

# KPJ Healthcare prepares itself for REIT listing

MAIN board-listed KPJ Healthcare Bhd has proposed to dispose of selected hospitals within the KPJ group for an aggregate value of approximately RM300mil in relation to the proposed establishment and listing of a real estate investment trust (REIT).

According to the company statement, the proposal would enable KPJ to unlock the value of its properties and raise funds for other investments as well as to reduce its borrowings and gearing.

With the reduction in borrowings, KPJ would be able to reduce its interest cost.

KPJ Healthcare has appointed AmMerchant Bank Bhd, a member

of AmInvestment Group Bhd, as the advisor for the proposal.

The relevant parties will announce details of the proposal upon the execution of the sale and purchase agreements pertaining to the said proposal.

KPJ Healthcare's proposal is the latest among a number of companies that have signalled their intention to execute a REIT.

YTL Corp Bhd's proposal to list Starhill REIT on Bursa Malaysia Main Board has been approved by the authorities.

Asset-rich Guocoland (M) Bhd (GLM) will also set up a REIT, focusing on its commercial properties.

Star Biz

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