

Vaccination Tracker

9.32M

Doses administered

MORE DETAILS →



...

WORLD

CORPORATE

MALAYSIA

Select Language ▼

Update

IGB REIT's 1Q net property income up 4%, DPU at 2.36 sen

Gho Chee Yuan / theedgemarkets.com

April 26, 2016 18:35 pm +08



A

KUALA LUMPUR (April 26): IGB Real Estate Investment Trust's (IGB REIT) 1QFY16 net property income (NPI) grew nearly 4% to RM93.62 million, from RM90.05 million, driven by higher total rental income in the current quarter.

For 1Q, the trust manager's distributable income gained 4% to RM82.66 million or 2.36 sen per unit, consisting of realised profit of RM72.8

million and the non-cash adjustment arising mainly from manager fee payable in units of RM8.5 million.

Its distribution income in 1QFY15 stood at RM79.59 million or 2.27 sen per unit.

"No distribution was declared for the current financial period ended March 31, 2016," the trust manager told Bursa Malaysia in a filing today, adding at least 90% distributable income would be distributed semi-annually for the year 2016, subject to its financial position and in keeping with the manager's key objective of providing investors with regular and stable income distribution.

In a filing with Bursa Malaysia today, the manager of Mid Valley Megamall and The Gardens Mall said its revenue for the quarter was up 4.6% to RM131.21 million, from RM125.44 million a year ago, due to the same reason.

Going forward, IGB REIT said the growth in the retail sector in 1QFY16 was not too optimistic and may register a negative year-on-year growth of 0.4%.

It also noted that prices of retail goods and services have been increasing gradually, although weakening in oil prices has reduced consumers' spending power.

"The recent higher retrenchment (rate) from key economic sectors may slow down growth further," it said, adding that the 3% cut in employees' EPF (employee's provident fund) contribution may not contribute significantly to overall retail sales in 2016.

Notwithstanding the headwinds, IGB REIT continues to embark on asset enhancement initiatives to continually create value for unitholders of IGB REIT.

Shares in IGB REIT closed down one sen or 0.66% at RM1.50 today, valuing it at RM5.25 billion.

Subscribe to Mid-day
email alert

We deliver news to your
inbox daily

Email Address