

## KPJ proposes RM300m REIT

by Jeeva Arulampalam

KPJ Healthcare Bhd has proposed to set up a real estate investment trust (REIT) via the disposal of selected hospitals within the group for a total of about RM300 million.

In a statement on Sept 1, KPJ said the proposal would enable them to unlock the value of its properties and raise funds for other investments.

It will also reduce its borrowings and gearing, whereby a reduction in borrowings would enable KPJ Group to reduce its interest cost.

KPJ is now the largest private healthcare group in the country serving over one million outpatients and 100,000 in-patients in Malaysia with a network of 17 hospitals in Malaysia, Indonesia and Bangladesh.

KPJ has appointed AmMerchant Bank Bhd, a member of AmInvestment Group Bhd, as the adviser for the proposal.

It said details of the proposal would be announced upon the execution of the sale and purchase agreements.

*The Edge Online  
2 September 2015*