

KLCC PROPERTY HOLDINGS BERHAD (641576-U)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	INDIVIDUAL QUARTER		CUMULATIVE	
	THREE MONTHS ENDED		YEAR ENDED	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	RM'000	RM'000	RM'000	RM'000
Revenue	344,689	347,144	1,343,546	1,340,229
Operating Expenses	(90,619)	(93,835)	(344,204)	(336,034)
Operating profit	254,070	253,309	999,342	1,004,195
Fair value adjustment to investment property	171,143	611,039	171,143	578,839
Interest/Profit income	9,845	10,557	42,552	41,280
Finance costs	(30,019)	(30,285)	(121,220)	(119,624)
Share of profit of associated company	1,110	4,965	10,881	13,665
Profit before taxation	406,149	849,585	1,102,698	1,518,355
Taxation	(13,340)	(32,799)	(91,671)	(115,166)
Profit for the period, representing total comprehensive income	392,809	816,786	1,011,027	1,403,189
Profit attributable to:				
Equity holders of the Company	141,233	380,325	339,038	542,751
Non-controlling interests (NCI) relating to KLCC Real Estate Investment Trust (KLCC REIT)	205,895	243,024	546,933	588,770
Other NCI	45,681	193,437	125,056	271,668
	392,809	816,786	1,011,027	1,403,189
Dividend/Income distribution:				
Dividend/Income distribution to stapled security holders				
Quarter ended 31 December 2016/2015				
Realised distributable income - KLCCP	65,392	70,610	263,197	249,470
Realised distributable income - KLCC REIT	102,616	102,792	411,452	391,850
Total realised distributable income	168,008	173,402	674,649	641,320
Distribution rate (%)	105.84% *	102.24% *	95.40% *	97.54% *
Dividend/Income distribution	177,825	177,281	643,601	625,547
Dividend/Income distribution per stapled security (sen)	9.85	9.82	35.65	34.65
Earnings per stapled security (sen)				
Basic	19.23	34.53	49.08	62.68

* Rounded to two decimal point

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 31 DECEMBER 2016

	31-Dec-16 RM'000	31-Dec-15 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	636,674	639,381
Investment properties	15,454,001	15,166,684
Investment in associate	255,016	265,205
Deferred tax assets	247	536
Trade and other receivables	339,106	289,588
	<u>16,685,044</u>	<u>16,361,394</u>
Current assets		
Inventories	1,930	1,837
Trade and other receivables	58,849	62,921
Dividend receivable	21,070	-
Tax recoverable	12	71
Cash and cash equivalents	1,015,220	1,110,857
	<u>1,097,081</u>	<u>1,175,686</u>
TOTAL ASSETS	<u>17,782,125</u>	<u>17,537,080</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the company		
Share capital	1,805,333	1,805,333
Capital redemption reserve	18,053	18,053
Capital reserve	2,854,041	2,778,200
Retained profits	204,555	172,982
	<u>4,881,982</u>	<u>4,774,568</u>
Equity attributable to unit holders of the KLCC REIT	<u>7,912,211</u>	<u>7,776,713</u>
Total equity attributable to holders of KLCCP and KLCC REIT	<u>12,794,193</u>	<u>12,551,281</u>
Other non-controlling interests	<u>1,983,832</u>	<u>1,959,773</u>
Total Equity	<u>14,778,025</u>	<u>14,511,054</u>
Non-current liabilities		
Deferred revenue	41,639	46,208
Other long term liabilities	78,477	74,658
Long term borrowings	2,233,166	2,532,166
Deferred taxation	29,728	41,530
	<u>2,383,010</u>	<u>2,694,562</u>
Current liabilities		
Trade and other payables	280,996	278,447
Short term borrowings	319,264	28,459
Taxation	20,830	24,558
	<u>621,090</u>	<u>331,464</u>
Total Liabilities	<u>3,004,100</u>	<u>3,026,026</u>
TOTAL EQUITY AND LIABILITIES	<u>17,782,125</u>	<u>17,537,080</u>
Net assets per stapled security (RM)	7.09	6.95

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial report)

KLCC PROPERTY HOLDINGS BERHAD (641576-U)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	← Attributable to Equity Holders of the Company →				Total equity attributable to holders of KLCCP RM'000	Equity attributable to unit holders of KLCC REIT # RM'000	Other non - controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Capital Redemption Reserve RM'000	Retained Profits RM'000	Capital Reserve @ RM'000				
As at 1 January 2015	1,805,333	18,053	153,331	2,484,919	4,461,636	7,564,355	1,822,038	13,848,029
Total comprehensive income for the period	-	-	542,751	-	542,751	588,770	271,668	1,403,189
Transfer of fair value surplus	-	-	(293,281)	293,281	-	-	-	-
Dividends paid	-	-	(229,819)	-	(229,819)	(376,412)	(133,933)	(740,164)
As at 31 December 2015	1,805,333	18,053	172,982	2,778,200	4,774,568	7,776,713	1,959,773	14,511,054
As at 1 January 2016	1,805,333	18,053	172,982	2,778,200	4,774,568	7,776,713	1,959,773	14,511,054
Total comprehensive income for the period	-	-	339,038	-	339,038	546,933	125,056	1,011,027
Transfer of fair value surplus	-	-	(75,841)	75,841	-	-	-	-
Dividends paid	-	-	(231,624)	-	(231,624)	(411,435)	(100,997)	(744,056)
As at 31 December 2016	1,805,333	18,053	204,555	2,854,041	4,881,982	7,912,211	1,983,832	14,778,025

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

Equity attributable to unit holders of KLCC REIT consist of Unitholders' Fund (RM7,212,684,000), Merger Reserve (RM6,212,000), Capital Reserve (RM341,332,000) and Retained Profit (RM351,983,000).

(The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial report)

KLCC PROPERTY HOLDINGS BERHAD (641576-U)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	YEAR ENDED	
	31-Dec-16 RM'000	31-Dec-15 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	1,289,402	1,287,311
Cash payments to suppliers and employees	(308,490)	(286,083)
Interest income from fund and other investments	42,294	38,839
Tax paid	(106,853)	(107,824)
Net cash generated from operating activities	916,353	932,243
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	-	9,030
Purchase of property, plant and equipment	(43,788)	(63,643)
Cost incurred for investment properties	(97,727)	(89,371)
Proceeds from disposal of property, plant and equipment	206	88
Net cash used in investing activities	(141,309)	(143,896)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	1,000	377,166
Repayment of borrowings	(11,400)	(330,000)
Dividends paid to equity holders of the company	(231,624)	(229,819)
Dividends paid to other non-controlling interest:	(100,997)	(133,933)
Dividends paid to non-controlling interests relating to KLCC REIT	(413,284)	(374,563)
Interest expenses paid	(114,376)	(113,413)
Increase/(Decrease) in deposits restricted	3,191	(1,248)
Net cash used in financing activities	(867,490)	(805,810)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(92,446)	(17,463)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,104,437	1,121,900
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	1,011,991	1,104,437
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR COMPRISE:		
CASH AND BANK BALANCES	60,853	64,184
DEPOSITS	954,367	1,046,673
	1,015,220	1,110,857
LESS: DEPOSITS RESTRICTED *	(3,229)	(6,420)
	1,011,991	1,104,437

* Relates to monies held on behalf of clients 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 year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial report)

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Corporate Information

KLCC Property Holdings Berhad (“KLCCP”) is a public limited liability company incorporated and domiciled in Malaysia. As part of the corporate exercise, the ordinary shares of KLCCP and the units of the newly created KLCC REIT are stapled together to create the stapled securities. These stapled securities are listed on Bursa Malaysia Securities Berhad.

By virtue of KLCCP and KLCC REIT agreeing 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 purposes as it is identified to be the party with power to govern the financial and operating policies of KLCC REIT. Therefore, the consolidated accounts of KLCCP will reflect 100% non-controlling interest relating to KLCC REIT.

These condensed consolidated interim financial statements were approved by the Board of Directors on 20 January 2017.

A2. Basis of Preparation

These condensed consolidated interim financial statements, for the year ended 31 December 2016 are unaudited and have been prepared in compliance with the requirements of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and MFRS 134: Interim Financial Reporting and with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The consolidated financial statements of the Group for the year ended 31 December 2015 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.

A3. Accounting Policies

The new and revised MFRSs, Amendments to MFRS and IC Interpretations which are mandatory for companies with financial periods beginning on or after 1 January 2016 did not give rise to any significant effects on the financial statements of the Group and the Company.

A4. Audit report

The auditors’ report on the financial statements for the year ended 31 December 2015 was not qualified.

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A5. Segmental Information

<u>Business segments</u>	Individual Quarter Ended 31-Dec-16			Cumulative Period Ended 31-Dec-16		
	<u>Revenue</u>					
	<u>KLCCP</u>	<u>KLCC REIT</u>	<u>Total</u>	<u>KLCCP</u>	<u>KLCC REIT</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property investment - Office	9,533	138,404	147,937	37,182	554,122	591,304
Property investment - Retail	116,576	9,014	125,590	451,417	36,892	488,309
Hotel operations	43,367	-	43,367	149,493	-	149,493
Management services	45,996	-	45,996	185,144	-	185,144
	<u>215,472</u>	<u>147,418</u>	<u>362,890</u>	<u>823,236</u>	<u>591,014</u>	<u>1,414,250</u>
Eliminations / Adjustments			(18,201)			(70,704)
Revenue			<u>344,689</u>			<u>1,343,546</u>

<u>Business segments</u>	Individual Quarter Ended 31-Dec-16			Cumulative Year Ended 31-Dec-16		
	<u>Total Comprehensive Income</u>					
	<u>KLCCP</u>	<u>KLCC REIT</u>	<u>Total</u>	<u>KLCCP</u>	<u>KLCC REIT</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property investment - Office	7,897	123,958	131,855	28,700	495,555	524,255
Property investment - Retail	95,993	5,674	101,667	377,137	23,200	400,337
Hotel operations	6,429	-	6,429	11,574	-	11,574
Management services	17,347	-	17,347	76,904	-	76,904
	<u>127,666</u>	<u>129,632</u>	<u>257,298</u>	<u>494,315</u>	<u>518,755</u>	<u>1,013,070</u>
Eliminations / Adjustments			(3,228)			(13,728)
Operating profit			254,070			999,342
Other expenses	-	-	-	-	-	-
Interest income	7,521	2,324	9,845	32,867	9,685	42,552
Finance cost	(11,374)	(18,645)	(30,019)	(47,129)	(74,091)	(121,220)
Fair value adjustment						
on investment properties	91,651	79,492	171,143	91,651	79,492	171,143
Share of profit of						
associated company	1,110	-	1,110	10,881	-	10,881
Taxation	(26,432)	13,092	(13,340)	(104,763)	13,092	(91,671)
Profit for the period /						
Total comprehensive						
income for the period			<u>392,809</u>			<u>1,011,027</u>

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Notes on the quarterly report – 31 December 2016

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.

A8. Changes in statutory tax rate

There were no changes to the corporate tax rate during the quarter under review. However, Section 61A of the Malaysian Income Tax Act, 1967 exempts KLCC REIT from the normal corporate tax in a year of assessment ("YA") if KLCC REIT distributes at least 90% of its total taxable income in the same YA.

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.

The other segments are not affected by seasonal or cyclical factors.

A10. Dividends paid

The Board has declared interim dividends comprising 2.94 sen and 5.66 sen relating to KLCCP and KLCC REIT respectively in respect of 3 months period ended 30 September 2016 totalling 8.60 sen per stapled securities. The KLCCP dividend of 2.94 sen per share (tax exempt under the single tier tax system) amounting to RM53.08 million and the KLCC REIT income distribution of 5.66 sen per unit were paid on 14 December 2016.

A11. Debt and equity securities

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

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.

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A14. Capital commitments

The amount of capital commitments not provided for in the interim financial statements as at 31 December 2016 is as follows:-

	RM'000
Approved and contracted for	205,608
Approved but not contracted for	160,440
	<u>366,048</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 other 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		%	Year Ended		%
	31-Dec-16	31-Dec-15	Change	31-Dec-16	31-Dec-15	Change
	RM'000	RM'000		RM'000	RM'000	
Revenue						
Property investment - Office	147,937	147,821	0.08	591,304	591,231	0.01
Property investment - Retail	125,590	124,897	0.55	488,309	486,531	0.37
Hotel operations	43,367	44,717	(3.02)	149,493	155,796	(4.05)
Management services	45,996	50,638	(9.17)	185,144	179,667	3.05
Intercompany Eliminations/ Adjustments	(18,201)	(20,929)	-	(70,704)	(72,996)	-
Total	344,689	347,144	(0.71)	1,343,546	1,340,229	0.25
Profit/(Loss) Before Tax						
Property investment - Office*	117,402	117,453	(0.04)	472,091	472,906	(0.17)
Property investment - Retail	95,461	94,748	0.75	375,645	375,700	(0.01)
Hotel operations	2,947	3,413	(13.65)	(3,238)	3,938	(182.22)
Management services	17,623	20,344	(13.37)	78,234	75,163	4.09
Intercompany Eliminations/ Adjustments	1,573	582	-	8,823	9,803	-
	235,006	236,540	(0.65)	931,555	937,510	(0.64)
Fair Value Adjustment	171,143	613,045		171,143	580,845	
Total	406,149	849,585	(52.19)	1,102,698	1,518,355	(27.38)

* includes Share of Associate

Variance Analysis by Segments – Quarter and Year Ended

Property Investment – Office

The Office segment recorded a marginally higher revenue as compared to Q4 2015 and Year to Date (“YTD”) Q4 2015 at the back of recognition of additional lease area in Menara Dayabumi. Quarter and YTD Profit Before Taxation (“PBT”) continues to remain stable.

Property Investment - Retail

Q4 2016 retail segment shows an increase of PBT of 0.8% contributed by increase in revenue as a result of rent reviews and new tenancies, and the once off recognition of a rental award of RM3.5 million.

Hotel Operations

The hotel operations continue to trade in difficult market conditions. In addition, the hotel commenced refurbishment works in certain parts of the hotel. Consequently, hotel revenue and PBT Q4 2016 reported decreases of 3% and 14 % respectively as compared to Q4 2015.

YTD 2016 reported a loss before tax from hotel operations of RM3.2 million arising from the difficult trading conditions, refurbishment works, and write off of certain furniture and fittings of RM2.7 million.

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B1. Performance Review (Contd.)

Management Services

Q4 2016 management services PBT decreased by 13% as Q4 2015 recorded one off works on Petronas properties.

However, YTD 2016 management services continues to show a constant growth in revenue and PBT of 3% and 4%. The growth in the current year is contributed by the additional facilities management services provided for the properties in Kerteh.

B2. Variation of results against preceding quarter

Financial Highlights	Individual Quarter		% Change
	31-Dec-16 RM'000	30-Sep-16 RM'000	
Revenue			
Property investment - Office	147,937	148,528	(0.40)
Property investment - Retail	125,590	115,905	8.36
Hotel operations	43,367	35,057	23.70
Management services	45,996	47,613	(3.40)
Intercompany Eliminations/ Adjustments	(18,201)	(17,568)	-
Total	344,689	329,535	4.60
Profit/(Loss) Before Tax			
Property investment - Office*	117,402	117,944	(0.46)
Property investment - Retail	95,461	91,191	4.68
Hotel operations	2,947	(1,493)	(297.39)
Management services	17,623	20,723	(14.96)
Intercompany Eliminations/ Adjustments	1,573	1,757	-
	235,006	230,122	2.12
Fair Value Adjustment	171,143	-	
Total	406,149	230,122	76.49

* includes Share of Associate

PBT (excluding fair value adjustments) shows an increase of 2% from Q3 2016 arising from better performance of retail and office segment.

The retail segment increased by 5% from Q3 2016 supported by rental reviews and new tenants offset by the increase in year end sales and marketing costs which are normally incurred in Q4 2016 due to the school holiday seasons.

The hotel segment recovered from a loss before tax in Q3 2016 to show a profit before tax in Q4 2016 at the back of better occupancy in Q4 2016 of 50% (Q3 2016: 46%) and ARR of RM665 (Q3 2016 : RM691) during the year end holiday season.

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B3. Prospects for financial year 2017

The Directors expect overall group performance in 2017 to be underpinned by, and continue to benefit from the long term lease arrangements of the office segment. However, on the basis of currently weaker consumer demand, the retail segment is not expected to show any significant growth. The hotel continues to trade in a difficult and challenging environment which, coupled with the ongoing refurbishment of the rooms, is not expected to report any significant improvement.

B4. Profit forecast

No profit forecast was issued for the financial period.

B5. Tax expense

Taxation comprises the following:

	3 Months Ended		Cumulative Year Ended	
	31-Dec-16 RM'000	31-Dec-15 RM'000	31-Dec-16 RM'000	31-Dec-15 RM'000
Within Malaysia In respect of the current period:				
Taxation	25,157	28,391	103,184	108,527
Deferred taxation	(11,817)	4,408	(11,513)	6,639
	<u>13,340</u>	<u>32,799</u>	<u>91,671</u>	<u>115,166</u>

Overall the effective tax rate is lower as income from KLCC REIT is not being subject to tax in accordance with S61A of the ITA.

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

There were no corporate proposals announced but not completed as at the date of this report.

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B9. Borrowings

	RM'000	RM'000
Short term :		
<u>Secured</u>		
<u>KLCCP</u>		
Term loans	1,786	
<u>KLCC REIT</u>		
Sukuk Murabahah	317,478	
		319,264
Total short term		<u>319,264</u>
Long term :		
<u>Secured</u>		
<u>KLCCP</u>		
Term loans	378,166	
Sukuk Murabahah	600,000	
<u>KLCC REIT</u>		
Sukuk Murabahah	1,255,000	
Total long term		2,233,166
Total borrowings		<u><u>2,552,430</u></u>

B10. Material litigation

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

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B11. Dividend/Income Distribution

The Board has declared the following dividend/income distribution for the quarter ended 31 December 2016:

	Total stapled securities	Dividend/Income Distribution per stapled security (sen)	Total dividend payable (RM'000)
KLCCP	1,805,333,083	4.17	75,282 ¹
KLCC REIT	1,805,333,083	5.68	102,543 ²
Total		<u>9.85</u>	<u>177,825</u>

¹ Dividend declared under KLCCP is tax exempt under single tier system.

² Income distribution to unitholders will be subject to withholding tax at the following rates:

Unitholders	Withholding tax rate
Individuals & All Other Non-Corporate Investors such as institutional investors (resident and non-resident)	10%
Non-resident corporate investors	24%
Resident corporate investors	0%

The dividend and income distribution for KLCCP and KLCC REIT will be paid on 28 February 2017. The book closure date in respect of both the aforesaid interim dividend and income distribution is 8 February 2017.

B12. Profit for the Period

	3 Months Ended		Cumulative Year Ended	
	31-Dec-16 RM'000	31-Dec-15 RM'000	31-Dec-16 RM'000	31-Dec-15 RM'000
Profit for the period is arrived at after charging:				
Depreciation of property, plant and equipment	6,270	8,046	33,146	30,492
Property, plant and equipment written off	2,720	-	2,720	-
Bad debts written off	186	190	186	190
Allowance for/(Reversal of) impairment losses	468	(170)	468	(170)
Loss/(Gain) on disposal of property, plant and equipment	<u>508</u>	<u>(2)</u>	<u>508</u>	<u>(2)</u>

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

KLCC PROPERTY HOLDINGS BERHAD

(Company No.: 641576-U)

Incorporated in Malaysia

Notes on the quarterly report – 31 December 2016

B13. Realised and Unrealised Profit

The breakdown of the retained profits of the Group as at 31 December 2016 into realised and unrealised profits is as follows:

Total retained profits of KLCCP Group and its subsidiaries:-			
	KLCCP RM'000	KLCC REIT RM'000	Total RM'000
- Realised	471,244	351,983	823,227
- Unrealised	25,477	-	25,477
	<u>496,721</u>	<u>351,983</u>	<u>848,704</u>
Total share of retained profits from associate:			
- Realised	83,026	-	83,026
- Unrealised	-	-	-
	<u>83,026</u>	<u>-</u>	<u>83,026</u>
Total Group retained profits	579,747	351,983	931,730
Less: Consolidation adjustments			(727,175)
Total Group retained profits as per consolidated accounts			<u>204,555</u>

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

B14. Summary of NAV

	As at 31 December 2016	
	KLCC REIT	KLCCP Stapled Group
Number of units listed	1,805,333,083	1,805,333,083
Net Asset Value (RM'000)	7,912,211	12,794,193
Net Asset Value per unit holder (RM)	4.3827	7.0869

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B15. Earnings per stapled security (“EPSS”)

a) With Fair Value Adjustment

	3 Months Ended		Year Ended	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Basic earnings per stapled security				
Profit attributable to ordinary equity holders of the company (RM'000)	141,233	380,325	339,038	542,751
Profit attributable to unit holders of KLCC REIT (RM'000)	205,895	243,024	546,933	588,770
	<u>347,128</u>	<u>623,349</u>	<u>885,971</u>	<u>1,131,521</u>
Weighted average number of stapled securities in issue ('000)	1,805,333	1,805,333	1,805,333	1,805,333
Basic earnings per stapled security (sen)	<u>19.23</u>	<u>34.53</u>	<u>49.08</u>	<u>62.68</u>

b) Without Fair Value Adjustment

	3 Months Ended		Year Ended	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Basic earnings per stapled security				
Profit attributable to ordinary equity holders of the company (RM'000)	141,233	380,325	339,038	542,751
Profit attributable to unit holders of KLCC REIT (RM'000)	205,895	243,024	546,933	588,770
Less: Fair value adjustments	<u>(166,946)</u>	<u>(439,196)</u>	<u>(166,946)</u>	<u>(406,996)</u>
	<u>180,182</u>	<u>184,153</u>	<u>719,025</u>	<u>724,525</u>
Weighted average number of stapled securities in issue ('000)	1,805,333	1,805,333	1,805,333	1,805,333
Basic earnings per stapled security (sen)	<u>9.98</u>	<u>10.20</u>	<u>39.83</u>	<u>40.13</u>

BY ORDER OF THE BOARD

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