reliance upon, this report in connection with any type of transaction, including the sale of securities other than the Proposal.

Yours faithfully,

Ernst & Young
AF: 0039
Chartered Accountants

Kuala Lumpur, Malaysia

Ahmad Zahirudin bin Abdul Rahim
No. 2607/12/14(J)
Chartered Accountant

PROFIT FORECASTS OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") FOR THE FINANCIAL YEARS ENDING 31 DECEMBER 2013 AND 2014

The Directors of KLCC REIT Management Sdn Bhd ("KLCC REIT Management"), have prepared the profit forecasts based on assumptions as disclosed in the notes to these forecasts, that in absence of unforeseen circumstances, the income available for distribution to holders of KLCC REIT units for the financial years ending 31 December 2013 and 2014 will be as follows:-

	Note	← Forecasts →	
		2013 RM'million	2014 RM'million
Total Revenue	2(b)	589	592
Utilities Expenses	2(c)	(12)	(12)
Maintenance Expenses	2(d)	(4)	(4)
Quit Rent and Assesment	2(e)	(3)	(3)
Other Operating Expenses	2(f)	(8)	(8)
Property Operating Expenses		(27)	(27)
Net Property Income		562	565
Profit Income	2(g)	7	7
		569	572
Management Fees	2(h)	(43)	(43)
Trustee's Fees	2(i)	(1)	(1)
Finance Costs	2(k)	(81)	(79)
Profit Before Tax		444	449
Taxation	2(l)	-	-
Profit After Tax		444	449
Less: Non-Cash Items	[i]	(81)	(78)
Distributable Income		363	371
Number of units in issue (million)		1,805	1,805
Distribution rate (%)		95	95
Distribution cover (times)		0.95	0.95
Distribution per unit (sen)		19.11	19.53

Note

[i] Non-Cash Items mainly comprise of accrued rental and others, such as amortisation of transaction costs for financing and accrued profit.

PROFIT FORECASTS OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") FOR THE FINANCIAL YEARS ENDING 31 DECEMBER 2013 AND 2014

Notes to Profit Forecasts for the financial years ending 31 December 2013 and 2014
1. Basis of Preparation

The profit forecasts of KLCC REIT for the financial years ending 31 December 2013 and 2014 have been prepared for the inclusion in the prospectus in connection with the listing and quotation for 1,805,333,083 stapled securities comprising the stapling of 1,805,333,083 ordinary shares of RM1.00 each in KLCC Property Holdings Berhad and 1,805,333,083 units in KLCC REIT on the Main Market of Bursa Malaysia Securities Berhad (the "Proposal"), and should not be relied upon for any other purposes. Further details of the Proposal are set out in Section 3 of the prospectus.

2. Bases and Assumptions

The Directors of KLCC REIT Management (the "Directors"), have prepared the profit forecasts of KLCC REIT based on the following assumptions, for which the Directors are solely responsible.

Specific assumptions


(a) The financial year end of KLCC REIT is 31 December. For illustrative purpose, the profit forecasts have been prepared on the assumption that KLCC REIT was established and had commenced operations on 1 January 2013.

(b) Total Revenue

Total revenue derived from PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS, (collectively known as "Subject Properties") are expected to be as follows:

		← Forecast →	
		2013	2014
		RM'million	RM'million
Office buildings	(i)	552	553
Retail	(ii)	37	39
		589	592

(i) The forecast office rental income from the Subject Properties is based on committed tenancies. As the leases are non-cancellable, the rental income is recognised on a straight-line basis over the lease tenure. Included in office buildings are also car park income and utilities recoverable derived from Menara ExxonMobil of RM1 million and RM4 million respectively based on the historical income.

 ERNST & YOUNG (AF: 0039) Chartered Accountants, Kuala Lumpur For identification purposes only
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PROFIT FORECASTS OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") FOR THE FINANCIAL YEARS ENDING 31 DECEMBER 2013 AND 2014 ("PROFIT FORECASTS") (CONT'D.)

Notes to Profit Forecasts for the financial years ending 31 December 2013 and 2014 (Cont'd.)

2. Bases and Assumptions (cont'd.)

Specific assumptions (cont'd.)

(b) Total Revenue (cont'd.)

(ii) Retail rental income comprise of base rent, percentage rent and service charges. Base rent is forecast based on committed tenancies. The base rent is expected to increase by 19% and 9% for forecast years 2013 and 2014 due to the increase in base rent rates.

Percentage rent is calculated based on a percentage of the total gross sales of tenants, pre-determined in the tenancy agreement. The percentage rent is forecast at 1% of total retail revenue of forecast years 2013 and 2014 respectively.

Service charges are back-charges of service works for tenants which are based on charge rate per square foot. The service charges are projected to increase by 14% for the forecast year 2013 and are expected to remain consistent for forecast year 2014.

(c) Utilities Expenses

Utilities expenses refer to electricity, chilled water, sewerage and water. Total utilities expenses expected to be incurred in the forecast years 2013 and 2014 will remain consistent based on historical utilities bill.

(d) Maintenance Expenses

Maintenance expenses refer to cost of repair and maintenance of landscape, air-conditioned, ventilation system, plumbing and elevator services. The repair and maintenance expenses for the forecast years 2013 and 2014 are based on the contractual agreements with contractors.

(e) Quit Rent and Assessment

Quit rent and assessment is payable to the Federal government and local council in respect of Menara ExxonMobil and retail podium of Menara 3 PETRONAS. Quit rent and assessment expenses are assumed to be consistent over the forecast financial years based on historical quit rent and assessment bill.

(f) Other Operating Expenses

Other operating expenses are assumed to be consistent for the forecast years 2013 and 2014 based on historical expenses.

Other operating expenses, among others, include property management fee which is assumed to be RMO.1 million per annum for the forecast years 2013 and 2014.

PROFIT FORECASTS OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") FOR THE FINANCIAL YEARS ENDING 31 DECEMBER 2013 AND 2014 ("PROFIT FORECASTS") (CONT'D.)

Notes to Profit Forecasts for the financial years ending 31 December 2013 and 2014 (Cont'd.)

2. Bases and Assumptions (cont'd.)

Specific assumptions (cont'd.)

(g) **Profit Income**

Profit income relates to profit earned from the placement of excess cash in fixed deposits. Profit income on fixed deposits is computed on monthly basis at a profit rate of 3% per annum.

(h) **Management Fees**

Management fee is computed based on the following:

- base fee: 0.3% per annum of the Total Asset Value ("TAV")* (excluding cash and bank balances) of KLCC REIT and
- performance fee: 3% per annum of the Net Property Income of KLCC REIT.

* TAV of KLCC REIT is assumed to be RM8.8 billion throughout the financial years ending 31 December 2013 and 2014.

(i) **Trustee's Fees**

The trustee's fees are assumed to be RM0.6 million per annum throughout the forecast years.

(j) **Fair value adjustment**

For forecast years 2013 and 2014, it is assumed that the fair value of investment properties of KLCC REIT remains unchanged from its fair value as at 1 October 2012 as the future market value cannot be reliably measured, resulting in no fair value gain or loss.

(k) **Finance Costs**

Included in finance costs are interest/profit for borrowings/financing and fair value accretion of financial instruments. Interest/profit for borrowings is assumed to be incurred based on the financing agreements.

(l) **Taxation**

KLCC REIT is assumed to distribute 95% of its distributable income for the financial years 2013 and 2014 which is expected to be more than 90% of its total income as defined under the Malaysia Income Tax Act 1967 ("ITA"), and therefore be tax exempted pursuant to Section 61A of the ITA.

General assumptions

(m) There will be no significant changes in the assets portfolio and structure of KLCC REIT.

(n) There will be no significant changes in the principal activities of KLCC REIT.

PROFIT FORECASTS OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") FOR THE FINANCIAL YEARS ENDING 31 DECEMBER 2013 AND 2014 ("PROFIT FORECASTS") (CONT'D.)

Notes to Profit Forecasts for the financial years ending 31 December 2013 and 2014 (Cont'd.)

2. Bases and Assumptions (cont'd.)

General assumptions (cont'd.)

- (o) There will be no change in the prevailing inflation rate, property expenses, the financing costs and trust expenses of KLCC REIT other than that forecasted.
- (p) There will be no major changes in KLCC REIT's operations that will adversely affect the performance of KLCC REIT.
- (q) There will not be any significant changes in tax laws that will affect KLCC REIT. Goods and services tax will not be implemented during the forecast years.
- (r) There will be no material changes in the present legislation or government regulations, lending guidelines and other operating guidelines and regulations that will adversely affect the principal activities of KLCC REIT.
- (s) There will be no significant changes to the prevailing Malaysian and global economic and political conditions which will adversely affect the activities or performance of KLCC REIT.
- (t) There will be no major disruption in the operations and there will be no other events and abnormal factors including war, terrorism attacks, epidemic outbreak or natural disaster which will adversely affect the operation of KLCC REIT.
- (u) There will be no major industrial disputes or any other abnormal factors or changes that will significantly affect KLCC REIT's operation or rental rate or disrupt its planned operations.
- (v) KLCC REIT will not be engaged in any material litigation and there will be no legal proceedings which will adversely affect its activities or performance or give rise to any additional contingent liabilities, which will materially affect its business.
- (w) There will be no significant changes in the Malaysian Financial Reporting Standards issued by Malaysian Accounting Standards Board or other financial reporting requirements that may have a material effect on the profit forecasts.
- (x) There will be no significant changes in the terms and conditions of material contracts and agreements, including but not limited to, the sale and purchase agreements of the Subject Properties, the deed of KLCC REIT, the tenancy agreements and the property management agreement.

REPORTING ACCOUNTANTS' LETTERS ON THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE KLCCP STAPLED GROUP AS AT 31 DECEMBER 2012, AND THE PRO FORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE YEARS ENDED 31 MARCH 2010 AND 2011, NINE (9)-MONTH PERIOD ENDED 31 DECEMBER 2011 AND YEAR ENDED 31 DECEMBER 2012



Ernst & Young

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REPORTING ACCOUNTANTS' LETTER ON PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF KLCC PROPERTY HOLDINGS BERHAD
(Prepared for inclusion in the Prospectus)

3 April 2013

The Board of Directors
KLCC Property Holdings Berhad
Levels 4 & 5 City Point
Kompleks Dayabumi
Jalan Hishamuddin
50050 Kuala Lumpur

Dear Sirs

**KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY"), ITS SUBSIDIARIES AND CONTROLLED ENTITY, KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") (COLLECTIVELY KNOWN AS "KLCCP STAPLED GROUP")
PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012**

We have completed our assurance engagement to report on the compilation of pro forma financial information of KLCCP Stapled Group prepared by the Directors of KLCCP. The pro forma financial information consists of the pro forma consolidated statement of financial position as at 31 December 2012 and the accompanying notes to the proforma consolidated statement of financial position ("Proforma Consolidated Statement of Financial Position").

The Proforma Consolidated Statement of Financial Position is compiled by the Directors of KLCCP based on the applicable criteria as specified in the Prospectus Guidelines and Prospectus Guidelines for Collective Investment Schemes issued by the Securities Commission Malaysia (collectively known as the "Guidelines") and the accompanying notes to the Proforma Consolidated Statement of Financial Position ("Applicable Criteria").

The Proforma Consolidated Statement of Financial Position has been compiled by the Directors of KLCCP on the assumption that the KLCCP Stapled Group was in existence on 31 December 2012, for inclusion in the Prospectus, to illustrate the impact of the listing of and quotation for 1,805,333,083 stapled securities comprising the stapling of 1,805,333,083 ordinary shares of RM1.00 each in KLCCP and 1,805,333,083 units in KLCC REIT on the Main Market of Bursa Malaysia Securities Berhad (the "Proposal") on the KLCCP Stapled Group's financial position as at 31 December 2012.

As part of this process, information about the financial position has been extracted by the Directors from the financial statements of KLCCP for the year ended 31 December 2012, on which audit report have been published.

The Directors' Responsibility for the Proforma Consolidated Statement of Financial Position

The Directors are responsible for compiling the Proforma Consolidated Statement of Financial Position on the basis of the Applicable Criteria.

Our responsibilities

Our responsibility is to express an opinion as required by the Securities Commission Malaysia, about whether the Proforma Consolidated Statement of Financial Position has been compiled, in all material respects, by the Directors on the basis of the Applicable Criteria.

We conducted our engagement in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3420 Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus issued by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma financial information on the basis of the Applicable Criteria.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the KLCCP Stapled Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion


In our opinion, as required by the Guidelines:

- (a) the Proforma Consolidated Statement of Financial Position of the KLCCP Stapled Group, which has been prepared by the Directors of KLCCP, has been properly prepared on the basis of the accompanying notes to the Proforma Consolidated Statement of Financial Position using financial statements prepared in accordance with Malaysian Financial Reporting Standards and in a manner consistent with both the format of the financial statements and the accounting policies adopted by the existing KLCCP Group; and
- (b) each material adjustment made to the information used in the preparation of the Proforma Consolidated Statement of Financial Position is appropriate for the purposes of preparing the Proforma Consolidated Statement of Financial Position.

Other matters

This letter is issued for inclusion in the Prospectus, for the sole purpose of complying with the Guidelines in connection with the Proposal. Our work had been carried out in accordance with Malaysian Approved Standards on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this letter is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Proposal described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this letter in connection with any type of transaction, including the sale of securities other than the Proposal.

Yours faithfully



Ernst & Young
AF : 0039
Chartered Accountants

Kuala Lumpur



Ahmad Zahirudin bin Abdul Rahim
No. 2607/12/14(J)
Chartered Accountant

PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE KLCCP STAPLED GROUP AS AT 31 DECEMBER 2012
KLCC PROPERTY HOLDINGS BERHAD

Proforma Consolidated Statement of Financial Position of the KLCCP Stapled Group as at 31 December 2012

Audited as
at 31 Dec

	2012	Adjustments	Proforma I	Adjustments	Proforma II	Adjustments	Proforma III	Adjustments	Proforma IV
	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million
ASSETS									
Non-Current Assets									
Property, plant and equipment	598		598		598		598		598
Investment properties	13,807		13,807		13,807		13,807		13,807
Investment in an associate	261		261		261		261		261
Deferred tax assets	1		1		1		1		1
	<u>14,667</u>		<u>14,667</u>		<u>14,667</u>		<u>14,667</u>		<u>14,667</u>
Current Assets									
Inventories	1		1		1		1		1
Trade and other receivables	102		102		102		102		102
Cash and cash equivalents	1,020		1,020		1,020		1,020		1,020
	<u>1,123</u>		<u>1,123</u>		<u>1,123</u>		<u>1,123</u>		<u>1,123</u>
TOTAL ASSETS	<u>15,790</u>		<u>15,790</u>		<u>15,790</u>		<u>15,790</u>		<u>15,790</u>
EQUITY AND LIABILITIES									
Equity									
Equity Attributable to Equity Holders of the Company	934	361	1,295	510	1,805		1,805		1,805
Share capital									
Redeemable preference shares									
Share premium	562	340	902	2,349	3,251	18	3,251	18	(18)
Capital redemption reserve									(3,251)
Redeemable convertible unsecured loan stocks ("RCULS")	688	(688)							18
Distributable reserve	6,250		6,250	22	6,272	9	6,281	(3,926)	2,355
	<u>8,434</u>		<u>8,447</u>		<u>11,328</u>		<u>11,355</u>		<u>4,178</u>
Non-controlling interest ("NCI") relating to KLCC REIT								7,177	7,177
Other NCI	4,558		4,558	(2,881)	1,677		1,677		1,677
Total NCI	4,558		4,558		1,677		1,677		8,854
Total Equity	12,992		13,005		13,005		13,032		13,032

1

ERNST & YOUNG (AF: 0039)

Chartered Accountants, Kuala Lumpur
For identification purposes only

PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE KLCCP STAPLED GROUP AS AT 31 DECEMBER 2012
 KLCC PROPERTY HOLDINGS BERHAD

Proforma Consolidated Statement of Financial Position of the KLCCP Stapled Group as at 31 December 2012

	Audited as at 31 Dec 2012		Proforma I		Proforma II		Proforma III		Proforma IV	
	RM'million	Adjustments RM'million	RM'million	Adjustments RM'million	RM'million	Adjustments RM'million	RM'million	Adjustments RM'million	RM'million	Adjustments RM'million
Non-Current Liabilities										
RCULS	13	(13)	-	-	-	-	-	-	-	-
Other long term liabilities	76		76		76		76		76	
Long term borrowings/financing	2,299		2,299		2,299		2,299		2,299	
Deferred tax liabilities	36		36		36	(27)	9		9	
	<u>2,424</u>		<u>2,411</u>		<u>2,411</u>		<u>2,384</u>		<u>2,384</u>	
Current Liabilities										
Trade and other payables	247		247		247		247		247	
Borrowings/financing	48		48		48		48		48	
Taxation	79		79		79		79		79	
	<u>374</u>		<u>374</u>		<u>374</u>		<u>374</u>		<u>374</u>	
Total Liabilities	<u>2,798</u>		<u>2,785</u>		<u>2,785</u>		<u>2,758</u>		<u>2,758</u>	
TOTAL EQUITY AND LIABILITIES	<u>15,790</u>		<u>15,790</u>		<u>15,790</u>		<u>15,790</u>		<u>15,790</u>	
Before dilution										
Net assets per stapled security*	8.29		6.52		6.28		6.29		6.29	
After dilution										
Net assets per stapled security*	6.52		6.52		6.28		6.29		6.29	

* Net assets per stapled security is net assets attributable to equity holders of KLCCP and NCI of KLCC REIT divided by number of stapled securities

PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE KLCCP STAPLED GROUP AS AT 31 DECEMBER 2012

Notes to the Proforma Consolidated Statement of Financial Position**1. Basis of Preparation**

The proforma consolidated statement of financial position as at 31 December 2012 as illustrated in pages 1 and 2 for which the directors of KLCC Property Holdings Berhad ("the Company" or "KLCCP") are solely responsible, have been prepared for illustrative purposes to show the effects on the consolidated statement of financial position of the KLCCP Stapled Group (as defined herein) on its assumed date of listing had the pre-listing restructuring as described in Section 3.2 in the prospectus ("Pre-Listing Restructuring") been effected on 31 December 2012, for the purpose of inclusion in the prospectus.

The proforma consolidated statement of financial position of the KLCCP Stapled Group have been prepared using the consolidated financial statements of KLCCP for the year ended 31 December 2012 which was prepared in accordance with Malaysian Financial Reporting Standards and in a manner consistent with both the format of the financial statements and the accounting policies of KLCCP after taking into consideration of the Pre-Listing Restructuring.

Furthermore, such financial information does not purport to predict the future financial position of the KLCCP Stapled Group.

2. Basis of Consolidation

The consolidated statement of financial position of the Company comprise the statements of financial position of the Company, its subsidiaries and KLCC Real Estate Investment Trust ("KLCC REIT"), a controlled entity as defined below (together referred to as the "KLCCP Stapled Group").

The consolidated financial statement is prepared on the basis that the Company and KLCC REIT agree to combine their business by contract, i.e. Stapling Deed between KLCCP and KLCC REIT even though KLCCP owns no units in KLCC REIT and vice versa.

KLCCP is deemed to be the controlling entity (i.e. parent) for accounting purpose, as it is identified to be the party with power to govern the financial and operating policies of KLCC REIT. As KLCCP holds no equity interest in KLCC REIT, it will reflect 100% non-controlling interests ("NCI") relating to KLCC REIT in the consolidated financial statements of KLCCP.

PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE KLCCP
STAPLED GROUP AS AT 31 DECEMBER 2012

Notes to the Proforma Consolidated Statement of Financial Position (cont'd.)

3. Proforma adjustments

3.1 Proforma I

Proforma I incorporates the effects of the conversion of RCULS as described in Section 3.2 of the prospectus.

The RCULS conversion results in an increase in KLCCP's issued and paid-up share capital of RM361 million and share premium of RM340 million with a corresponding decrease in RCULS (both equity and liability portions) of RM701 million.

3.2 Proforma II

Proforma II incorporates the effects of Proforma I and the effects of Midciti Acquisition with a total purchase consideration of RM2,859 million as described in Section 3.2.1 of the prospectus, which results in:

- (i) increase in share capital of RM510 million;
- (ii) increase in share premium of RM2,349 million;
- (iii) a reduction in NCI of RM2,881 million as KLCCP owns 100% interest in Midciti after the acquisition; and
- (iv) increase in distributable reserve of RM22 million, being the difference between the 49.5% NCI acquired and the fair value of the purchase consideration paid, recognised directly in equity.

3.3 Proforma III

Proforma III incorporates the effects of Proforma II and the effects of disposal of PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS ("Subject Properties") to KLCC REIT as described in Section 3.2.3 of the prospectus and bonus issue of Redeemable Preference Shares ("RPS") as described in Section 3.2.4 of the prospectus.

The disposal of the Subject Properties results in the derecognition of deferred tax liabilities of RM27 million as KLCC REIT is exempted from income tax pursuant to Section 61A of Malaysia Income Tax Act, 1967 ("ITA") on the assumption that KLCC REIT distributes 95% of its distributable income which is expected to be more than 90% of its total income as defined in the ITA.

PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE KLCCP
STAPLED GROUP AS AT 31 DECEMBER 2012

Notes to the Proforma Consolidated Statement of Financial Position (cont'd.)

3. Proforma adjustments (cont'd.)

3.3 Proforma III (cont'd.)

After the bonus issue, RPS increases by RM18 million with a corresponding RM18 million decrease in distributable reserve.

3.4 Proforma IV

Proforma IV incorporates the effect of Proforma III and the effects of redemption of RPS as described in Section 3.2.4 of the prospectus.

The redemption of RPS results in:

- (i) increase in capital redemption reserve of RM18 million with a corresponding decrease in RPS;
- (ii) decrease in share premium of RM3,251 million;
- (iii) decrease in distributable reserve of RM3,926 million; and
- (iv) increase in NCI relating to KLCC REIT of RM7,177 million, net of transaction cost of RM15 million, as the holders of units in KLCC REIT are presented as NCI in the consolidated statement of financial position of the KLCCP Stapled Group.

**REPORTING ACCOUNTANTS' LETTER ON PROFORMA CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME OF KLCC PROPERTY HOLDINGS BERHAD**
(Prepared for inclusion in the Prospectus)

3 April 2013

The Board of Directors
KLCC Property Holdings Berhad
Levels 4 & 5 City Point
Kompleks Dayabumi
Jalan Hishamuddin
50050 Kuala Lumpur

Dear Sirs

**KLCC PROPERTY HOLDINGS BERHAD ("KLCCP" OR "THE COMPANY"), ITS SUBSIDIARIES
AND CONTROLLED ENTITY, KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT")
(COLLECTIVELY KNOWN AS "KLCCP STAPLED GROUP")
PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FOUR
YEARS/PERIOD THEN ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011
AND 31 DECEMBER 2012**

We have completed our assurance engagement to report on the compilation of pro forma financial information of KLCCP Stapled Group prepared by the Directors of KLCCP. The pro forma financial information consists of the pro forma consolidated statements of comprehensive income of KLCCP Stapled Group for the four years/period ended 31 March 2010, 31 March 2011, 31 December 2011 and 31 December 2012 and the accompanying notes to the proforma consolidated statements of comprehensive income ("Proforma Consolidated Statements of Comprehensive Income").

The Proforma Consolidated Statements of Comprehensive Income is compiled by the Directors of KLCCP based on the applicable criteria as specified in the Prospectus Guidelines and Prospectus Guidelines for Collective Investment Schemes issued by the Securities Commission Malaysia (collectively known as the "Guidelines") and the accompanying notes to the Proforma Consolidated Statements of Comprehensive Income ("Applicable Criteria").

The Proforma Consolidated Statements of Comprehensive Income has been compiled by the Directors of KLCCP, for inclusion in the prospectus, to illustrate the impact of the listing of and quotation for 1,805,333,083 stapled securities comprising the stapling of 1,805,333,083 ordinary shares of RM1.00 each in KLCCP and 1,805,333,083 units in KLCC REIT on the Main Market of Bursa Malaysia Securities Berhad (the "Proposal") on the Group's financial performance for the years/period under review.

For the purposes of the Proforma Consolidated Statements of Comprehensive Income, the group structure is assumed to have been in existence throughout the years/period under review.

The Directors' Responsibility for the Proforma Consolidated Statements of Comprehensive Income

The Directors are responsible for compiling the Proforma Consolidated Statements of Comprehensive Income on the basis of the Applicable Criteria.

Our responsibilities

Our responsibility is to express an opinion as required by the Securities Commission Malaysia, about whether the Proforma Consolidated Statements of Comprehensive Income has been compiled, in all material respects, by the Directors on the basis of the Applicable Criteria.

We conducted our engagement in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3420 Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus issued by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma financial information on the basis of the Applicable Criteria.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the KLCCP Stapled Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

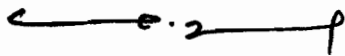
Opinion

- (a) the Proforma Consolidated Statements of Comprehensive Income of the KLCCP Stapled Group for the years then ended 31 March 2010 and 31 March 2011, which have been prepared by the Directors of KLCCP, have been properly prepared on the basis of the accompanying notes to the Proforma Consolidated Statements of Comprehensive Income using financial statements prepared in accordance with Financial Reporting Standards in Malaysia, and in a manner consistent with both the format of the financial statements and the accounting policies of the existing KLCCP Group;
- (b) the Proforma Consolidated Statements of Comprehensive Income of the KLCCP Stapled Group for the period/year then ended 31 December 2011 and 31 December 2012, which have been prepared by the Directors of KLCCP, have been prepared on the basis of the accompanying notes to the Proforma Consolidated Statements of Comprehensive Income using financial statements prepared in accordance with Malaysian Financial Reporting Standards, and in a manner consistent with both the format of the financial statements and the accounting policies of the existing KLCCP Group; and
- (c) each material adjustment made to the information used in the preparation of the Proforma Consolidated Statements of Comprehensive Income is appropriate for the purposes of preparing the Proforma Consolidated Statements of Comprehensive Income.

Other matters

This letter is issued for inclusion in the Prospectus, for the sole purpose of complying with the Guidelines in connection with the Proposal. Our work had been carried out in accordance with Malaysian Approved Standards on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this letter is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Proposal described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this letter in connection with any type of transaction, including the sale of securities other than the Proposal.

Yours faithfully

A stylized signature in black ink, consisting of a horizontal line with a small loop at the end.

Ernst & Young
AF : 0039
Chartered Accountants

Kuala Lumpur

A stylized signature in black ink, featuring a large, sweeping loop.

Ahmad Zahirudin bin Abdul Rahim
No. 2607/12/14(J)
Chartered Accountant

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

KLCC PROPERTY HOLDINGS BERHAD

Proforma Consolidated Statement of Comprehensive Income of the KLCCP Stapled Group for the year ended 31 March 2010

Audited as at

	31 March 2010	As at 31 March 2010	Adjustments (MFRS)	Adjustments	Adjustments	Adjustments	Adjustments	Adjustments	Adjustments
	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million
Revenue	881	881							881
Operating profit	647	647							647
Fair value adjustments on investment properties	758	758							758
Profit income	12	12							12
Financing costs	(142)	(142)	3	(139)					(139)
Share of profit of an associate	16	16							16
Profit before tax	1,291	1,291		1,294					1,294
Tax expense	(173)	(173)	27	(146)					(146)
PROFIT FOR THE YEAR								68	
REPRESENTING TOTAL COMPREHENSIVE INCOME	1,118	1,145		1,148				1,148	1,216
Profit attributable to:									
Equity holders of the Company	648	660	12	663	290	953	369	(584)	369
Non-controlling interests ("NCI") relating to KLCC REIT	-	-	15	-	(290)	-	584	584	652
Other NCI	470	485		485		195	195		195
Total NCI	470	485		485		195	779		847
	1,118	1,145		1,148		1,148	1,148		1,216
Earnings per stapled security (sen):									
Basic	69.37	70.66		51.20		52.80	52.80		56.57
Basic excluding fair value adjustments on investment properties	25.72	25.69		18.76		18.56	18.56		22.33
Diluted	50.27	51.20		51.20		52.80	52.80		56.57
Diluted excluding fair value adjustments on investment properties	18.78	18.76		18.76		18.56	18.56		22.33

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012
 KLCC PROPERTY HOLDINGS BERHAD

Proforma Consolidated Statement of Comprehensive Income of the KLCCP Stapled Group for the year ended 31 March 2011

	Audited as							
	at 31 March 2011	As at 31 March 2011	Adjust-ments	Adjust-ments	Adjust-ments	Adjust-ments	Adjust-ments	Adjust-ments
	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million	RM'million
Revenue	926	926	926	926	926	926	926	926
Operating profit	675	675	675	675	675	675	675	675
Fair value adjustments on investment properties	547	547	547	547	547	547	547	547
Profit income	17	17	17	17	17	17	17	17
Financing costs	(129)	(129)	2	(127)	(127)	(127)	(127)	(127)
Share of profit of an associate	10	10	10	10	10	10	10	10
Profit before tax	1,120	1,120	1,122	1,122	1,122	1,122	1,122	1,122
Tax expense	(201)	(149)	(149)	(149)	(149)	(149)	(149)	(85)
PROFIT FOR THE YEAR REPRESENTING TOTAL COMPREHENSIVE INCOME	919	971	973	973	973	973	973	1,037
Profit attributable to:								
Equity holders of the Company	706	741	2	743	840	(413)	427	427
Non-controlling interests ("NCI") relating to KLCC REIT	-	-	2	-	-	413	413	477
Other NCI	213	230	17	230	133	(97)	133	133
Total NCI	213	230	17	230	133	(97)	546	610
	919	971	52	973	973	64	973	1,037
Earnings per stapled security (sen):								
Basic	75.58	79.33	35	57.37	46.54	(413)	46.54	50.06
Basic excluding fair value adjustments on investment properties	28.03	28.05	17	20.39	20.00	(97)	20.00	23.53
Diluted	54.67	57.37	52	57.37	46.54	(149)	46.54	50.06
Diluted excluding fair value adjustments on investment properties	20.37	20.39	17	20.39	20.00	(97)	20.00	23.53

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010,
31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

KLCC PROPERTY HOLDINGS BERHAD

Proforma Consolidated Statement of Comprehensive Income of the KLCCP Stapled Group for the period ended 31 December 2011

	Audited as at 31 Dec 2011	Proforma I RM'million	Adjust- ments RM'million	Proforma II RM'million	Adjust- ments RM'million	Proforma III RM'million	Adjust- ments RM'million	Proforma IV RM'million
Revenue	746	746		746		746		746
Operating profit	522	522		522		522		522
Fair value adjustments on investment properties	1,140	1,140		1,140		1,140		1,140
Profit income	16	16		16		16		16
Financing costs	(87)	(86)	1	(86)		(86)		(86)
Share of profit of an associate	8	8		8		8		8
Profit before tax	1,599	1,600		1,600		1,600		1,600
Tax expense	(119)	(119)		(119)		(119)	58	(61)
PROFIT FOR THE PERIOD	1,480	1,481		1,481		1,481		1,539
REPRESENTING TOTAL								
COMPREHENSIVE INCOME								
Profit attributable to:								
Equity holders of the Company	807	808	1	808	523	1,331	(1,044)	287
Non-controlling interests ("NCI") relating to KLCC REIT	-	-		-	(523)	150	1,044	1,102
Other NCI	673	673		673		150		150
Total NCI	673	673		673		150		1,252
	1,480	1,481		1,481		1,481		1,539
Earnings per stapled security (sen):								
Basic	86.40	62.39		62.39		73.74		76.95
Basic excluding fair value adjustments on investment properties	22.40	16.25		16.25		15.94		19.16
Diluted	62.39	62.39		62.39		73.74		76.95
Diluted excluding fair value adjustments on investment properties	16.25	16.25		16.25		15.94		19.16

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012
KLCC PROPERTY HOLDINGS BERHAD

Proforma Consolidated Statement of Comprehensive Income of the KLCCP Stapled Group for the year ended 31 December 2012

	Audited as at 31 Dec 2012	Adjust- ments RM'million	Proforma I RM'million	Adjust- ments RM'million	Proforma II RM'million	Adjust- ments RM'million	Proforma III RM'million	Adjust- ments RM'million	Proforma IV RM'million
Revenue	1,178		1,178		1,178		1,178		1,178
Operating profit	878		878		878		878		878
Fair value adjustments on investment properties	1,379		1,379		1,379		1,379		1,379
Other income	36		36		36		36		36
Financing costs	(124)	2	(122)		(122)		(122)		(122)
Share of profit of an associate	24		24		24		24		24
Profit before tax	2,193		2,195		2,195		2,195		2,195
Tax expense	(209)		(209)		(209)		(209)	111	(98)
PROFIT FOR THE YEAR	1,984		1,986		1,986		1,986		2,097
REPRESENTING TOTAL COMPREHENSIVE INCOME	1,984		1,986		1,986		1,986		2,097
Profit attributable to:									
Equity holders of the Company	1,464	2	1,466	167	1,633	(983)	650		650
Non-controlling interests ("NCI") relating to KLCC REIT	-		-	(167)	-	983	983		1,094
Other NCI	520		520		353		353		353
Total NCI	520		520		353		1,336		1,447
	1,984		1,986		1,986		1,986		2,097
Earnings per stapled security (sen):									
Basic	156.74		113.20		90.47		90.47		96.62
Basic excluding fair value adjustments on investment properties	40.95		29.70		27.81		27.81		33.96
Diluted	113.20		113.20		90.47		90.47		96.62
Diluted excluding fair value adjustments on investment properties	29.54		29.70		27.81		27.81		33.96

ERNST & YOUNG (AF: 0039)

Chartered Accountants, Kuala Lumpur
For identification purposes only

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income

1. Basis of Preparation

The proforma consolidated statements of comprehensive income for the years/period ended 31 March 2010, 31 March 2011, 31 December 2011 and 31 December 2012 as illustrated in pages 1 to 4 for which the Directors of KLCC Property Holdings Berhad ("the Company" or "KLCCP") are solely responsible, have been prepared for illustrative purposes to show the effects on the consolidated statements of comprehensive income of the KLCCP Stapled Group (as defined herein) from its assumed date of listing had the pre-listing restructuring as described in Section 3.2 of the prospectus (collectively, "Pre-Listing Restructuring") been effected on 1 April 2009, for the purpose of inclusion in the prospectus.

The proforma consolidated statements of comprehensive income of the KLCCP Stapled Group have been properly prepared using the consolidated financial statements of KLCCP for the years ended 31 March 2010 and 31 March 2011 which were prepared in accordance with Financial Reporting Standards in Malaysia ("FRS"), and consolidated financial statements of KLCCP for the period/year ended 31 December 2011 and 31 December 2012, which were prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and in a manner consistent with both the format of the financial statements and the accounting policies of KLCCP after taking into consideration of Pre-Listing Restructuring.

Furthermore, such financial information does not purport to predict the future financial performance of the KLCCP Stapled Group.

2. Basis of Consolidation

The consolidated statements of comprehensive income of the Company comprise the statements of comprehensive income of the Company, its subsidiaries and KLCC Real Estate Investment Trust ("KLCC REIT"), a controlled entity as defined below (together referred to as the "KLCCP Stapled Group").

The consolidated financial statements is prepared on the basis that the Company and KLCC REIT agree to combine their business by contract, i.e. Stapling Deed between KLCCP and KLCC REIT even though KLCCP owns no units in KLCC REIT and vice versa.

KLCCP is deemed to be the controlling entity (i.e. parent) for accounting purpose, as it is identified to be the party with power to govern the financial and operating policies of KLCC REIT. As KLCCP holds no equity interest in KLCC REIT, it will reflect 100% non-controlling interest ("NCI") relating to KLCC REIT in the consolidated financial statements of KLCCP.

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

3. Proforma adjustments

3.1 Adoption of MFRS

The date of transition of KLCCP Group is 1 April 2011. The audited consolidated statement of comprehensive income of KLCCP for the year ended 31 December 2012, together with its comparative period of 31 December 2011, have been prepared in accordance with MFRS.

For financial years ended 31 March 2010 and 31 March 2011, the audited consolidated statements of comprehensive income were prepared in accordance with FRS. For comparison purpose, the consolidated statements of comprehensive income reported in accordance with FRS have been adjusted to comply with MFRS, reflecting the reversal of deferred tax expense recognised on fair valuation of investment properties of:

- (i) RM27 million in financial year ended 31 March 2010; and
- (ii) RM52 million in financial year ended 31 March 2011.

3.2 Proforma I

Proforma I incorporates the effects of the conversion of redeemable convertible unsecured loan stocks ("RCULS") as described in Section 3.2 of the prospectus.

This results in decrease in financing costs of:

- (i) RM3 million in the financial year ended 31 March 2010;
- (ii) RM2 million in the financial year ended 31 March 2011;
- (iii) RM1 million in the financial period ended 31 December 2011; and
- (iv) RM2 million in the financial year ended 31 December 2012.

3.3 Proforma II

Proforma II incorporates the effects of Proforma I and the effects of the Midciti Acquisition as described in Section 3.2.1 of the prospectus.

As KLCCP will own 100% of Midciti's stake after the acquisition, there is a reduction in profit attributable to other NCI, with a corresponding increase in profit attributable to equity holders of:

- (i) RM290 million in financial year ended 31 March 2010,
- (ii) RM97 million in financial year ended 31 March 2011;
- (iii) RM523 million in financial period ended 31 December 2011; and
- (iv) RM167 million in financial year ended 31 December 2012.

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP
STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH
2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

3. Proforma adjustments (cont'd.)

3.4 Proforma III

Proforma III incorporates the effects of Proforma II and the effects of the establishment of KLCC REIT, disposal of PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS to KLCC REIT, bonus issue of Redeemable Preference Shares ("RPS") and redemption of RPS as described in Notes 3.2.2, 3.2.3 and 3.2.4 of the prospectus.

This results in increase in profit attributable to NCI relating to KLCC REIT, with a corresponding decrease in profit attributable to equity holders of:

- (i) RM584 million in financial year ended 31 March 2010;
- (ii) RM413 million in financial year ended 31 March 2011;
- (iii) RM1,044 million in financial period ended 31 December 2011; and
- (iv) RM983 million in financial year ended 31 December 2012.

3.5 Proforma IV

Proforma IV incorporates the effects of Proforma III and the effects for KLCC REIT's exemption to income tax pursuant to Section 61A of Malaysia Income Tax Act, 1967 ("ITA") on the assumption that KLCC REIT distributes 95% of its distributable income which is expected to be more than 90% of its total income as defined in the ITA. This results in decrease in tax expense of:

- (i) RM68 million in financial year ended 31 March 2010;
- (ii) RM64 million in financial year ended 31 March 2011;
- (iii) RM58 million in financial period ended 31 December 2011; and
- (iv) RM111 million in financial year ended 31 December 2012.

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

4. Earnings per stapled security

Earnings per stapled security is the aggregate of earnings attributable to equity holders of KLCCP and unit holders of KLCC REIT divided by the number of stapled securities.

Basic earnings per stapled security are calculated by dividing profit for the period/year attributable to ordinary equity holders of the KLCCP Stapled Group and NCI relating to KLCC REIT by the weighted average number of ordinary shares/units in issue during the financial years/period.

(i) Earnings per stapled security for the year ended 31 Mar 2010:

	MFRS	Proforma	Proforma	Proforma	Proforma
		I	II	III	IV
Basic					
Profit attributable to ordinary equity holders (RM'million)	660	663	953	369	369
Profit attributable to NCI relating to KLCC REIT (RM'million)	-	-	-	584	652
	<u>660</u>	<u>663</u>	<u>953</u>	<u>953</u>	<u>1,021</u>
Weighted average number of stapled securities in issue (million)	934	1,295	1,805	1,805	1,805
Basic earnings per stapled security (sen)	<u>70.66</u>	<u>51.20</u>	<u>52.80</u>	<u>52.80</u>	<u>56.57</u>
Basic excluding fair value adjustments on investment properties					
Profit attributable to stapled security holders (RM'million)	660	663	953	953	1,021
Less: Fair value adjustments on investment properties	(420)	(420)	(618)	(618)	(618)
	<u>240</u>	<u>243</u>	<u>335</u>	<u>335</u>	<u>403</u>
Weighted average number of stapled securities in issue (million)	934	1,295	1,805	1,805	1,805
Basic earnings per stapled security excluding fair value adjustments on investment properties (sen)	<u>25.69</u>	<u>18.76</u>	<u>18.56</u>	<u>18.56</u>	<u>22.33</u>

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

4. Earnings per stapled security (cont'd.)

(ii) Earnings per stapled security for the year ended 31 Mar 2011:

	MFRS	Proforma I	Proforma II	Proforma III	Proforma IV
Basic					
Profit attributable to ordinary equity holders (RM'million)	741	743	840	427	427
Profit attributable to NCI relating to KLCC REIT (RM'million)	-	-	-	413	477
	<u>741</u>	<u>743</u>	<u>840</u>	<u>840</u>	<u>904</u>
Weighted average number of stapled securities in issue (million)	934	1,295	1,805	1,805	1,805
Basic earnings per stapled security (sen)	<u>79.33</u>	<u>57.37</u>	<u>46.54</u>	<u>46.54</u>	<u>50.06</u>
Basic excluding fair value adjustments on investment properties					
Profit attributable to stapled security holders (RM'million)	741	743	840	840	904
Less: Fair value adjustments on investment properties	(479)	(479)	(479)	(479)	(479)
	<u>262</u>	<u>264</u>	<u>361</u>	<u>361</u>	<u>425</u>
Weighted average number of stapled securities in issue (million)	934	1,295	1,805	1,805	1,805
Basic earnings per stapled security excluding fair value adjustments on investment properties (sen)	<u>28.05</u>	<u>20.39</u>	<u>20.00</u>	<u>20.00</u>	<u>23.53</u>

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

4. Earnings per stapled security (cont'd.)

(iii) Earnings per stapled security for the period ended 31 Dec 2011:

Basic	Proforma I	Proforma II	Proforma III	Proforma IV
Profit attributable to ordinary equity holders (RM'million)	808	1,331	287	287
Profit attributable to NCI relating to KLCC REIT (RM'million)	-	-	1,044	1,102
	<u>808</u>	<u>1,331</u>	<u>1,331</u>	<u>1,389</u>
Weighted average number of stapled securities in issue (million)	1,295	1,805	1,805	1,805
Basic earnings per stapled security (sen)	<u>62.39</u>	<u>73.74</u>	<u>73.74</u>	<u>76.95</u>
Basic excluding fair value adjustments on investment properties				
Profit attributable to stapled security holders (RM'million)	808	1,331	1,331	1,389
Less: Fair value adjustments on investment properties	(598)	(1,043)	(1,043)	(1,043)
	<u>210</u>	<u>288</u>	<u>288</u>	<u>346</u>
Weighted average number of stapled securities in issue (million)	1,295	1,805	1,805	1,805
Basic earnings per stapled security excluding fair value adjustments on investment properties (sen)	<u>16.25</u>	<u>15.94</u>	<u>15.94</u>	<u>19.16</u>

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

4. Earnings per stapled security (cont'd.)

(iv) Earnings per stapled security for the year ended 31 Dec 2012:

	Proforma I	Proforma II	Proforma III	Proforma IV
Basic				
Profit attributable to ordinary equity holders (RM'million)	1,466	1,633	650	650
Profit attributable to NCI relating to KLCC REIT (RM'million)	-	-	983	1,094
	<u>1,466</u>	<u>1,633</u>	<u>1,633</u>	<u>1,744</u>
Weighted average number of stapled securities in issue (million)	1,295	1,805	1,805	1,805
Basic earnings per stapled security (sen)	<u>113.20</u>	<u>90.47</u>	<u>90.47</u>	<u>96.62</u>
Basic excluding fair value adjustments on investment properties				
Profit attributable to stapled security holders (RM'million)	1,466	1,633	1,633	1,744
Less: Fair value adjustments on investment properties	(1,082)	(1,131)	(1,131)	(1,131)
	<u>385</u>	<u>502</u>	<u>502</u>	<u>613</u>
Weighted average number of stapled securities in issue (million)	1,295	1,805	1,805	1,805
Basic earnings per stapled security excluding fair value adjustments on investment properties (sen)	<u>29.70</u>	<u>27.81</u>	<u>27.81</u>	<u>33.96</u>

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

4. Earnings per stapled security (cont'd.)

For the purpose of calculating diluted earnings per stapled security, the profit for the period/year attributable to ordinary equity holders of the KLCCP Stapled Group and NCI relating to KLCC REIT by the weighted average number of ordinary shares/units in issue during the financial period have been adjusted for the dilutive effects of the RCULS.

(i) Diluted earnings per stapled security for the year ended 31 Mar 2010:

Diluted	MFRS	Proforma I	Proforma II	Proforma III	Proforma IV
Profit attributable to ordinary equity holders (RM'million)	660	663	953	369	369
Profit attributable to NCI relating to KLCC REIT (RM'million)	-	-	-	584	652
	660	663	953	953	1,021
After tax effect of interest on RCULS (RM'million)	3	-	-	-	-
Profit attributable to stapled security holders of the KLCCP Stapled Group including assumed conversion (RM'million)	663	663	953	953	1,021
Weighted number of stapled securities in issue (million)	934	1,295	1,805	1,805	1,805
Adjustment for assumed conversion of RCULS	361	-	-	-	-
Weighted average number of stapled securities in issue and issuable (million)	1,295	1,295	1,805	1,805	1,805
Diluted earnings per stapled security (sen)	51.20	51.20	52.80	52.80	56.57

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

4. Earnings per stapled security (cont'd.)

(i) Diluted earnings per unit of stapled security for the period ended 31 Mar 2010 (cont'd.):

	MFRS	Proforma	Proforma	Proforma	Proforma
		I	II	III	IV
Diluted excluding fair value adjustments					
Profit attributable to stapled security holders (RM'million)	663	663	953	953	1,021
Less: Fair value adjustments	(420)	(420)	(618)	(618)	(618)
	<u>243</u>	<u>243</u>	<u>335</u>	<u>335</u>	<u>403</u>
Weighted number of stapled securities in issue (million)	<u>1,295</u>	<u>1,295</u>	<u>1,805</u>	<u>1,805</u>	<u>1,805</u>
Diluted earnings per stapled security excluding fair value adjustments (sen)	<u>18.76</u>	<u>18.76</u>	<u>18.56</u>	<u>18.56</u>	<u>22.33</u>

(ii) Diluted earnings per stapled security for the year ended 31 Mar 2011:

	MFRS	Proforma	Proforma	Proforma	Proforma
		I	II	III	IV
Diluted					
Profit attributable to ordinary equity holders (RM'million)	741	743	840	427	427
Profit attributable to NCI relating to KLCC REIT (RM'million)	-	-	-	413	477
	<u>741</u>	<u>743</u>	<u>840</u>	<u>840</u>	<u>904</u>
After-tax effect of interest on RCULS (RM'million)	2	-	-	-	-
Profit attributable to stapled security holders of the KLCCP Stapled Group including assumed conversion (RM'million)	<u>743</u>	<u>743</u>	<u>840</u>	<u>840</u>	<u>904</u>
Weighted number of stapled securities in issue (million)	934	1,295	1,805	1,805	1,805
Adjustment for assumed conversion of RCULS (RM'million)	361	-	-	-	-
Weighted average number of stapled securities in issue and issuable (million)	<u>1,295</u>	<u>1,295</u>	<u>1,805</u>	<u>1,805</u>	<u>1,805</u>
Diluted earnings per stapled security (sen)	<u>57.37</u>	<u>57.37</u>	<u>46.54</u>	<u>46.54</u>	<u>50.06</u>

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

4. Earnings per stapled security (cont'd.)

(ii) Diluted earnings per stapled security for the year ended 31 Mar 2011 (cont'd.):

	MFRS	Proforma I	Proforma II	Proforma III	Proforma IV
Diluted excluding fair value adjustments					
Profit attributable to stapled security holders (RM'million)	743	743	840	840	904
Less: Fair value adjustments	(479)	(479)	(479)	(479)	(479)
	<u>264</u>	<u>264</u>	<u>361</u>	<u>361</u>	<u>425</u>
Weighted number of stapled securities in issue (million)	<u>1,295</u>	<u>1,295</u>	<u>1,805</u>	<u>1,805</u>	<u>1,805</u>
Diluted earnings per stapled security excluding fair value adjustments (sen)	<u>20.39</u>	<u>20.39</u>	<u>20.00</u>	<u>20.00</u>	<u>23.53</u>

(iii) Diluted earnings per stapled security for the period ended 31 Dec 2011:

Diluted	Proforma I	Proforma II	Proforma III	Proforma IV
Profit attributable to ordinary equity holders (RM'million)	808	1,331	287	287
Profit attributable to NCI relating to KLCC REIT (RM'million)	-	-	1,044	1,102
Profit attributable to stapled security holders of the KLCCP Stapled Group including assumed conversion (RM'million)	<u>808</u>	<u>1,331</u>	<u>1,331</u>	<u>1,389</u>
Weighted average number of stapled securities in issue and issuable (million)	<u>1,295</u>	<u>1,805</u>	<u>1,805</u>	<u>1,805</u>
Diluted earnings per stapled security (sen)	<u>62.39</u>	<u>73.74</u>	<u>73.74</u>	<u>76.95</u>

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

4. Earnings per stapled security (cont'd.)

(iii) Diluted earnings per stapled security for the period ended 31 Dec 2011 (cont'd.):

	Proforma I	Proforma II	Proforma III	Proforma IV
Diluted excluding fair value adjustments				
Profit attributable to stapled security holders (RM'million)	808	1,331	1,331	1,389
Less: Fair value adjustments	(598)	(1,043)	(1,043)	(1,043)
	<u>210</u>	<u>288</u>	<u>288</u>	<u>346</u>
Weighted average number of stapled securities in issue and issuable (million)	<u>1,295</u>	<u>1,805</u>	<u>1,805</u>	<u>1,805</u>
Diluted earnings per stapled security excluding fair value adjustments (sen)	<u>16.25</u>	<u>15.94</u>	<u>15.94</u>	<u>19.16</u>

(iv) Diluted earnings per stapled security for the year ended 31 Dec 2012:

	Proforma I	Proforma II	Proforma III	Proforma IV
Diluted				
Profit attributable to ordinary equity holders (RM'million)	1,466	1,633	650	650
Profit attributable to NCI relating to KLCC REIT (RM'million)	-	-	983	1,094
Profit attributable to stapled security holders of the KLCCP Stapled Group including assumed conversion (RM'million)	<u>1,466</u>	<u>1,633</u>	<u>1,633</u>	<u>1,744</u>
Weighted average number of stapled securities in issue and issuable (million)	<u>1,295</u>	<u>1,805</u>	<u>1,805</u>	<u>1,805</u>
Diluted earnings per stapled security (sen)	<u>113.20</u>	<u>90.47</u>	<u>90.47</u>	<u>96.62</u>

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF THE KLCCP STAPLED GROUP FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to the Proforma Consolidated Statements of Comprehensive Income (cont'd.)

4. Earnings per stapled security (cont'd.)

(iv) Diluted earnings per stapled security for the year ended 31 Dec 2012 (cont'd.):

	Proforma I	Proforma II	Proforma III	Proforma IV
Diluted excluding fair value adjustments				
Profit attributable to stapled security holders (RM'million)	1,466	1,633	1,633	1,744
Less: Fair value adjustments	(1,081)	(1,131)	(1,131)	(1,131)
	<u>385</u>	<u>502</u>	<u>502</u>	<u>613</u>
Weighted average number of stapled securities in issue and issuable (million)	<u>1,295</u>	<u>1,805</u>	<u>1,805</u>	<u>1,805</u>
Diluted earnings per stapled security excluding fair value adjustments (sen)	<u>29.70</u>	<u>27.81</u>	<u>27.81</u>	<u>33.96</u>

REPORTING ACCOUNTANTS' LETTERS ON THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF KLCC REIT AS AT THE LISTING DATE, AND THE PRO FORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCC REIT FOR THE YEARS ENDED 31 MARCH 2010 AND 2011, NINE (9)-MONTH PERIOD ENDED 31 DECEMBER 2011 AND YEAR ENDED 31 DECEMBER 2012



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REPORTING ACCOUNTANTS' LETTER ON PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF KLCC REAL ESTATE INVESTMENT TRUST
(Prepared for inclusion in the Prospectus)

3 April 2013

The Board of Directors
KLCC REIT Management Sdn Bhd
Levels 4 & 5 City Point
Kompleks Dayabumi
Jalan Hishamuddin
50050 Kuala Lumpur

Dear Sirs

KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") AND ITS SUBSIDIARY (THE "GROUP")
PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF KLCC REIT AS AT 31 DECEMBER 2012

We have completed our assurance engagement to report on the compilation of pro forma financial information of KLCC REIT (the "Entity") prepared by the Directors of KLCC REIT Management Sdn Bhd (the "Manager"). The pro forma financial information consists of the pro forma consolidated statement of financial position as at 31 December 2012 and the accompanying notes to the proforma consolidated statement of financial position ("Proforma Consolidated Statement of Financial Position").

The Proforma Consolidated Statement of Financial Position is compiled by the Directors of the Manager based on the applicable criteria as specified in the Prospectus Guidelines for Collective Investment Schemes issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the accompanying notes to the Proforma Consolidated Statement of Financial Position ("Applicable Criteria").

The Proforma Consolidated Statement of Financial Position has been compiled by the Directors of the Manager on the assumption that the Group was in existence on 31 December 2012, for inclusion in the prospectus, to illustrate the impact of the listing of and quotation for 1,805,333,083 stapled securities comprising the stapling of 1,805,333,083 ordinary shares of RM1.00 each in KLCCP and 1,805,333,083 units in KLCC REIT on the Main Market of Bursa Malaysia Securities Berhad (the "Proposal") on the Group's financial position as at 31 December 2012.



The Directors' Responsibility for the Proforma Consolidated Statement of Financial Position

The Directors are responsible for compiling the Proforma Consolidated Statement of Financial Position on the basis of the Applicable Criteria.

Our responsibilities

Our responsibility is to express an opinion as required by the Securities Commission Malaysia, about whether the Proforma Consolidated Statement of Financial Position has been compiled, in all material respects, by the Directors of the Manager on the basis of the Applicable Criteria.

We conducted our engagement in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3420 Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus issued by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors of the Manager have compiled, in all material respects, the pro forma financial information on the basis of the Applicable Criteria.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors of the Manager in the compilation of pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

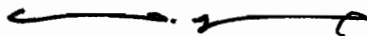
In our opinion, as required by the Prospectus Guidelines:

- (a) the Proforma Consolidated Statement of Financial Position of KLCC REIT, which has been prepared by the Directors of the Manager, has been prepared on the basis of the accompanying notes to the Proforma Consolidated Statement of Financial Position, and in a manner consistent with both the format of the statement of financial position and the accounting policies to be adopted by KLCC REIT; and
- (b) each material adjustment made to the information used in the preparation of the Proforma Consolidated Statement of Financial Position is appropriate for the purposes of preparing the Proforma Consolidated Statement of Financial Position.

Other matters

This letter is issued for inclusion in the Prospectus, for the sole purpose of complying with the Prospectus Guidelines in connection with the Proposal. Our work had been carried out in accordance with Malaysian Approved Standards on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this letter is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Proposal described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this letter in connection with any type of transaction, including the sale of securities other than the Proposal.

Yours faithfully



Ernst & Young
AF : 0039
Chartered Accountants

Kuala Lumpur



Ahmad Zahirudin bin Abdul Rahim
No. 2607/12/14(J)
Chartered Accountant

PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") AS AT 31 DECEMBER 2012

The proforma consolidated statement of financial position of KLCC REIT, set out below is provided for illustrative purpose to show the effects on the statement of financial position of KLCC REIT on its assumed date of listing had the establishment of KLCC REIT as described in Section 3.2.2 in the prospectus and acquisitions by KLCC REIT as described in Section 3.3 in the prospectus, had these been effected on 31 December 2012, and should be read in conjunction with the accompanying notes thereon. As at 31 December 2012, KLCC REIT does not have any assets and liabilities.

	Note	RM'million
Non-current assets		
Investment properties	3	<u>8,742</u>
Current assets		
Deferred rental income		47
Cash and bank balances		<u>46</u>
		<u>93</u>
Total assets		<u>8,835</u>
Equity		
Unitholders' capital	4	7,209
Accumulated losses	5	<u>(32)</u>
Unitholders' fund		<u>7,177</u>
Non-current liabilities		
Security deposits		16
Long term financing		738
Private debt securities		<u>845</u>
		<u>1,599</u>
Current liabilities		
Rental deposits		7
Term financing		21
Private debt securities		16
Provision for listing expenses		<u>15</u>
		<u>59</u>
Total equity and liabilities		<u>8,835</u>
Net asset value* ("NAV") (RM'million)		7,177
Number of units in issue (million)		1,805
NAV per unit (RM)		3.98

* NAV is the value of KLCC REIT's total assets less total liabilities.

PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") AS AT 31 DECEMBER 2012

Notes to Proforma Consolidated Statement of Financial Position as at 31 December 2012
1. Basis of Preparation

The proforma consolidated statement of financial position has been prepared by the Board of Directors ("BOD") of KLCC REIT Management Sdn Bhd for illustrative purposes only to show the effects on the consolidated statement of financial position of KLCC REIT as at the date of the establishment of KLCC REIT as described in Section 3.2.2 of the prospectus and acquisitions by KLCC REIT as described in Section 3.3 in the prospectus, had these been implemented and completed on 31 December 2012, by application of bases consistent with the accounting policies to be adopted by KLCC REIT.

2. Effects on proforma consolidated statement of financial position

The Acquisitions by KLCC REIT as detailed in Section 3.3 of the prospectus are accounted as business combination of the PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS ("Subject Properties") together with the related assets and liabilities.

The purchase consideration of RM7,224 million (net of financing in respect of the investment properties of the Vendors as defined herein, to be assumed by KLCC REIT) for the Subject Properties together with the related assets and liabilities acquired from Arena Merdu Sdn Bhd ("AMSB"), Midciti Resources Sdn Bhd ("Midciti") and Arena Johan Sdn Bhd ("AJSB") (collectively, "Vendors") is based on willing-buyer willing-seller basis.

For illustrative purposes, listing and stapling expenses are estimated to be RM15 million and are recognised in equity.

3. Investment properties

Investment properties comprising the Subject Properties are recorded at the carrying value of the investment properties as at 31 December 2012.

4. Unitholders' capital

	Units ('million)
Units issued as Considerations Units (as detailed in Section 3.3 of the prospectus)	1,805
	<hr/>
	RM'million
Units issued as Considerations Units	7,224
Estimated listing and stapling expenses	(15)
Unitholders' capital	7,209
	<hr/>

PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") AS AT 31 DECEMBER 2012

Notes to Proforma Consolidated Statement of Financial Position as at 31 December 2012
(Cont'd.)

5. Accumulated losses

The difference between the fair value of the units issued as consideration and the aggregate carrying amount of the assets and liabilities acquired as of the date of the business combination is included in equity (accumulated losses) as the business combination is under common control.

REPORTING ACCOUNTANTS' LETTER ON PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCC REAL ESTATE INVESTMENT TRUST

(Prepared for inclusion in the Prospectus)

3 April 2013

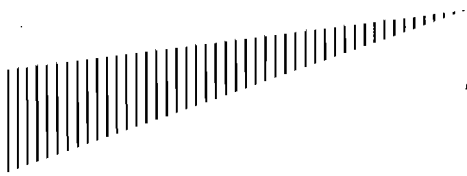
The Board of Directors
KLCC REIT Management Sdn Bhd
Levels 4 & 5 City Point
Kompleks Dayabumi
Jalan Hishamuddin
50050 Kuala Lumpur

Dear Sirs

KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") AND ITS SUBSIDIARY (THE "GROUP") PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCC REIT FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

We have completed our assurance engagement to report on the compilation of pro forma financial information of KLCC REIT (the "Entity") prepared by the Directors of KLCC REIT Management Sdn Bhd (the "Manager"). The pro forma financial information consists of the pro forma consolidated statements of comprehensive income of KLCC REIT for the four years/period ended 31 March 2010, 31 March 2011, 31 December 2011 and 31 December 2012 and the accompanying notes to the proforma consolidated statements of comprehensive income ("Proforma Consolidated Statements of Comprehensive Income").

The Proforma Consolidated Statements of Comprehensive Income is compiled by the Directors of the Manager based on the applicable criteria as specified in the Prospectus Guidelines for Collective Investment Schemes issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the accompanying notes to the Proforma Consolidated Statements of Comprehensive Income ("Applicable Criteria").



The Proforma Consolidated Statements of Comprehensive Income has been compiled by the Directors of the Manager, for inclusion in the prospectus, to illustrate the impact of the listing of and quotation for 1,805,333,083 stapled securities comprising the stapling of 1,805,333,083 ordinary shares of RM1.00 each in KLCCP and 1,805,333,083 units in KLCC REIT on the Main Market of Bursa Malaysia Securities Berhad (the "Proposal") on the Group's financial performance for the years/period under review.

For the purposes of the Proforma Consolidated Statements of Comprehensive Income, the Group is assumed to have been in existence throughout the period under review.

The Directors' Responsibility for the Proforma Consolidated Statements of Comprehensive Income

The Directors are responsible for compiling the Proforma Consolidated Statements of Comprehensive Income on the basis of the Applicable Criteria.

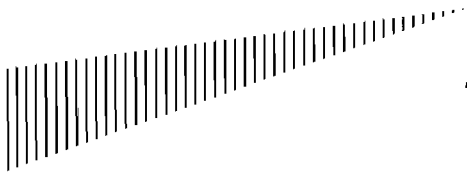
Our responsibilities

Our responsibility is to express an opinion as required by the Securities Commission Malaysia, about whether the Proforma Consolidated Statements of Comprehensive Income has been compiled, in all material respects, by the Directors of the Manager on the basis of the Applicable Criteria.

We conducted our engagement in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3420 Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus issued by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors of the Manager have compiled, in all material respects, the pro forma financial information on the basis of the Applicable Criteria.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors of the Manager in the compilation of pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:



- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

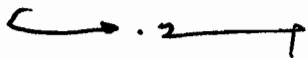
In our opinion:

- (a) the Proforma Consolidated Statements of Comprehensive Income of KLCC REIT which has been prepared by the Directors of the Manager, has been prepared on the basis of the accompanying notes to the Proforma Consolidated Statements of Comprehensive Income, in a manner consistent with both the format of the financial statements and the accounting policies to be adopted by KLCC REIT; and
- (b) each material adjustment made to the information used in the preparation of the Proforma Consolidated Statement of Comprehensive Income is appropriate for the purposes of preparing the Proforma Consolidated Statement of Comprehensive Income.

Other matters

This letter is issued for inclusion in the prospectus, for the sole purpose of complying with the Prospectus Guidelines in connection with the Proposal. Our work had been carried out in accordance with Malaysian Approved Standards on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this letter is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Proposal described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this letter in connection with any type of transaction, including the sale of securities other than the Proposal.

Yours faithfully



Ernst & Young
AF : 0039
Chartered Accountants

Kuala Lumpur



Ahmad Zahirudin bin Abdul Rahim
No. 2607/12/14(J)
Chartered Accountant

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

The proforma consolidated statements of comprehensive income set out below have been prepared for illustrative purposes only to show the effects of the establishment of KLCC REIT on the financial performance of KLCC REIT for the years/period ended 31 March 2010, 31 March 2011, 31 December 2011 and 31 December 2012 respectively had the establishment of KLCC REIT as described in Section 3.2.2 of the prospectus and acquisitions by KLCC REIT as described in Section 3.3 in the prospectus, had these been completed on 1 April 2009. However, the proforma consolidated statements of comprehensive income of KLCC REIT is not necessarily indicative of the financial performance that would have been attained had KLCC REIT actually existed earlier. As at the date of establishment, KLCC REIT does not have any assets and liabilities.

		12 months year ended 31 Mar 2010	12 months year ended 31 Mar 2011	9 months period ended 31 Dec 2011	12 months year ended 31 Dec 2012
	Note	RM'million	RM'million	RM'million	RM'million
Total Revenue		375	375	298	515
Utilities Expenses		(6)	(6)	(7)	(12)
Maintenance Expenses		(2)	(1)	(1)	(2)
Quit Rent and Assesment		(2)	(2)	(3)	(2)
Other Operating Expenses	2(a)	(4)	(7)	(9)	(10)
Property Operating Expenses		(14)	(16)	(20)	(26)
Net Property Income		361	359	278	489
Profit Income		14	15	11	12
		375	374	289	501
Management Fee	2(b)	(29)	(31)	(32)	(41)
Trustee's Fee	2(c)	(1)	(1)	(1)	(1)
Other Income		408	221	900	713
Finance Costs		(101)	(86)	(54)	(78)
Profit Before Tax		652	477	1,102	1,094
Taxation	2(d)	-	-	-	-
Profit After Tax		652	477	1,102	1,094

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Note

[i] Reconciliation of profit before tax to distributable income:

		12 months year ended 31 Mar 2010 RM'million	12 months year ended 31 Mar 2011 RM'million	9 months period ended 31 Dec 2011 RM'million	12 months year ended 31 Dec 2012 RM'million
Profit before tax		652	477	1,102	1,094
Less: Non-cash items	[ii]	(391)	(215)	(897)	(741)
Distributable income		261	262	205	353

[ii] Non-cash items comprised of:

- fair value adjustment based on the valuation of PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS ("Subject Properties") as appraised by independent valuer at each respective financial years/period end as disclosed in the audited financial statements of Midciti Resources Sdn. Bhd. ("Midciti"), Arena Johan Sdn. Bhd. ("AJSB") and Arena Merdu Sdn. Bhd. ("AMSB") for the years/period ended 31 March 2010, 31 March 2011, 31 December 2011 and 31 December 2012;
- fair value adjustment on financial liabilities for the year ended 31 December 2012;
- accrued interest;
- amortisation of transaction costs for financing;
- accrued rental; and
- depreciation.

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to Proforma Statement of Comprehensive Income for the four years/period ended 31 March 2010, 31 March 2011, 31 December 2011 and 31 December 2012

1. Basis of Preparation

The proforma consolidated statements of comprehensive income have been prepared by the Board of Directors of KLCC REIT Management Sdn Bhd ("KLCC REIT Management") for illustrative purposes only to show what the results of operations might have been had KLCC REIT existed on 1 April 2009. However, the proforma consolidated statements of comprehensive income of KLCC REIT is not necessarily indicative of the results of operation that would have been attained had KLCC REIT actually existed earlier.

The proforma consolidated statements of comprehensive income of KLCC REIT for the years/period ended 31 March 2010, 31 March 2011, 31 December 2011 and 31 December 2012 have been prepared based on Midciti, AJSB and AMSB audited financial statements for the years/period ended 31 March 2010, 31 March 2011, 31 December 2011 and 31 December 2012 with the inclusion of expenses pertaining to the real estate investment trust ("REIT") structure, i.e. provision of management fees and trustee's fees as disclosed in Note 2(b) and (c). In addition, tax expenses are excluded on the assumption as disclosed in Note 2(d). Certain numbers have been re-presented or reclassified in the proforma to conform with the basis of presentation of the proforma consolidated statements of comprehensive income and may not be consistent with the basis of presentation in the audited financial statements of Midciti, AJSB and AMSB. The proforma consolidated statements of comprehensive income have been prepared in accordance with Malaysian Financial Reporting Standards and in a manner consistent with the format and accounting policies to be adopted by KLCC REIT.

2. Bases and Assumptions

The Directors of KLCC REIT Management have prepared the proforma consolidated statements of comprehensive income of KLCC REIT based on the following assumptions, for which the Directors of KLCC REIT Management are solely responsible:

Assumptions for KLCC REIT

(a) **Other operating expenses**

Included in other operating expenses, among others, is property management fee of RM0.3 million per annum.

PROFORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OF KLCC REAL ESTATE INVESTMENT TRUST ("KLCC REIT") FOR THE FOUR YEARS/PERIOD ENDED 31 MARCH 2010, 31 MARCH 2011, 31 DECEMBER 2011 AND 31 DECEMBER 2012

Notes to Proforma Statement of Comprehensive Income for the four years/period ended 31 March 2010, 31 March 2011, 31 December 2011 and 31 December 2012 (cont'd.)

2. Bases and Assumptions (cont'd.)

Assumptions for KLCC REIT (cont'd.)

(b) **Management Fee**

The management fee payable to KLCC REIT Management is assumed and computed as follows:

- (i) Base fee : 0.3% per annum of the total asset value (excluding cash and bank balances) of KLCC REIT; and
- (ii) Performance fee : 3% per annum of the net property income at each financial period/year end.

(c) **Trustee's Fee**

The trustee's fee is RMO.6 million per annum.

(d) **Taxation**

KLCC REIT is assumed to distribute 95% of its distributable income for the four financial years/period ended 31 March 2010, 31 March 2011, 31 December 2011, and 31 December 2012, which is expected to be more than 90% of its total income as defined under the Malaysia Income Tax Act 1967 ("ITA"), and therefore be tax exempted pursuant to Section 61A of the ITA.

Reconciliation of tax expenses to tax exemption:

	12 months year ended 31 Mar 2010 RM'million	12 months year ended 31 Mar 2011 RM'million	9 months period ended 31 Dec 2011 RM'million	12 months year ended 31 Dec 2012 RM'million
Total tax expenses as disclosed in audited financial statements of Midciti, AJSB and AMSB	57	69	283	111
Less: Income tax exemption for REIT	(57)	(69)	(283)	(111)
Tax expenses for KLCC REIT	-	-	-	-

QUESTIONS AND ANSWERS PERTAINING TO STAPLED SECURITIES

This section is only to provide an overview of stapled securities. If you are in any doubt as to the course of action to take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

1. WHAT IS MEANT BY “STAPLING”?

Stapling is a legal concept which involves two or more securities being contractually bound together, usually via a stapling deed. The two or more securities must be attached or “stapled” together, so that one cannot be traded without the other.

In this case, the Stapled Security shall comprise the stapling of a Share in the Company with a Unit in KLCC REIT.

2. WHEN IS “STAPLING” EFFECTIVE?

A “stapling” is effective on a stapling commencement date as may be determined by the parties under the stapling deed entered into between the parties, to contractually bind the two or more securities that will be stapled together.

The Stapling is deemed effective on 7 May 2013.

3. WHAT IS MEANT BY “UNSTAPLING”?

“Unstapling” occurs when two or more securities which were previously stapled together are no longer stapled to each other under certain circumstances as stipulated in the stapling deed. Such circumstances may refer to instances where the approval of the holders of the stapled securities for the unstapling has been obtained, the stapling becomes unlawful or prohibited by relevant laws and requirements governing the respective securities, or either one or both of the issuers of the securities are terminated/wound up.

In this case, the Stapled Securities may only be Unstapled if (a) approved by the Holders via Special Resolutions and with prior approval, where applicable, from the relevant regulators for such Unstapling; (b) the stapling becomes, in future, unlawful or prohibited by the Listing Requirements or the REIT Guidelines or any other relevant laws, regulations and guidelines and with notification provided to Bursa Securities prior to such Unstapling; or (c) either KLCC REIT or (as the case may be) the Company is terminated or (as the case may be) wound up.

4. WHAT ARE THE GOVERNING CONSTITUTIONS OF A STAPLED SECURITY?

The governing constitutions of a stapled security will be the respective governing constitutions of the issuers of the securities for which their respective securities shall be stapled together to form the stapled security.

In the case of the Stapled Securities, in addition to current laws and regulations that apply to the Company and the Company's Memorandum and Articles of Association, the Deed for the constitution of KLCC REIT, the CMSA, the REIT Guidelines and Islamic REIT Guidelines will also apply.

5. WHAT ARE THE FINANCIAL REPORTING REQUIREMENTS IN RELATION TO STAPLED SECURITIES?

The respective issuers of the securities will issue separate sets of financial reports as separate legal entities.

In the case of the KLCCP Stapled Group, two separate sets of quarterly reports will be prepared, namely: (a) quarterly consolidated results of the Company, and (b) quarterly results of KLCC REIT.

The KLCCP Stapled Group will issue two separate sets of annual reports, namely: (a) annual report of the Company, which shall include the audited financial results of the Company, at company level as well as consolidated basis for the financial year; and (b) annual report of KLCC REIT, which shall include the audited financial results of KLCC REIT for the financial year.

Meanwhile, in view that paragraph 16.07 of the REIT Guidelines states that the annual report of a REIT will have to be issued within two months from the close of the financial year, both the annual reports/annual audited financial accounts of the Company and KLCC REIT will be issued within two months from the close of the financial year.

6. WHEN IS A GENERAL MEETING OF HOLDERS OF STAPLED SECURITIES REQUIRED TO BE CONVENED?

Matters requiring the approval by resolution that affect the issuers of the securities which form the stapled securities, in this instance, the Company and KLCC REIT, must be approved at a general meeting of Holders. A general meeting of Holders refers to a general meeting of Shareholders and a general meeting of Unitholders to be convened, i.e., no Unitholders' meeting can be convened without a corresponding Shareholders' meeting.

Matters requiring the approval by resolution that affect only, say, the Company, need only be approved at a general meeting of Shareholders to be convened. However, both the Company and KLCC REIT must mutually consult each other on the matters in question.

7. WHAT IS THE EQUITY FUND RAISING FRAMEWORK FOR STAPLED SECURITIES?

Where there is an equity fund raising exercise undertaken via a new issue of Stapled Securities, the number of Shares and Units that is to be issued must adhere to the ratio of one Unit for every one Share, as set out in the Stapling Deed. The funds raised will be apportioned between the Company and KLCC REIT based on their respective net assets at the end of the relevant period or based on such other method of valuation as may be mutually agreed between the Company and KLCC REIT.

8. HOW IS THE TRADING PRICE OF STAPLED SECURITIES QUOTED ON BURSA SECURITIES?

The Stapled Securities will be listed and quoted on the Main Market as one security. There will be a single price quotation on the Main Market for the Stapled Securities. No price quotation will be given for the individual components (i.e. the Unit and the Share) of a Stapled Security.

Trading on the Main Market shall only take place in the form of Stapled Securities. Accordingly, Holders will only be able to deal in the Stapled Securities on the Main Market and will not be permitted to deal in the individual components of the Stapled Securities. The Stapled Securities will be subject to normal transaction costs that apply to typical equity trades on the Main Market such as brokerage and stamp duty.

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