

Al-'Aqar KPJ REIT posts 2Q net profit of RM10.94m

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KUALA LUMPUR: Al-'Aqar KPJ real estate investment trust (REIT) posted a net profit of RM10.94 million for the second quarter (2Q) ended June 30, 2010, up 21.4% from RM9.01 million a year ago, it announced on Bursa Malaysia on Monday, Aug 30.

Meanwhile, revenue increased by 20% to RM17.21 million from RM14.3 million a year ago.

The company said that expenditure for the period was RM6.44 million, with RM563,926 due to property expenses.

Overall assets of the REIT, which currently comprises 20 hospitals valued at RM1.06 billion as at June 30, 2010, is expected to grow following the completion of the third REIT injection.

The third REIT injection comprises nine assets valued at RM348.4 million, and has been largely completed, with the exception of the KPJ Tawakal Hospital Building.

The newly added buildings are expected to have leasing arrangements similar to the REIT's current hospitals to enhance rental income in the future and offer favourable returns to unit holders.

"Al-'Aqar KPJ REIT, after considering the strength of the healthcare real estate portfolio invested, will enjoy 100% rate of occupancy and collections," it said.

"The fund's performance for the remainder of the year is expected to be satisfactory with the existing investment portfolio and consistent acquisition in order to maintain its performance," it added.

Basic earnings per share stood at 1.89 sen, up from 1.83 sen a year ago while net assets per share stood at RM1.03 from RM1.04 a year ago.