

INDIABULLS PROPERTIES INVESTMENT TRUST
(a business trust registered under the Business Trusts Act, Chapter 31A of Singapore)
(Reg. No: 2008001)

FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE QUARTER ENDED 30 JUNE 2016

1(a) (i) Consolidated Income Statement for the quarter ended 30 June 2016

Particulars	Note	Group 1 April 2016 to 30 June 2016 S\$,000	Group 1 April 2015 to 30 Jun 2015 S\$,000	Change %
Property income				
Base rent	(a)	24,006	23,114	4
Operations and maintenance income	(b)	2,460	2,700	(9)
Car park and other income	(c)	507	550	(8)
Total income		26,973	26,364	2
Property expenses				
Advertisement	(d)	(1,109)	(1,174)	(6)
Operating maintenance and security	(e)	(3,310)	(3,444)	(4)
Legal and professional fees	(f)	(1,083)	(888)	22
Other operating expenses	(g)	(4,063)	(4,636)	(12)
Total property expenses		(9,565)	(10,142)	(6)
Net property income		17,408	16,222	7
Finance costs	(h)	(16,320)	(14,414)	13
Trust expenses				
Trustee fee	(i)	(108)	(116)	(7)
Management fee – Base	(j)	(1,360)	(1,458)	(7)
Management fee – Performance	(j)	(695)	(649)	7
Other trust operating expenses	(k)	(300)	(91)	N.M.
Foreign exchange gain	(l)	1	30	(97)
Loss before tax		(1,374)	(476)	N.M.
Income tax		-	-	N.M.
Loss for the period		(1,374)	(476)	N.M.

N.M. – not meaningful

Notes:

- (a) In the financial quarter ended 30 June 2016, Indiabulls Properties Investment Trust (“IPIT” or the “Trust”) earned rental income of S\$24.0 million (financial quarter ended 30 June 2015: S\$23.1 million). Please also refer to section 8 for further update.

In accordance with the applicable accounting policies and method as stated at note 3.3 (a) “Base rent and amenities income” on page 87 of IPIT’s Annual Report for the financial year ended 31 March 2016 (the “IPIT 2016 AR”), which states:

“Incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the directors of the Trustee-Manager (“Directors”) are reasonably certain that the tenant will exercise that option.”

In the financial quarter ended 30 June 2016, an amount of S\$0.1 million is included (financial quarter ended 30 June 2015: S\$0.8 million excluded) in the calculation of base rent on account of this treatment, and hence, is adjusted in the distributable income disclosed in the “Distribution Statement” in section 1(a)(iii) below as the S\$0.1 million was not received by IPIT but included in the base rent computation in the income statement.

- (b) Operations and maintenance income is the income arising from charges to tenants and is recognised in the period in which services are rendered.
- (c) Car park income is recognised in the period in which the services are rendered. Other income consists primarily of costs reimbursed by Indiabulls Property Management Trustee Pte. Ltd., as the trustee-manager of IPIT (the “Trustee-Manager”) to IPIT subsidiaries under the services agreement relating to the engagement of investment advisory and asset management services and interest income.
- (d) Advertisement cost is in relation to the advertisement and marketing of the properties in the IPIT Group’s portfolio. Please note that while the properties are still being actively marketed, this expense may have significant variance quarter on quarter.
- (e) Operating maintenance and security expenses relate to charges incurred for the maintenance and upkeep of the properties in the IPIT Group’s portfolio. These costs are recovered from tenants of the properties in the IPIT Group’s portfolio in respect of the area occupied. These expenses are also incurred in respect of the vacant area.

(f) In accordance with the disclosure in the prospectus of IPIT dated 2 June 2008 (the “Prospectus”) and as stated in the Property Management Agreements¹, Indiabulls Real Estate Limited (“IBREL”), in its capacity as the property manager of the properties in IPIT’s portfolio (the “Property Manager”) is entitled to :

- (1) lease management fees of S\$263,000 (financial quarter ended 30 June 2015: S\$256,000). The fees relate to 1.0% of the Gross Revenue² of the Trust Property (as defined in the Business Trusts Act, Chapter 31A of Singapore); and
- (2) property management fees of S\$526,000 (financial quarter ended 30 June 2015: S\$512,000). The fees relate to 2.0% of the Gross Revenue of the Trust Property.

There are also miscellaneous expenses of S\$294,000 (not paid to the Property Manager) (financial quarter ended 30 June 2015: S\$120,000) in relation to other professional fees that are not part of the fees above. The increase is mainly due to the appointment of a service provider that was used to explore avenues to reduce the finance cost.

(g) In the financial quarter ended 30 June 2016, other operating expenses amounting to S\$1.2 million (financial quarter ended 30 June 2015: S\$1.4 million) are in relation to the general management services including contract management services, financial and accounting services, corporate secretarial services, human resources and administrative services, corporate communications etc. The rates and taxes (property tax charges) as per the current assessment of One Indiabulls Centre and Indiabulls Finance Centre amounts to S\$1.0 million (financial quarter ended 30 June 2015: S\$1.8 million) and was the primary reason for net reduction in the operating expenses. The remaining amount mainly includes expenses in relation to the site security, repairs and maintenance, electricity and water expenses, rates and taxes, printing and stationery, insurance, IT support services, administration fees for foreign subsidiaries of IPIT and depreciation.

(h) In accordance with the applicable accounting policies and method as stated at note 3.19 “Borrowing costs” on page 102 of IPIT 2016 AR:

“Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the income statement in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds”.

Accordingly, finance cost is capitalised from the commencement of the development work until the date of completion. Subsequent to the date of completion of the development work, the borrowing costs in relation thereto are expensed in the income statement in the period in which they occur. Borrowings costs are incurred in relation to the specific borrowings and general borrowings. Specific borrowings are the borrowings with specified end-use defined as per the loan terms and are accordingly identified with the asset. The general borrowings have been identified with the assets in reference to their usage based on the funds allocation.

¹ “Property Management Agreements” refer to the property management agreement entered into between IPPL and the Property Manager (as defined herein) on 7 May 2008 and the property management agreement entered into between IRECPL and the Property Manager on 7 May 2008, for the management of the operations and maintenance of the properties in IPIT’s portfolio.

² “Gross Revenue” has the meaning assigned to it in the prospectus.

IAS 23 “Borrowing Costs” also states that “an entity shall suspend capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset”. Hence, interest expense incurred during the suspension of active development has been recognised in the Consolidated Income Statement.

As at 30 June 2016, the aggregate amount of IPIT Group’s borrowings have increased to S\$597.0 million (30 June 2015: S\$545.4 million) (also refer to section 1(b)(ii)). The increase in borrowings is the primary reason for the increase in the Finance cost for the financial quarter ended 30 June 2016 versus financial quarter ended 30 June 2015.

- (i) Under the trust deed dated 7 May 2008 constituting IPIT (as amended) (the “Trust Deed”), the Trustee-Manager is entitled to a trustee fee in cash of up to 0.02% per annum of the value of the Trust Property.
- (j) In accordance with the disclosure in the Prospectus, the Trustee-Manager is entitled to the (i) base component of the management fee (the “Base Fee”) and (ii) the performance component of the management fee (the “Performance Fee” and together with the Base Fee, the “Management Fee”) payable to the Trustee-Manager under the Trust Deed. The fees have been calculated on the basis of the provisions of the Trust Deed as summarised on page 18 of the Prospectus. The Base Fee is 0.25% per annum of the aggregate value of IPIT’s Trust Property. The Performance Fee is 4.0% per annum of IPIT’s net property income. The increase in IPIT’s net property income has resulted in increase in the Performance Fee. The Trustee-Manager has elected to receive the 100% of Management Fee in cash for the financial quarter ended 30 June 2016.
- (k) Other Trust operating expenses relate to the expenses at the trust level including professional fees, general and administration charges, etc. The increase in the expenses is mainly due to the advisors engaged in relation to the mandatory offer for and on behalf of Grapene Limited.
- (l) The functional currency of the Trust is Indian Rupees (“INR”) and the presentation currency is Singapore Dollar (“S\$” or “SGD”). In accordance with the applicable accounting policies and method as stated on page 88 of IPIT 2016 AR, note 3.4 “Functional Currency And Foreign currency translation”:

“Transactions in foreign currencies are initially recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the reporting date. All differences are taken to profit or loss”.

The foreign exchange gain is primarily in respect of the restatement of the monetary asset and liability denominated in foreign currencies and retranslated at the foreign exchange rate as at 30 June 2016 compared with the foreign exchange rate as at 31 March 2016. Such exchange gain / loss do not affect cash flow and are accordingly adjusted in the distributable income disclosed in the “Distribution Statement” in section 1(a)(iii). The exchange gain is realised when the monetary asset is converted to functional currency. The foreign exchange movement is in mainly relation to the accounting restatement of the cash and cash equivalents held in USD denomination (foreign currency) to the functional currency.

1(a) (ii) Statement of Comprehensive Income

	Group 1 April 2016 to 30 June 2016 S\$'000	Group 1 April 2015 to 30 June 2015 S\$'000
Loss for the period	(1,374)	(476)
Items that will not be subsequently reclassified to profit or loss		
Translation difference arising from conversion of functional currency into presentation currency (S\$) (see note below)	(25,169)	(52,337)
Total comprehensive income for the period attributable to unitholders of IPIT ("Unitholders")	(26,543)	(52,813)

Note:

The movement under the caption "Translation difference arising from conversion of functional currency into presentation currency" disclosed in the "Statement of Comprehensive Income" above is non-cash and purely in respect of the translation differences due to the movement in the conversion rates of the underlying currencies. The above treatment is consistent with the accounting policies as disclosed in note 3.4 "Functional Currency And Foreign currency translation" to the audited financial statements on page 88 of the IPIT 2016AR:

"The consolidated financial statements are presented in Singapore dollar ("S\$" or "SGD"), which is the Trust's presentation currency, as the financial statements are meant primarily for users in Singapore. The functional currency of the Trust is Indian Rupees ("INR")."

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the foreign exchange rate of exchange ruling at the balance sheet date. All differences are taken to the profit or loss.

Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

The functional currency of the Group's significant foreign subsidiaries, Indiabulls Properties Private Limited ("IPPL") and Indiabulls Real Estate Company Private Limited ("IRECPL") is INR. As at the reporting date, the assets and liabilities of IPPL and IRECPL and of all the other Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency of the Trust (S\$) at the rate of exchange ruling at the balance sheet date and their income statements are translated at exchange rates at the date of the transactions or a rate that approximates the exchange rates at the dates of the transaction. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign entity, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

1(a) (iii) Distribution Statement

	Group 1 April 2016 to 30 June 2016 S\$'000	Group 1 April 2015 to 30 June 2015 S\$'000
Loss for the period	(1,374)	(476)
Distribution adjustments (<i>see Note1</i>)	(229)	735
Total unitholders distribution³	(1,603)	259
Note 1 :		
Distribution adjustments comprise the items below:		
Straight lining of rental income (see note (a) of Consolidated Income Statement)	(90)	786
Marketing commission ⁴	(341)	(241)
Depreciation	203	220
Foreign exchange gain (see note (l) of Consolidated Income Statement)	(1)	(30)
Net effect of distribution adjustments	(229)	735

³ Under the Trust Deed, distributions shall be paid on a semi-annual basis for the six-month period ending 31 March and 30 September of each year.

⁴ As per the Property Management Agreement, the Property Manager is entitled to commission for new tenancies, renewal of existing tenants, leasing of additional space by existing tenants of the Trust Property. This is a cash expense for the Trust but as per the applicable accounting policies this is included in the carrying cost of the investment properties and hence not included in the consolidated income statement. Accordingly, the marketing commission has been disclosed as the distribution adjustment.

1(b) (i) Statement of Financial Position (for the IPIT Group) as at 30 June 2016

	Note	Group	Group
		30 June 2016	31 March 2016
		S\$'000	S\$'000
ASSETS			
Non-current assets			
Plant and equipment	(a)	12,677	13,421
Investment properties	(b),(k)	1,163,612	1,187,284
Total non-current assets		1,176,289	1,200,705
Current assets			
Cash and cash equivalents	Section 1(c)	23,246	9,031
Pledged fixed deposits	Section 1(c) note (b)	11,018	13,077
Prepayments	(c)	202,090	206,856
Trade and other receivables	(d)	15,520	15,679
Other current assets	(e)	32,601	29,992
Development properties (held-for-sale)	(f),(k)	1,261,168	1,274,115
Total current assets		1,545,643	1,548,750
Total assets		2,721,932	2,749,455
LIABILITIES			
Current liabilities			
Interest bearing loans and borrowings	Section 1(b)(ii)	109,941	174,254
Trade and other payables	(g)	18,014	19,369
Total current liabilities		127,955	193,623
Non-current liabilities			
Interest bearing loans and borrowings	Section 1(b)(ii)	487,021	421,033
Trade and other payables	(h)	54,009	52,999
Other non-financial liability	(i)	549,397	545,462
Deferred tax liabilities	(j)	298,886	305,131
Total non-current liabilities		1,389,313	1,324,625
Total liabilities		1,517,268	1,518,248
NET ASSETS		1,204,664	1,231,207
UNITHOLDERS' FUNDS			
Unitholders' funds		1,204,664	1,231,207

Notes:

- (a) The plant and equipment consist of the plant and machinery and construction equipment and other site-related costs. The plant and equipment was lower primarily due to the depreciation on plant and equipment.
- (b) Investment properties comprise completed properties held to earn rentals or for capital appreciation or both.
- (c) Prepayments relate primarily to construction-related advances paid out to various vendors for construction-related work and material supplies. Upon completion of the identified construction work or use of the material supplies that the advances relate to, the prepayments are transferred to development properties (held-for-sale) and investment properties. Please note that while the properties are being developed, prepayments may have significant variance year on year. Prepayments primarily relate to the residential projects and the revenue on the residential projects, in accordance with the applicable accounting policies, would be recognised based on the completed project method i.e. only after the construction is complete and the significant risks and returns have been transferred to the buyer.
- (d) Trade and other receivables consist of trade debtors i.e. receivables from tenants in respect of base rent (and fit out rental income), other ancillary services and taxes thereon, advance for expenses, deposits paid for the electricity and water connections at project site etc.
- (e) Other current assets consist primarily of the input service tax recoverable and tax deducted at source against the income received from tenants for the leasing of space and advance payments made for the residential projects by interested buyers. According to the indirect tax regime in India, input service tax paid on construction services is available to be offset against the output tax liability when the revenue is earned. The tax deducted at source by the tenants from the payments made to the company, against the rental, maintenance and car-park income, can be either refunded to the company or utilized for offset against the tax liability in accordance with the existing tax regime. The increase in other current assets is mainly due to the tax deducted at source from the income received from tenants.
- (f) Development properties (held-for-sale) comprise properties being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, measured at the lower of cost and net realisable value.
- (g) Trade and other payables (current) consist mainly of payables in respect of construction related costs. This also includes taxes, statutory dues, advance for rent/ security deposits (current), and other expenses payable in the ordinary course of business.
- (h) Trade and other payables (non-current) represent mainly the initial security deposit received from tenants for the leasing of space in the properties in the IPIT Group's portfolio and other miscellaneous non-current liabilities.
- (i) Other non-financial liability relates to advance payments made for the IPIT Group's residential projects by interested buyers. Please note that while the properties are being marketed, other non-financial liability may have significant variance year on year. The sales of units at the residential developments are recognised in accordance with the

accounting policies as disclosed in the audited financial statements for the financial year ended 31 March 2016. Please refer to note 3.3 (d) on page 87 and 3.3 (e) on page 88 of the IPIT 2016 AR which states that “Where property is under development and agreement has been reached to sell such property when construction is complete, revenue is recognised based on completed project method.” Hence, in accordance with IFRS, income from sale of the residential component (Indiabulls Sky, Sky Forest and Sky Suites) will be recognised only after the construction is complete and the significant risks and returns have been transferred to the buyer.

- (j) Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.
- (k) Please note that, without considering the translation difference arising from the conversion of the INR into the SGD, the addition to investment and development properties is S\$13.4 million during the financial quarter ended 30 June 2016.

In the Consolidated Balance Sheet as at 30 June 2016, there is a net decrease in investment and development properties of S\$36.6 million as compared to 31 March 2016. The increase of S\$13.4 million to investment and development properties (as disclosed in the consolidated statement of cash flows in section 1(c) of this announcement) during the financial quarter ended 30 June 2016 offset by the appreciation of SGD against INR by approximately 2% as at 30 June 2016 (closing rate) as compared to 31 March 2016 (closing rate) resulted in the net decrease in investment and development properties of S\$36.6 million as compared to 31 March 2016. Please also refer to the note in section 1(a)(ii) of this announcement.

1(b) (ii) Aggregate amount of IPIT Group's borrowings

	As at 30 June 2016		As at 31 March 2016	
	Repayable in one year or less S\$'000	Repayable after one year S\$'000	Repayable in one year or less S\$'000	Repayable after one year S\$'000
Secured borrowings				
- Term loan	70,166	487,021	78,570	421,033
Unsecured borrowings	39,775	-	95,684	-

The details on the facilities availed are as below –

- Loans from Bank of Baroda, Bank of Maharashtra, Bank of India and Central Bank of India aggregating to S\$526 million. The original loan tenure for these loans is in the range of 9 years to 12 years; and
- Loan from Axis Bank aggregating to S\$31 million for which the original loan tenure is in the range of 5 years.
- Loan from Commercial Paper of \$40 million for which the original loan tenure is less than one year.

The interest rate on the loans range from 9.9% to 11.0 % and the weighted average interest rate on the loans availed is 10% (financial year ended 31 March 2016:10.2%).

As at 30 June 2016, IPIT Group's borrowings are secured by registered indenture of mortgage deed on properties in IPIT's portfolio and also receivables on investment properties. As disclosed in earlier announcements, there is a requirement that the Sponsor holds, directly or indirectly, at least 26% of the total number of IPIT units in issue (this condition is satisfied). There are also other financial covenants (that are typical of loans associated with real estate assets) like fixed asset cover and cumulative cash flow cover to be maintained during the tenor of loan facilities.

Gearing as at 30 June 2016 was 27.8% of the value of IPIT's Trust Property. Borrowings were S\$596.9 million and cash and cash equivalents were S\$23.2 million. IPIT has additional borrowing capacity of S\$367.7 million (before its gearing reaches 45%⁵) to fund future development or acquisition of projects. The gearing ratio or additional borrowing capacity of IPIT is based on the gearing or borrowing capacity allowed under the voluntary adoption by IPIT of the Property Funds Appendix. The additional borrowing capacity is simply the capacity to borrow over and above the current loan outstanding and does not in any way represent the existing undrawn facilities.

⁵ IPIT has voluntarily adopted and incorporated in the Trust Deed that for the period commencing from 31 March 2010 and for so long as property funds are subject to borrowing limits under Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore in relation to real estate investment trusts (the "Property Funds Appendix"). With effect from 1 January 2016 the Aggregate Leverage (as defined in the Property Fund Appendix) of the Trust shall not exceed 45% of the value of the IPIT's Trust Property.

1(b) (iii) Statement of Financial Position (for the Trust) as at 30 June 2016

	Trust	
	30 June 2016	31 March 2016
	S\$'000	S\$'000
ASSETS		
Non-current asset		
Investment in subsidiaries	1,272,434	1,299,027
Total non-current asset	1,272,434	1,299,027
Current assets		
Cash and cash equivalents	9	170
Prepayments	7	14
Trade and other receivables	1,020	1,006
Other current assets	162	153
Total current assets	1,198	1,343
Total assets	1,273,632	1,300,370
LIABILITY		
Current liability		
Trade and other payables	2,654	990
Total current liability	2,654	990
Non-current liability		
Trade and other payables	10,089	10,300
Total non-current liability	10,089	10,300
Total liabilities	12,743	11,290
NET ASSETS	1,260,889	1,289,080
UNITHOLDERS' FUNDS		
Unitholders' funds	1,260,889	1,289,080

1(c) Consolidated Statement of Cash Flows for the quarter ended 30 June 2016

	Note	Group	Group
		1 April 2016 to 30 June 2016	1 April 2015 to 30 June 2015
		S\$'000	S\$'000
Operating activities			
Loss before tax for the financial period		(1,374)	(476)
Adjustments for:			
Finance costs		16,712	14,605
Interest income		(373)	(180)
Dividend income		(19)	(11)
Straight lining of rental income		(90)	786
Foreign exchange gain		(1)	(30)
Depreciation		203	220
Others		26	(11)
Operating cash flow before changes in working capital		15,084	14,903
Changes in working capital:			
Decrease in prepayments		533	13,748
Increase in other current assets and trade and other receivables		(1,194)	(3,523)
Increase in trade and other payables and other non-financial liability		16,233	29,881
Total changes in working capital		15,572	40,106
Cash flow generated in operation		30,656	55,009
Finance costs		(16,712)	(14,605)
Income tax (see note (e) of Statement of Financial Position)		(2,030)	(2,155)
Net cash flow generated from operating activities		11,914	38,249
Investing activities			
Additions to plant and equipment		(87)	(47)
Additions to investment properties and development properties		(13,446)	(21,403)
Purchase of available-for-sale investments	(a)	(291,916)	(231,251)
Sale of available-for-sale investments	(a)	291,916	231,251
Interest income received		300	172
Dividend income received		71	50
Net cash flow used in investing activities		(13,162)	(21,228)

INDIABULLS PROPERTIES INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE QUARTER ENDED 30 JUNE 2016

Financing activities			
Distribution to Unitholders		-	(521)
Proceeds from interest bearing loans and borrowings		293,212	37,519
Repayment of interest bearing loans and borrowings		(279,356)	(51,079)
Fixed deposits pledged with a bank		(69,860)	(199)
Redemption of fixed deposits pledged with a bank		71,651	-
Net cash flow generated from /(used in) financing activities	section 1(b) (ii)	15,647	(14,280)
Net increase in cash and cash equivalents		14,399	2,741
Cash and cash equivalents at the beginning of the period		9,031	6,712
Effect of exchange rate change on cash and cash equivalents		(184)	(234)
Cash and cash equivalents at end of period	(b)	23,246	9,219

Notes:

- (a) The S\$291.9 million of purchase and S\$291.9 million sale of the available-for-sale investments is the cumulative effect of investments and redemption of these instruments for the financial quarter ended 30 June 2016. The “available-for-sale investments” are investments in money market funds with daily liquidity that can be readily converted into cash. As part of managing liquidity in an efficient manner, the Trust routinely invests and redeems such investments at various points in time. The average daily balance during the financial quarter was only S\$4.7 million. The investments was made in liquid mutual funds which invest a large portion of its assets in liquid, cash and near cash instruments with low credit risk and duration risk. Ordinarily, these investments can be redeemed or sold on any given business day. As part of liquidity management and ensuring that idle cash achieves high return while retaining liquidity, IPIT, like most other corporations, invests in money market funds on a short term basis. In our opinion, it is prudent for the Trust to generate positive return in this manner with minimal level of risks while ensuring high liquidity. As per applicable accounting standards, sale and purchase of “available-for-sale investments” should be disclosed as a separate line item on gross basis.
- (b) The IPIT Group’s cash and cash equivalents was S\$23.2 million as at 30 June 2016. In addition to the cash and cash equivalents, the IPIT Group had pledged fixed deposit of S\$11.0 million (as at 31 March 2016: S\$13.0 million), of which S\$10.6 million (as at 31 March 2016 S\$12.6 million) is in relation to security provided in Debt Service Reserve Account (“DSRA”) with a financial institution in relation to the loan availed and the balance S\$0.4 million (as at 31 March 2016 S\$0.4 million) is pledged with a bank to avail of non fund-based credit. DSRA is an interest earning term deposit kept in bank as a reserve to service (interest and principal repayment) the loans.

1(d)(i) Consolidated Statement of Changes in Unitholders' Funds (Group)

< -- Attributable to Unitholders of the Trust -->

	Units in issue	Units to be issued	Foreign currency translation reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2016	3,102,916	-	(803,284)	(1,068,425)	1,231,207
Loss for the period	-	-	-	(1,374)	(1,374)
Foreign currency translation	-	-	(25,169)		(25,169)
Total comprehensive income for the period	-	-	(25,169)	(1,374)	(26,543)
Balance as at 30 June 2016	3,102,916	-	(828,453)	(1,069,799)	1,204,664

< -- Attributable to Unitholders of the Trust -->

	Units in issue	Units to be issued	Foreign currency translation reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2015	3,102,916	-	(706,056)	(1,068,228)	1,328,632
Loss for the period	-	-	-	(476)	(476)
Foreign currency translation	-	-	(52,337)	-	(52,337)
Total comprehensive income for the period	-	-	(52,337)	(476)	(52,813)
Distribution to unitholders	-	-	-	(521)	(521)
Balance as at 30 June 2015	3,102,916	-	(758,393)	(1,069,225)	1,275,298

Statement of changes in Unitholders' Funds (Trust)

< -- Attributable to Unitholders of the Trust -->

	Units in issue	Units to be issued	Foreign currency translation reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2016	3,102,916	-	(793,388)	(1,020,448)	1,289,080
Loss for the period	-	-	-	(2,462)	(2,462)
Foreign currency translation	-	-	(25,729)	-	(25,729)
Total comprehensive income for the period	-	-	(25,729)	(2,462)	(28,191)
Balance as at 30 June 2016	3,102,916	-	(819,117)	(1,022,910)	1,260,889

Statement of changes in Unitholders' Funds (Trust)

< -- Attributable to Unitholders of the Trust -->

	Units in issue	Units to be issued	Foreign currency translation reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2015	3,102,916	-	(690,424)	(1,010,492)	1,402,000
Loss for the period	-	-	-	(2,288)	(2,288)
Foreign currency translation	-	-	(55,212)	-	(55,212)
Total comprehensive income for the period	-	-	(55,212)	(2,288)	(57,500)
Distribution to unitholders	-	-	-	(521)	(521)
Balance as at 30 June 2015	3,102,916	-	(745,636)	(1,013,301)	1,343,979

1(d) (ii) Details of any changes in the issued and issuable Units (Trust)

	30 June 2016 in '000	30 June 2015 in '000
Number of issued Units at beginning of financial period	754,029	3,770,143⁶
Issue of new Units:		
- Management fee paid in Units	-	-
Number of issued Units at end of financial period	754,029	3,770,143⁶
- Management fee payable in Units	-	-
Number of issued and issuable Units at end of financial period	754,029	3,770,143⁶

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditor.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

IPIT Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting year compared with the audited financial statements for the financial year ended 31 March 2016, except that the Group has adopted certain financial reporting standards that became effective for the financial year. The adoption of the financial reporting standard did not give rise to any impact to the Group's financial position and financial performance.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Refer note 4.

⁶ These relate to the actual number of issued and issuable Units before the consolidation of every five existing Units (the "Unit Consolidation") held by the Unitholders into consolidated Unit pursuant to the completion of the Unit Consolidation on 25 August 2015.

6. Earnings per Unit / Distribution per Unit (“DPU”) for the financial period (Group)

Earnings per unit

	1 April 2016 to 30 June 2016	1 April 2015 to 30 June 2015
Weighted average number of Unit for the period (in '000)	754,029	754,029 ⁷
Loss per Unit in cents (basic and diluted)	(0.182)	(0.063)

7. Net asset value (“NAV”) per Unit based on Units issued at the end of the period

	30 June 2016	31 March 2016
Net asset value per Unit (cents) (Group)	159.76	163.28
NAV per Unit (cents) (Trust)	167.22	170.96

8. Review of performance

IPIT earned S\$24.0 million of rental income in the financial quarter ended 30 June 2016 from the commercial component of the properties comprising One Indiabulls Centre and Indiabulls Finance Centre. Net property income for the financial quarter ended 30 June 2016 was S\$17.4 million. The total area that has been leased out at the properties is approximately 2.9 million sq. ft. at an average rental of approximately Rs.145 per sq. ft. per month (June 2015 - approximately 2.8 million sq. ft. leased out at an average rental of approximately Rs.143 per sq. ft. per month). The occupancy rate was 83% at One Indiabulls Centre and 97% at Indiabulls Finance Centre. Indiabulls Sky has been completed while Sky Forest has reached 33rd floor.

Development costs have been financed from internal accruals (income from office space and advances received from customers for the residential developments) as well as external bank borrowings, and future costs are expected to be financed in similar manner. The Trust is not under any financial stress and it's not our expectation for that to change.

9. Variance between the forecast and actual numbers

Please note that no forecast has been provided in relation to the quarter covering 30 June 2016. Having said that, our experience has been broadly in line with what has been disclosed in paragraph 10.

⁷ The weighted average number of Units has been adjusted for the effects of the Unit Consolidation.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As per the reports below, the real estate market in Mumbai remained challenging. The office market overall has witnessed decrease in total absorption but stable (or decline in) rental values. The residential market has witnessed increased launches in mid segment but capital values continued to remain stable across all submarkets and our experience has also been consistent with this.

ECONOMY OVERVIEW - As per the Cushman & Wakefield – Market beat – Office Snapshot Q1 2016 Mumbai, India⁸ (Extract only)

India's GDP growth for the third quarter of FY2015–16 slowed down to 7.3% from 7.7% in the previous quarter. Growth in the construction sector was witnessed at 4.0% during the third quarter, up from the 1.2% growth in the previous quarter. The government, in its Union Budget 2016–17, exempted the Dividend Distribution Tax (DDT) for Special Purpose Vehicles (SPVs) of Real Estate Investment Trusts (REITs), which will make REITs more attractive in the real estate sector. The Parliament recently passed the Real Estate (Regulation and Development) Bill 2015, which is expected to create a uniform regulatory environment and bring transparency to the sector, thereby giving a boost to investments into the sector.

OFFICE MARKET - As per Colliers International – research & forecast report – Mumbai Office – July 2016⁹ (Extract only)

- With about 1.8 million sq. ft. of new supply added in Q2 2016, rents are likely to remain stable in coming quarters.
- Mumbai office absorption at 0.71 million sq. ft. has witnessed a downward spiral with a 23% decrease in total absorption since Q1 2016 as mostly mid-sized transactions have occurred in Q2 2016. The average deal size was about 14,000 sq. ft. this quarter, showing a decrease of 36% since last quarter.
- Rental values remained stable in Q2 2016 in all micro markets mirroring the pattern in previous quarters. However, a significant increase was observed in Goregaon/JVLR, Andheri East and Navi Mumbai since last year. This change can be attributed to the limited supply and preference for these micro-markets among occupiers. Rental values also declined in Worli/Prabhadevi since last year due to limited demand in this micro-market.

⁸Source: Cushman & Wakefield – Market beat – Office Snapshot Q1 2016 Mumbai, India. Cushman & Wakefield has not provided its consent, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information. While the Trustee-Manager has taken reasonable actions to ensure that the information from the relevant report published by Cushman & Wakefield is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, the Trustee-Manager or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

⁹ Source: Colliers International- Research and Forecast Report- Mumbai Office –July 2016 has not provided its consent, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information. While the Trustee-Manager has taken reasonable actions to ensure that the information from the relevant report published by Colliers International is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, the Trustee-Manager or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

Rental Values(Extract Only)

Micro Markets	Rental Value*	% Change QOQ	% Change YOY
Lower Parel	145 - 190	0%	0%

*Indicative Grade A rentals in INR per sq. ft. per month

Source: Colliers International India Research

OFFICE MARKET - As per the Cushman & Wakefield – Market beat – Office Snapshot Q1 2016 Mumbai, India¹⁰ (Extract only)

- Leasing activity was recorded at 1.2 million square feet (msf), a quarter-on-quarter decline of 28% compared to the previous quarter. Grade A leasing contributed to about 80% of the total leasing. However, net absorption witnessed a substantial decline (65% on a sequential basis) due to increased relocations. Grade A net absorption accounted for nearly 81% of the overall net absorption and stood at 440,800 sq. ft.
- Rentals across most submarkets remained at similar levels except in Thane, BKC and Powai submarkets which witnessed a 5–7% quarterly increase due to demand for quality space. The vacancy levels marginally increased and stood at 16.2% at the end of the quarter on the back of relatively slower net absorption amidst fresh supply.

RESIDENTIAL MARKET - As per the Cushman & Wakefield – Market beat – Residential Snapshot Q1 2016 Mumbai, India¹¹ (Extract only)

- Unit launches buoyed by few large projects.** Unit launches witnessed a 9% growth over the previous quarter with about 5,356 units.
- Maximum focus on the mid segment across most of the submarkets.** During the quarter, the mid segment saw the highest unit launches (77%) across submarkets, distantly followed by the high-end segment (20%) in select markets.
- Rental and capital values remained status quo.** Rental and capital values continued to remain stable across all submarkets during the quarter.

¹⁰Source: Cushman & Wakefield – Market beat – Office Snapshot Q1 2016 Mumbai, India. Cushman & Wakefield has not provided its consent, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information. While the Trustee-Manager has taken reasonable actions to ensure that the information from the relevant report published by Cushman & Wakefield is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, the Trustee-Manager or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

¹¹Source: Cushman & Wakefield – Market beat – Residential Snapshot Q1 2016 Mumbai, India. Cushman & Wakefield has not provided its consent, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information. While the Trustee-Manager has taken reasonable actions to ensure that the information from the relevant report published by Cushman & Wakefield is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, the Trustee-Manager or any other party have not conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

Outlook

- **Capital and rental values likely to remain unchanged.** With expected stability in off-take of units, capital and rental values are expected to remain range-bound in the upcoming quarter.
- **Launch activity to moderate.** The number of new launches is expected to decline as there are no major projects in pre-launch stage across submarkets in the city.

CAPITAL VALUES AS OF Q1 2016 – LOWER PAREL AREA (Extract only)

Location	Achievable Price INR/sq.ft.	% Change from		Short Term Outlook
		3 mth ago	1 yr ago	
High-End Segment				
South Central	23,000-80,000	0%	0%	↔
Legend				
Market Rising ↗		Market Stable ↔		Market Falling ↘

South Central: Worli, Prabhadevi, Lower Parel / Parel, Dadar, Matunga

11. Distributions

(a) Current Financial Period

Any distribution declared for the current financial period?

No.

(b) Corresponding Period of the Immediately Preceding Financial Period.

No.

12. If no dividend has been declared/recommended, a statement to that effect.

No distribution has been declared/recommended for the quarter ended 30 June 2016.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There is no interested person transaction mandate obtained.

14. Director confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors has confirmed that to the best of its knowledge, nothing has come to its attention which may render these interim financial result to be false or misleading in any material aspect.

15. Disclosure pursuant to Rule 720(1) of the Listing Manual

The Trustee-manager confirms that it has procured undertakings from all Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

BY ORDER OF THE BOARD
INDIABULLS PROPERTY MANAGEMENT TRUSTEE PTE. LTD.
(COMPANY REGISTRATION NO. 200720456G)
(AS TRUSTEE-MANAGER OF INDIABULLS PROPERTIES INVESTMENT TRUST)

Ms Cheng Lisa
Company Secretary
10 August 2016