

IGB Reit's Q3 net property income lower by 2.8%

PETALING JAYA: IGB Real Estate Investment Trust (Reit) recorded a 2.8% decline in net property income for its third quarter ended Sept 30 to RM97.83 million from RM100.7 million in the previous corresponding quarter, mainly due to the lower rental income and lower car park income arising from the Covid-19 pandemic and resultant movement control orders.

Profit after tax was RM76.8 million, dropped 3.7% compared with the corresponding quarter in 2019 of RM79.8 million, while gross revenue was RM130.7 million, down 4.1% from RM136.3 million in 2019's corresponding quarter.

Distributable income for the current quarter amounted to RM83.3 million, consisting of realised profit of RM76.8 million and non-cash adjustments arising mainly from manager fees payable in units of RM5.7 million.

"The current sluggish economic and business conditions are expected to result in a material adverse impact on the financial performance for the financial year ending Dec 31," IGB Reit said in a filing.

For the cumulative period, IGB Reit's net property income was RM223.6 million, a decrease of 26.1% compared with RM302.7 million in the corresponding period in 2019. Profit after tax was RM164.7 million, 31.5% lower than RM240.6 million previously.

Gross revenue was RM317.7 million, a 23% decline from RM412.5 million.

The distributable income for the current period-to-date came to RM181.8 million.