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CORPORATE NEWS

IGB REIT posts 51% rise in 3Q profit, declares 3.51 sen distribution

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PETALING JAYA: IGB Real Estate Investment Trust (IGB REIT) posted a 50.8% jump in net profit to RM144.2mil for the third quarter ended Sept 30, 2026, as the addition of The Mall, Mid Valley Southkey lifted earnings across the board.

Revenue climbed 50.9% year-on-year (y-o-y) to RM249.3mil while net property income rose 48.3% to RM185.2mil, according to its Bursa Malaysia filing on Oct 30.

IGB REIT noted Southkey, which had no contribution in the year-ago quarter, added RM78.8mil in revenue and RM62mil in net property income.

The existing malls' performance also improved. Mid Valley Megamall's revenue grew 2.4% to RM116.9mil in the period, while The Gardens Mall's rose 5.2% to RM53.7mil. However, The Gardens Mall's net property income slipped 5.8% to RM33.4mil.

On a quarter-on-quarter basis, revenue rose 3.5% and profit also increased 3.5%, driven by higher rental income.

For the nine months, net profit surged 51.4% y-o-y to RM446.2mil on revenue of RM751.6mil.

The REIT declared a distribution of 3.51 sen per unit, or RM152.2mil, representing 97.5% of distributable income, payable on Nov 30 to unitholders registered on Nov 16. That brings the year-to-date payout to 10.95 sen, against 8.78 sen a year ago.

Net asset value per unit stood at RM1.45 after distribution. The units closed at RM2.83 at the end of the quarter, up from RM2.76 three months earlier.

On the balance sheet, a RM1.2bil medium term note issued by IGB REIT Capital Sdn Bhd, due in September 2027, has been reclassified as a current liability, which pushed current borrowings to RM1.21bil.

The manager said it intends to refinance the note at maturity. Total borrowings were RM2.24bil, while finance costs for the quarter rose to RM23.5mil from RM13.6mil.

Looking ahead, the manager expects moderate growth in the retail sector for the rest of 2026, supported by domestic consumption and tourism.

TAGS / KEYWORDS:
IGB REIT , Mid Valley Southkey , Retail , Domestic Consumption , Mid Valley Megamall , The Gardens Mall