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# IGB-REIT quarterly earnings triple to RM319mil

**PETALING JAYA:** IGB Real Estate Investment Trust (IGB-REIT) has reported that the Retail Group Malaysia is anticipating the retail industry to achieve a 4% expansion rate in 2025, based on the expected gross domestic product (GDP) growth of between 4.5% and 5.5% this year.

However, the investment manager remains wary of the rising cost of living, economic uncertainty and increased operating and regulatory costs, as well as changing consumer behaviour as it believes these factors remain the key challenges to retail sales growth in 2025.

The increasing number of shopping centres has also intensified competition in the retail industry.

Releasing its results for the full year

ended Dec 31, 2024 yesterday, IGB-REIT which manages Mid Valley Megamall saw net profit more than tripling year-on-year (y-o-y) for the December quarter (4Q24) to RM319mil even though revenue slid 0.1% to RM158.3mil.

Net property income was at RM107.9mil, which decreased 6.4% y-o-y compared with the preceding year's quarter of RM115.2mil.

The investment trust attributed the lower total revenue and net property income primarily to the reduced rental income and higher property operating expenses in 4Q24, while pointing to the net fair value changes of RM233.5mil in relation to its investment properties for the surge in earnings.

Cumulatively for 2024, it recorded a 12% y-o-y growth in net profit to RM579.8mil on

the back of a 3.6% increase in turnover to RM626.1mil.

Net property income was at RM455.7mil, charting a growth of 1.7% compared with the preceding year's RM447.9mil.

In a filing with Bursa Malaysia, IGB-REIT said: "The higher total revenue and net property income were mainly due to the higher rental income in the current year-to-date. The higher profit after taxation was mainly due to the net fair value changes of RM211.1mil in relation to the investment properties in the current year-to-date."

The investment trust declared a dividend of 2.5 sen per share for 4Q24, bringing the cumulative dividends announced for 2024 to 10.7 sen per share, a slight improvement to the 10.47 sen per share declared for the whole of 2023.