

# Pavilion REIT's 4Q net property income up 39%, pays 4.6 sen DPU

By Justin Lim / [theedgemaalaysia.com](https://theedgemaalaysia.com)

24 Jan 2024, 08:30 pm



KUALA LUMPUR (Jan 24): Pavilion Real Estate Investment Trust (Pavilion REIT) said its net property income (NPI) rose 38.97% to RM134.64 million for the fourth quarter ended Dec 31, 2023 (4QFY2023), from RM96.89 million a year earlier, due to increased revenue from its malls, including newly acquired Pavilion Bukit Jalil.

Quarterly revenue increased 47.54% to RM208.22 million from RM141.13 million in 4QFY2022, on the back of the revenue contribution by Pavilion Bukit Jalil that was acquired in June 2023, higher property occupancies that led to increase in rental income, as well as higher revenue rent from existing retail malls and advertising income.

The NPI was partly offset by a 66% rise in property operating expenses due to operating expenses from Pavilion Bukit Jalil and the electricity tariff surcharge hike from July 1, 2023, said Pavilion REIT in a statement.

The REIT declared a final income distribution per unit (DPU) of 4.6 sen, payable on Feb 29. This brings its total income DPU for FY2023 to 9.01 sen, compared with 8.37 sen for FY2022.

For FY2023 as a whole, Pavilion REIT's NPI gained 26.06% to RM459.11 million from RM364.2 million in FY2022. Full-year revenue rose 31.28% to RM723.81 million from RM551.35 million previously.

On prospects, the REIT said its manager, Pavilion REIT Management Sdn Bhd, expects an increase in foreign tourist arrival. But it cautioned that private consumption is expected to moderate compared to the previous year amid ongoing cost inflationary pressures, driven by new taxes and targeted subsidy rationalisation.

“Despite these challenges, domestic demand is expected to remain resilient with a turnaround in external demand. Pavilion REIT malls intend to have more dynamic and engaging experiences for its visitors with more regional tourism efforts to be introduced to boost tourism arrivals and spending,” it added.

Pavilion REIT units closed one sen or 0.8% lower at RM1.24, giving the REIT a market capitalisation of RM4.53 billion.

Edited By S Kanagaraju