

IGB REIT's 1Q property income up 10% as rental earnings climb; pays 2.80 sen DPU | The Edge Markets

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KUALA LUMPUR (April 27): IGB Real Estate Investment Trust (IGB REIT), which operates the Mid Valley Megamall and The Gardens Mall here, posted a net property income of RM118.56 million for the first quarter ended March 31, 2023 (1QFY2023), up 10% from RM107.71 million in the same quarter a year ago, as the REIT recorded higher rental income.

Revenue grew 15.55% to RM154.62 million from RM133.81 million, with the REIT's net profit rising 12.7% to RM96.23 million from RM85.39 million, the REIT's bourse filing showed.

Distributable income climbed 11.96% to RM102.94 million from RM91.94 million.

IGB REIT announced its first income distribution for FY2023 of 2.80 sen per unit, to be paid on May 30. This amounts to a payout of RM100.5 million or 97.5% of its quarterly distributable income.

The board of directors has decided to make a distribution of at least 90% of IGB REIT's distributable income on a quarterly basis for the year ending Dec 31, 2023, said IGB REIT.

As at March 31, Henry Butcher Malaysia Sdn Bhd has maintained the valuation of Mid Valley and The Gardens Mall at RM3.70 billion and RM1.32 billion respectively, according to its filing.

On its prospects, IGB REIT said that it remained cautious on the challenges for growth of retail sales in 2023, which would affect tenants' performance at shopping malls and its financial performance.

"Nonetheless, IGB REIT remains committed to bringing about long-term value to its stakeholders."

IGB REIT's unit closed two sen or 1.18% higher to RM1.72 on Thursday (April 27), valuing the investment trust at RM6.18 billion.