

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 2015

1(a)(i) Consolidated Income Statement for the second quarter ended 30 September 2015

Particulars	Note	Group 1 July 2015 to 30 September 2015 S\$'000	Group 1 July 2014 to 30 September 2014 S\$'000	Change %
Property income				
Base rent	(a)	22,894	21,925	4
Operations and maintenance income	(b)	2,661	2,695	-1
Car park and other income	(c)	580	584	-1
Total income		26,135	25,204	4
Property expenses				
Advertisement	(d)	(665)	(1,797)	-63
Operating maintenance and security	(e)	(3,479)	(3,383)	3
Legal and professional fees	(f)	(892)	(839)	6
Other operating expenses	(g)	(4,691)	(2,945)	59
Total property expenses		(9,727)	(8,964)	9
Net property income		16,408	16,240	1
Finance costs	(h)	(14,703)	(13,855)	6
Trust expenses				
Trustee fee	(i)	(119)	(115)	3
Management fee – Base	(j)	(1,489)	(1,437)	4
Management fee – Performance	(j)	(656)	(650)	1
Other trust operating expenses	(k)	(54)	(53)	2
Foreign exchange gain/(loss)	(l)	88	(4)	N.M
(Loss)/profit before tax		(525)	126	N.M
Income tax		-	-	
(Loss)/profit for the period		(525)	126	N.M

N.M. – not meaningful

Notes:

- (a) In the financial quarter ended 30 September 2015, Indiabulls Properties Investment Trust (“IPIT” or the “Trust”) earned rental income of S\$22.9 million (financial quarter ended 30 September 2014: S\$ 21.9 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 103 of IPIT’s Annual Report for the financial year ended 31 March 2015 (the “IPIT 2015 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 2015, an amount of S\$ 0.8 million is excluded (financial quarter ended 30 September 2014: S\$ 1.1 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 cash of S\$ 0.8 million was received by IPIT but excluded from 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.
- (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. During the quarter ended 30 September 2015, advertisement cost was reduced as lesser amount was spent on advertisement and marketing.
- (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\$253,000 (financial quarter ended 30 September 2014: S\$ 243,000). 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\$ 507,000 (financial quarter ended 30 September 2014: S\$ 486,000). The fees relate to 2.0% of the Gross Revenue of the Trust Property.

There are also miscellaneous expenses of S\$ 132,000 (not paid to the Property Manager) (financial quarter ended 30 September 2014: S\$ 110,000) in relation to other professional fees that are not part of the fees above.

(g) In the financial quarter ended 30 September 2015, other operating expenses amounting to S\$ 1.7 million (financial quarter ended 30 September 2014: S\$ 1.5 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. The increase in other operating expenses is primarily due to increase in the rates and taxes (property tax charges) as per the current assessment of One Indiabulls Centre and Indiabulls Finance Centre. The rates and taxes (property tax charges) for the financial quarter ended 30 September 2015 are S\$ 2.0 million (financial quarter ended 30 September 2014: S\$ 0.1 million).

(h) In accordance with the applicable accounting policies and method as stated at note 3.19 “Borrowing costs” on page 118 of IPIT 2015 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 recognized in the Consolidated Income Statement.

- (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 decrease in IPIT’s net property income has resulted in decrease 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 2015.
- (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 104 of IPIT 2015 AR, note 3.4 “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 2015 compared with the foreign exchange rate as at 30 June 2015. 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 2015 to 30 September 2015 S\$'000	Group 1 July 2014 to 30 September 2014 S\$'000
(Loss)/profit for the period	(525)	126
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)	32,327	(8,773)
Total comprehensive income for the period attributable to unitholders of IPIT ("Unitholders")	31,802	(8,647)

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 "Foreign currency translation" to the audited financial statements on page 104 of the IPIT 2015AR:

"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 2015 to 30 September 2015 S\$'000	Group 1 July 2014 to 30 September 2014 S\$'000	Group 1 April 2015 to 30 September 2015 S\$'000	Group 1 April 2014 to 30 September 2014 S\$'000
(Loss)/profit for the period	(525)	126	(1,001)	321
Distribution adjustments (see Note1)	800	510	1,535	269
Total unitholders distribution³	275	636	534	590
Note 1 : Distribution adjustments comprise the items below:				
Straight lining of rental income (see note (a) of Consolidated Income Statement)	817	1,085	1,603	(1,184)
Marketing commission ⁴	(155)	(651)	(396)	(1,006)
Management fee in units (See note(j) of Consolidated Income Statement)	-	-	-	2,174
Depreciation	226	72	446	282
Foreign exchange (gain)/loss (see note (l) of Consolidated Income Statement)	(88)	4	(118)	3
Net effect of distribution adjustments	800	510	1,535	269

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. For the six months period from 1 April 2015 to 30 September 2015, IPIT shall distribute 90 % of the distributable income of S\$534,000 for the period ie. S\$ 481,000. Please refer to the "Distribution" stated in section 11 of this announcement.

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 2015

	Note	Group	Group
		30 September 2015	31 March 2015
		S\$'000	S\$'000
ASSETS			
Non-current assets			
Plant and equipment	(a)	15,426	16,853
Investment properties	(b), (k)	1,258,148	1,275,519
Total non-current assets		1,273,574	1,292,372
Current assets			
Cash and cash equivalents	section 1 (c)	2,220	6,712
Pledged fixed deposits	section 1 (c) note(b)	14,510	13,557
Prepayments	(c)	200,423	216,349
Trade and other receivables	(d)	18,210	16,953
Other current assets	(e)	22,391	17,747
Development properties (held-for-sale)	(f), (k)	1,326,515	1,309,261
Total current assets		1,584,269	1,580,579
Total assets		2,857,843	2,872,951
LIABILITIES			
Current liabilities			
Interest bearing loans and borrowings	section 1(b) (ii)	78,319	79,191
Trade and other payables	(g)	21,079	21,386
Total current liabilities		99,398	100,577
Non-current liabilities			
Interest bearing loans and borrowings	section 1(b) (ii)	486,183	502,718
Trade and other payables	(h)	50,240	58,361
Other non-financial liability	(i)	587,113	549,859
Deferred tax liabilities	(j)	327,809	332,804
Total non-current liabilities		1,451,345	1,443,742
Total liabilities		1,550,743	1,544,319
NET ASSETS		1,307,100	1,328,632
UNITHOLDERS' FUNDS			
Unitholders' funds		1,307,100	1,328,632

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 ie only after the construction is complete.
- (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 (at the rate of 10%) 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. The decline in trade and other payables (non-current) is mainly due to the reduction in the miscellaneous non-current liabilities in relation to the performance deposits from a vendor.
- (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 2015. Please refer to note 3.3 (e) on page 104 of the IPIT 2015 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.

- (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\$ 16.2 million during the financial quarter ended 30 September 2015.

In the Consolidated Balance Sheet as at 30 September 2015, there is a total increase in investment and development properties of S\$ 80.1 million as compared to 30 June 2015. The increase of S\$16.2 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 2015 and the depreciation of SGD against INR by approximately 2.5% as at 30 September 2015 (closing rate) as compared to 30 June 2015 (closing rate) resulted in the total increase in investment and development properties of S\$ 80.1 million as compared to 30 June 2015. 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 2015		As at 31 March 2015	
	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	78,319	486,183	79,191	502,718

The details on the facilities availed are as below –

- Loans from Bank of Baroda , Bank of Maharashtra and Bank of India, Central Bank of India aggregating to S\$491 million. The original loan tenure for these loans is in the range of 9 years to 9.5 years.; and
- Loan from Axis Bank and Central Bank of India , aggregating to S\$73 million for which the original loan tenure is in the range of 4 years to 5 years.

The interest rate on the loans range from 10.2 % to 11.5 % and the weighted average interest rate on the loans availed is 10.4%

As at 30 September 2015, 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 2015 was 23.6% of the value of IPIT's Trust Property. Borrowings were S\$564.5 million, and cash and cash equivalents were S\$2.2 million, IPIT has additional borrowing capacity of S\$272.4 million or S\$870.2 million (before its gearing reaches 35% or as the case may be 60 % respectively⁵) 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"), the Aggregate Leverage (as defined in the Property Fund Appendix) of the Trust shall not exceed 35% (or such higher percentage limit as may be permitted under the Property Funds Appendix) (the "Primary Permitted Gearing Limit") of the value of the IPIT's Trust Property provided that the Aggregate Leverage of the Trust may exceed the Primary Permitted Gearing Limit of up to a maximum of 60% (or such higher percentage limit as may be permitted under the Property Funds Appendix) of the value of IPIT's Trust Property only if a credit rating of the property fund from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public. The Trust shall continue to maintain and disclose a credit rating so long as its Aggregate Leverage exceeds the Primary Permitted Gearing Limit.

1(b) (iii) Statement of Financial Position (for the Trust) as at 30 September 2015

	Trust	
	30 September 2015	31 March 2015
	S\$'000	S\$'000
ASSETS		
Non-current asset		
Investment in subsidiaries	1,380,690	1,405,195
Total non-current asset	1,380,690	1,405,195
Current assets		
Cash and cash equivalents	1,032	1,682
Prepayments	20	19
Trade and other receivables	1,020	932
Other current assets	159	163
Total current assets	2,231	2,796
Total assets	1,382,921	1,407,991
LIABILITY		
Current liability		
Trade and other payables	3,480	2,458
Total current liability	3,480	2,458
Non-current liability		
Trade and other payables	3,612	3,533
Total non-current liability	3,612	3,533
Total liabilities	7,092	5,991
NET ASSETS	1,375,829	1,402,000
UNITHOLDERS' FUNDS		
Unitholders' funds	1,375,829	1,402,000

1(c) Consolidated Statement of Cash Flows for the quarter ended 30 September 2015

	Note	Group	Group
		1 July 2015 to 30 September 2015	1 July 2014 to 30 September 2014
		S\$'000	S\$'000
Operating activities			
(Loss)/profit before tax for the financial period		(525)	126
Adjustments for:			
Finance costs		14,940	14,669
Interest income		(221)	(667)
Dividend income		(16)	(147)
Straight lining of rental income		817	1,085
Foreign exchange(gain)/loss		(88)	4
Depreciation		226	72
Others		(34)	76
Operating cash flow before changes in working capital		15,099	15,218
Changes in working capital:			
Increase in prepayments		(1,418)	(3,479)
Decrease in other current assets and trade and other receivables		546	2,317
Increase in trade and other payables and other non-financial liability		7,637	17,784
Total changes in working capital		6,765	16,622
Cash flow generated in operation		21,864	31,840
Finance costs		(14,940)	(14,669)
Income tax (see note (e) of Statement of Financial Position)		(2,900)	(2,352)
Net cash flow generated from operating activities		4,024	14,819
Investing activities			
Additions to plant and equipment		(83)	(190)
Additions to investment properties and development properties		(16,158)	(32,553)
Purchase of available-for-sale investments	(a)	(209,211)	(618,547)
Sale of available-for-sale investments	(a)	209,211	618,547
Interest income received		576	1,033
Dividend income received		42	151
Net cash flow used in investing activities		(15,623)	(31,559)

INDIABULLS PROPERTIES INVESTMENT TRUST
ANNOUNCEMENT OF RESULTS FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

Financing activities			
Proceeds from interest bearing loans and borrowings		62,888	-
Repayment of interest bearing loans and borrowings		(57,657)	(16,786)
Fixed deposits pledged with a bank		(5,544)	(545)
Redemption of fixed deposits pledged with a bank		4,591	-
Net cash flow generated from / (used in) financing activities	section 1(b) (ii)	4,278	(17,331)
Net decrease in cash and cash equivalents		(7,321)	(34,071)
Cash and cash equivalents at the beginning of the period		9,219	40,450
Effect of exchange rate change on cash and cash equivalents		322	(289)
Cash and cash equivalents at end of period	(b)	2,220	6,090

Notes:

- (a) The S\$209.2 million of purchase and S\$ 209.2 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 2015. 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\$3.2 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\$ 2.2 million as at 30 September 2015. In addition to the cash and cash equivalents, the IPIT Group had pledged fixed deposit of S\$ 14.5 million (as at 30 June 2015: S\$ 13.2 million), of which S\$ 13.4 million (as at 30 June 2015 S\$ 12.2 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\$ 1.1 million (as at 30 June 2015 S\$ 1.0 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 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
Issue of Units	-	-	-	-	-
Balance as at 30 September 2015	3,102,916	-	(726,066)	(1,069,750)	1,307,100

< -- 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 2014	3,098,935	3,981	(777,765)	(1,064,493)	1,260,658
Profit for the period	-	-	-	126	126
Foreign currency translation	-	-	(8,773)	-	(8,773)
Total comprehensive income for the period	-	-	(8,773)	126	(8,647)
Issue of Units	1,807	(1,807)	-	-	-
Balance as at 30 September 2014	3,100,742	2,174	(786,538)	(1,064,367)	1,252,011

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
Issue of Units	-	-	-	-	-
Balance as at 30 September 2015	3,102,916	-	(711,557)	(1,015,530)	1,375,829

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 2014	3,098,935	3,981	(765,955)	(1,003,156)	1,333,805
Loss for the period	-	-	-	(2,245)	(2,245)
Foreign currency translation	-	-	(9,361)	-	(9,361)
Total comprehensive income for the period	-	-	(9,361)	(2,245)	(11,606)
Issue of Units	1,807	(1,807)	-	-	-
Balance as at 30 September 2014	3,100,742	2,174	(775,316)	(1,005,401)	1,322,199

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

	30 September 2015 in '000	30 September 2014 in '000
Number of issued Units at beginning of financial period	3,770,143 ⁶	3,735,792 ⁶
Issue of new Units:		
- Management fee paid in Units	-	17,691 ⁶
- Adjustments arising from Unit Consolidation ⁷	(3,016,114)	-
Number of issued Units at end of financial year	754,029	3,753,483 ⁶
- Management fee payable in Units	-	16,660 ⁶
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 2015, 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 on consolidated Unit pursuant to the completion of the Unit Consolidation on 25 August 2015.

⁷ The adjustment arose from the Unit Consolidation and any fractions of consolidated Unit arising from the Unit Consolidation were disregarded.

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

Earnings per unit

	1 July 2015 to 30 September 2015	1 July 2014 to 30 September 2014
Weighted average number of Unit for the period (in '000)	754,029	748,004 ⁸
(Loss)/profit per Unit in cents (basic and diluted)	(0.070)	0.017

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

	1 April 2015 to 30 September 2015	1 April 2014 to 30 September 2014
Distribution per unit in cents	0.0638	0.0707 ⁹

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

	30 September 2015	31 March 2015
Net asset value per Unit (cents) (Group)	173.35	176.20 ¹⁰
NAV per Unit (cents) (Trust)	182.46	185.93 ¹⁰

⁸ The weighted average number of Units has been adjusted for the effects of the Unit Consolidation.

⁹ The distribution per Unit has been adjusted for the effects of the Unit Consolidation.

¹⁰ The number of Units issued and issuable, Unitholders' funds per Unit and adjusted Unitholders' funds per Unit as at 31 March 2015 have been adjusted for the effects of the Unit Consolidation.

8. Review of performance

IPIT earned S\$ 22.9 million of rental income in the financial quarter ended 30 September 2015 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 2015 was S\$ 16.4 million. The total area that has been leased out at the properties is approximately 2.8 million sq.ft. at an average rental of approximately Rs.144 per sq.ft. per month (September 2014 - approximately 2.9 million sq ft leased out at an average rental of approximately Rs. 143 per sq.ft. per month). The occupancy rate was 76% at One Indiabulls Centre and 97% at Indiabulls Finance Centre.

Please refer to our earlier announcements (both the quarterly/ annual financial results as well as our response to the relevant SGX queries). We had earlier stated that the development of Sky Forest and Sky Suites was suspended on account of regulatory changes in respect of public parking that was a pre-condition to allow for enhanced FSI to be utilized by the two properties. We also stated that Indiabulls Sky Forest development had resumed while development of Sky Suites continued to remain suspended. We continue to develop Sky Forest (though development plans have still not been finalized) while we continue to keep Sky Suites development suspended (we expect to resume development of Sky Suites upon receiving clarity on impact of regulatory changes and finalization of the development plans). Currently, we have reached 22nd floor in Sky Forest, while Sky Suites is behind Sky Forest in terms of development.

At Indiabulls Sky, all the habitable floors within the building have been constructed and we expect further works to be completed within approximately 1 year when the building would be fully completed to be handed over to the customers. We estimate Indiabulls Sky Forest to be completed within 3 to 4 years though, for reasons stated above, we are currently unable to give reasonable estimate for completion of Sky Suites. 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 period covering 30 September 2015. Having said that, our experience has been broadly in line with what has been disclosed in paragraph 10. We are witnessing moderate inquiries / take up in leasing / sale activity but steady office rentals / residential rates. In the context of increased political stability in the country, we hope to see better environment for the real estate sector in general and our properties in particular.

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 market has witnessed shrinking absorption and new launches but stable (to moderate increase) in rental values in the commercial market and similarly decline in residential new launches and shrinking absorption. In our properties, we are witnessing moderate inquiries / take up in leasing / sale activity but steady office rentals / residential rates. In the context of increased political stability in the country, we hope to see better environment for the real estate sector in general and our properties in particular.

ECONOMY OVERVIEW - As per the Knight Frank – India Real Estate – Residential and Office, January to June 2015¹¹ (Extract only)

The Indian economy grew at 7.3% during FY 2014-15, higher than the forecasted GDP rate of 6.8%, and is slated to clock a GDP growth rate in the range of 7-7.5% in 2015-16. If this momentum continues, along with a conducive business environment and policies, the country will be poised to attain a double-digit rate of growth in the coming years.

OFFICE MARKET - As per the Knight Frank – India Real Estate – Residential and Office, January to June 2015¹² (Extract only)

Stock, New Completions, Absorption and Vacancy Trends

- After a resounding uptick in economic sentiments last year, resentment over the pace of economic recovery eclipsed the business mood, and consequently, the office space absorption growth in the country's financial capital.
- In response to the muted demand scenario, project completions were put off, and, as a result, 2.3 mn sq ft of new completions were recorded during this period, declining by 20% compared to H1 2014 and 64% compared to H2 2014.

¹¹ Source: Knight Frank – India Real Estate – Residential and Office, January to June 2015. Knight Frank India Pvt. Ltd. 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 Knight Frank India Pvt. Ltd. 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.

¹² Source: Knight Frank – India Real Estate – Residential and Office, January to June 2015. Knight Frank India Pvt. Ltd. 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 Knight Frank India Pvt. Ltd. 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.

OFFICE MARKET - As per the Knight Frank – India Real Estate – Residential and Office, January to June 2015 (Extract only - continued)

Business district-wise rental movement - Central Mumbai (Extract only)

Business district	Rental value range in H1 2015 (INR/sq ft/month)	12- month change	6-month change
Central Mumbai(*)	150-190	9%	4%

(*) Central Mumbai – Parel, Lower Parel, Dadar, Prabhadevi

Outlook for the Next Six Months

With new project completions for H2 2015 estimated at 4.3 mn sq ft—lower by 32% in contrast to H2 2014—the vacancy level will trend lower, to 20.4% from 21.9%, and the weighted average rent will increase by 4%.

RESIDENTIAL MARKET - As per the Knight Frank – India Real Estate – Residential and Office, January to June 2015¹³ (Extract only)

MMR¹⁴ - Residential Market Launches, Absorption and Price Trends

- The MMR residential market contracted further in H1 2015. In comparison to the preceding half yearly period of H2 2014, absorption and new launches shrunk by 22% and 30%, respectively. Housing sales of 28,446 units and new launches of 18,887 units made H1 2015 the worst half-yearly period in the post global financial crisis era. Compared to H1 2014, the latest period saw a decline of 47% and 9% in new launches and absorption, respectively.
- In a situation where unsold inventory, particularly in the ready possession category, is increasing, new launches would only aggravate the pressure. Taking cognizance of this, developers have aligned new launches to the bleak demand scenario. Additionally, the confusion over Mumbai's new Development Plan (DP) 2034 that was launched at the beginning of this year has impacted approvals for new projects.
- In line with the slowdown in the MMR residential property market, the price growth has decelerated in H1 2015.

Micro-Market Split of Residential Launches - Central Mumbai (Extract only)

South Mumbai and Central Mumbai, the relatively expensive markets of the MMR, have witnessed a sharp decline in new launches during the last six months.

¹³ Source: Knight Frank – India Real Estate – Residential and Office, January to June 2015. Knight Frank India Pvt. Ltd. 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 Knight Frank India Pvt. Ltd. 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 Mumbai Metropolitan Region

RESIDENTIAL MARKET - As per the Knight Frank – India Real Estate – Residential and Office, January to June 2015 (Extract only - continued)

Premium Residential Market Launches, Absorption and Price Trends - Central Mumbai (Extract only)

With an average house price of INR 50 mn and above, the premium markets are select localities spread across the micro-markets of South Mumbai, Central Mumbai and the Western Suburbs. These markets have also been battling tough market conditions for the last few years.

Price Movement

Location	Micro-market	Price range in H1 2015 (INR/ sq.ft.)	12 month change	6 month change
Lower Parel	Central Mumbai (*)	25,000-36,000	4%	3%

(*) Central Mumbai – Worli, Prabhadevi, Parel, Lower Parel, Dadar

Outlook for the Next Six Months

- Investor interest in residential property is expected to remain muted on account of suboptimal returns in comparison to other asset classes such as equity and debt. A gradual improvement in employment outlook, coupled with lower consumer inflation and housing loan interest rates, would augment end user demand in H2 2015, resulting in housing sales of 34,135 units – up 20% sequentially compared to the first six months of 2015. In comparison to H2 2014, this will translate to a decline of 6%.
- While new launches and absorption are estimated to improve in H2 2015 in comparison to the last six months, we forecast stagnation in property prices on account of high unsold inventory and low investor interest. The price growth since H2 2014 will stand at 3%.

11. Distributions

(a) Current Financial Period

Any distribution declared for the current financial period?

Yes, 0.0638 Singapore cents per units for the six months period ended 30 September 2015. Please also refer to the “Distribution Statement” in section 1(a)(iii) of this announcement.

Distribution Details

Distribution period
Distribution amount
Ex-Distribution date
Book Closure Date
Payment date

1 April 2015 to 30 September 2015
0.0638 Singapore cents per unit
9.00 am, 17 November 2015
5.00 am, 19 November 2015
28 December 2015

The Distribution will be tax exempt in the hands of all Unitholders, regardless of whether they are corporations or individuals, foreign or local. Unitholders are not entitled to tax credits for any taxes paid by Indiabulls Property Management Trustee Pte. Ltd. (“IPMT”) the Trustee-Manager of IPIT.

(b) Corresponding Period of the Immediately Preceding Financial Period

Yes, 0.0707¹⁵ Singapore cents per units for the six months period ended 30 September 2014.

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 transactions mandate obtained.

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

The Board of Director 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.

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
20 October 2015

¹⁵ The distribution per Unit has been adjusted for the effects of the Unit Consolidation.