

By Navineshkumar Selvakumar / theedgemalaysia.com



KUALA LUMPUR (May 20): IGB Bhd's (KL:IGBB [ASK](#) **EDGE**) first quarter net profit surged by more than fivefold to RM501.98 million from RM89.07 million a year ago, thanks mainly to a one-off disposal of the group's UK-based assets in the hotel segment.

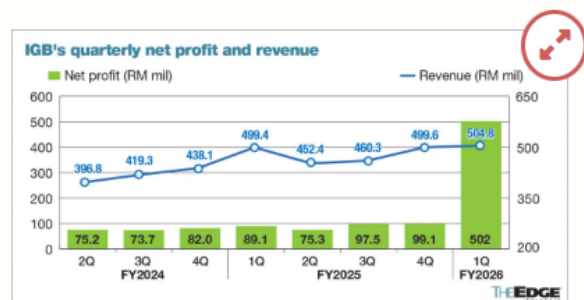
The improved earnings were also attributed to higher contributions from the hotel, property investment-retail and property investment-commercial segments.

Revenue for the quarter ended March 31, 2026 (1QFY2026) inched up 1.08% year-on-year to RM504.82 million from RM499.38 million, supported by the stronger contributions from the business segments.

Earnings per share rose to 25.22 sen from 4.47 sen in 1QFY2025.

The group declared a special dividend of 2.5 sen per share, payable on June 25.

Looking ahead, IGB expects to counter a shift in local consumer sentiment toward affordability and necessity by accelerating strategic retail enhancements and leveraging national tourism, noting that rising operating costs and ongoing government fuel subsidy cuts squeeze domestic shopper budgets.



While retail spending faces short-term pressures, the group noted that its commercial property investment segment continues to outperform in a "flight-to-quality" environment. This sustained outperformance is primarily driven by its premium, green-certified office portfolio and tenant-focused management mindset, it said.

IGB added that the hospitality sector is poised to benefit from the Visit Malaysia 2026 campaign, despite persistent global economic headwinds. Supported by the grand reopening of St Giles Mid Valley, Kuala Lumpur, the group remains cautiously optimistic about the ongoing operational resilience of its hotel properties.

In property development, the group said that it is advancing sales of Southpoint Residences, the final component of Mid Valley City. The future pipeline features premium residential launches at The Batai in Bukit Damansara and Merbau Hub & Residences in Bangsar South.

Combined with its maiden industrial venture at the EKA Industrial Park, IGB said the total pipeline gross development value exceeds RM1.5 billion, while the Ministry of Economy's recent nod for land acquisition at Southkey, Johor secures the group's long-term strategic expansion.

As at market close on Wednesday, IGB's shares were down two sen or 0.83% at RM2.38, valuing the group at RM4.85 billion.

Edited By S Kanagaraju