

KUALA LUMPUR (Jan 23): Maintenance and upgrading works led to a decline in net property income (NPI) for IGB Real Estate Investment Trust (REIT) (KL:IGBREIT) and IGB Commercial REIT (KL:IGBCR) in their fourth quarter ended Dec 31, 2024 (4QFY2024). Property developer IGB Bhd is the sponsor of both trusts, holding 47.95% in IGB REIT and 50.01% in IGB Commercial REIT.

IGB REIT, which focuses on retail properties, with key assets being Mid Valley Megamall and The Gardens Mall, reported that its NPI for 4QFY2024 fell 6.4% to RM107.88 million from RM115.24 million in the same period last year. Revenue was largely unchanged at RM158.3 million during the quarter under review, versus RM158.47 million previously.

IGB's REITs report dips in 4Q NPI amid upgrades

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The lower quarterly NPI was primarily due to maintenance costs for mechanical and electrical equipment, upgrading and restoration works, and marketing expenses incurred in the quarter, the REIT said in its bourse filing.

Its distributable income for 4QFY2024 amounted to RM92.5 million — derived from a profit of RM88.5 million plus non-

cash adjustments mainly from a net fair value change of RM233.5 million, minus a management fee of RM6.7 million and distribution adjustment of RM226.54 million, payable in units. This compares to RM99.81 million in 4QFY2023.

The REIT's distribution per unit (DPU) dipped to 2.5 sen from 2.7 sen in the same period last year. This brings total DPU for the full FY2024 to 10.7 sen, compared to 10.47 sen in FY2023.