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IGB plans to raise RM700mil from retail property trust

KUALA LUMPUR: [IGB Corp](#), the third-largest property developer by market value, plans to raise about RM700mil by selling shares in a retail property trust, said two people familiar with the matter.

The trust may list units in the second half of the year here, said the people who declined to be named as the information is private.

IGB appointed [CIMB Investment Bank Bhd](#), [Credit Suisse Group AG](#) and [Hong Leong Investment Bank Bhd](#) as joint global coordinators for the initial public offering, according to a [Bursa Malaysia](#) filing.

IGB is taking advantage of a stock-market rebound that pushed the benchmark FTSE Bursa Malaysia KLCI Index to a record earlier this month. [Felda Global Ventures Holdings Bhd](#), [Malakoff Bhd](#) and [Gas Malaysia Bhd](#) are also planning stock sales, after the value of equity offerings in the country slumped to an three-year low in 2011.

IGB [Managing Director Robert Tan](#) couldn't immediately be reached for comment. *Reuters* reported on March 22 that IGB was seeking to raise RM600mil to RM700mil through the trust listing, citing an unidentified person. Plantations owner Felda Global may have a market capitalisation of about RM21bil after its IPO, [Mohd Isa Abdul Samad](#), chairman of parent company [Felda Holdings Bhd](#), said on Feb 14.

IGB's trust would initially hold two Kuala Lumpur shopping malls the Gardens Mall and Mid Valley Megamall which IGB would acquire from its subsidiary [KrisAssets Holdings Bhd](#).

Mid Valley Megamall is home to 420 outlets, according to KrisAssets' website, while The Gardens houses 200 shops including department chains Isetan and Robinsons.

IGB's offering comes after Pavilion Real Estate Investment Trust, another Kuala Lumpur shopping center owner, raised RM710mil in an IPO in November to become the country's second-biggest property trust by market value. It overtook [CapitaMalls Malaysia Trust](#), a unit of Singapore's [Capitaland Ltd](#), which raised RM852mil through an IPO in 2010.

Bloomberg