

# IPD INDEX ANNOUNCEMENT

August 2016

## IPD UK QUARTERLY PROPERTY INDEX

### RESTATEMENT OF THE INDEX

**London, August 2016:** MSCI announces the restatement of the IPD UK Quarterly Property Index, Q2 2016 results. This restatement is due to data input changes after the original index was released on August 1, 2016 - this has impacted the performance of the Office sector.

Although the impact on the Total Return of the IPD UK Quarterly Property Index is below MSCI's standard materiality threshold required for index restatement, MSCI has decided to restate the recently published results as the impact on the Office sector, one of the leading components of the index, was considered material. The other sectors are not materially affected.

### IMPACT ANALYSIS

The table below shows 3-month and 12-month Total Returns to June 2016 before and after the restatement, as well as the variance between both. The variance is calculated at three standard levels of asset inclusion: All assets, Standing Investments and Same Store.

### IPD UK QUARTERLY PROPERTY INDEX, JUNE 2016 - BEFORE AND AFTER RESTATEMENT

	All Assets						Standing Investments*						Same Store**					
	12-month TR			3-month TR			12-month TR			3-month TR			12-month TR			3-month TR		
	Initial	Restated	Difference (bps)	Initial	Restated	Difference (bps)	Initial	Restated	Difference (bps)	Initial	Restated	Difference (bps)	Initial	Restated	Difference (bps)	Initial	Restated	Difference (bps)
All	8.9%	9.1%	28	1.2%	1.4%	26	8.6%	8.9%	30	1.1%	1.4%	28	8.7%	8.7%	0	1.4%	1.4%	0
Retail	6.3%	6.3%	0	1.1%	1.1%	0	6.4%	6.4%	0	1.2%	1.2%	0	6.3%	6.3%	0	1.2%	1.2%	0
Office	10.7%	11.6%	93	0.5%	1.4%	85	9.8%	10.8%	104	0.3%	1.3%	95	10.5%	10.5%	0	1.3%	1.3%	0
Industrial	11.6%	11.6%	0	2.0%	2.0%	0	11.7%	11.7%	0	2.0%	2.0%	0	11.6%	11.6%	0	1.9%	1.9%	0
Residential	10.0%	10.0%	0	1.2%	1.2%	0	8.9%	8.9%	0	1.2%	1.2%	0	8.6%	8.6%	0	1.2%	1.2%	0
Hotel	9.9%	9.9%	0	2.2%	2.2%	0	10.4%	10.4%	0	2.3%	2.3%	0	10.2%	10.2%	0	2.4%	2.4%	0
Other	8.2%	8.2%	0	1.9%	1.9%	0	8.2%	8.2%	0	1.9%	1.9%	0	7.8%	7.8%	0	1.9%	1.9%	0

\* The Standing Investment Index subset is based on completed and lettable properties only, often described as operating properties

\*\* Same Store: excludes all development assets and exclude transactions during the entire measurement period

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