360 CAPITAL INVESTMENT TRUST

Interim Financial Report
For the half year ended 31 December 2016

Comprising 360 Capital Investment Trust (ARSN 104 552 598) and its controlled entities.

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of 360 Capital Investment Trust for the year ended 30 June 2016 and any public announcements made by 360 Capital Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The Directors of 360 Capital FM Limited (CFML) (ABN 15 090 664 396) (AFSL No 221474), the Responsible Entity of 360 Capital Investment Trust (Trust) present their report, together with the interim financial report of 360 Capital Investment Trust and its controlled entities (consolidated entity) for the half year ended 31 December 2016.

The consolidated entity forms part of the stapled entity, 360 Capital Group (Stapled Group or Group) (ASX code: TGP) comprising 360 Capital Group Limited and its controlled entities and 360 Capital Investment Trust and its controlled entities.

On 23 December 2016, securityholders of the Stapled Group passed a resolution to change the Responsible Entity from 360 Capital Investment Management Limited (CIML) to 360 Capital FM Limited. The change in Responsible Entity was effective from 9 January 2017. The Directors of CIML were the same and only Directors as CFML, as listed below, for the period and up to the date of the change of the Responsible Entity, after this date the Directors of CIML changed.

Directors

The following persons were Directors of 360 Capital FM Limited, from its date of appointment as the Responsible Entity of 360 Capital Investment Trust on 9 January 2017 and up to the date of this report unless otherwise stated:

David van Aanholt (Chairman)
Tony Robert Pitt
William John Ballhausen
Graham Ephraim Lenzner
Andrew Graeme Moffat

Principal activities

The principal activities of the consolidated entity during the course of the half year were investments in the managed funds. On the disposal date of 30 December 2016, 360 Capital Group completed a transaction to sell the majority of its fund management platform and co-investment stakes in its listed and unlisted funds to Centuria Capital Group (ASX code: CNI)(Centuria) and associates. This involved the sale of the consolidated entity's holdings in 360 Capital Industrial Fund (TIX) and 360 Capital Office Fund (TOF), together with entering into a put and call option over the majority of its remaining stakes in the unlisted funds (the Transaction). The Transaction was subsequently settled on 9 January 2017. Post settlement of the Transaction, the name of TIX was subsequently changed to Centuria Industrial REIT (ASX code: CIP) and the name of TOF was changed to Centuria Urban REIT (ASX code: CUA).

There were no other significant changes in the nature of activities of the consolidated entity during the period.

Operating and financial review

The statutory loss attributable to the unitholders of the consolidated entity for the half year ended 31 December 2016 was $3.8 million (December 2015: profit $7.7 million). The operating profit (profit before specific non-cash and significant items) was $5.2 million (December 2015: $6.2 million).

Operating profit is a financial measure which is not prescribed by Australian Accounting Standards ("AAS") and represents the profit under AAS adjusted for specific non-cash items and significant items. The Directors consider operating profit to reflect the core earnings of the consolidated entity.

The following table summarises key reconciling items between statutory profit attributable to the unitholders of the consolidated entity and operating profit. The operating profit information in the table has not been subject to any specific review procedures by the consolidated entity's auditor but has been extracted from Note 2 of the accompanying financial statements for the half year ended 31 December 2016, which have been subject to review; refer to page 31 for the auditor's review report on the financial statements.

Operating and financial review (continued)

	Total core 31 December 2016 $'000	**Total core 31 December 2015 $'000**
(Loss)/Profit attributable to the unitholders of the consolidated entity	**(3,785)**	**7,743**
Specific non-cash items		
Net loss/(gain) on fair value of financial assets	7,543	(1,781)
Net (gain)/loss on fair value of derivative financial instruments	(229)	173
Other items	-	48
Significant items		
Transaction costs	488	-
Write-off deferred borrowing costs	1,195	-
Rent receivable adjustment	-	1,260
Net gain on disposal of financial assets	-	(1,500)
Net loss on sale of investment properties	-	279
Operating profit (profit before specific non-cash and significant items)	**5,212**	6,222

The key financial highlights for the half year ended 31 December 2016 include:

- Statutory net loss attributable to unitholders of the consolidated entity of $3.8 million (December 2015: profit $7.7 million)
- Operating profit of $5.2 million (December 2015: $6.2 million)
- Statutory Basic earnings per unit "EPU" of (1.7) cpu (loss) (December 2015: earnings of 3.4 cpu)
- Operating Basic EPU of 2.4 cpu (December 2015: 2.7 cpu)
- Distributions of 3.25 cpu (December 2015: 3.125 cpu)
- Net assets attributable to unitholders of $117.5 million (June 2016: $128.6 million)

The key operating achievements for the half year ended 31 December 2016 include:

- Sale of Subiaco Square Shopping Centre for $38.4 million, returning to the Trust $9.4 million in cash
- 360 Capital Group completed a transaction to sell the majority of its fund management platform and co-investment stakes in its listed and unlisted funds to Centuria. This included the sale of the consolidated entity's holdings in TIX and TOF, together with entering into a put and call option over the majority of its remaining stakes in the unlisted funds
- Repaid all the Trusts $75 million fixed rate notes on 10 January 2017 with the trust now debt free
- Post period bought back 25 million 360 Capital Group securities (10.4% of issued capital)

Operating and financial review (continued)

Summary of divestment transaction
On the effective date (Disposal date) of 30 December 2016, 360 Capital Group completed a transaction to sell the majority of its funds management platform and co-investment stakes in its listed and unlisted funds to Centuria and associates. This involved the sale of the consolidated entity's holdings in TIX and TOF, together with entering into a put and call option over the majority of its remaining stakes in the unlisted funds (the Transaction). The Transaction was subsequently settled on 9 January 2017, and following settlement, the Trust repaid all outstanding notes under its $75.0 million fixed rate note issue.

By the Disposal date, substantially all material conditions to the Transaction had been satisfied with the only actions to occur between 30 December 2016 and settlement on 9 January 2017 being procedural in nature. Conditions precedent to the transaction which had been completed at the Disposal date included; 360 Capital Group securityholder approval of a change in the Trust's responsible entity, which was approved at a meeting on 23 December 2016, TOF unitholder approval of the sale of the Group's 28.8% co-investment in TOF to Centuria entities which was approved at a meeting to be held on 30 December 2016 and 360 Capital Group noteholder approval to the change or responsible entity of the Trust and early redemption of the Notes with approval received at a meeting of noteholders on 15 December 2016.

Financial results
Statutory results
The consolidated entity's statutory net loss attributable to unitholders for the half year ended 31 December 2016 was $3.8 million compared to a $7.7 million profit for the prior period. The current year statutory net loss was impacted by the fair value loss on financial assets of $7.9 million resulting from a fall in the value of listed investments during the period.

The consolidated entity's statutory balance sheet as at 31 December 2016 was impacted by the deconsolidation of the 360 Capital Retail No.1 Fund (Retail Fund) and the completion of the Transaction. The investment properties held by the Retail Fund of $71.4 million and secured borrowings $34.9 million were derecognised associated with the deconsolidation of the Retail Fund due the loss of control due to the Transaction.

The consolidated entity recognised a receivable at 31 December 2016 of $124.9 million relating to the sale of its holding in TIX and TOF in accordance with the Transaction.

Operating results
The operating profit for the half year ended 31 December 2016 was $5.2 million compared to $6.2 million for the prior period. The result reflects a reduction in net property income of $1.2 million from the prior period due to the sale of the Trust's last direct property asset in September 2015.

Summary and Outlook
The 360 Capital Group will continue its strategy of being a fund manager and co-investor, however, given the significant level of cash post the Centuria transaction, the Group will also look to sponsor transactions with 360 Capital Total Return Fund (ASX code: TOT) and institutional partners as opportunities arise.

Distributions

Distributions declared by 360 Capital Investment Trust directly to unitholders during the half year were as follows:

	31 December 2016 $'000	31 December 2015 $'000
1.5625 cents per unit paid on 26 October 2015	-	3,867
1.5625 cents per unit paid on 28 January 2016	-	3,867
1.625 cents per unit paid on 28 October 2016	3,893	-
1.625 cents per unit paid on 25 January 2017	3,894	-
	7,787	7,734

Significant changes in state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the consolidated entity that occurred during the half year under review other than those listed above or elsewhere in the Directors' report.

Likely developments and expected results of operations

Post the completion of the Centuria transaction, as disclosed above, the consolidated entity continues to focus on its remaining investments and redeploying capital from the sale of its investments under the Transaction.

Events subsequent to balance date

Settlement of the Transaction, as disclosed above, occurred on 9 January 2017 which included payment of consideration for the consolidated entity's investments in TIX and TOF, and provision of a $50.0 million vendor loan to a wholly owned subsidiary of Centuria. On 10 January 2017, part of the proceeds from the Transaction were used to repay noteholders of the Trusts $75.0 million fixed rate notes issue. On 2 February 2017, the 360 Capital Group activated its on market buy back, as approved by securityholders on 28 November 2016, acquiring and subsequently cancelling 25.0 million securities at a price of 90 cents per security.

No other circumstances have arisen since the end of the half year which have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Auditor's independence declaration

The auditor's independence declaration required under Section 307C of the Corporations Act 2001 is set out on page 7 and forms part of the Directors' report for the half year ended 31 December 2016.

Rounding of amounts

The consolidated entity is an entity of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission ("ASIC"). In accordance with that Instrument, amounts in the interim financial report and Directors' report have been rounded to the nearest thousand dollars, unless otherwise stated.

This report is made in accordance with a resolution of the Directors.

Tony Robert Pitt
Director

Graham Ephraim Lenzner
Director

Sydney
23 February 2017

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Auditor's Independence Declaration to the Directors of 360 Capital FM Limited as Responsible Entity for 360 Capital Investment Trust

As lead auditor for the review of 360 Capital Investment Trust for the half-year ended 31 December 2016, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of 360 Capital Investment Trust and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

Mark Conroy

Mark Conroy
Partner
23 February 2017

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360 Capital Investment Trust

Consolidated interim statement of profit or loss and other comprehensive income

For the half year ended 31 December 2016

	Note	31 December 2016 $'000	31 December 2015 $'000
Revenue from continuing operations			
Rental from investment properties		3,940	4,273
Distributions from property funds		7,133	6,849
Finance revenue		11	61
Total revenue from continuing operations		**11,084**	11,183
Other income			
Net gain on fair value of financial assets		-	2,136
Net gain on disposal of financial assets		-	1,500
Net gain on fair value of derivative financial instruments		1,127	-
Total other income		**1,127**	3,636
Total revenue from continuing operations and other income		**12,211**	14,819
Investment property expenses		1,558	1,671
Administration expenses		849	387
Finance expenses	5	4,900	3,783
Net loss on fair value of financial assets	9	7,884	-
Net loss on fair value of investment properties	8	50	96
Net loss on fair value of derivative financial instruments		-	526
Net loss on sale of investment property		-	279
(Loss)/profit for the half year		**(3,030)**	8,077
Other comprehensive income for the half year		**-**	-
Total comprehensive (loss)/income for the half year		**(3,030)**	8,077
Total comprehensive (loss)/income attributable to:			
(Loss)/profit attributable to unitholders		(3,785)	7,743
Profit attributable to external non-controlling interests		755	334
(Loss)/profit for the half year		**(3,030)**	8,077
Earnings per unit for profit attributable to unitholders of the consolidated entity		**Cents**	**Cents**
Basic earnings per unit	6	(1.7)	3.4
Diluted earnings per unit	6	(1.6)	3.1

The above consolidated interim statement of profit or loss and other comprehensive income should be read with the accompanying condensed notes.

360 Capital Investment Trust

Consolidated interim statement of financial position

As at 31 December 2016

	Note	31 December 2016 $'000	30 June 2016 $'000
Current assets			
Cash and cash equivalents		9,787	1,084
Receivables	7	77,727	2,817
Due from related entities		547	2,268
Other current assets		9	352
Total current assets		**88,070**	6,521
Non-current assets			
Receivables	7	50,000	-
Financial assets at fair value through profit or loss	9	63,510	181,647
Investment properties	8	-	71,400
Total non-current assets		**113,510**	253,047
Total assets		**201,580**	259,568
Current liabilities			
Borrowings	10	78,000	-
Trade and other payables		2,174	2,048
Distribution payable		3,894	3,744
Other current liabilities		-	171
Total current liabilities		**84,068**	5,963
Non-current liabilities			
Borrowings	10	-	111,537
Derivative financial instruments		-	1,535
Total non-current liabilities		**-**	113,072
Total liabilities		**84,068**	119,035
Net assets		**117,512**	140,533
Equity			
Issued capital - trust units	11	147,758	147,234
Accumulated losses		(30,246)	(18,586)
Total equity attributable to unitholders		**117,512**	128,648
External non-controlling interest		**-**	11,885
Total equity		**117,512**	140,533

The above consolidated interim statement of financial position should be read with the accompanying condensed notes.

360 Capital Investment Trust
Consolidated interim statement of changes in equity
For the half year ended 31 December 2016

	Note	Issued capital - trust units $'000	Security based payments reserve $'000	Accumulated losses $'000	Total equity attributable to unitholders $'000	External non-controlling interest $'000	Total equity $'000
Balance at 1 July 2016		147,234	-	(18,586)	128,648	11,885	140,533
Total comprehensive (loss)/income for the year		-	-	(3,785)	(3,785)	755	(3,030)
Transactions with non-controlling interests		-	-	(88)	(88)	(12,062)	(12,150)
Transactions with Unitholders in their capacity as Unitholders							
Issued units - ESP		524	-	-	524	-	524
Distributions	4	-	-	(7,787)	(7,787)	(578)	(8,365)
		524	-	(7,787)	(7,263)	(578)	(7,841)
Balance at 31 December 2016		**147,758**	**-**	**(30,246)**	**117,512**	**-**	**117,512**
Balance at 1 July 2015		152,453	-	(25,200)	127,253	9,207	136,460
Total comprehensive income for the year		-	-	7,743	7,743	334	8,077
Transactions with non-controlling interests		-	-	210	210	2,488	2,698
Transactions with Unitholders in their capacity as Unitholders							
Distributions	4	-	-	(7,734)	(7,734)	(433)	(8,167)
		-	-	(7,734)	(7,734)	(433)	(8,167)
Balance at 31 December 2015		152,453	-	(24,981)	127,472	11,596	139,068

The above consolidated interim statement of changes in equity should be read with the accompanying condensed notes.

360 Capital Investment Trust

Consolidated interim statement of cash flows

For the half year ended 31 December 2016

	Note	31 December 2016 $'000	31 December 2015 $'000
Cash flows from operating activities			
Cash receipts from customers (inclusive of GST)		4,392	3,945
Cash payments to suppliers (inclusive of GST)		(2,560)	(1,299)
Dividends and distributions received		6,912	6,687
Finance revenue		11	61
Finance expenses		(3,297)	(3,486)
Net cash inflows from operating activities		**5,458**	5,908
Cash flows from investing activities			
Proceeds from disposal of investment properties		-	38,901
Payments for financial assets		(49)	(15,648)
Payments for investment properties		(98)	(141)
Proceeds from disposal of financial assets	9	9,459	1,821
Net cash inflows from investing activities		**9,312**	24,933
Cash flows from financing activities			
Proceeds from borrowings		400	-
Repayment of borrowings		-	(11,000)
Amounts paid to related parties		-	(14,974)
Amounts received from related parties		2,245	-
Proceeds from issue of capital to non-controlling interests		-	2,698
Distributions paid to unitholders		(7,637)	(7,547)
Distributions paid to external non-controlling interests		(482)	(433)
Net cash outflows from financing activities		**(5,474)**	(31,256)
Net increase/(decrease) in cash and cash equivalents		9,296	(415)
Net decrease in cash on deconsolidation		(593)	-
Cash and cash equivalents at the beginning of the half year		1,084	4,206
Cash and cash equivalents at the end of the half year		**9,787**	3,791

The above consolidated interim statement of cash flows should be read with the accompanying condensed notes.

Note 1: Basis of preparation

a) Reporting entity

The interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. The interim financial report of 360 Capital Investment Trust comprises the consolidated financial statements of 360 Capital Investment Trust and its controlled entities. The consolidated entity forms part of the stapled entity, 360 Capital Group (Stapled Group) (ASX code: TGP) comprising 360 Capital Group Limited and its controlled entities and 360 Capital Investment Trust and its controlled entities.

On 23 December 2016, securityholders of the Stapled Group passed a resolution to change the Responsible Entity from 360 Capital Investment Management Limited (CIML) to 360 Capital FM Limited (CFML). The change in Responsible Entity was effective from 9 January 2017. The Directors of CIML were the same and only Directors as CFML for the period and up to the date of the change of the Responsible Entity, after this date the Directors of CIML changed.

The interim financial report does not include all of the notes and information required for a full annual financial report and should be read in conjunction with the annual financial report for the year ended 30 June 2016 and any public announcements made by 360 Capital Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The annual financial report of the 360 Capital Investment Trust as at and for the year ended 30 June 2016 is available upon request from the registered office at Level 8, 56 Pitt Street, Sydney NSW 2000 Australia or at www.360capital.com.au.

Where accounting policies have changed, comparative financial information of the consolidated entity has been revised. The accounting policies adopted in this interim financial report are consistent with those of the previous financial year and corresponding interim reporting period.

For the period commencing 1 July 2016, the consolidated entity has not adopted any new accounting standards or amendments.

b) Basis of preparation

Basis of preparation
360 Capital Investment Trust and its controlled entities are for-profit entities for the purpose of preparing the interim financial report.

The financial report has been prepared on accruals basis and on the historical cost basis except for investment properties, financial assets and financial liabilities, which are stated at their fair value.

The interim financial report is presented in Australian dollars.

The consolidated entity is an entity of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission ("ASIC"). In accordance with that Instrument, amounts in the interim financial report and Directors' report have been rounded to the nearest thousand dollars, unless otherwise stated.

Note 2: Segment reporting

Segment information is presented in respect of the consolidated entity's operating segments, which are the primary basis of segment reporting. An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other operating segments. The primary segments are based on the consolidated entity's management and internal reporting structure and include:

1) Co-investment - providing income through distributions and capital growth in equity values
2) Direct asset investment – this segment ceased in September 2015 with the sale of the consolidated entity's last remaining direct property asset.

The consolidated entity's management strategy and measures of performance focus on the returns from these core segments in order to deliver returns and value to investors.

Operating segments are determined based on the information which is regularly reviewed by the Managing Director, who is the Chief Operating Decision Maker of the consolidated entity.

The information provided is net of specific non-cash items including fair value adjustments, straight-lining of lease revenues and incentives and impairment adjustments. Significant one off items are also excluded.

Consolidation and eliminations
Included in this segment are the elimination of inter-group transactions and conversion of the consolidated results from the managed fund deemed to be controlled under AASB 10, being funds with material non-controlling interests (refer to Note 13). The performance of this managed fund, is considered to be non-core and is reviewed separately to that of the performance of the business segments.

Geographical segments
In presenting information on the basis of geographical segments, segment revenue and segment assets are based on the geographical location of the underlying assets. All segments operate solely within Australia.

Note 2: Segment reporting (continued)

The operating segments provided to the Board for the reportable segments for the half year ended 31 December 2016 are as follows:

Half-year ended 31 December 2016	**Co-investment funds $'000**	**Direct asset investment $'000**	**Total core $'000**	**Consolidation & eliminations $'000**	**Total $'000**
Net property income	-	-	-	2,425	2,425
Co-investment revenue	8,275	-	8,275	(1,142)	7,133
Finance revenue	-	-	-	-	-
Total revenue and other income	**8,275**	**-**	**8,275**	**1,283**	**9,558**
Operating expenses	76	-	76	278	354
Earnings before interest and tax (EBIT)	**8,199**	**-**	**8,199**	**1,005**	**9,204**
Net interest expense	2,987	-	2,987	706	3,693
Operating profit (before specific non-cash and significant items)	**5,212**	**-**	**5,212**	**299**	**5,511**

Weighted average number of units - basic ('000)	221,305
Operating profit per unit (before specific non-cash and significant items) (EPS) - cents	**2.4**

Note 2: Segment reporting (continued)

The operating segments provided to the Board for the reportable segments for the half year ended 31 December 2015 are as follows:

Half year ended 31 December 2015	Co-investment funds	Direct asset investment	Total core	Consolidation & eliminations	Total
	$'000	$'000	$'000	$'000	$'000
Net property income	-	1,198	1,198	2,634	3,832
Co-investment revenue	8,169	-	8,169	(1,320)	6,849
Total revenue and other income	8,169	1,198	9,367	1,314	10,681
Operating expenses	40	60	100	244	344
Earnings before interest and tax (EBIT)	8,129	1,138	9,267	1,070	10,337
Net interest expense	2,897	148	3,045	677	3,722
Operating profit (before specific non-cash and significant items)	5,232	990	6,222	393	6,615

Weighted average number of units - basic ('000)			226,733		
Operating profit per unit (before specific non-cash and significant items) (EPS) - cents			**2.7**		

Note 2: Segment reporting (continued)

Reconciliation of profit to operating profit for the half year is as follows:

	Total core 31 December 2016 $'000	Total core 31 December 2015 $'000	Total 31 December 2016 $'000	Total 31 December 2015 $'000
(Loss)/profit after tax attributable to unitholders	**(3,785)**	7,743		
(Loss)/profit for the year			**(3,030)**	8,077
Specific non-cash items				
Net loss/(gain) on fair value of financial assets	7,543	(1,781)	7,884	(2,136)
Net gain/(loss) on fair value of derivative financial instruments	(229)	173	(1,127)	526
Net loss on fair value of investment properties	-	-	50	-
Straight-lining of lease revenue and incentives	-	-	51	61
Other items	-	48	-	48
Significant items				
Transaction costs	488	-	488	-
Reversal of subsidiary capital raising costs	-	-	-	-
Write-off of deferred borrowing costs	1,195		1,195	-
Rent receivable adjustment	-	1,260	-	1,260
Net gain on disposal of financial assets	-	(1,500)	-	(1,500)
Net loss on sale of investment property	-	279	-	279
Operating profit (before specific non-cash items and significant items)	**5,212**	6,222	**5,511**	6,615

Note 2: Segment reporting (continued)

As at 31 December 2016	Co-investment funds $'000	Direct asset investment $'000	Total core $'000	Consolidation & eliminations $'000	Total $'000
Assets					
Cash and cash equivalents	9,787	-	9,787	-	9,787
Investment properties	-	-	-	-	-
Assets held for sale	-	-	-	-	-
Financial assets at fair value through the profit or loss	63,510	-	63,510	-	63,510
Other assets	128,283	-	128,283	-	128,283
Total assets	**201,580**	**-**	**201,580**	-	**201,580**
Liabilities					
Borrowings	78,000	-	78,000	-	78,000
Other liabilities	6,068	-	6,068	-	6,068
Total liabilities	**84,068**	**-**	**84,068**	-	**84,068**
Net assets	**117,512**	**-**	**117,512**	-	**117,512**
As at 30 June 2016					
Assets					
Cash and cash equivalents	492	-	492	592	1,084
Investment properties	-	-	-	71,400	71,400
Assets held for sale	-	-	-	-	-
Financial assets at fair value through the profit or loss	210,191	-	210,191	(28,544)	181,647
Other assets	5,117	-	5,117	320	5,437
Total assets	215,800	-	215,800	43,768	259,568
Liabilities					
Borrowings	76,812	-	76,812	34,725	111,537
Other liabilities	5,356	-	5,356	2,142	7,498
Total liabilities	82,168	-	82,168	36,867	119,035
Net assets	133,632	-	133,632	6,901	140,533

Note 3: Divestment of investments

Summary of divestment transaction

On the effective date ("Disposal date") of 30 December 2016, 360 Capital Group completed a transaction to sell the majority of its funds management platform and co-investment stakes in its listed and unlisted funds to Centuria Capital Group (Centuria)(ASX code: CNI) and associates. This involved the sale of the consolidated entity's holdings in TIX and TOF, together with entering into a put and call option over the majority of its remaining stakes in the unlisted funds (the Transaction). The Transaction was subsequently settled on 9 January 2017, and following settlement the Trust repaid all outstanding notes under its $75.0 million fixed rate note issue.

By the Disposal date, substantially all material conditions to the Transaction had been satisfied with the only actions to occur between 30 December 2016 and settlement on 9 January 2017 being procedural in nature. Conditions precedent to the transaction which had been completed at the Disposal date included; 360 Capital Group securityholder approval of a change in the Trust's responsible entity, which was approved at a meeting on 23 December 2016, TOF unitholder approval of the sale of the Group's 28.8% co-investment in TOF to Centuria entities which was approved at a meeting to be held on 30 December 2016 and 360 Capital Group noteholder approval to the change or responsible entity of the Trust and early redemption of the Notes with approval received at a meeting of noteholders on 15 December 2016.

Details of the consideration received and impact on the balance sheet are outlined below:

As at 31 December the consolidated entity recognised a receivable representing the consideration receivable from Centuria for the disposal of the Trusts investments in TIX and TOF. Subsequent to balance date settlement occurred on 9 January 2017 and the receivable was satisfied by receipt of cash consideration together with a $50 million vendor loan advanced to Centuria.

	Note	31 Dec 2016 $'000
Receivable unit sale agreement		124,888
Receivable from Centuria	7	124,888
Consideration received post balance date:		
Cash consideration		124,888
Vendor loan advanced to Centuria		(50,000)
Net cash received at settlement		74,888

Vendor loan

At settlement, the consolidated entity provided a $50.0 million vendor loan to Centuria for a term of up to 18 months at an interest rate of 5.0% p.a. paid monthly in arrears. This loan is secured by first (and only) ranking security over Centuria's co-investment in TIX.

Put and call agreement unlisted investments

The Transaction included a put and call agreement over the majority of the co-investment stakes in the unlisted funds. The table below details the investments that are now classified as current and subject to the put and call option, and are carried at their respective exercise price under the option. Under the put and call agreement, Centuria can call the unlisted co-investments on settlement of the units at any time over the next two years and the Group can put the unlisted co-investments to Centuria after two years. Centuria has guaranteed a 7.50% p.a. income return (paid monthly) to the Group on these unlisted trust and fund co-investments until such time as the option is exercised and settled.

Note 3: Divestment of investments and controlled entity (continued)

The consolidated entity will retain approximately 7.0 million units in 360 Capital Retail Fund No. 1 and will work together with Centuria to sell this stake down over the option period.

	31 Dec 2016 $'000
Current	
360 Capital St George's Terrace Property Trust	30,545
360 Capital Havelock House Property Trust	5,038
360 Capital 441 Murray Street Property Trust	3,784
361 Capital Retail Fund No.1	19,564
	58,931

Repayment of notes

At a meeting of noteholder held on 15 December 2016, noteholders voted to approve an early redemption option to allow the Trust to repay all of the outstanding $75.0 million 6.90% fixed rate note issue due 19 September 2019 (Notes). The approval was granted on the basis that the Trust would pay noteholders a redemption price of 104.0% on the outstanding principal amount of each note. On 10 January 2017, subsequent to settlement of the Transaction, Notes were repaid and redeemed for a total amount $78.0 million together with accrual interest up to the date of redemption. The Notes were carried at their redemption value of $78.0 million, including the early redemption premium, at balance date as the obligation to repay the Notes existed based on completion of the Transaction.

Note 4: Distributions

Distributions declared by 360 Capital Investment Trust directly to unitholders during the half year were as follows:

	31 December 2016 $'000	31 December 2015 $'000
1.5625 cents per unit paid on 26 October 2015	-	3,867
1.5625 cents per unit paid on 28 January 2016	-	3,867
1.625 cents per unit paid on 28 October 2016	3,893	-
1.625 cents per unit paid on 25 January 2017	3,894	-
	7,787	7,734

Note 5: Finance expenses

	31 December 2016 $'000	31 December 2015 $'000
Interest and finance charges paid and payable	3,443	3,509
Borrowing cost amortisation	262	274
Write-off deferred borrowing costs	1,195	-
	4,900	3,783

Note 6: Earnings per unit

	31 December 2016 ¢	31 December 2015 ¢
Basic earnings per unit	(1.7)	3.4
Diluted earnings per unit	(1.6)	3.1

	$'000	$'000
Basic and diluted earnings		
Profit attributable to unitholders of the consolidated entity used in calculating earnings per unit	(3,785)	7,743

	000's	000's
Weighted average number of units used as a denominator		
Weighted average number of units - basic	221,305	226,733
Weighted average number of units - diluted	239,603	248,018

Dilution

On 2 October 2013, 21,970,000 stapled securities were granted to employees of the Stapled Group under the 360 Capital Group Employee Security Plan (ESP), of these securities 3,600,000 were bought back and cancelled during the year ended 30 June 2016.The remaining 18,370,000 ESP securities vested on 2 October 2016. Except for 1,020,000 ESP securities for which the related ESP loan was repaid during the period, the remaining ESP securities are not included in the calculation of basic securities on issue due to the non-recourse nature of the associated ESP loans.

Further information on the ESP is provided in Note 11.

Note 7: Receivables

	Note	30 June 2016 $'000	30 June 2016 $'000
Current			
Receivable from Centuria	3	74,888	-
Trade receivables		69	229
Distributions receivable		2,770	2,588
Total current		**77,727**	2,817
Non-current			
Receivable from Centuria	**3**	50,000	-
Total non-current		**50,000**	
Total		**127,727**	2,817

Note 8: Investment properties

		Book value		Capitalisation rate		Discount rate			
	Date of acquisition	31 Dec 2016 $'000	30 Jun 2016 $'000	31 Dec 2016 %	30 Jun 2016 %	31 Dec 2016 %	30 Jun 2016 %	Last external valuation	Valuation $'000
City Centre Plaza, Rockhampton QLD	26-Jun-15	-	50,000	-	7.00	-	8.00	Jun-16	50,000
Windsor Marketplace, Windsor, Sydney NSW	11-Jun-15	-	21,400	-	6.75	-	7.50	Jun-16	21,400
Investment properties		-	71,400						
Less: lease income receivable and incentives		-	(62)						
		-	71,338						

As a consequence of the Transaction that occurred on 30 December 2016, which included entering a put and call option over the majority of the consolidated entity's unlisted investments, the 360 Capital Retail Fund No.1 is no longer consolidated into results of the consolidated entity as at 31 December 2016 and therefore no investment properties are held on the balance sheet. For further information refer Note 3 and Note 13.

Note 8: Investment properties

	31 December 2016 $'000	30 June 2016 $'000
Balance at 1 July	71,400	75,300
Capitalised subsequent expenditures	115	75
Straight-lining of lease revenue and incentives	(65)	110
Fair value adjustment of investment properties	(50)	(4,085)
Investment properties disposed through deconsolidation	(71,400)	-
Closing balance	-	71,400

Valuation basis

Investment properties are carried at fair value. Fair value of the properties is determined by the Directors, having regard to independent valuations prepared by valuers with appropriately recognised professional qualification and recent experience in the location and category of the property being valued. Valuation methods used to determine the fair value include market sales comparison, discounted cash flow and capitalisation rate. The fair value for a property may be determined using a combination of these and other valuation methods.

Market sales comparison: The sales comparison approach utilises recent sales of comparable properties, adjusted for any differences including the nature, location and lease profile, to indicate the fair value of a property. Where there is a lack of recent sales, activity adjustments are made from previous comparable sales to reflect changes in economic conditions.

Discounted cash flow: Projections derived from contracted rents, market rents, operating costs, lease incentives, lease fees, capital expenditure and future income on vacant space are discounted at a rate to arrive at a value. The discount rate is a market assessment of the risk associated with the cash flows, and the nature, location and tenancy profile of the property relative to returns from alternative investments, CPI rates and liquidity risk. It is assumed that the property is sold at the end of the investment period at terminal value. The terminal value is determined by using an appropriate capitalisation rate.

Capitalisation rate: An assessment is made of fully leased net income based on contracted rents, market rents, operating costs and future income on vacant space. The adopted fully leased net income is capitalised in perpetuity from the valuation date at an appropriate capitalisation rate. The capitalisation rate reflects the nature, location and tenancy profile of the property together with current market investment criteria, as evidenced by current sales evidence. Various adjustments, including incentives, capitalised expenditure and reversions to market rent are made to arrive at the property value.

Note 9: Financial assets at fair value through the profit or loss

	31 December 2016 $'000	30 June 2016 $'000
Non-current		
Units in unlisted funds subject to put and call option	58,930	-
Units in unlisted funds managed externally	4,580	-
Units in listed funds managed by 360 Capital Group	-	49,033
Units in unlisted funds managed by 360 Capital Group	-	132,614
Total	**63,510**	181,647

The consolidated entity holds investments in the following managed investment schemes:

	31 December 2016 %	30 June 2016 %	31 December 2016 $'000	30 June 2016 $'000
Non-current				
360 Capital Industrial Fund	-	15.6	-	90,828
360 Capital Office Fund	-	25.3	-	41,786
Unlisted investments subject to put and call option				
360 Capital 111 St Georges Terrace Property Trust	44.4	44.4	30,545	30,575
360 Capital 441 Murray Street Property Trust	35.7	35.7	5,038	3,793
360 Capital Havelock House Property Trust	39.3	39.3	3,784	5,086
360 Capital Subiaco Square Shopping Centre Property Trust	-	39.8	-	9,579
360 Capital Retail Fund No.1	50.0	-	19,563	-
Other				
360 Capital Retail Fund No.1	16.4	-	4,580	-
Total			**63,510**	181,647

During the half year, the 360 Capital Subiaco Square Shopping Centre Property Trust disposed of its investment property after unitholder approval, and subsequently the trust distributed its remaining net assets and redeemed all units and is in the process of being wound up.

As a result of the Transaction, the unlisted investments subject to the put and call option are classified as non-current and are carried at their respective exercise price under the option. The consolidated entity will retain approximately 7.0 million units in 360 Capital Retail Fund No. 1 and will work together with Centuria to sell this stake down over the option period.

Following the completion of the Transaction, the 360 Capital Retail Fund No.1 is no longer consolidated into results of the consolidated entity and at balance date is classified as financial assets at fair value through the profit or loss. For further information refer Note 3 Divestment of investments and Note 13 Controlled entities.

Note 9: Financial assets at fair value through the profit or loss (continued)

The consolidated entity has elected to measure these investments at fair value through profit or loss as allowed under paragraph 18 of AASB 128 *Investments in Associates and Joint Ventures*.

Movements in the carrying value during the half year are as follows:

	31 December 2016 $'000	30 June 2016 $'000
Balance at 1 July	181,647	150,177
Financial assets recognised through deconsolidation	23,816	-
Financial assets disposed - listed	(124,659)	-
Financial assets acquired - other	49	17,170
Financial assets disposed - other	(9,459)	(943)
Fair value adjustment of financial assets	(7,884)	15,243
Closing balance	**63,510**	181,647

The fair value adjustment of financial assets includes a $0.3 million gain on deconsolidation of the 360 Capital Retail Fund No.1.

Note 10: Borrowings

	31 December 2016 $'000	30 June 2016 $'000
Non-current		
Borrowings - secured	-	34,877
Borrowings - unsecured	78,000	78,229
Capitalised borrowing costs	-	(1,569)
	78,000	111,537
Borrowings		
Total facility limit	75,000	112,400
Used at end of reporting date	(75,000)	(109,877)
Unused at end of reporting date	-	2,523

Secured borrowings

As a consequence of the Transaction, the 360 Capital Retail Fund No.1 is no longer consolidated into results of the consolidated entity therefore the fund's secured borrowings are no longer included as a loan held by the consolidated entity at balance date.

Unsecured note issue

In September 2014, the consolidated entity raised $75.0 million through the issue of five year 6.9% per annum fixed rate unsecured notes. On 15 December 2016, the noteholders voted to allow the consolidated entity the option to repay early all the notes on issue as part of the Transaction. On 10 January 2017, the unsecured notes were repaid at a redemption price of 104.0% on the outstanding principal amount of each note. At balance date the Notes were carried at their redemption value of $78.0 million, including the early redemption premium, as the obligation to repay the Notes existed based on completion of the Transaction.

Note 11: Equity

(a) Issued capital

	31 December 2016 000's	30 June 2016 000's
360 Capital Investment Trust - Ordinary units issued	222,253	221,233
	$'000	**$'000**
360 Capital Investment Trust - Ordinary units issued	147,758	147,234

(b) Movements in issued capital

Under Australian Accounting Standards securities issued under the 360 Capital Group ESP are required to be accounted for as options and are excluded from total issued capital, until such time as the relevant employee loans are fully repaid or the employee leaves the Group. Total ordinary securities issued as detailed above is reconciled to securities issued on the ASX as follows:

	31 December 2016 000's	30 June 2016 000's
Total ordinary securities balance at 1 July	222,253	226,733
Employee security plan securities balance at 1 July	18,370	21,970
Employee security plan – non-recourse loan repaid during the period	(1,020)	-
Employee securities bought back on-market and cancelled during the year	-	(3,600)
Securities bought back on-market and cancelled during the year	-	(5,500)
Total securities issued on the ASX	239,603	239,603
	$'000	**$'000**
Opening balance	147,234	152,453
Employee security plan – non-recourse loan repaid during the period	524	-
Employee securities bought back on-market and cancelled during the year	-	(5,219)
Closing balance	**147,758**	147,234

(c) Employee Security Plan

On 2 October 2013, 21,970,000 stapled securities were granted to employees of the Stapled Group under the 360 Capital Group Employee Security Plan (ESP), of these securities 3,600,000 were bought back and cancelled during the year ended 30 June 2016. The remaining 18,370,000 ESP securities vested on 2 October 2016. Except for 1,020,000 ESP securities for which the related ESP loan of $0.5 million was repaid during the period, the remaining ESP securities will not be included in the calculation of basic securities due to the non-recourse nature of the associated ESP loans.

The employees who participated in the ESP were also provided with a loan on the grant date of an amount equivalent to the face value of the securities. Interest on the loan is equal to any distributions or dividends paid on the securities over the 3 year period, and should performance hurdles not be met, or participants elect not to repay the loan, then the Board, at its discretion, will either sell or cancel the securities.

Note 11: Equity (contined)

(d) Security buy-back

Post balance date, on 2 February 2017, the 360 Capital Group activated its on market buy back, as approved by securityholders on 28 November 2016, acquiring and subsequently cancelling 25.0 million securities at a price of 90 cents per security.

Note 12: Other financial assets and liabilities

Fair values

The fair values of all financial instruments with the exception of borrowings approximate their carrying values. This is largely due to the short-term maturities of these instruments. The fair value of borrowings is categorised within the fair value hierarchy as a Level 2 input. Set out below is a comparison of the carrying amount and fair value of borrowings at balance date:

	Carrying amount		Fair value	
	31 December 2016 $'000	30 June 2016 $'000	31 December 2016 $'000	30 June 2016 $'000
Financial liabilities				
Borrowings	78,000	111,537	78,000	113,106
Total financial liabilities	78,000	111,537	78,000	113,106

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows and based on the lowest level input that is significant to the fair value measurements as a whole:

Level 1 – Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities
Level 2 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable)
Level 3 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable)

For financial instruments that are recognised at fair value on a recurring basis, the consolidated entity determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Note 12: Other financial assets and liabilities (continued)

As at 31 December 2016, the consolidated entity held the following classes of financial instruments measured at fair value:

	Total $'000	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**
As at 31 December 2016:				
Financial assets				
Financial assets at fair value through profit or loss	**63,510**	58,930	-	4,580
Financial liabilities				
Derivative financial instruments	-	-	-	-
As at 30 June 2016:				
Financial assets				
Financial assets at fair value through profit or loss	181,647	132,614	-	49,033
Financial liabilities				
Derivative financial instruments	1,535	-	1,535	-

During the period the unlisted investments subject to the put and call agreement under the Transaction have been transferred from level 3 to level 1 as their carrying value is based on an agreed price under a contract. There were no transfers between Level 1 and Level 2 fair value measurements, and no other transfers into or out of Level 3 fair value measurements. Fair value hierarchy levels are reviewed on an annual basis unless there is a significant change in circumstances indicating that the classification may have changed.

Valuation techniques

Fair value profit or loss financial assets

For fair value profit or loss financial assets, the consolidated entity invests in listed and unlisted investments. The value of the investments in the listed market is stated at unit price as quoted on the ASX at each statement of financial position date. As such, listed investments are categorised as Level 1 instruments. Unlisted investments are not traded in an active market and are categorised as Level 3 instruments, with the exception of unlisted investments held under a put and call agreement, which are valued at the contract price and are categorised as Level 1. NTA of the underlying investments is used as a basis for valuation however may be amended as deemed appropriate (e.g. when the NTA of the underlying investment is negative). The NTA of investments is driven by underlying investment properties which are carried at fair value based on valuations using the capitalisation rate, markets sale comparison and discounted cash flow approaches (refer to Note 8). The consolidated entity uses its judgment to select a variety of methods and makes assumptions that are mainly based on market conditions existing at each statement of financial position date.

Derivatives

For derivatives, as market prices are unavailable the consolidated entity uses valuation models to derive fair value. The models are industry standard and mostly employ a Black–Scholes framework to calculate the expected future value of payments by derivative, which is discounted back to a present value. The models’ interest rate inputs are benchmark interest rates such as BBSW and active broker quoted interest rates in the swap, bond and futures markets. Interest rate volatilities are sourced through a consensus data provider. As such, the input parameters into the models are deemed observable, thus these derivatives are categorised as Level 2 instruments.

Note 12: Other financial assets and liabilities (continued)

Borrowings
The fair value of the borrowings is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Note 13: Controlled entities

Deconsolidation
On 9 January 2017, 360 Capital Group completed a transaction to sell the majority of its fund management platform and co-investment stakes in its listed and unlisted funds. Refer to Note 3 for more information. As a result of this transaction, the majority of the consolidated entity's co-investment stake in 360 Capital Retail Fund No.1 is held under a put and call agreement and does not meet the requirements for control at the balance date. Accordingly the fund has been deconsolidated from the consolidated entity's results as at 31 December 2016.

The impact of the deconsolidation is detailed in the table below:

	31 December 2016 $'000
Carrying value of investment	24,143
Net assets disposed through deconsolidation	23,815
Gain on deconsolidation	**328**
Assets	
Cash and cash equivalents	593
Receivables	530
Investment properties	71,400
Liabilities	
Trade and other payables	(846)
Borrowings	(35,163)
Derivative financial instruments	(636)
Net identifiable assets disposed including NCI	**35,877**
Less: External non-controlling interest	(12,062)
Net identifiable assets disposed excluding NCI	**23,815**
Add: Gain on deconsolidation	328
Carrying value	**24,143**

Note 14: Related party transactions

Responsible Entity
The Responsible Entity of the Trust is 360 Capital FM Limited. The immediate parent entity of the Responsible Entity is Trafalgar Corporate Pty Limited (ABN 11 080 518 243), and its ultimate parent entity is 360 Capital Group Limited (ABN 18 113 569 136).

On 23 December 2016, securityholders of the Stapled Group passed a resolution to change the Responsible Entity from 360 Capital Investment Management Limited to 360 Capital FM Limited. The change in Responsible Entity was effective from 9 January 2017. The Directors as listed in this report are the same and only Directors of both entities for the period under review.

The following significant transactions occurred with related parties during the half year:

Related Party Loan
At reporting date, the consolidated entity has a loan to the 360 Capital Group Limited of $9.3 million. There is no interest charged on the loan.

Sale of Responsible Entity
On 30 December 2016, 360 Capital Group Limited completed the sale of 360 Capital Investment Management Limited, the previous Responsible Entity of the Trust, to Centuria as part of the Transaction under a share sale agreement for $103.8 million.

Note 15: Events subsequent to balance date

On the Disposal date of 30 December 2016, 360 Capital Group completed a transaction to sell the majority of its funds management platform and co-investment stakes in its listed and unlisted funds to Centuria and associates. This involved the sale of the consolidated entity's holdings in TIX and TOF, together with entering into a put and call option over the majority of its remaining stakes in the unlisted funds. Settlement of the Transaction occurred on 9 January 2017 which included payment of consideration for the consolidated entities investments in TIX and TOF, provision of a $50.0 million loan to Centuria. On the 10 January 2017, part of the proceeds from the Transaction were used to repay noteholders of the Trusts $75.0 million fixed rate note issue.

On 2 February 2017, the 360 Capital Group activated its on market buy back, as approved by securityholders on 28 November 2016, acquiring and subsequently cancelling 25.0 million securities at a price of 90 cents per security.

No other circumstances have arisen since the end of the half year which have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

In the opinion of the Directors of 360 Capital FM Limited, the Responsible Entity:

1) The consolidated financial statements and notes that are set out on pages 8 to 29 are in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half year ended on that date; and

   (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting and Corporations regulations 2001* and other mandatory professional reporting requirements; and

2) There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Tony Robert Pitt
Director

Graham Ephraim Lenzner
Director

Sydney
23 February 2017

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To the unitholders of 360 Capital Investment Trust

Report on the Interim Financial Report

We have reviewed the accompanying consolidated interim financial report of 360 Capital Investment Trust (the" Fund") which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Fund and the entities it controlled at the period end or from time to time during the period.

Directors' Responsibility for the Interim Financial Report

The directors of 360 Capital FM Limited, the Responsible Entity of the Fund, are responsible for the preparation of the consolidated interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the consolidated interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the consolidated interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the consolidated interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Fund's financial position as at 31 December 2016 and its performance for the period ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of 360 Capital Investment Trust, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a consolidated interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the Responsible Entity a written Auditor's Independence Declaration, a copy of which follows the Responsible Entity Report.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the consolidated interim financial report of 360 Capital Investment Trust is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated Fund's financial position as at 31 December 2016 and of its performance for the period ended on that date; and

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Ernst & Young

Ernst & Young

Mark Conroy

Mark Conroy
Partner
Sydney
23 February 2017

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