KIP-REIT posts record FY26 results, declares 7.26 sen income distribution

KUALA LUMPUR: KIP real estate investment trust (KIP-REIT) has posted record financial results for the financial year ended June 30, 2026 (FY26), driven by contributions from newly acquired assets and resilient performance across its retail portfolio.

In a statement, KIP-REIT said its gross revenue rose 30.1% year-on-year to RM177.1mil, while net property income (NPI) increased 34.1% to RM129.9mil.

Realised profit after tax climbed 42.7% to RM73.6mil, and income available for distribution grew 41.4% to RM74.5mil.

For the fourth quarter ended June 30, 2026 (4Q26), KIP-REIT proposed an income distribution of 2.03 sen per unit, amounting to RM19.5mil.

This brought the total distribution for FY26 to a record 7.26 sen per unit, up from 6.80 sen a year earlier, translating into a distribution yield of 8.6% based on its closing unit price of 85 sen as at June 30.

The entitlement date is Aug 7, 2026, with payment scheduled for Sept 2, 2026.

For 4Q26, KIP-REIT's gross revenue rose 20.9% to RM48.2mil, while NPI rose 26.2% to RM35.4mil.

Realised profit after tax grew 33.0% to RM20.2mil, and distributable income increased 30.7% to RM20.5mil.

KIP-REIT said the improved performance was mainly supported by stronger contributions from its existing retail portfolio and newly acquired assets, including KIPMall Desa Coalfields, KIP Kuantan, and industrial properties in Bintulu and Pasir Gudang.

Retail assets remained the group's largest earnings contributor, accounting for 93.4% of total revenue.

Chief executive officer Valerie Ong said FY26 marked the trust's strongest financial and operational performance since its listing in 2017, supported by active asset management, disciplined leasing and successful asset enhancement initiatives.

"We achieved record revenue, net property income, profit after tax and annual distribution to unitholders, demonstrating the resilience of our portfolio, the dedication of our team, and the successful execution of our long-term strategy," she said.

Separately, unitholders approved the proposed acquisition of Setapak Central Mall for RM435mil, together with a private placement of up to 220 million new units, at an extraordinary general meeting.

The acquisition is expected to increase KIP-REIT's assets under management to RM2.1bil, surpassing its RM2bil target ahead of schedule, while moving the trust closer to a RM1bil market capitalisation.