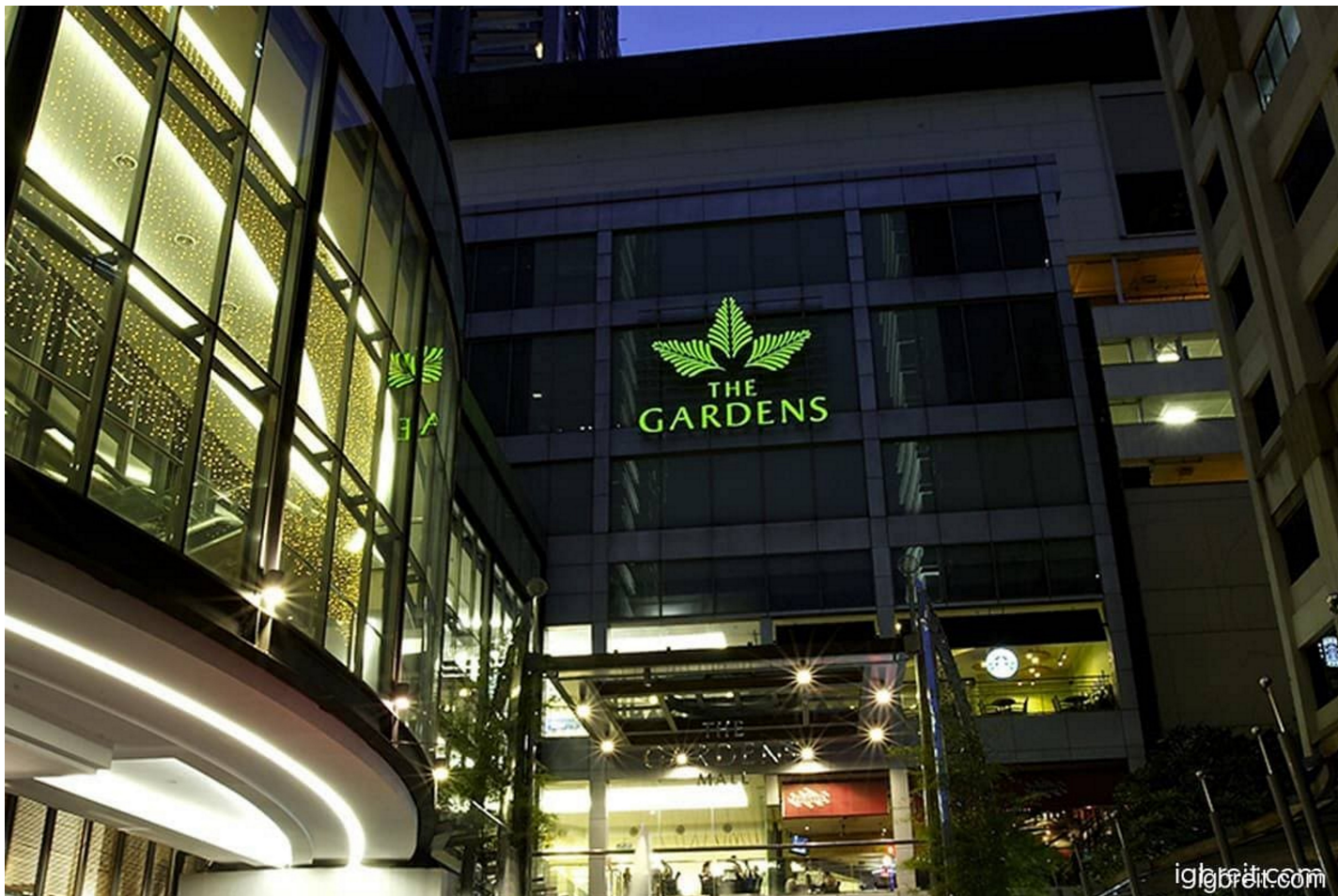


IGB REIT, IGB Commercial REIT post higher 1Q NPI on increase in rental income

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IGB REIT, IGB Commercial REIT post higher 4Q NPI on increase in rental income

KUALA LUMPUR (April 17): IGB Real Estate Investment Trust (IGB REIT) reported on Wednesday, a 4.79% jump in its first-quarter net property income (NPI) from a year earlier, thanks largely to higher rental income.

NPI for the first quarter ended March 31, 2024 (1QFY2024) rose to RM124.24 million, from RM118.55 million last year, according to IGB REIT's bourse filing. Revenue for 1QFY2024 stood higher by 5.14% at RM162.56 million, against RM154.62 million registered in 1QFY2023.

Looking ahead, IGB REIT expects the retail sector to record a 3.5% growth in 2QFY2024, with contributions mainly from the Hari Raya Aidilfitri festival, and an overall 4% growth for the full year of 2024.

However, it remains cautious about the rising cost of living and inflationary pressures, which may affect consumer spending, as well as lead to higher operating costs, potentially impacting retail sales.

Meanwhile, its sister company IGB Commercial REIT reported an NPI of RM34.23 million for 1QFY2024, 5.68% higher than the RM32.39 million recorded in the corresponding quarter in 2023, as revenue increased by 5.14% to RM162.56 million, from RM154.62 million.

IGB Commercial REIT attributed the increased in earnings to higher maintenance costs incurred in the preceding quarter, as per its bourse

filing on Wednesday.

For the next quarter ahead, IGB Commercial REIT said it will actively adopt strategic approaches to maintain the relevance of its investment properties in the market, while driving the business towards a future where environmental, social, and governance (ESG) integration becomes standard practice.

"To ensure synergy in IGB Commercial REIT's growth strategies, we offer flexible solutions that can accommodate shifts in market dynamics, while maintaining a high degree of customer service," it said.

Some of its notable assets that can be found in Mid Valley City include Menara IGB & IGB Annexe, Centrepont South, Centrepont North, and The Gardens South Tower, among others.

Meanwhile, those in its KL City portfolio include Menara Tan & Tan, G Tower and Hampshire Place Office.

IGB REIT declared an income distribution per unit (DPU) of 2.96 sen, while IGB Commercial REIT announced a DPU of 0.96 sen.

Both REITs set April 30 as the ex-date for their DPUs, with the amount to be disbursed to unitholders on May 27.

At Wednesday's closing bell, IGB REIT ended one sen higher, or 0.57%, at RM1.75, giving it a market value of RM6.31 billion. Meanwhile, IGB Commercial REIT closed up one sen, or 2.06%, at 49.5 sen, valuing the REIT at RM1.18 billion.