

SunREIT posts higher profit

PETALING JAYA: Sunway Real Estate Investment Trust (SunREIT) has posted a net profit of RM207.11mil for its fourth quarter ended June 30, making a full financial year 2018 net profit of RM427.69mil.

This represents an increase of 0.8% as compared to the previous financial year, mainly due to higher net property income but partially offset by higher finance costs.

Revenue for financial year 2018 was up 7.2% to RM560.41mil, underpinned by the retail segment and income contribution from newly completed acquisitions, namely Sunway REIT Industrial – Shah Alam 1 and Sunway Clio Property.

Based on SunREIT's last traded unit price of RM1.77 as at June 30, the proposed and declared distribution per unit (DPU) translated

into a distribution yield of 5.4%.

During the financial year, SunREIT had completed two acquisitions with a total combined property value of RM436mil.

As a result, SunREIT's property value increased by 8.8% to RM7.28bil as at June 30, 2018, contributed by acquisitions, fair value gain and capital expenditure.

For the fourth quarter, SunREIT has proposed a DPU of 2.15 sen, supported by the stable performance during the quarter.

In a statement yesterday, Sunway REIT Management Sdn Bhd CEO Datuk Jeffrey Ng said the group's acquisition growth strategy had yielded desired results as the two newly completed properties had contributed positively to the income stream and cushioned the softer performance in some existing properties.