

Sunway REIT 1Q net property income up 15.5% y-o-y

BY TAN XUE YING

KUALA LUMPUR: Sunway Real Estate Investment Trust (REIT) kicked off its financial year 2018 (FY18) with a strong first-quarter performance, with net property income (NPI) rising 15.5% year-on-year (y-o-y) to RM111.99 million on the back of higher revenue and lower property operating expenses.

Quarterly revenue increased 9.5% to RM141.17 million in the three months ended Sept 30, 2017 (1QFY18) from RM128.88 million in 1QFY17, mainly contributed by higher revenue across all segments.

It also proposed an income dis-

tribution per unit (DPU) for 1QFY18 of 2.67 sen, payable on Nov 29.

In a statement yesterday, Sunway REIT said its retail segment's revenue improved by 3.9% y-o-y to RM103.6 million in 1QFY18, underpinned by the high average occupancy rates of all retail malls in its stable of asset portfolio, mainly due to higher average gross rent for Sunway Pyramid shopping mall. The segment's NPI also increased 9.4% y-o-y to RM78.3 million on the back of higher revenue and lower property operating cost.

The hotel segment, meanwhile, saw revenue and NPI increase 40.9% and 43.7% y-o-y respectively, in 1QFY18, primarily attribut-

able to full resumption of operation at Sunway Pyramid Hotel following the completion of its refurbishment in June.

In addition, Sunway Putra Hotel enjoyed higher average occupancy and average daily rates during the quarter, benefited from higher demand from the Southeast Asian Games 2017 and the Asean Para Games 2017 held in August and September respectively.

As for the office segment, Sunway REIT said it reported a revenue and NPI growth of 8.1% and 8.5% y-o-y respectively, largely attributable to higher average occupancy rates at Menara Sunway and Sunway Putra Tower.