

IGB REIT Q3 profit at RM75.8mil

Lower profit due to one-time write-back of step-up interest from term loan

PETALING JAYA: IGB Real Estate Investment Trust's (REIT) net profit for the third quarter to Sept 30 fell 8.8% to RM75.81mil on the back of a 3.19% jump in revenue to RM133.73mil.

The lower net profit was mainly due to a one-time write-back of step-up interest arising from a fixed rate term loan which was fully settled in the corresponding quarter in 2017.

IGB REIT has also declared a dividend of 2.29 sen per unit for the quarter.

The dividends will go ex on Nov 7, while the entitlement date is on Nov 9. The dividends will be paid on Nov 29.

Meanwhile, for the nine-month period, IGB REIT's net profit increased 0.89% to RM228.25mil, while revenue increased 2.03% to RM398.48mil.

Over this period, IGB REIT has declared dividends of 6.91 sen from 4.38 sen in the same period of the previous year.

The slightly higher income was mainly due to higher rental income and lower property operating expenses in the current period to date.

While Retail Group Malaysia has revised downward its 2018 retail sales growth, IGB

REIT endeavours to strengthen its performance by improving customer and shopper experience at both Mid Valley Megamall and The Gardens Mall.

It is determined to proactively explore asset-enhancement initiatives and ensure that the tenancy mix is responsive to meeting the evolving demands and changing preferences of customers and shoppers.

"These are expected to translate to a better performance to enable IGB REIT to maintain a stable flow of distributable income, and create long-term value for its unitholders," it told Bursa Malaysia.

In separate announcements, IGB REIT said that executive director Tan Boon Lee, 54, has resigned from the board due to a board reorganisation. Tan Yee Seng, 38, has also resigned from his position as non-executive director for the same reason.

Meanwhile, Tan Lei Cheng has resigned as a member of the Audit Committee, while Datuk Seri Robert Tan Chung Meng resigned as a member of the remuneration committee. Lei Cheng is a non-independent executive director, while Robert is managing director of IGB REIT.



Shopping experience: A file picture of shoppers at The Gardens Mall. While Retail Group Malaysia has revised downward its 2018 retail sales growth, IGB REIT endeavours to strengthen its performance by improving customer and shopper experience at both Mid Valley Megamall and The Gardens Mall.