

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 SECOND QUARTER ENDED 30 SEPTEMBER 2016

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

Particulars	Note	Group 1 July 2016 to 30 September 2016 S\$,000	Group 1 July 2015 to 30 September 2015 S\$,000	Change %
Property income				
Base rent	(a)	22,348	22,894	(2)
Operations and maintenance income	(b)	2,834	2,661	7
Car park and other income	(c)	497	580	(14),N.M.
Total income		25,679	26,135	(2)
Property expenses				
Advertisement	(d)	(725)	(665)	9
Operating maintenance and security	(e)	(3,344)	(3,479)	(4)
Legal and professional fees	(f)	(915)	(892)	3
Other operating expenses	(g)	(5,130)	(4,691)	9
Total property expenses		(10,114)	(9,727)	4
Net property income		15,565	16,408	(5)
Finance costs	(h)	(15,963)	(14,703)	9
Trust expenses				
Trustee fee	(i)	(110)	(119)	(8)
Management fee – Base	(j)	(1,367)	(1,489)	(8)
Management fee – Performance	(j)	(623)	(656)	(5)
Other trust operating expenses	(k)	(57)	(54)	6
Foreign exchange gain	(l)	-	88	N.M.
Loss before tax		(2,555)	(525)	N.M.
Income tax		-	-	N.M.
Loss for the period		(2,555)	(525)	N.M.

N.M. – not meaningful

Notes:

- (a) In the financial quarter ended 30 September 2016, Indiabulls Properties Investment Trust (“IPIT” or the “Trust”) earned rental income of S\$22.3 million (financial quarter ended 30 September 2015: S\$22.9 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 September 2016, an amount of S\$0.1 million is included (financial quarter ended 30 September 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\$249,000 (financial quarter ended 30 September 2015: S\$253,000). 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\$498,000 (financial quarter ended 30 September 2015: S\$507,000). The fees relate to 2.0% of the Gross Revenue of the Trust Property.

There are also miscellaneous expenses of S\$168,000 (not paid to the Property Manager) (financial quarter ended 30 September 2015: S\$132,000) in relation to other professional fees that are not part of the fees above.

(g) In the financial quarter ended 30 September 2016, other operating expenses amounting to S\$1.5 million (financial quarter ended 30 September 2015: S\$1.7 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 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.

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.

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.

- (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 September 2016.
- (k) Other Trust operating expenses relate to the expenses at the trust level including professional fees, general and administration charges, etc.
- (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 September 2016 compared with the foreign exchange rate as at 30 June 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 July 2016 to 30 September 2016 S\$'000	Group 1 July 2015 to 30 September 2015 S\$'000
Loss for the period	(2,555)	(525)
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)	30,625	32,327
Total comprehensive income for the period attributable to unitholders of IPIT ("Unitholders")	28,070	31,802

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 2016 AR:

"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 July 2016 to 30 September 2016 S\$'000	Group 1 July 2015 to 30 September 2015 S\$'000	Group 1 April 2016 to 30 September 2016 S\$'000	Group 1 April 2015 to 30 September 2015 S\$'000
Loss for the period	(2,555)	(525)	(3,929)	(1,001)
Distribution adjustments (<i>see Note 1</i>)	(805)	800	(1,034)	1,535
Total unitholders distribution³	(3,360)	275	(4,963)	534
Note 1 : Distribution adjustments comprise the items below:				
Straight lining of rental income (see note (a) of Consolidated Income Statement)	(116)	817	(206)	1,603
Marketing commission ⁴	(894)	(155)	(1,235)	(396)
Depreciation	205	226	408	446
Foreign exchange gain (see note (l) of Consolidated Income Statement)	-	(88)	(1)	(118)
Net effect of distribution adjustments	(805)	800	(1,034)	1535

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 September 2016

	Note	Group	Group
		30 September 2016	31 March 2016
		S\$'000	S\$'000
ASSETS			
Non-current assets			
Plant and equipment	(a)	12,527	13,421
Investment properties	(b),(l)	1,195,945	1,187,284
Total non-current assets		1,208,472	1,200,705
Current assets			
Cash and cash equivalents	Section 1(c)	64,901	9,031
Available for Sale Investments	(c)	34,806	-
Pledged fixed deposits	Section 1(c) note (b)	12,649	13,077
Prepayments	(d)	206,347	206,856
Trade and other receivables	(e)	14,649	15,679
Other current assets	(f)	36,838	29,992
Development properties (held-for-sale)	(g),(l)	1,304,984	1,274,115
Total current assets		1,675,174	1,548,750
Total assets		2,883,646	2,749,455
LIABILITIES			
Current liabilities			
Interest bearing loans and borrowings	Section 1(b)(ii)	90,010	174,254
Trade and other payables	(h)	19,842	19,369
Total current liabilities		109,852	193,623
Non-current liabilities			
Interest bearing loans and borrowings	Section 1(b)(ii)	603,526	421,033
Trade and other payables	(i)	56,348	52,999
Other non-financial liability	(j)	574,693	545,462
Deferred tax liabilities	(k)	306,493	305,131
Total non-current liabilities		1,541,060	1,324,625
Total liabilities		1,650,912	1,518,248
NET ASSETS		1,232,734	1,231,207
UNITHOLDERS' FUNDS			
Unitholders' funds		1,232,734	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) Available-for-sale investments are investments in money market funds with daily liquidity that can be readily converted into cash. As part of liquidity management and to ensure that idle cash achieve high returns while retaining liquidity, IPIT, like most other corporations, invests in money market funds on a short term basis. As part of managing liquidity in an efficient manner, the Trust routinely invests and redeems such investments at various points in time. Please also refer to the Consolidated Cash Flow Statement in section 1(c) of this announcement.
- (d) 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.
- (e) 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.
- (f) 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.
- (g) 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.
- (h) 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.

- (i) 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.
- (j) 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.
- (k) 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.
- (l) 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\$14.5 million during the financial quarter ended 30 September 2016.

In the Consolidated Balance Sheet as at 30 September 2016, there is a total increase in investment and development properties of S\$76.1 million as compared to 30 June 2016. The increase of S\$14.5 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 September 2016 and the depreciation of SGD against INR by approximately 2.5% as at 30 September 2016 (closing rate) as compared to 30 June 2016 (closing rate) resulted in the total increase in investment and development properties of S\$76.1 million as compared to 30 June 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 September 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	79,857	531,888	78,570	421,033
- Non - Convertible Debenture	-	71,638	-	-
Unsecured borrowings	10,153	-	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\$533 million. The original loan tenure for these loans is in the range of 9 years to 12 years; and
- Loan from Axis Bank, Syndicate Bank, aggregating to S\$79 million for which the original loan tenure is in the range of 5 years.
- Commercial Paper of \$10 million for which the original loan tenure is less than one year.
- Non- Convertible Debenture of \$72 million for which the original loan tenure is in the range of 2 years and 363 days.

The interest rate on the loans range from 8.8% to 10.95 % and the weighted average interest rate on the loans availed is 10.1% (financial year ended 31 March 2016:10.2%).

As at 30 September 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 September 2016 was 31.6% of the value of IPIT's Trust Property. Borrowings were S\$693.5 million and cash and cash equivalents were S\$64.9 million. IPIT has additional borrowing capacity of S\$295.7 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 September 2016

	Trust	
	30 September 2016	31 March 2016
	S\$'000	S\$'000
ASSETS		
Non-current asset		
Investment in subsidiaries	1,304,818	1,299,027
Total non-current asset	1,304,818	1,299,027
Current assets		
Cash and cash equivalents	10	170
Prepayments	36	14
Trade and other receivables	1,046	1,006
Other current assets	159	153
Total current assets	1,251	1,343
Total assets	1,306,069	1,300,370
LIABILITY		
Current liability		
Trade and other payables	5,439	990
Total current liability	5,439	990
Non-current liability		
Trade and other payables	10,346	10,300
Total non-current liability	10,346	10,300
Total liabilities	15,785	11,290
NET ASSETS	1,290,284	1,289,080
UNITHOLDERS' FUNDS		
Unitholders' funds	1,290,284	1,289,080

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

	Note	Group	Group
		1 April 2016 to 30 September 2016	1 July 2015 to 30 September 2015
		S\$'000	S\$'000
Operating activities			
Loss before tax for the financial period		(2,555)	(525)
Adjustments for:			
Finance costs		16,707	14,940
Interest income		(607)	(221)
Dividend income		(136)	(16)
Straight lining of rental income		(116)	817
Foreign exchange gain		-	(88)
Depreciation		205	226
Others		(34)	(34)
Operating cash flow before changes in working capital		13,464	15,099
Changes in working capital:			
Decrease/(increase) in prepayments		886	(1,418)
Decrease in other current assets and trade and other receivables		1,132	546
Increase in trade and other payables and other non-financial liability		13,647	7,637
Total changes in working capital		15,665	6,765
Cash flow generated in operation		29,129	21,864
Finance costs		(16,707)	(14,940)
Income tax (see note (e) of Statement of Financial Position)		(2,981)	(2,900)
Net cash flow generated from operating activities		9,441	4,024
Investing activities			
Additions to plant and equipment		(108)	(83)
Additions to investment properties and development properties		(14,453)	(16,158)
Purchase of available-for-sale investments	(a)	(1,547,373)	(209,211)
Sale of available-for-sale investments	(a)	1,512,567	209,211
Interest income received		439	576
Dividend income received		521	42
Net cash flow used in investing activities		(48,407)	(15,623)

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ANNOUNCEMENT OF RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2016

Financing activities			
Proceeds from interest bearing loans and borrowings		173,978	62,888
Repayment of interest bearing loans and borrowings		(92,598)	(57,657)
Fixed deposits pledged with a bank		(1,371)	(5,544)
Redemption of fixed deposits pledged with a bank		20	4,591
Net cash flow generated from financing activities	section 1(b) (ii)	80,029	4,278
Net increase/(decrease) in cash and cash equivalents		41,063	(7,321)
Cash and cash equivalents at the beginning of the period		23,246	9,219
Effect of exchange rate change on cash and cash equivalents		592	322
Cash and cash equivalents at end of period	(b)	64,901	2,220

Notes:

- (a) The S\$1,547.3 million of purchase and S\$1,512.5 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 September 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\$29.0 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\$64.9 million as at 30 September 2016. In addition to the cash and cash equivalents, the IPIT Group had pledged fixed deposit of S\$12.6 million (as at 30 June 2016: S\$11.0 million), of which S\$12.2 million (as at 30 June 2016 S\$10.6 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 30 June 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 July 2016	3,102,916	-	(828,453)	(1,069,799)	1,204,664
Loss for the period	-	-	-	(2,555)	(2,555)
Foreign currency translation	-	-	30,625	-	30,625
Total comprehensive income for the period	-	-	30,625	(2,555)	28,070
Balance as at 30 September 2016	3,102,916	-	(797,828)	(1,072,354)	1,232,734

< -- 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 July 2015	3,102,916	-	(758,393)	(1,069,225)	1,275,298
Loss for the period	-	-	-	(525)	(525)
Foreign currency translation	-	-	32,327	-	32,327
Total comprehensive income for the period	-	-	32,327	(525)	31,802
Balance as at 30 September 2015	3,102,916	-	(726,066)	(1,069,750)	1,307,100

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 July 2016	3,102,916	-	(819,117)	(1,022,910)	1,260,889
Loss for the period	-	-	-	(2,659)	(2,659)
Foreign currency translation	-	-	32,054	-	32,054
Total comprehensive income for the period	-	-	32,054	(2,659)	29,395
Balance as at 30 September 2016	3,102,916	-	(787,063)	(1,025,569)	1,290,284

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 July 2015	3,102,916	-	(745,636)	(1,013,301)	1,343,979
Loss for the period	-	-	-	(2,229)	(2,229)
Foreign currency translation	-	-	34,079	-	34,079
Total comprehensive income for the period	-	-	34,079	(2,229)	31,850
Balance as at 30 September 2015	3,102,916	-	(711,557)	(1,015,530)	1,375,829

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

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

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

Earnings per unit

	1 July 2016 to 30 September 2016	1 July 2015 to 30 September 2015
Weighted average number of Unit for the period (in '000)	754,029	754,029
Loss per Unit in cents (basic and diluted)	(0.339)	(0.070)

Distribution per Unit based on Units issued at the end of the period

	1 April 2016 to 30 September 2016	1 April 2015 to 30 September 2015
Distribution per unit in cents	-	0.0638

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

	30 September 2016	31 March 2016
Net asset value per Unit (cents) (Group)	163.49	163.28
NAV per Unit (cents) (Trust)	171.12	170.96

8. Review of performance

IPIT earned S\$22.3 million of rental income in the financial quarter ended 30 September 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 September 2016 was S\$15.5 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 (September 2015 - approximately 2.8 million sq. ft. leased out at an average rental of approximately Rs.144 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 34th 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 September 2016. Having said that, our experience has been broadly in line with what has been disclosed in paragraph 10.

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 residential and office market has high inventory and rental / capital values expected to remain stable and our experience in our properties are consistent with that.

ECONOMY OVERVIEW - As per the Cushman & Wakefield – Marketbeat – Office Snapshot Q2 2016 Mumbai, India⁶ (Extract only)

India's Gross Domestic Product (GDP) growth for the first quarter of 2016 was recorded at 7.9% compared to 7.2% in the previous quarter, led by strong growth in agriculture, and improvements in consumption. India's corporate earnings also improved in the quarter, as a result of lower raw material prices and higher consumption. The S&P BSE IT Index saw a growth of 3.9% in the period between January 2016 and end the of June, signaling continued strength in the information technology (IT) sector that continues to be the mainstay of India's services industry. As per government data, at the end of the first quarter, trade, hotels, transport and communication grew at 9.9% compared to 9.2% in the previous quarter. On the other hand, financial, real estate, and professional services saw growth of 9.1%, a drop from 10.5% from the previous quarter.

OFFICE MARKET - As per the Cushman & Wakefield – Marketbeat – Office Snapshot Q2 2016 Mumbai, India⁷ (Extract only)

- Approximately 1.7 million square feet (msf) of Grade A office space was added during the second quarter of 2016. Thane contributed 35.0% of the new space, followed by SBD⁸ and Central suburbs (Kurla, Vikhroli, Kanjurmarg, and Sion), which combined for 51.0%.
- Outlook - In the next quarter, 2.6 msf of Grade A new supply is expected to be completed, but demand is expected to gain momentum. Average rentals are expected to remain stable with marginal appreciation expected in the SBD and Andheri-Kurla submarkets.

⁶Source: Cushman & Wakefield – Market beat – Office Snapshot Q2 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.

⁷Source: Cushman & Wakefield – Market beat – Office Snapshot Q2 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.

⁸SBD - Bandra-Kurla Complex, Bandra East, Kalina

RENTAL RATES AS OF Q2 2016 IN LOWER PAREL AREA⁹ (EXTRACT ONLY):

Market/Sub	Wtd. Avg Rental Rate (INR /sq.ft./ month) *			
	Q2 2016		Q1 2016	
	Grade A	All Grades	Grade A	All Grades
Lower Parel	175.7	170.1	174.1	166.9

*Reflect weighted average, warm shell asking rental rates that includes core facility, high-side air conditioning and 100% power backup

RESIDENTIAL MARKET - As per the Cushman & Wakefield – Marketbeat – Residential Snapshot Q2 2016 Mumbai, India¹⁰ (Extract only)

- Q2 2016 witnessed nearly 7,100 unit launches, registering a strong 32% quarterly growth. While there was a quantum leap in affordable unit launches, mid segment continued to be the focus area.
- Rental and capital values continued to remain range-bound across all submarkets during the quarter.

CAPITAL VALUES AS OF Q2 2016 – LOWER PAREL AREA (Extract only)

Location	Achievable Price	% 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

⁹ Lower Parel includes Lower Parel, Parel and Dadar

¹⁰Source: Cushman & Wakefield – Market beat – Residential Snapshot Q2 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.

**RESIDENTIAL MARKET - As per Colliers International – Colliers Quarterly Q2 2016-
Mumbai- Residential – August 2016¹¹ (Extract only)**

- There has been a marginal increase of 1-2% qoq in capital values within select micro markets such as Worli, Bandra, Khar, Juhu and Andheri. Overall, residential prices in most Mumbai micro markets remain unchanged.
- Micro markets in South Mumbai continue to dominate the high-end luxury residential market.
- Forecast
 - High unsold stocks and lack of potential buyers should reduce the number of launches in H2 2016. Transaction volumes are likely to improve towards the end of the year, especially during the festive season.
 - Limited supply additions due to prevailing inventory overhang
 - Capital Values Set to remain stable across most locations barring a few luxury launches in Worli and South Mumbai.

11. Distributions

(a) Current Financial Period

Any distribution declared for the current financial period?

No.

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

Yes, 0.0638 Singapore cents per units for the six months period ended 30 September 2015.

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

Refer to paragraph 11.

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.

¹¹Source: Colliers International- Colliers Quarterly Q2 2016- Mumbai- Residential – August 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.

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
24 October 2016