

**KLCC PROPERTY HOLDINGS BERHAD (641576-U)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2012**

	INDIVIDUAL QUARTER		CUMULATIVE	
	THREE MONTHS ENDED 30-Sep-12	30-Sep-11	NINE MONTHS ENDED 30-Sep-12	30-Sep-11
	RM'000	RM'000	RM'000	RM'000
Revenue	282,877	244,825	847,326	713,963
Operating Expenses	(72,665)	(70,796)	(226,957)	(203,527)
<b>Operating profit</b>	<b>210,212</b>	<b>174,029</b>	<b>620,369</b>	<b>510,436</b>
Fair value adjustment	1,378,730	-	1,378,730	204,812
Interest income	6,710	5,804	18,784	14,978
Finance costs	(30,500)	(30,128)	(91,738)	(89,556)
Share of profit of associated company	2,735	2,668	20,931	7,944
<b>Profit before taxation</b>	<b>1,567,887</b>	<b>152,373</b>	<b>1,947,076</b>	<b>648,614</b>
Taxation	(41,292)	(38,785)	(132,120)	(166,479)
<b>Profit for the period, representing total comprehensive income</b>	<b>1,526,595</b>	<b>113,588</b>	<b>1,814,956</b>	<b>482,135</b>
<b>Profit attributable to:</b>				
Equity holders of the company	1,171,384	70,996	1,364,498	305,244
Non-controlling interests	355,211	42,592	450,458	176,891
	<b>1,526,595</b>	<b>113,588</b>	<b>1,814,956</b>	<b>482,135</b>
<b>Earnings per share attributable to equity holders of the company (sen):</b>				
<b>Basic</b>	<b>125.41</b>	<b>7.60</b>	<b>146.08</b>	<b>32.68</b>
<b>Diluted</b>	<b>90.50</b>	<b>5.52</b>	<b>105.48</b>	<b>23.69</b>

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the period ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial report)

# KLCC PROPERTY HOLDINGS BERHAD (641576-U)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2012

	30-Sep-12 RM'000	Restated 31-Dec-11 RM'000	Restated 1-Apr-11 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	601,737	609,476	611,460
Investment properties	13,797,662	12,364,831	10,975,082
Investment in associate	261,993	244,931	241,244
Deferred tax assets	1,362	1,513	7,762
	<b>14,662,754</b>	<b>13,220,751</b>	<b>11,835,548</b>
<b>Current assets</b>			
Inventories	1,104	1,445	1,390
Trade and other receivables	169,858	73,255	56,070
Cash and bank balances	878,210	700,418	674,947
	<b>1,049,172</b>	<b>775,118</b>	<b>732,407</b>
<b>TOTAL ASSETS</b>	<b>15,711,926</b>	<b>13,995,869</b>	<b>12,567,955</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the company</b>			
Share capital	934,074	934,074	934,074
Share premium	562,324	562,324	562,324
Revaluation reserve	-	-	5,665
Redeemable convertible unsecured loan stocks (RCULS)	687,990	687,990	687,990
Capital reserve	5,025,914	3,943,749	3,340,273
Retained profits	1,161,526	1,000,623	903,474
	<b>8,371,828</b>	<b>7,128,760</b>	<b>6,433,800</b>
<b>Non-controlling interests</b>	<b>4,522,533</b>	<b>4,185,599</b>	<b>3,665,512</b>
<b>Total Equity</b>	<b>12,894,361</b>	<b>11,314,359</b>	<b>10,099,312</b>
<b>Non-current liabilities</b>			
Redeemable convertible unsecured loan stocks (RCULS)	12,561	18,479	24,503
Other long term liabilities	59,515	57,176	54,912
Long term borrowings	2,307,017	2,297,086	1,908,493
Deferred taxation	11,991	3,032	5,687
	<b>2,391,084</b>	<b>2,375,773</b>	<b>1,993,595</b>
<b>Current liabilities</b>			
Trade and other payables	334,096	216,706	214,711
Short term borrowings	28,400	42,732	227,039
Taxation	63,985	46,299	33,298
	<b>426,481</b>	<b>305,737</b>	<b>475,048</b>
<b>Total Liabilities</b>	<b>2,817,565</b>	<b>2,681,510</b>	<b>2,468,643</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,711,926</b>	<b>13,995,869</b>	<b>12,567,955</b>
<b>Net assets (excl. RCULS) per share (RM)</b>	<b>8.23</b>	<b>6.90</b>	<b>6.15</b>
<b>Diluted net assets per share (RM)</b>	<b>6.48</b>	<b>5.52</b>	<b>4.99</b>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the period ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial report)

**KLCC PROPERTY HOLDINGS BERHAD (641576-U)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2012**

	← Attributable to Equity Holders of the Company →							Total Equity RM'000
	← Non-Distributable →			← Distributable →				
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Redeemable Convertible Unsecured Loan Stocks RM'000	Retained Profits RM'000	Capital Reserve @ RM'000	Non - controlling Interests RM'000	
<b>As at 1 January 2011</b>	<b>934,074</b>	<b>562,324</b>	<b>5,665</b>	<b>687,990</b>	<b>839,730</b>	<b>2,719,426</b>	<b>3,213,713</b>	<b>8,962,922</b>
Total comprehensive income for the period	-	-	-	-	166,354	-	91,842	258,196
Transfer	-	-	-	-	(102,610)	102,610	-	-
<b>As at 31 March 2011</b>	<b>934,074</b>	<b>562,324</b>	<b>5,665</b>	<b>687,990</b>	<b>903,474</b>	<b>2,822,036</b>	<b>3,305,555</b>	<b>9,221,118</b>
<b>As at 1 April 2011</b>	<b>934,074</b>	<b>562,324</b>	<b>5,665</b>	<b>687,990</b>	<b>903,474</b>	<b>2,822,036</b>	<b>3,305,555</b>	<b>9,221,118</b>
Effects of adopting MFRS 112	-	-	-	-	518,237	-	359,957	878,194
Transfer	-	-	-	-	(518,237)	518,237	-	-
Total comprehensive income for the period	-	-	-	-	138,890	-	85,049	223,939
Dividends paid	-	-	-	-	(65,385)	-	-	(65,385)
<b>As at 30 September 2011</b>	<b>934,074</b>	<b>562,324</b>	<b>5,665</b>	<b>687,990</b>	<b>976,979</b>	<b>3,340,273</b>	<b>3,750,561</b>	<b>10,257,866</b>
<b>As at 1 January 2012</b>	<b>934,074</b>	<b>562,324</b>	<b>-</b>	<b>687,990</b>	<b>1,000,623</b>	<b>3,276,059</b>	<b>3,690,093</b>	<b>10,151,163</b>
Effects of adopting MFRS 112	-	-	-	-	-	667,690	495,506	1,163,196
<b>As at 1 January 2012 (Restated)</b>	<b>934,074</b>	<b>562,324</b>	<b>-</b>	<b>687,990</b>	<b>1,000,623</b>	<b>3,943,749</b>	<b>4,185,599</b>	<b>11,314,359</b>
Total comprehensive income for the period	-	-	-	-	1,364,498	-	450,458	1,814,956
Transfer	-	-	-	-	(1,082,165)	1,082,165	-	-
Dividends paid	-	-	-	-	(121,430)	-	(113,524)	(234,954)
<b>As at 30 September 2012</b>	<b>934,074</b>	<b>562,324</b>	<b>-</b>	<b>687,990</b>	<b>1,161,526</b>	<b>5,025,914</b>	<b>4,522,533</b>	<b>12,894,361</b>

@ Capital Reserve arises from the surplus of revaluation of investment properties that will be distributed upon the sale of investment properties.

**(The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the period ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial report)**

**KLCC PROPERTY HOLDINGS BERHAD (641576-U)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS****FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2012**

	<b>NINE MONTHS ENDED</b>	
	<b>30-Sep-12</b>	<b>30-Sep-11</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	823,491	715,924
Cash payments to suppliers and employees	(146,014)	(218,290)
Interest income from fund and other investments	18,292	13,248
Tax paid	(105,304)	(88,765)
<b>Net cash generated from operating activities</b>	<b>590,465</b>	<b>422,117</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends received	3,870	2,903
Purchase of property, plant and equipment	(14,845)	-
Cost incurred for investment properties	(60,850)	(290,634)
Proceeds from disposal of property, plant and equipment	-	17
<b>Net cash used in investing activities</b>	<b>(71,825)</b>	<b>(287,714)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of borrowings	14,000	257,000
Repayment of borrowings	(28,000)	(28,000)
Dividends paid to shareholders	(121,430)	(65,385)
Dividends paid to non-controlling interests	(113,524)	-
Interest expenses paid	(91,893)	(77,731)
Decrease/(Increase) in deposits restricted	(2,111)	449
<b>Net cash (used in)/ generated from financing activities</b>	<b>(342,958)</b>	<b>86,333</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>175,682</b>	<b>220,736</b>
<b>CASH AND CASH EQUIVALENTS</b>		
<b>AT THE BEGINNING OF THE PERIOD</b>	<b>699,692</b>	<b>547,218</b>
<b>CASH AND CASH EQUIVALENTS</b>		
<b>AT THE END OF THE PERIOD</b>	<b>875,374</b>	<b>767,954</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISE:</b>		
<b>CASH AND BANK BALANCES</b>	<b>18,043</b>	<b>16,246</b>
<b>DEPOSITS</b>	<b>860,167</b>	<b>753,633</b>
	<b>878,210</b>	<b>769,879</b>
<b>LESS: DEPOSITS RESTRICTED *</b>	<b>(2,836)</b>	<b>(1,925)</b>
	<b>875,374</b>	<b>767,954</b>

\* Monies held on behalf of clients relate to restricted monies held in designated accounts which represent cash calls less payments in the course of rendering management services on behalf of clients.

**(The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the period ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial report)**

# KLCC PROPERTY HOLDINGS BERHAD

(Company No.: 641576-U)

Incorporated in Malaysia

Notes on the quarterly report – 30 September 2012

## A. EXPLANATORY NOTES PURSUANT TO MFRS 134

### A1. Corporate Information

KLCC Property Holdings Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were approved by the Board of Directors on 23 November 2012.

### A2. First Time Adoption of Malaysian Financial Reporting Standards (“MFRS”)

#### A2.1 Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 30 September 2012 are unaudited and have been prepared in compliance with the requirements of paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and MFRS 134: Interim Financial Reporting (except for the comparatives as stated in A2.2 below) and with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board. With the first adoption of MFRS, MFRS 1: First Time Adoption of Malaysian Financial Reporting Standards has been applied.

For the periods up to and including the period ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”).

The consolidated financial statements of the Group for the period ended 31 December 2011 are available upon request from the Company’s registered office at Level 54, Tower 2, PETRONAS Twin Towers, Kuala Lumpur City Centre, 50088 Kuala Lumpur.

#### A2.2 Comparative Information

During the financial period ended 31 December 2011, the Group changed its year end from 31 March to 31 December so as to be consistent with the year end of its holding company. The date of transition from FRS to MFRS is 1 April 2011. Comparative amounts (i.e. for the nine month period ended 30 September 2011) presented for the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and the related notes:

- (i) are not for the comparable interim periods (current and year-to-date) of the immediately preceding financial year as required by MFRS 134 per table below;

	Actual	Comparative
Current Quarter	Q3, FY2012	Q2, FP2011
Year to Date	Q1, Q2 and Q3, FY2012	Q4, FY2010/11, Q1 and Q2, FP2011

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- (ii) represent amounts prepared under FRS for period beginning 1 January 2011 to 31 March 2011 and amounts prepared under MFRS beginning 1 April 2011 to 30 September 2011.

Accordingly, these comparative amounts are not comparable to the amounts presented in MFRS for the nine month period ended 30 September 2012. The above departure from the requirement to MFRS 134 is unavoidable due to the fact that the Group has changed its financial year end.

The comparative amount for this nine month period ended 30 September 2011 was used to provide the relevant comparative information to enable fair assessment of the Group's performance given the nature of the Group's business. The impact on the comparatives is temporary and would be resolved by the quarter ended 31 March 2013.

## A3. Significant Accounting Policies and Adoption of MFRS 1

The audited financial statements of the Group for the period ended 31 December 2011 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the period ended 31 December 2011 except for MFRS 112: Income Taxes.

The adoption of MFRS 112 from date of transition has resulted in the derecognition of prior years' Deferred Tax Liability provision on valuation gains previously reported in the financial statements prepared in accordance with previous FRSs. The following extract from the Statement of Financial Position illustrates the impact of adopting MFRS 112.

### A3.1 Restatement of Statement of Financial Position as at MFRS transition date of 1 April 2011

	FRS as at 1 April 2011 (Audited) RM'000	Investment In Associate RM'000	Capital Reserve RM'000	Non- Controlling Interests RM'000	MFRS as at 1 April 2011 (Restated) RM'000
<b>Assets</b>					
Investment in Associate	225,986	15,258	-	-	241,244
<b>Equity</b>					
Capital Reserve	(2,822,036)	(15,258)	(502,979)	-	(3,340,273)
Non-Controlling Interests	(3,305,555)	-	-	(359,957)	(3,665,512)
<b>Liabilities</b>					
Deferred Taxation	(868,623)	-	502,979	359,957	(5,687)

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## A3.2 Restatement of Statement of Financial Position as at 31 December 2011

	FRS as at 31 December 2011 (Audited)	Investment In Associate	Capital Reserve	Non- Controlling Interests	MFRS as at 31 December 2011 (Restated)
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Assets</b>					
Investment in Associate	229,673	15,258	-	-	244,931
<b>Equity</b>					
Capital Reserve	(3,276,059)	(15,258)	(652,432)	-	(3,943,749)
Non-Controlling Interests	(3,690,093)	-	-	(495,506)	(4,185,599)
<b>Liabilities</b>					
Deferred Taxation	(1,150,970)	-	652,432	495,506	(3,032)

## A3.3 Reconciliation of Total Comprehensive Income for the period ended 31 December 2011

	FRS as at 31 December 2011	Deferred Tax	Equity Holders of the Company	Non- Controlling Interests	MFRS as at 31 December 2011
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	745,894				745,894
Operating Expenses	(224,048)				(224,048)
<b>Operating profit</b>	<b>521,846</b>				<b>521,846</b>
Fair value adjustment	1,140,004				1,140,004
Interest income	16,371				16,371
Finance costs	(87,583)				(87,583)
Share of profit of associated company	7,987				7,987
<b>Profit before taxation</b>	<b>1,598,625</b>				<b>1,598,625</b>
Taxation	(403,564)	285,002			(118,562)
<b>Profit for the period, representing total comprehensive income</b>	<b>1,195,061</b>				<b>1,480,063</b>
<b>Profit attributable to:</b>					
Equity holders of the company	657,596		149,453		807,049
Non-controlling interests	537,465			135,549	673,014
	<b>1,195,061</b>				<b>1,480,063</b>

There is no impact to the total comprehensive income for the quarter ended 31 March 2011 as it represents amounts prepared under FRS prior to the date of transition to MFRS of 1 April 2011.

# KLCC PROPERTY HOLDINGS BERHAD

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Incorporated in Malaysia

Notes on the quarterly report – 30 September 2012

## A4. Audit report

The auditors' report on the financial statements for the period ended 31 December 2011 was not qualified.

## A5. Segmental Information

<u>Business segments</u>	<b>Individual Quarter</b>		<b>Cumulative</b>	
	<b>3 Months Ended</b>		<b>9 Months Ended</b>	
	<b>30-Sep-12</b>		<b>30-Sep-12</b>	
	<u>Revenue</u>	<u>Total</u>	<u>Revenue</u>	<u>Total</u>
		<u>comprehensive</u>		<u>comprehensive</u>
		<u>income</u>		<u>income</u>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Property investment - Office	125,534	116,088	373,740	347,009
Property investment - Retail	94,322	78,127	277,224	226,076
Hotel operations	40,324	7,831	129,318	30,115
Management services	26,876	8,923	77,271	24,313
	<u>287,056</u>	<u>210,969</u>	<u>857,553</u>	<u>627,513</u>
Eliminations / Adjustments	<u>(4,179)</u>	<u>(757)</u>	<u>(10,227)</u>	<u>(7,144)</u>
<b>Revenue /</b>				
<b>Operating profit</b>	<u><u>282,877</u></u>	210,212	<u><u>847,326</u></u>	620,369
Interest income		6,710		18,784
Finance cost		(30,500)		(91,738)
Fair value adjustment on investment properties		1,378,730		1,378,730
Share of profit of associated company		2,735		20,931
Taxation		<u>(41,292)</u>		<u>(132,120)</u>
<b>Profit for the period /</b>				
<b>Total comprehensive income for the period</b>		<u><u>1,526,595</u></u>		<u><u>1,814,956</u></u>

## A6. Unusual items

During the quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

## A7. Changes in estimates

There were no changes in the estimates of amounts reported that have a material effect on the results in the quarter under review.



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## A8. Changes in statutory tax rate

There were no changes to the corporate tax rate during the quarter under review.

## A9. Seasonal or cyclical factors

The Group's hotel operations were impacted by the seasonal or cyclical factors affecting the occupancy rate and food and beverage business of the hotel.

## A10. Dividends paid

An interim dividend in respect of the 3 month period ended 30 June 2012, of 4.0 sen per share, tax exempt under the single tier tax system on 934,074,279 amounting to RM37.36 million was paid on 12 September 2012.

## A11. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

## A12. Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter under review.

## A13. Discontinued operation

There were no discontinued operations in the Group during the quarter under review.

## A14. Capital commitments

The amount of capital commitments not provided for in the interim financial statements as at 30 September 2012 is as follows:-

	RM'000
Approved and contracted for	126,585
Approved but not contracted for	149,288
	<u>275,873</u>

## A15. Changes in contingent liabilities and contingent assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter under review.

## A16. Material subsequent events

There were no material events subsequent to the end of the quarter under review that have not been reflected in the interim financial statements.

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## B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B1. Performance Review

Financial Highlights	Individual Quarter			Cumulative		
	3 Months Ended		%	9 Months Ended		%
	30-Sep-12	30-Sep-11	Change	30-Sep-12	30-Sep-11	Change
	RM'000	RM'000		RM'000	RM'000	
<b>Revenue</b>						
Property investment - Office	125,534	103,786	21.0	373,740	309,766	20.7
Property investment - Retail	94,322	80,228	17.6	277,224	230,369	20.3
Hotel operations	40,324	40,313	0.0	129,318	116,717	10.8
Management services	26,876	23,247	15.6	77,271	65,943	17.2
Intercompany Eliminations/ Adjustments	(4,179)	(2,749)	-	(10,227)	(8,832)	-
<b>Total</b>	<b>282,877</b>	<b>244,825</b>	<b>15.5</b>	<b>847,326</b>	<b>713,963</b>	<b>18.7</b>
<b>Profit Before Tax</b>						
As Per Announcement	1,567,887	152,373	929.0	1,947,076	648,614	200.2
Less: Fair Value Adjustment ^	(1,378,730)	-	-	(1,391,486)	(204,812)	-
<b>Adjusted Profit Before Tax</b>	<b>189,157</b>	<b>152,373</b>	<b>24.1</b>	<b>555,590</b>	<b>443,802</b>	<b>25.2</b>
<b>Analysis of Adjusted Profit Before Tax</b>						
Property investment - Office*	102,989	82,759	24.4	308,114	247,050	24.7
Property investment - Retail	70,949	58,205	21.9	203,787	167,240	21.9
Hotel operations	4,424	6,558	-32.5	19,680	17,101	15.1
Management services	9,298	6,001	54.9	25,161	18,639	35.0
Intercompany Eliminations/ Adjustments	1,497	(1,150)	-	(1,152)	(6,228)	-
	<b>189,157</b>	<b>152,373</b>	<b>24.1</b>	<b>555,590</b>	<b>443,802</b>	<b>25.2</b>
* includes Share of Associate						
^ includes fair value adjustment of Investment Property in an associated company.						

### Variance Analysis by Segments – Quarter and Period Ended

#### Property Investment – Office

Revenue from property investment increased by RM21.7 million (21.0%) to RM125.5 million in Q3, 2012 and RM64.0 million (20.7%) for the period ended primarily due to the recognition of rental revenue from Menara 3 PETRONAS and upward rent revisions in Menara Dayabumi and Menara ExxonMobil.

This segment also benefited from lower finance cost primarily due to the Midciti refinancing undertaken in October 2011. This was however partially offset by finance costs incurred on Menara 3 PETRONAS which was previously capitalised during the construction stage.

#### Property Investment - Retail

Revenue from retail investment increased by RM14.1 million (17.6%) to RM94.3 million in Q3, 2012 and RM46.9 million (20.3%) for the period ended due to improved revenue from Suria KLCC arising from space reconfiguration and higher rental rates secured for renewals.

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The increase was further complemented by higher revenue registered by Menara 3 PETRONAS retail space as a result of improved tenants occupancy.

## Hotel Operations

Revenue from hotel remained unchanged in Q3, 2012 and for the period ended, the revenue showed an improvement of RM12.6 million due to overall better performance achieved from the Rooms segment and stronger demand from F&B.

This was partially offset by higher operating costs in line with the improved revenue for the period ended. However, margins for the period ended have improved over the previous year.

## Management Services

Management Services recorded higher revenue by RM3.6 million (15.6%) in Q3, 2012 and RM11.3 million (17.2%) for the period ended mainly due to the combination of first time facilities management services at Menara 3 PETRONAS and inclusion of new car parking locations. Higher traffic volume achieved from existing car parking operations also contributed to better performance under this segment.

Despite an increase in operating costs in the car park in line with the increase in revenue, margins were better than last year.

## B2. Variation of results against preceding quarter

RM'000	30-Sep-12	30-Jun-12	Variance
<b>Profit Before Taxation</b>			
As Per Announcement	1,567,887	184,445	1,383,442
Fair Value Adjustment	(1,378,730)	-	(1,378,730)
Adjusted Profit Before Tax	189,157	184,445	4,712

Profit before taxation of RM189.2 million achieved in this quarter was up by RM4.7 million or 2.6% higher than the preceding quarter mainly due to improved operating profit.

The Group's revenue for the quarter of RM282.9 million was lower by RM5.7 million when compared to the preceding quarter attributable mainly to the decreased revenue from hotel despite improved revenue from retail segment (Suria KLCC and Menara 3 PETRONAS).

## B3. Prospects for financial year 2012

The Directors are of the view that the results for the remaining 2012 period will remain stable due to long term office tenancies, and expected improvement in occupancy of recently completed retail space. However, the hotel segment will continue to trade in a competitive environment.

## B4. Profit forecast

No profit forecast was issued for the financial period.

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## B5. Tax expense

Taxation comprises the following:

	3 Months Ended		Cumulative Period Ended	
	30-Sep-12 RM'000	30-Sep-11 RM'000	30-Sep-12 RM'000	30-Sep-11 RM'000
Within Malaysia In respect of the current period:				
Taxation	40,137	38,131	122,988	111,891
Deferred taxation	1,155	654	9,132	54,588
	<u>41,292</u>	<u>38,785</u>	<u>132,120</u>	<u>166,479</u>

## B6. Sale of unquoted investments and/or properties

There was no disposal of unquoted investments or properties during the quarter under review.

## B7. Quoted and marketable securities

There was no purchase or disposal of quoted and marketable securities during the quarter under review.

## B8. Status of corporate proposal announced

The Company announced on 27 November 2012 the proposed creation of Stapled Securities comprising units in a Real Estate Investment Trust to be stapled together with the existing ordinary shares of the company to be listed on the main market of Bursa Malaysia Securities Berhad. Please refer to the Announcement for the detailed proposal.

## B9. Borrowings

	RM'000	RM'000
<b>Short term :</b>		
<u>Secured</u>		
Term loan	28,400	
Private debt securities	<u>-</u>	28,400
<b>Long term :</b>		
<u>Secured</u>		
Term loan	1,439,493	
Private debt securities	<u>867,524</u>	<u>2,307,017</u>
		<u>2,335,417</u>

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## B10. Off balance sheet financial instruments

There were no off balance sheet financial instruments as at the date of this report.

## B11. Material litigation

The Group has no outstanding material litigation as at the date of this report.

## B12. Dividends

An interim dividend in respect of the three month period ended 30 September 2012, of 4.0 sen per share, tax exempt under the single tier tax system on 934,074,279 amounting to RM37.36 million is payable on 24 December 2012.

## B13. Profit for the Period

	3 Months Ended		9 Months Ended	
	30-Sep-12	30-Sep-11	30-Sep-12	30-Sep-11
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after charging:				
Depreciation of property, plant and equipment	7,335	7,738	21,968	23,011
and after crediting:				
(Gain) / Loss on disposal of property, plant and equipment	-	-	(2,089)	(706)

Other than the above, the items listed under Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

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## B14. Realised and Unrealised Profit

The breakdown of the retained profits of the Group as at 30 September 2012 into realised and unrealised profits is as follows:

Total retained profits of KLCCP Group and its subsidiaries:		
	30-Sep-12	30-Sep-11
	RM'000	RM'000
- Realised	2,682,763	2,589,287
- Unrealised	22,078	24,281
	<u>2,704,841</u>	<u>2,613,568</u>
Total share of retained profits from associate:		
- Realised	60,080	72,647
- Unrealised	-	-
	<u>60,080</u>	<u>72,647</u>
Total Group retained profits	<u>2,764,921</u>	<u>2,686,215</u>
Less: Consolidation adjustments	(1,603,395)	(1,709,236)
Total Group retained profits as per consolidated accounts	<u>1,161,526</u>	<u>976,979</u>

The fair value gain on the remeasurement of investment properties is regarded as an unrealised gain and has been charged under capital reserve in the financial statements.

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## B15. Earnings per share (“EPS”)

	3 Months Ended		9 Months Ended	
	30-Sep-12	30-Sep-11	30-Sep-12	30-Sep-11
<b>(i) Basic earnings per share</b>				
Total comprehensive income attributable to ordinary equity holders of the company (RM'000)	1,171,384	70,996	1,364,498	305,244
Weighted average number of ordinary shares in issue ('000)	934,074	934,074	934,074	934,074
Basic earnings per share (sen)	125.41	7.60	146.08	32.68
<b>(ii) Diluted earnings per share</b>				
Total comprehensive income attributable to ordinary equity holders of the company (RM'000)	1,171,384	70,996	1,364,498	305,244
Interest on RCULS (RM'000)	354	443	1,242	1,535
Total comprehensive income attributable to ordinary equity holders of the company including assumed conversion (RM'000)	1,171,738	71,439	1,365,740	306,779
Weighted average number of ordinary shares in issue ('000)	934,074	934,074	934,074	934,074
Effect of dilution – RCULS	360,662	360,662	360,662	360,662
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,294,736	1,294,736	1,294,736	1,294,736
Diluted earnings per share (sen)	90.50	5.52	105.48	23.69

### BY ORDER OF THE BOARD

Abd Aziz Bin Abd Kadir (LS0001718)  
Yeap Kok Leong(MAICSA0862549)  
Company Secretaries  
Kuala Lumpur