

Headline	Results in line as Sunway REIT receives maiden contribution		
MediaTitle	Borneo Post (KK)		
Date	05 May 2018	Language	English
Circulation	89,224	Readership	267,672
Section	Business	Page No	A9
ArticleSize	84 cm <sup>2</sup>	Journalist	N/A
PR Value	RM 702		



## Results in line as Sunway REIT receives maiden contribution

**KOTA KINABALU:** Sunway Real Estate Investment Trust (Sunway REIT) saw its core net income (CNI) came in RM217.5 million made up 76.6 per cent of our FY18 forecast and 75.2 per cent of consensus'.

MIDF Amanah Investment Bank Bhd (MIDF Research) CNI for the period rose 6.8 per cent y-o-y to RM217.5 million as revenue grew 9 per cent yoy to RM424.2 million.

The retail segment's NPI grew 3.7 per cent to RM226.3 million due to positive rental reversion from Sunway Pyramid and Sunway Carnival while hotel segment jumped 39.5 per cent to RM60.7 million, mainly due to the full re-opening of Sunway Pyramid Hotel.

"Meanwhile, the office segment NPI is down slightly by 1.6 per cent to RM12.1 million due to maintenance costs at Menara Sunway. The addition of the Shah Alam industrial asset helped to boost the other segment by 26.4 per cent to RM20.6 million," MIDF Research.

"While its revenue grew five per cent y-o-y to RM141.5 million, it was offset by borrowing costs that rose 21.7 per cent yoy to RM27.4 million due to the higher borrowings drawn down for the acquisition of Sunway Clio as well as higher borrowing costs that averaged at 3.95 per cent during the quarter versus 3.93 per cent in 2QFY18."