

Company Update

CapitaLand India Trust

Singapore | Real Estate

Rating BUY (as at 31 July 2025)
Last Close SGD 1.17
Fair Value SGD 1.44

Ada Lim, CESGA

Power-packed 1H25

- **1H25 distribution per unit (DPU) jumped 9.1% year-on-year (YoY) to 3.97 Singapore cents, beating our expectations**
- **Stable set of operating and credit metrics despite further delays in the divestments of CyberPearl and CyberVale**
- **Raised fair value (FV) estimate of SGD1.44; reiterate BUY rating**

Investment thesis

CapitaLand India Trust (CLINT) is the first listed property trust established in Asia that operates in India. CLINT primarily focuses on the Information Technology (IT) sector with 11 clusters of IT parks across major cities like Mumbai, Hyderabad, Bangalore and Chennai. Over the years, it has also successfully ventured into logistics and industrials, and boasts a steady pipeline of developmental projects, including data centres (DC). Notably, CLINT stands out amongst defensive Singapore listed trusts and REITs for its aggressive acquisition strategy (through the use of forward purchases). Though the trust bears development risks, we like CLINT's ability to secure a pipeline of strategically located assets and forward-looking philosophy that position the trust as a beneficiary of India's fast-growing economy, supported by tailwinds such as e-commerce expansion, increasing data localisation, and the rise of digital payments. Additionally, the relaxation of the Special Economic Zones (SEZ) Act reduces occupancy risk for its existing SEZ properties.

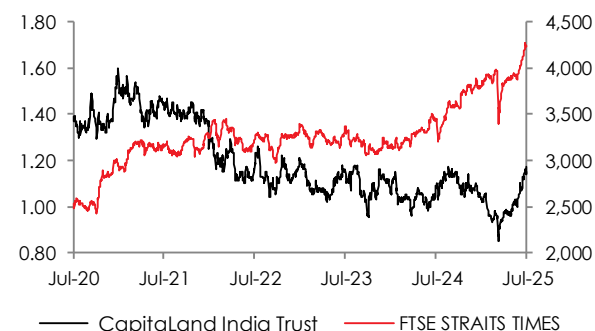
Investment summary

- **1H25 DPU exceeded our expectations** – CLINT's 1H25 total property income and net property income (NPI) jumped 10% YoY to SGD149.3m and SGD113.6m, respectively, driven by higher rental contributions from existing properties and also newly completed developments coming online. Income to be distributed rose by a corresponding 10% to SGD53.6m. The trust announced a 1H25 DPU of 3.97 Singapore

Security information

| | |
|--------------------------------|----------------------------------|
| Ticker (Refinitiv / Bloomberg) | CAPC.SI / CLINT SP |
| Market Cap (SGD b) | 1.6 |
| Daily turnover (SGD m) | 2.9 |
| Free Float | 74% |
| Shares Outstanding (m) | 1,344 |
| Top Shareholder | Temasek Holdings Pte. Ltd. 25.4% |

Price performance chart



Financial summary

| SGD m | FY24 | FY25E | FY26E |
|----------------------|-------|-------|-------|
| Revenue | 277.9 | 303.3 | 368.4 |
| Net property income | 205.6 | 227.9 | 277.9 |
| Distributable income | 101.5 | 112.1 | 129.0 |
| DPU (\$ cents) | 6.84 | 7.94 | 8.48 |

Key ratios

| % | FY24 | FY25E | FY26E |
|------------------------|------|-------|-------|
| Distribution yield (%) | 5.9 | 6.8 | 7.3 |
| P/NAV (x) | 0.84 | 0.79 | 0.73 |
| NPI margin (%) | 74.0 | 75.1 | 75.4 |

Source: Refinitiv, Internal estimates

cents. This is up 9.1% YoY and constituted 55.7% of our initial full year forecast. The distribution will be paid out on 18 Sep 2025 and translates to an annualised yield of 6.8% based on a last close price of SGD1.17 (as at 30 Jul 2025).

- **Stable operating and credit metrics** – Committed occupancy remained stable during the quarter at 92% (including options and rights of first refusal), and rental reversions remained strong at +9% over the past year, though we note that reversions in Pune came in at -3% due to the signing of large leases with rent-free periods. In terms of capital management, CLINT's gearing as at 30 Jun 2025 stood at 42.3% (31 Mar 2025: 41.5%). However, had the proceeds from the Jul 2025 issuance of SGD100m 4.4% perpetual securities been used to pare down debt, pro forma gearing would have improved to 40.1%. Average cost of debt nudged down 10bps over the quarter to 5.9%, with 77.2% of debt on fixed rates.
- **Increase FV estimate to SGD1.44** – Management shared that the divestments of CyberPearl and CyberVale have been further delayed, but remains committed to closing the deal by the end of this year. Meanwhile, the divestment of a 33% stake in the data centre portfolio remains on track. The 50bps cut in repo rates to 5.5% by India's central bank in Jun 2025 should also spell positive for asset valuations, though this will take some time to trickle through. All things considered, we update our model, and raise our FY25 and FY26 DPU forecasts by 11.3% and 12.1%, respectively. We also lower our cost of equity assumption by 25bps to around 9.6% on a lower risk-free rate, partially offset by a higher beta input. Consequently, our FV estimate is lifted from SGD1.23 to SGD1.44, and we reiterate our BUY rating on the counter.

Results highlights

| SGD m | 1H24 | 1H25 | %chg |
|--------------------------------|-------|-------|-------|
| Total property income | 136.1 | 149.3 | 9.7% |
| Net property income | 103.5 | 113.6 | 9.7% |
| Income avail. for distribution | 54.1 | 59.6 | 10.1% |
| Income to be distributed | 48.7 | 53.6 | 10.1% |
| DPU (s cents) | 3.64 | 3.97 | 9.1% |

Source: Trust Manager, Internal estimates

ESG Updates

- CLINT's ESG rating was maintained in Dec 2024. CLINT leads peers in green building initiatives, including green leases to promote sustainable property use, and has the potential to further leverage growing demand for green buildings. Although CLINT's energy consumption may be particularly intensive given its focus on office buildings, 79.5% of its total portfolio area was certified to green building standards in FY23, far outstripping the industry average of 47%.
- Recruitment and retention of skilled staff is a key challenge for many real estate operators, but CLINT

outperforms peers in staff management practices, such as grievance mechanisms.

Potential catalysts

- Developments on DC partial divestment
- Stronger-than-expected outsourcing demand
- Increasing tenant pick up through denotification of SEZ space

Investment risks

- Forward purchases failing to meet pre-agreed building specifications and inability of sellers to repay loans
- Delays in DC development and divestment plans
- Unexpected appreciation of SGD over INR

Valuation analysis

| | Price/Earnings | | Price/Book | | EV/EBITDA | | Dividend Yield (%) | | ROE (%) | |
|--|----------------|-------|------------|-------|-----------|-------|--------------------|-------|---------|-------|
| | FY25E | FY26E | FY25E | FY26E | FY25E | FY26E | FY25E | FY26E | FY25E | FY26E |
| CAPITALAND INDIA TRUST (CAPC.SI) | 13.0 | 11.7 | 0.8 | 0.8 | 17.6 | 14.6 | 6.1 | 7.1 | 6.5 | 7.3 |
| MINDSPACE BUSINESS PARKS REIT (MINS.NS) | 36.7 | 31.7 | 1.9 | 2.0 | 16.0 | 14.3 | 5.7 | 6.4 | 5.2 | 6.4 |
| EMBASSY OFFICE PARKS REIT (EMBA.NS) | 35.4 | 28.4 | 1.8 | 1.9 | 15.9 | 14.1 | 6.5 | 7.1 | 4.6 | 6.2 |
| BROOKFIELD INDIA REAL ESTATE TRUST (BROF.NS) | 37.6 | 29.2 | 1.4 | 1.4 | 15.2 | 13.9 | 6.6 | 7.1 | 3.7 | 4.8 |

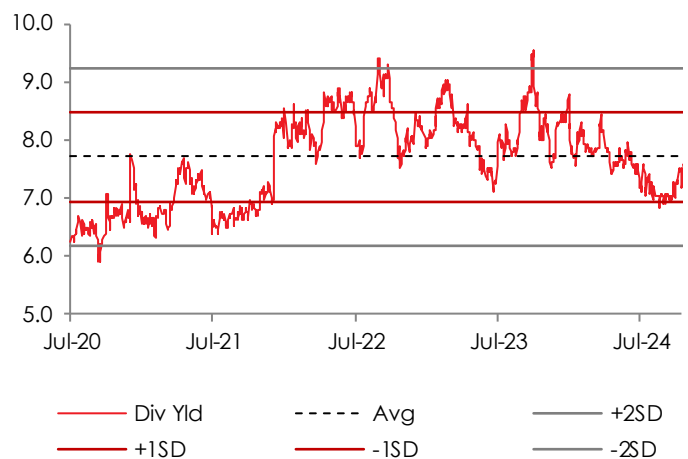
Source: Refinitiv

Price/Book chart



Source: Bloomberg

Dividend Yield chart



Source: Bloomberg

Company overview (as of 31 December 2024)

Company description

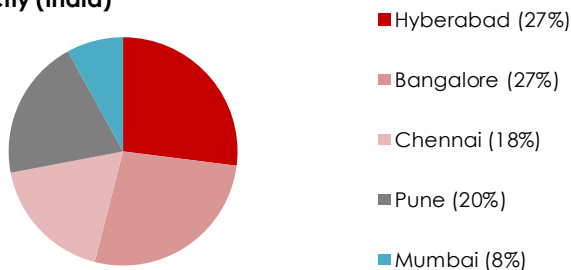
CapitaLand India Trust was listed on Mainboard of the Singapore Stock Exchange since Aug 2007 as the first Indian property trust in Asia. Although structured as a business trust, the company has voluntarily adopted the same restrictions as a Singapore real estate investment trust (S-REIT) to enhance stability of distributions.

Positioned in India, CLINT provides investors exposure to the fast-growing Indian markets through investing in income-producing commercial real estate in India. As at 31 Dec 2024, CLINT owns 11 IT parks, four data centre developments, and three logistics and industrial facilities in India. These assets have a total completed floor area of 19.6msqf across Bangalore, Chennai, Hyderabad, Mumbai and Pune, valued at SGD3.4b.

CLINT is managed by CapitaLand India Trust Management Pte. Ltd., a wholly owned subsidiary of CapitaLand Investment.

FY24 Base rents breakdown

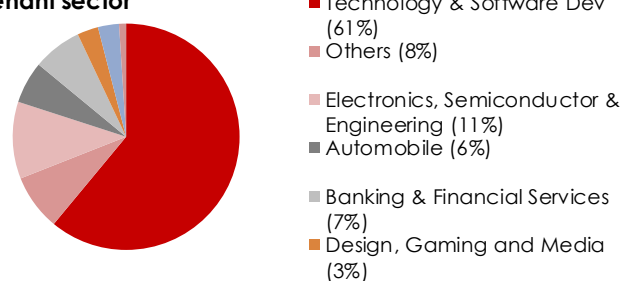
By city (India)



Source: Company, Internal estimates

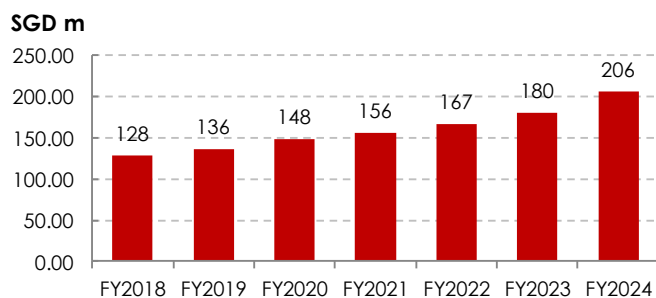
FY24 Base rents breakdown

By tenant sector



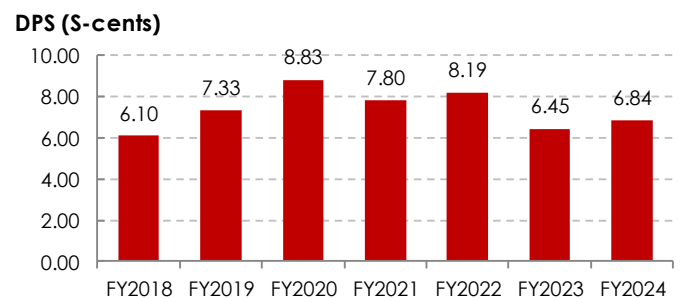
Source: Company, Internal estimates

Net Property Income (SGD m)



Source: Company, Internal estimates

Distribution per unit (\$ cents)



Source: Company, Internal estimates

Company financials

Income Statement

| In Millions of SGD except Per Share 12 Months Ending | FY2020 31/12/2020 | FY2021 31/12/2021 | FY2022 31/12/2022 | FY2023 31/12/2023 | FY2024 31/12/2024 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Revenue | 191.7 | 192.7 | 210.6 | 234.1 | 277.9 |
| - Cost of Revenue | 59.7 | 53.9 | 62.2 | 73.8 | 96.0 |
| Gross Profit | 131.9 | 138.8 | 148.4 | 160.2 | 181.9 |
| + Other Operating Income | | -- | -- | -- | -- |
| - Operating Expenses | -105.6 | -180.6 | -134.9 | -166.1 | -365.7 |
| Operating Income or Losses | 237.6 | 319.4 | 283.3 | 326.3 | 547.6 |
| - Interest Expense | 44.3 | 51.3 | 64.8 | 81.8 | 90.2 |
| - Foreign Exchange Losses (Gains) | -- | -- | -- | -- | -- |
| - Net Non-Operating Losses (Gains) | -- | -- | -- | -- | -- |
| Pretax Income | 193.3 | 268.1 | 218.5 | 244.5 | 457.4 |
| - Income Tax Expense (Benefit) | 50.5 | 67.6 | 73.8 | 87.0 | -0.7 |
| Income Before XO Items | 142.8 | 200.5 | 144.7 | 157.5 | 458.0 |
| - Extraordinary Loss Net of Tax | -- | -- | -- | -- | -- |
| - Minority/Non Controlling Interests (Credits) | 12.1 | 8.2 | 7.3 | 10.1 | 19.3 |
| Net Income/Net Profit (Losses) | 130.7 | 192.3 | 137.4 | 147.4 | 438.8 |
| Net Inc Avail to Common Shareholders | 130.7 | 192.3 | 137.4 | 147.4 | 438.8 |
| Abnormal Losses (Gains) | -- | -- | -- | -- | -- |
| Tax Effect on Abnormal Items | -- | -- | -- | -- | -- |
| Normalized Income | 142.8 | 200.5 | 144.7 | 157.5 | 458.3 |
| Basic Earnings per Share | 0.1 | 0.2 | 0.1 | 0.1 | 0.3 |
| Basic Weighted Avg Shares | 1,155.1 | 1,160.8 | 1,167.1 | 1,245.9 | 1,336.2 |
| Diluted EPS Before Abnormal Items | 0.1 | 0.2 | 0.1 | 0.1 | 0.3 |
| Diluted EPS Before XO Items | 0.1 | 0.2 | 0.1 | 0.1 | 0.3 |
| Diluted EPS | 0.1 | 0.2 | 0.1 | 0.1 | 0.3 |
| Diluted Weighted Avg Shares | 1,155.1 | 1,160.8 | 1,167.1 | 1,245.9 | 1,336.2 |

Profitability Ratios

| 12 Months Ending | FY2020 31/12/2020 | FY2021 31/12/2021 | FY2022 31/12/2022 | FY2023 31/12/2023 | FY2024 31/12/2024 |
|------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Returns | | | | | |
| Return on Common Equity | 10.54 | 14.83 | 10.38 | 10.40 | 25.81 |
| Return on Assets | 5.46 | 6.92 | 4.55 | 4.53 | 11.16 |
| Return on Capital | 21.72 | 19.59 | 17.77 | 16.23 | 13.55 |
| Return on Invested Capital | 5.73 | 5.57 | 4.74 | 4.13 | 5.43 |
| Margins | | | | | |
| Operating Margin | 100.85 | 139.11 | 103.74 | 104.48 | 164.59 |
| Incremental Operating Margin | - | 1.38 | 0.75 | 1.01 | 1.58 |
| Pretax Margin | 100.85 | 139.11 | 103.74 | 104.48 | 164.59 |
| Income before XO Margin | 68.20 | 99.77 | 65.24 | 62.99 | 157.90 |
| Net Income Margin | 68.20 | 99.77 | 65.24 | 62.99 | 157.90 |
| Net Income to Common Margin | 68.20 | 99.77 | 65.24 | 62.99 | 157.90 |
| Additional | | | | | |
| Effective Tax Rate | 26.11 | 25.23 | 33.75 | 35.59 | -0.15 |
| Dvd Payout Ratio | 83.05 | 46.73 | 69.05 | 54.51 | 20.83 |
| Sustainable Growth Rate | 10.45 | 14.76 | 10.31 | 10.35 | 25.75 |

Credit Ratios

| 12 Months Ending | FY2020 31/12/2020 | FY2021 31/12/2021 | FY2022 31/12/2022 | FY2023 31/12/2023 | FY2024 31/12/2024 |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total Debt/EBIT | 6.54 | 8.12 | 8.60 | 8.98 | 10.07 |
| Net Debt/EBIT | 5.73 | 6.86 | 7.44 | 7.82 | 9.30 |
| EBIT to Interest Expense | 2.82 | 2.61 | 2.23 | 1.89 | 1.94 |
| Long-Term Debt/Total Assets | 26.31 | 20.30 | 26.68 | 26.02 | 27.94 |
| Net Debt/Equity | 0.65 | 0.74 | 0.90 | 0.84 | 0.94 |

Source: Refinitiv

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