
IGB REIT

1Q NPI rises nearly 73%

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KUALA LUMPUR (April 27): IGB Real Estate Investment Trust (REIT), which owns the Mid Valley Megamall and The Gardens Mall, announced that its net property income for the first quarter ended March 31, 2022 (1QFY22) soared 72.7% to RM107.71 million from RM62.38 million.

The investment trust attributed higher property income to reversal for impairment of trade receivables in the quarter under review and lower rental support given to tenants, which helped boost its revenue, according to its filing to Bursa Malaysia.

Quarterly revenue grew by almost 35% to RM133.81 million from RM99.44 mil-

lion a year ago as a result of lower rental support provided to tenants in the current quarter arising from the economic reopening and improving retail sales of tenants.

The REIT also declared an interim income distribution per unit (DPU) of 2.51 sen, payable on May 30.

Despite the current promising outlook for consumer spending and retail sales, IGB REIT said it will stay resilient and remains committed to bringing about long-term value for its stakeholders.

Based on Retail Group Malaysia (RGM), it said Malaysia's retail sales are anticipated to achieve a 6.3% growth for 2022, with 16.5% in the first quarter of 2022 on the back of Chinese New Year celebrations.

Further relaxation of containment measures as well as reopening of economic sectors and national borders also augur well for the growth prospects of retail sales in the course of the year, it said.

"Still challenges remain in 2022, particularly the impact of the Omicron variant resulting in higher new infections and increased hospitalisation rates.