

IGB Commercial REIT's 2Q NPI Up 11%, Declares 0.97 Sen DPU

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IGB Commercial Real Estate Investment Trust (IGB Commercial REIT) reported a 10.8% increase in net property income (NPI) to RM34.45 million for the second quarter ended June 30, 2024 (2QFY2024), up from RM31.11 million in the same period last year, driven by higher rental income.

Financial Highlights:

- **Net Profit:** The REIT saw a 2.7% increase in net profit to RM16.51 million compared to RM16.1 million a year earlier.
- **Earnings Per Share:** EPS rose to 0.70 sen for 2QFY2024 from 0.69 sen for 2QFY2023.
- **Revenue:** Quarterly revenue grew 8.2% to RM57.29 million from RM52.95 million in 2QFY2023.
- **Distribution:** IGB Commercial REIT declared a distribution of 0.97 sen per unit for 2QFY2024, payable on Aug 30.

For the cumulative six months ended June 30, 2024 (1HFY2024):

- **NPI:** Improved by 8.2% to RM68.7 million from RM63.5 million a year earlier.
- **Revenue:** Came in at RM113.25 million, up 7.5% from RM105.32 million in 1HFY2023.

- **Net Profit:** Amounted to RM35.41 million, a 5.7% increase from RM33.5 million in 1HFY2023.

Strategic Focus:

IGB Commercial REIT plans to:

- **Marketing & Leasing:** Continuously focus on marketing available office spaces with intensified leasing strategies and flexible tenant programmes.
- **Asset Management:** Remain active in asset management to drive cost efficiencies.
- **Sustainability:** Adopt strategic business approaches prioritizing sustainability and high standards for tenant well-being, along with community engagement programmes.

Property Portfolio:

- **Mid Valley City Properties:** Includes Menara IGB, IGB Annexe, Centrepoint South, Centrepoint North, The Gardens South Tower, The Gardens North Tower, Boulevard offices and retail, and Southpoint offices and retail.
- **Kuala Lumpur Properties:** Includes Menara Tan & Tan, GTower, and Hampshire Place office.

Occupancy Rates:

- **Mid Valley City:** 92.8% as at June 30, 2024, up from 87.3% a year earlier.
- **Kuala Lumpur City:** 71.8%, up from 65.3% as at June 30, 2023.

Market Performance:

IGB Commercial REIT units closed down 0.5 sen or 1.03% to 48 sen on Thursday, giving it a market capitalization of RM1.14 billion. The REIT's units have slid 2.04% so far this year.

The improved financial performance and strategic initiatives highlight IGB Commercial REIT's resilience and adaptability in a competitive market, positioning it well for future growth and sustainability.