

IGB Q4 earnings jump to RM86mil

KUALA LUMPUR: IGB Corp Bhd posted earnings of RM86.72mil in its fourth quarter ended Dec 31, 2017, which was nearly double the earnings achieved in the previous corresponding quarter.

This came on the back of revenue growing 16% to RM329.35mil due to a turnover of RM61.9mil from the disposal of land by a subsidiary.

The latest quarterly result brings the group's full year earnings to RM464.6mil, a 2% improvement over earnings in the previous financial year, despite total revenue slipping 5% to RM1.09bil.

No dividend was declared for the quarter under review, which brings total dividends paid out during the year to five sen per share.

In its filing with the stock exchange, IGB said its hotel division posted 21% lower revenue in the year under review to RM300.8mil while the investment division contributed 32% lower revenue to RM41.4mil year-on-year.

“Revenue from the hotel division was lower mainly as a result of the reduction in revenue arising from the disposals of Cititel Express Kuala Lumpur, MiCasa Hotel Apartments, Yangon and Renaissance Kuala Lumpur Hotel which were completed in March 2016, July 2016 and January 2017 respectively,” it said.

The group's property development division saw a 9% increase in revenue to RM102.3mil due to the one-off recognition of land disposal.

IGB said it has not launched any new development projects in view of the current weak sentiment in the property sector but currently has two projects – Damai Residence in Ampang and Stonor 3 in Kuala Lumpur City Centre – in progress.

In its property investment division, the commercial segment saw a 2% increase in revenue to RM127.6mil while the retail segment grew 5% to RM518.3mil.

“The group's retail division, represented by IGB REIT, the owner of Mid Valley Megamall and The Gardens Mall reported total gross revenue and net property income of RM524.9mil and RM373.6mil respectively, both an increase of about 3% when compared to the previous year,” it said.