PROSPECTUS DATED 24 July 2007

(Registered with the Monetary Authority of Singapore on 24 July 2007)

This document is important. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

a-itrust
Ascendas India Trust

(a business trust constituted on 7 December 2004 (as amended and restated) under the laws of the Republic of Singapore)

managed by Ascendas Property Fund Trustee Pte. Ltd.
(Registration Number 200412730D)
a related corporation of Ascendas Land International Pte Ltd
(the "**Sponsor**" or "**ALI**")

Singapore's First Listed Indian Property Trust

OFFER FOR SUBSCRIPTION BY ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.

423,377,249 Units (as defined herein) subject to the Over-Allotment Option (465,714,974 Units where the Over-Allotment Option is exercised in full)

Offering Price S$1.18 per Unit

Sponsored by ascendas
Ascendas Land International Pte. Ltd.

Ascendas India Trust ("a-iTrust") is a business trust (Registration Number: 2007004) registered under the Business Trusts Act, Chapter 31A of Singapore (the "Business Trusts Act" or "BTA"). A copy of this Prospectus has been lodged on 2 July 2007 with the Monetary Authority of Singapore (the "Authority" or the "MAS"). The MAS assumes no responsibility for the contents of this Prospectus. Registration of this Prospectus by the MAS does not imply that the Securities and Futures Act, Chapter 289 of Singapore (the "Securities and Futures Act" or "SFA"), or any other legal or regulatory requirements, have been complied with. The MAS has not, in any way, considered the merits of the units being offered for investment.

Ascendas Property Fund Trustee Pte. Ltd. (the "**Trustee-Manager**") is making an offering (the "**Offering**") of 465,714,974 Units representing undivided interests in a-iTrust for subscription at the Offering Price (as defined below) (the "**Units**") assuming the Over-Allotment Option is exercised in full. The Offering consists of (i) an international placement to investors, including institutional and other investors in Singapore (the "**Placement Tranche**") and (ii) an offering to the public in Singapore (the "**Public Offer**"), including 11,281,000 Units reserved for subscription by the directors, management, employees and business associates of the Sponsor and its subsidiaries (the "**Reserved Units**"). The size of the Public Offer will be 31,281,000 Units. The subscription price of each Unit under the Offering (the "**Offering Price**") will be S$1.18. The Offering is underwritten at the Offering Price by J.P. Morgan (S.E.A.) Limited ("**JPMorgan**" or the "**Sole Financial Adviser to the Offering**"), Citigroup Global Markets Singapore Pte. Ltd. ("**Citi**") and DBS Bank Ltd ("**DBS**", together with JPMorgan and Citi, the "**Joint Underwriters and Bookrunners**").

As at the date of this Prospectus, ALI, General Electric Capital Corporation ("**GE**"), The Great Eastern Life Assurance Company Limited ("**Great Eastern**"), Lianhe Investments Pte Ltd ("**Lianhe Investments**") and Forum Asian Realty Income L.P. ("**Forum**", and together with ALI, GE, Great Eastern and Lianhe Investments, the "**Original Investors**") hold 64,200,000, 86,102,764, 40,650,407, 14,141,138 and 10,162,602 Units respectively (together, the "**Original Units**" and each, an "**Original Unit**"). The total number of Units in issue as at the date of this Prospectus, and held by the Original Investors, is 215,256,911 Original Units.

On the date of this Prospectus, each Original Unit held by the Original Investors will be sub-divided (the "**Sub-division**") into approximately 2.12 Units so that the total number of Units in issue and held by the Original Investors prior to the Redemption (as defined herein) and the Offering is 456,758,694 Units. Upon completion of the Sub-division and separate from the Offering, Units held by ALI, GE, Great Eastern, Lianhe Investments and Forum respectively will be redeemed (the "**Redemption**") by the Trustee-Manager at the Offering Price. At the Offering Price of S$1.18 and assuming the Over-Allotment Option is exercised in full, 8,589,099, 92,952,477, 43,884,053, 15,266,413 and 10,971,264 Units held by ALI, GE, Great Eastern, Lianhe Investments and Forum respectively will be redeemed.

The total number of Units in issue and held by the Original Investors immediately after the Redemption and assuming that the Over-Allotment Option is exercised in full will be 285,095,388 at the Offering Price. Together with the 465,714,974 Units to be issued under the Offering assuming the Over-Allotment Option is exercised in full, the total number of Units in issue immediately after the completion of the Redemption and the Offering will be 750,810,362 Units at the Offering Price.

No Units shall be allotted or allocated on the basis of this Prospectus later than six months after the registration of this Prospectus by the Authority.

Prior to the Offering, there has been no market for the Units. The offer of Units under this Prospectus will be by way of an initial public offering in Singapore and through the Placement Tranche. Application has been made to Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to list on the Main Board of the SGX-ST all the Units in issue on the Listing Date (as defined herein) (after the completion of the Sub-division and the Redemption and including all Units comprised in the Offering) and all the Units which will be issued to the Trustee-Manager from time to time in full or part payment of the Trustee-Manager's fees. Such permission will be granted when a-iTrust has been admitted to the Official List of the SGX-ST (the "**Listing Date**"). Acceptance of applications for Units will be conditional upon issue of the Units and upon permission being granted to list the Units. In the event that such permission is not granted or if the Offering is not completed for any other reason, application monies will be returned in full, at each investor's own risk, without interest or any share of revenue or other benefit arising therefrom, and without any right or claim against any of a-iTrust, the Trustee-Manager, the Sponsor, the Sole Financial Adviser to the Offering or the Joint Underwriters and Bookrunners.

a-iTrust has received a letter of eligibility from the SGX-ST for the listing and quotation of the Units on the Main Board of the SGX-ST. a-iTrust's eligibility to list on the Main Board of the SGX-ST does not indicate the merits of the Offering, a-iTrust, the Trustee-Manager, the Sponsor, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners or the Units. The SGX-ST assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Prospectus. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Offering, a-iTrust, the Trustee-Manager, the Sponsor, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners or the Units.

See "Risk Factors" commencing on page 47 of this Prospectus for a discussion of certain factors to be considered in connection with an investment in the Units. None of the Trustee-Manager, the Sponsor, the Sole Financial Adviser to the Offering or the Joint Underwriters and Bookrunners guarantees the performance of a-iTrust, the repayment of capital or the payment of a particular return on the Units.

Investors applying for Units by way of Application Forms or Electronic Applications (both as referred to in Appendix F, "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore") in the Public Offer will have to pay the subscription price of S$1.18 per Unit on application, subject to a refund of the full amount or, as the case may be, the balance of the application monies (in each case without interest or any share of revenue or other benefit arising therefrom), where (i) an application is rejected or accepted in part only, or (ii) if the Offering does not proceed for any reason.

In connection with the Offering, JPMorgan (the "**Stabilising Manager**") has been granted an over-allotment option (the "**Over-Allotment Option**") by the Trustee-Manager, exercisable by the Stabilising Manager in consultation with the Joint Underwriters and Bookrunners, in full or in part, on one or more occasions, to subscribe for up to an aggregate of 42,337,725 Units at the Offering Price for each Unit, solely to cover the over-allotment of Units (if any), subject to any applicable laws and regulations until, the earlier of (i) the date falling 30 days from the date of commencement of trading of the Units on the SGX-ST, or (ii) the date when the over-allotment of the Units which are the subject of the Over-Allotment Option has been fully covered (through the purchase of the Units on the SGX-ST and/or the exercise of the Over-Allotment Option by the Stabilising Manager), or (iii) the date falling 30 days after the date of adequate public disclosure of the Offering Price. The total number of outstanding Units immediately after completion of the Offering will be 750,810,362 Units at the Offering Price. In the event of the Over-Allotment Option being exercised, it is agreed between the Trustee-Manager and the Original Investors that up to 42,337,725 Units held by them will be redeemed in the proportion as agreed between them at the Offering Price for each Unit so that the outstanding Units after the exercise of the Over-Allotment Option remain as 750,810,362 at the Offering Price.

The Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and accordingly may not be offered or sold within the United States, except in certain transactions exempt from the registration requirements of the Securities Act. The Units are being offered and sold in offshore transactions (as defined in Regulation S under the Securities Act "**Regulation S**"), outside the United States, in reliance on Regulation S.

Sole Financial Adviser to the Offering

JPMorgan

Joint Underwriters and Bookrunners

JPMorgan citi DBS

a-itrust
Ascendas India Trust

Singapore's First Listed Indian Property Trust

a-iTrust is a Singapore-based business trust established with the principal objective of owning income-producing real estate[1] used primarily as business space in India. a-iTrust may acquire and develop land or uncompleted developments to be used primarily as business space, with the objective of holding the properties upon completion.

[1] The Trustee-Manager may also invest in real estate related assets in relation to the foregoing

Offering Timetable

Date and Time	Event
25 July 2007, 12 noon	Opening date and time for the Offering
30 July 2007, 7 am	Closing date and time for the Offering
1 August 2007, 2 pm	Commence trading on a "ready" basis[1]

[1] Subject to the Singapore Exchange Securities Trading Limited (the "SGX-ST") being satisfied that all conditions necessary for the commencement of the Trading in the Units on a "ready" basis has been fulfilled.

Applications can be made through ATMs of DBS Bank (including POSB), OCBC or UOB Group, internet banking websites of DBS Bank and UOB Group or on printed application forms which form part of the Prospectus, in the manner set out in the Prospectus.

For DBS customers, please call the DBS Bank Hotline

1800-111 1111

International Tech Park Bangalore ("ITPB")

- Located in Bangalore, India's third largest city and fifth largest metropolitan area by population
- Spread over 69 acres, the award-winning ITPB comprises six high-quality multi-tenanted buildings
- Average occupancy of 98%[1] based on Committed Leases as at 31 March 2007
- Total owned SBA* of 1,710,000 sq ft with an addition of approximately 744,000 sq ft to be completed in the fourth quarter of Projection Year 2009
- Approximately 24 acres of land available for development into 2.7 million sq ft of income-producing business space

International Tech Park Chennai ("ITPC")

- The prominent 15-acre development is located in Chennai, one of India's most attractive cities for offshore services
- Average occupancy of 100% based on Committed Leases as at 31 March 2007
- Total owned SBA* of 528,000 sq ft with an additional 730,000 sq ft to be completed in August 2007. Proposed development of 708,000 sq ft to be completed in the fourth quarter of Projection Year 2009
- Close to prime residential precincts and is well-connected to the airport and Central Business District via local highways

Overview of Properties

Ascendas India Trust (a-iTrust), seeded by four world-class IT parks in India, provides investors an opportunity to invest in India's fast-growing economy.

CyberPearl, Hyderabad ("CyberPearl")

- The 6-acre park is located in Hyderabad, India's sixth-largest metropolitan area by population
- Average occupancy of 99% based on Committed Leases as at 31 March 2007
- Total owned SBA* of 431,000 sq ft

The V, Hyderabad ("The V")

- The 19-acre park is located in Hyderabad
- Average occupancy of 99% based on Committed Leases as at 31 March 2007
- Total owned SBA* of 880,000 sq ft with an additional 377,000 sq ft to be completed in September 2007
- Unique architecture and ergonomic design to create an engaging campus-like ambience

[1] As at 31 March 2007, except for Navigator, which is based on 31 May 2007 committed occupancy

* Super Built-Up Area

Key Investment Highlights

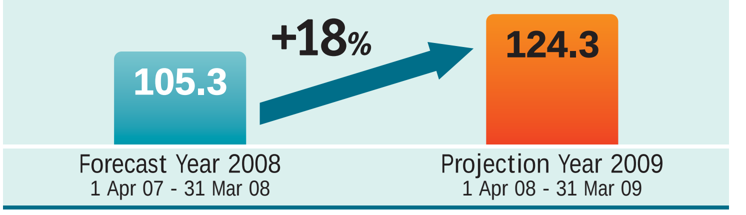
International Tech Park Bangalore

Unique growth model

Strong organic growth potential

- Medium-term leases with favourable escalation potential from Operating Buildings of 3.6 million sq ft Owned SBA*
- Completing Buildings of 1.1 million sq ft SBA*
- High tenant retention rates
- Tenants with good credit standing

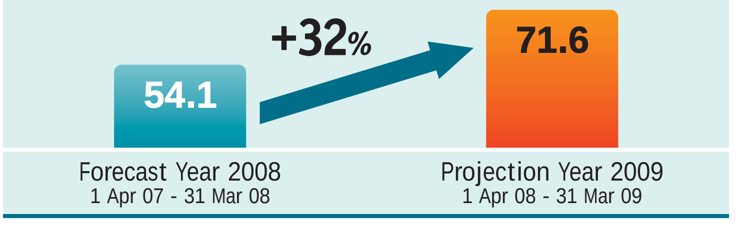
Property Income (S$ millions)



Occupancy[1]	As at 31 Mar 07	Forecast Year 2008	Projection Year 2009
Operating	95%	96%	96%
Operating & Completing	95%	90%	96%

[1] Weighted average for the Properties based on SBA. Figure for 31 Mar 07 is in relation to Committed Leases.

Net Property Income (S$ millions)



"In-built" development pipeline

- Strong development pipeline of up to 4.2 million sq ft comprising:
  - 1.5 million sq ft SBA* of upcoming Proposed Developments
  - 2.7 million sq ft SBA* or 24 acres of Land Available for Development

External acquisitions

- Right of first refusal (ROFR) from Sponsor which owns the CyberVale IT park in Chennai
- ROFR from Ascendas India Development Trust which has a targeted investment value of S$1 billion and currently includes approximately 100 acres of land in Pune and Nagpur and other investments in the pipeline
- Potential third party acquisitions of business space properties across India

REIT-like characteristics enhance stability of distributions...

- Commitment to distribute 100% of Distributable Income from Listing Date to 31 March 2009 and at least 90% thereafter
- Adherence to safeguarding provisions on allowable investments under Property Fund Guidelines
- Gearing limited to 35% of deposited property or 60% if credit rating is obtained
- Distributions are exempt from Singapore income tax

. . . But retains upside potential from development activities with 20% development limit

* Super Built-Up Area


International Tech Park Chennai

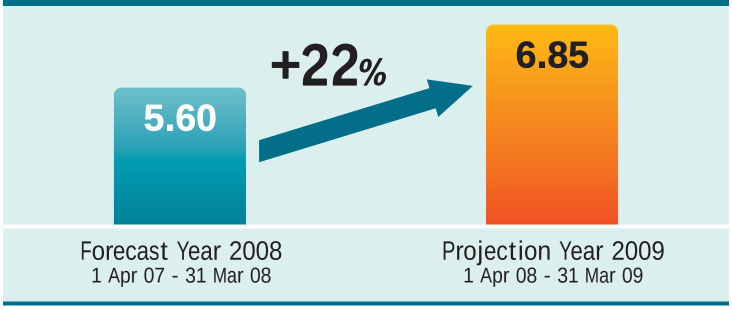





Significant distribution growth

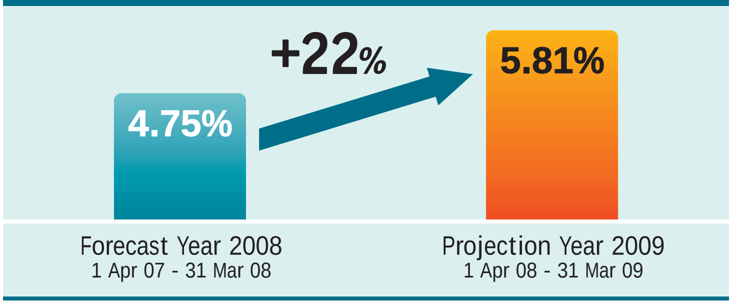
- Expected 22% growth of a-iTrust's distribution per unit

DPU (cents) Estimates at Offering Price S$1.18



- Increase in Forecast and Projected Distribution Yield

Forecast and Projected Distribution Yield[1]



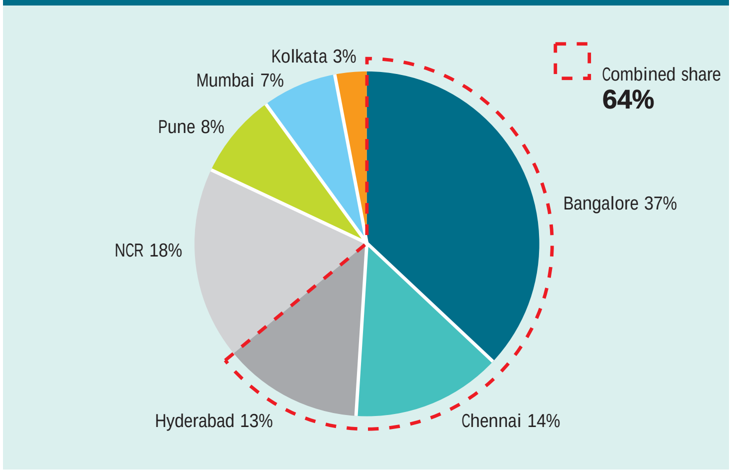
[1] Offering Price of S$1.18 per Unit.

- Distributions made by a-iTrust exempt from Singapore income tax in the hands of all Unitholders

Portfolio of high quality investment properties in India

- Attractive and relatively safe opportunity to gain exposure to high-growth industry sectors and cities
- Geographically diversified in the key high-growth IT and ITES centres of Bangalore, Chennai and Hyderabad

India's IT and ITES Revenue Break-Up by Location



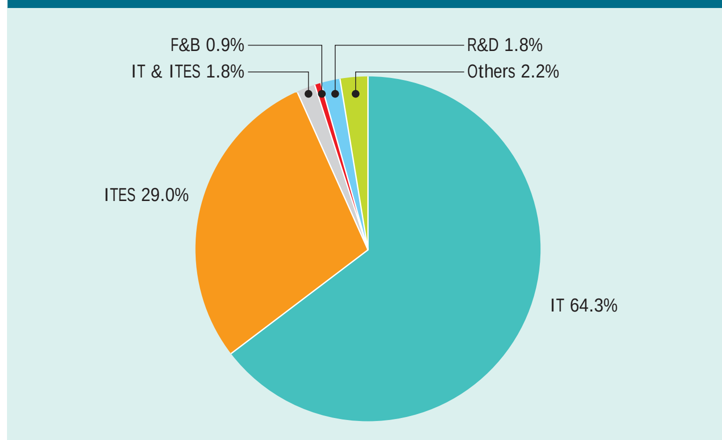
Source: STPI, 2006

This overview section is qualified in its entirety by, and should be read in conjunction with, the full text of this prospectus (incuding but not limited to "Notice To Investors - Forward-Looking Statements" and "Risk Factors"). Meanings of capitalised terms may be found in the Glossary of this Prospectus.

CyberPearl, Hyderabad

- High quality and professionally-managed Properties with comprehensive ancillary facilities and services to benefit tenants
- Substantially locked-in medium-term leases (with high security deposits) provide rental income stability
- High committed occupancy rates and leased to diverse and good quality tenants

Tenant Trade Sectors of the Portfolio (by Base Rent) as at 31 March 2007



Optimum capital structure

- Modest gearing of 4.1% as at Listing Date increasing to 18.9% assuming full draw down of Trust Loan Facilities
- Conservative capital structure enhances future financing flexibility for development projects and acquisitions

Exposure to fast-growing Indian economy

- World's second fastest growing major economy which is forecast to grow between 7% and 9% per annum over the next few years
- Regulated financial environment, stable political outlook, growing foreign exchange reserves and young demographic profile contribute to sustainable growth

Rising demand for business space across key IT centres

- India is the world leader and centre for IT and ITES outsourcing with a 55% to 60% global market share
- Strong demand from IT and ITES companies for business space to accommodate expansion plans expected to benefit major IT centres in India including Bangalore, Chennai and Hyderabad

All photos taken at actual locations.

The Ascendas Advantage

Quality • Reliability • Lifestyle

Rock concerts

International Tech Park Bangalore

International Tech Park Chennai

Artworks

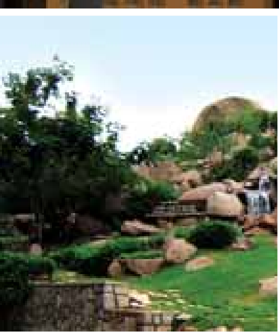
Healthy lifestyle

The V, Hyderabad

CyberPearl, Hyderabad

Fine dining

The V, Hyderabad



Proven Track Record of ascendas

- One of Asia's leading providers of business space solutions
- Strong brand name with more than 20 years of presence in Asia
- Manages a portfolio of properties comprising more than 34 million sq ft across Asia
- 14 years of presence in India
- One of the few foreign investors who have successfully acquired and developed assets in India
- Alignment of interest with that of Unitholders through substantial unitholding (17%) and ROFR
- Committed to supporting a-iTrust over the long-term
- Offers tenants the benefit of the "Ascendas Advantage" of quality business space, reliable business solutions and international business lifestyle

NOTICE TO INVESTORS

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of any of a-iTrust, the Trustee-Manager, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners or the Sponsor. If anyone provides you with different or inconsistent information, you should not rely upon it. Neither the delivery of this Prospectus nor any offer, subscription, sale or transfer made hereunder shall under any circumstances imply that the information herein is correct as at any date subsequent to the date hereof or constitute a representation that there has been no change or development reasonably likely to involve a material adverse change in the affairs, conditions and prospects of a-iTrust, the Trustee-Manager or the Units since the date on the front cover of this Prospectus. Where such changes occur and are material or required to be disclosed by law, the SGX-ST and/or any other regulatory or supervisory body or agency, the Trustee-Manager will make an announcement of the same to the SGX-ST and, if required, lodge and issue a supplementary document or replacement document pursuant to Section 282D of the Securities and Futures Act and take immediate steps to comply with the said Section 282D. Investors should take notice of such announcements and documents and upon release of such announcements and documents shall be deemed to have notice of such changes. No representation, warranty or covenant, express or implied, is made by any of a-iTrust, the Trustee-Manager, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners, the Sponsor or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information contained herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise, representation or covenant by any of a-iTrust, the Trustee-Manager, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners or the Sponsor or their respective affiliates, directors, officers, employees, agents, representatives or advisers.

None of a-iTrust, the Trustee-Manager, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners and the Sponsor or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers is making any representation or undertaking to any subscriber of Units regarding the legality of an investment by such subscriber under appropriate legal, investment or similar laws. In addition, investors in the Units should not construe the contents of this Prospectus as legal, business, financial or tax advice. Investors should be aware that they may be required to bear the financial risks of an investment in the Units for an indefinite period of time. Investors should consult their own professional advisers as to the legal, tax, business, financial and related aspects of an investment in the Units.

Copies of this Prospectus and the Application Forms may be obtained on request, subject to availability, during office hours, from:

J.P. Morgan (S.E.A.) Limited	**Citigroup Global Markets Singapore Pte. Ltd.**	**DBS Bank Ltd**
168 Robinson Road 17th Floor, Capital Tower Singapore 068912	3 Temasek Avenue #12-00 Centennial Tower Singapore 039190	6 Shenton Way DBS Building Tower One Singapore 068809

and from branches of DBS (including POSB) and, where applicable, from members of the Association of Banks in Singapore, members of the SGX-ST and merchant banks in Singapore. A copy of this Prospectus is also available on the SGX-ST website: http://www.sgx.com.

The distribution of this Prospectus and the offering, subscription, sale or transfer of the Units in certain jurisdictions may be restricted by law. a-iTrust, the Trustee-Manager, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners and the Sponsor require persons into whose possession this Prospectus comes to inform themselves about and to observe any such restrictions at their own expense and without liability to a-iTrust, the Trustee-Manager, any of the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners and the Sponsor. This Prospectus does not constitute, and the Trustee-Manager, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners and the Sponsor are not making, an offer of, or an invitation to subscribe for or purchase, any of the Units in any jurisdiction in which such offer or invitation would be unlawful. Persons to whom a copy of this Prospectus has been issued shall not circulate to any other person, reproduce or otherwise distribute this Prospectus or any information herein for any purpose whatsoever nor permit or cause the same to occur.

In connection with the Offering, the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) may, in consultation with the other Joint Underwriters and Bookrunners, over-allot or effect transactions which stabilise or maintain the market price of the Units at levels that might not otherwise prevail in the open market. Such transactions may be effected on the SGX-ST and in other jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulations, including the Securities and Futures Act and any regulations thereunder. Such transactions may commence on or after the date of commencement of trading of the Units on the SGX-ST and, if commenced, may be discontinued at any time without notice to you and shall not be effected after the earliest of (i) the date falling 30 days from the date of commencement of trading of the Units on the SGX-ST, (ii) the date when the over-allotment of the Units which are the subject of the Over-Allotment Option has been fully covered (through the purchase of the Units on the SGX-ST and/or the exercise of the Over-Allotment Option by the Stabilising Manager), or (iii) the date falling 30 days after the date of adequate public disclosure of the final price of the Units.

FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus constitute "forward-looking statements". This Prospectus also contains forward-looking financial information in "Profit Forecast and Profit Projection". Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of a-iTrust, the Trustee-Manager, the Sponsor, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Trustee-Manager's present and future business strategies and the environment in which a-iTrust, the Trustee-Manager or the Sponsor will operate in the future. Because these statements and financial information reflect the Trustee-Manager's and the Sponsor's current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information. You should not place any undue reliance on these forward-looking statements.

Among the important factors that could cause a-iTrust's, the Trustee-Manager's or the Sponsor's actual results, performance or achievements to differ materially from those in the forward-looking statements and financial information are the condition of, and changes in, the domestic, regional and global economies, including, but not limited to, factors such as political, economic and social conditions in India, changes in government laws and regulations affecting a-iTrust, competition in the Indian property market in which a-iTrust may invest, industry, currency exchange rates, interest rates, inflation, relations with service providers, relations with lenders, hostilities (including future terrorist attacks), the performance and reputation of a-iTrust's properties and/or future acquisitions, difficulties in identifying future acquisitions, difficulty in completing and integrating future acquisitions, changes in the Trustee-Manager's board and executive officers, risks related to natural disasters, general volatility of the capital markets, uncertainties in the Indian legal system (which could limit the legal protections available to foreign investors, including with respect to the enforcement of foreign judgments in India), general risks relating to the property market in which a-iTrust may invest and the market price of the Units as well as other matters not yet known to the Trustee-Manager or not currently considered material by the Trustee-Manager. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risk Factors", "Profit Forecast and Profit Projection", and "Business and Properties". These forward-looking statements and financial information speak only as at the date of this Prospectus. The Trustee-Manager expressly disclaims any obligation or undertaking to release publicly any updates of or revisions to any forward-looking statement or financial information contained herein to reflect any change in the Trustee-Manager's or the Sponsor's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement or information is based, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other relevant regulatory or supervisory body or agency.

CERTAIN DEFINED TERMS AND CONVENTIONS

a-iTrust will publish its financial statements in Singapore dollars. In this Prospectus, references to "S$", "SGD" or "Singapore dollars" and "Singapore cents" are to the lawful currency of the Republic of Singapore, references to "Rs.", "INR" or the "Indian Rupee" are to the lawful currency of the Republic of India, references to "US$", "USD" or "US dollars" are to the lawful currency of the United States of America and references to "JPY" or "¥" are to the lawful currency of Japan. For the reader's convenience, except where the exchange rate between the Indian Rupee and the Singapore dollar is expressly stated otherwise, certain Indian Rupee amounts in this Prospectus have been translated into Singapore dollars based on the fixed exchange rate of Rs. 29 = S$1.00, unless otherwise mentioned. However such translations should not be construed as representations that Indian Rupee amounts have been, could have been or could be converted into Singapore dollars at that or any other rate (see "Exchange Rate Information").

References to the ownership of the Properties (as defined herein) by a-iTrust in this Prospectus are to the ownership of the entire issued and paid-up capital of the Singapore SPV (as defined herein) which owns the equity interest in VCUs (as defined herein) holding the relevant Properties. References to (i) "Operating Buildings" are to the completed and operating six multi-tenanted office buildings and a multi-tenanted retail mall at ITPB (as defined herein), one multi-tenanted office building at ITPC (as defined herein), four multi-tenanted office buildings at The V (as defined herein) and two multi-tenanted office buildings at CyberPearl (as defined herein), (ii) "Completing Buildings" are to the second multi-tenanted office building at ITPC (Crest) and fifth multi-tenanted office building at The V which are near completion, (iii) "Proposed Developments" are to a built-to-suit ("**BTS**") building and a multi-tenanted retail mall at ITPB and a third multi-tenanted office building at ITPC which have been planned for development and which construction have not commenced, (iv) "Land Available For Development" is to the 24 acres of land available for development at ITPB, out of which 23 acres of land has been approved by the Government of India as an SEZ (as defined herein). "**SBA**" or "**Super Built-up Area**" of a property means the sum of the floor area enclosed within the walls, the area occupied by the walls, and the common areas such as the lobbies, lift shafts, toilets and staircases of that property, and in respect of which rent is payable. References to the "**Owned SBA**" are to SBA owned by a-iTrust, and (v) "**fiscal year**" is the fiscal year ending 31 March (for example, the "fiscal year 2007" is from 1 April 2006 to 31 March 2007).

Unless expressly stated otherwise, all statistics and figures relating to the Properties are as at 31 March 2007.

Capitalised terms used in this Prospectus shall have the meanings set out in the Glossary.

The forecast and projected yields and yield growth are calculated based on the Offering Price. Such yields and yield growth will vary accordingly for investors who purchase Units in the secondary market at a market price different from the Offering Price.

Any discrepancies in the tables, graphs and charts included in this Prospectus between the listed amounts and totals thereof are due to rounding. Save in the case of figures in square feet ("**sq ft**"), Rs. and S$ which are rounded to the nearest thousand and percentages which are rounded to one decimal place, where applicable, figures are rounded to the nearest whole number. Measurements in square metres ("**sq m**") are converted to sq ft and vice versa based on the conversion rate of 1 sq m = 10.7639 sq ft. Measurements in acres are converted to sq ft and vice versa based on the conversion rate of 1 acre = 43,560 sq ft. References to "Appendix" or "Appendices" are to the appendices set out in this Prospectus. All references in this Prospectus to dates and times shall mean Singapore dates and times unless otherwise specified.

MARKET AND INDUSTRY INFORMATION

This Prospectus includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. While the Trustee-Manager has taken reasonable steps to ensure that the market and industry data and forecast pertaining to India's economy, the IT and ITES sectors in India and India's major cities are extracted accurately and in their proper context, the Trustee-Manager has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein. Investors should also refer to the disclaimer to the Independent Indian Market Research Report as set out at page E-112 of this Prospectus.

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SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information contained or referred to elsewhere in this Prospectus. The meaning of terms not defined in this summary can be found in the Glossary or in the Trust Deed. A copy of the Trust Deed can be inspected at the registered office of the Trustee-Manager, which is located at 75 Science Park Drive, #01-03, Cintech II Building, Singapore 118255.

OVERVIEW OF ASCENDAS INDIA TRUST ("a-iTrust") — Singapore's first listed Indian property trust

a-iTrust is a Singapore-based business trust ("**BT**") registered by the MAS established with the principal objective of owning income-producing real estate used primarily as business space in India, and real estate-related assets in relation to the foregoing. a-iTrust may acquire, own and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion. Certain key provisions of the Property Funds Guidelines which govern real estate investment trusts ("**REITs**") have been voluntarily adopted by a-iTrust and incorporated into the Trust Deed to create a "REIT-like" BT in order to enhance the stability of distributions to Unitholders (see "The Formation and Structure of Ascendas India Trust — Incorporation of Certain Key Provisions of the Property Funds Guidelines").

a-iTrust offers the following benefits to Unitholders (see "Key Investment Highlights"):

- **Premier business space investment trust backed by strong underlying fundamentals of the Indian economy and its growing information technology and real estate sectors**
- **Portfolio of high quality investment properties built and managed to international standards**
- **A unique growth model comprising:**
  - **Strong organic growth supported by favourable lease terms, recently-completed buildings and soon to be completed buildings**
  - **Strong "in-built" development pipeline on existing land within its property portfolio**
  - **Trustee-Manager's three-pronged acquisitions growth strategy**
- **Proven track record, extensive experience, key relationships and real estate management platform of the Sponsor**
- **Sponsor's alignment of interest with Unitholders**
- **Employment of optimum capital structure**
- **Certain REIT-like characteristics to enhance the stability of distributions to Unitholders**
- **Tax-free distributions**

An Overview of the Fast-growing Indian Economy

India is one of the fastest growing major economies and the fourth largest as measured by Purchasing Power Parity ("**PPP**"), ranking only behind the United States, China and Japan. The nation's economy continues to expand rapidly, with an annual real gross domestic product ("**GDP**") growth of 8.5% per annum on average between fiscal year 2004 and fiscal year 2006. The growth momentum has accelerated further in fiscal year 2007, and GDP growth is expected to be 9.2%, making it the fastest growing year in recent history. A key contributor to the rapid economic growth has been the emergence of a globally competitive knowledge-driven services sector (which includes among others, the information technology ("**IT**") and software exports sectors) which accounts for 55% of the country's GDP in fiscal year 2007. The Indian software and services export sector is one of the fastest-growing sectors in the Indian economy, and is expected to grow by 28% to US$48 billion in revenues in fiscal year 2007. India has also witnessed rising inward foreign direct investment ("**FDI**") which is expected to grow by 71% to reach US$12 billion in fiscal year 2007.

Another sector of growing importance in the Indian economy is the manufacturing sector, which grew at a rate of approximately 12% in the second quarter of fiscal year 2006 to fiscal year 2007, exceeding the expected overall GDP growth rate. As growth is expected to continue across these sectors in the future, the demand for business space across India is also expected to keep pace with the heightened employment demand in these sectors.

The real estate market in India has experienced rapid expansion between 2003 and 2006. The absorption levels have grown at a robust compound annual growth rate ("**CAGR**") of 41% over this time period, compared to an increase in the CAGR of 37% for supply levels. In general, commercial space rentals are expected to witness strong growth in the near future. In most markets these would range between 5% and 15% per annum, depending upon the maturity of the location and availability of supply. With IT demand expected to grow in the future, there is expectation of a strong demand among IT and IT enabled services ("**ITES**") companies for business space to accommodate their expansion plans. As the IT and ITES sectors are human resource and technology intensive, these sectors are concentrated in the major urban nodes of India like Bangalore, National Capital Region, Mumbai, Chennai, Pune, Hyderabad and Kolkata. In these locations, office space developments are mostly leased out prior to their completion and have low vacancy levels. Such buoyant demand is expected to fuel rental growth in these locations in the foreseeable future which will in turn result in capital value growth.

(See Appendix E, "Independent Indian Market Research Report".)

Diversified Portfolio of World-class IT Parks

a-iTrust owns a diversified portfolio of four world-class and pioneering IT parks across the primary IT centres of India, comprising:

(i) International Tech Park, Bangalore ("**ITPB**");

(ii) International Tech Park, Chennai ("**ITPC**");

(iii) The V, Hyderabad ("**The V**"); and

(iv) CyberPearl, Hyderabad ("**CyberPearl**") (collectively, the "**Properties**" and each, a "**Property**").

The Properties have been designed with the concept of providing an international business lifestyle in "plug-and-play" and "work-play" environments. The Properties comprise predominantly multi-tenanted buildings supported by a host of ancillary facilities and services and with a significant portion of their tenants comprising leading multinational corporations ("**MNCs**") leasing the business space for IT purposes. The Properties comprise:

- **Operating Buildings:** 13 Operating Buildings with an aggregate Owned SBA (as defined herein) of approximately 3.6 million sq ft, which includes the recently completed sixth building at ITPB (Navigator) comprising approximately 407,000 sq ft of SBA. "**Owned SBA**" refers to the sum of the floor area enclosed within the walls, the area occupied by the walls, and the common areas such as the lobbies, lift shafts, toilets and staircases of that property, in respect of which rent is payable and which is owned by a-iTrust. As at 31 March 2007[1], the weighted average occupancy rate of the Operating Buildings, including the recently completed and operating sixth building at ITPB (Navigator), was approximately 99%;
- **Completing Buildings:** Two Completing Buildings, namely the second building at ITPC (Crest) as well as the fifth building at The V, which are in the final stages of completion and comprise approximately 1.1 million sq ft of Owned SBA;
- **Proposed Developments:** Land with development potential of approximately 744,000 sq ft of business space at ITPB, which has been planned by the Trustee-Manager for a BTS facility and a retail mall, and land with development potential of approximately 708,000 sq ft of business space at ITPC, which has been planned by the Trustee-Manager for a third multi-tenanted building; and
- **Land available for development:** Approximately 24 acres of land are available for development at ITPB[2], which could translate to approximately 2.7 million sq ft of SBA[3].

Key Investment Highlights

The Trustee-Manager believes that an investment in a-iTrust offers the following attractions to Unitholders:

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(1) Except for Navigator which is based on the occupancy rate of 100% as at 31 May 2007, following its completion on 31 January 2007.
(2) Of which 23 acres of land are within a Special Economic Zone ("**SEZ**") as approved by the Government of India.
(3) Assuming 24 acres of land available for development are developed to the maximum within the approved plot ratio of 2.5.

Premier business space investment trust backed by strong underlying fundamentals of the Indian economy and its growing information technology and real estate sectors

(1) Exposure to the fast-growing Indian economy

- India is the second fastest growing major economy and the fourth largest as measured by PPP, ranking only behind the United States, China and Japan. The nation's economy continues to expand rapidly. Its annual GDP in fiscal year 2006 is estimated to be US$4 trillion. Strong capital inflows, ample liquidity and strong growth in exports have been the main factors for annual economic growth averaging 8.5% per annum over fiscal year 2004 to fiscal year 2006. The growth momentum has accelerated further in fiscal year 2007, and GDP growth is expected to be 9.2%, making this the fastest growing year in terms of GDP in recent Indian history.
- The Indian economy is able to sustain consistently high levels of growth due to its regulated financial environment, stable political outlook, growing foreign exchange reserves and young demographic profile. Economic growth is also boosted by strong growth in various key sectors. A key contributor to the rapid economic growth has been the emergence of a globally competitive knowledge-driven services sector (which includes among others, the IT and software export sectors) which accounts for 55% of the country's GDP in fiscal year 2007. The Indian software and services exports sector is one of the fastest-growing sectors in the Indian economy, and is expected to grow by 28% to US$48 billion in revenues in fiscal year 2007 with inward FDI which is expected to grow by 71% to reach US$12 billion in fiscal year 2007.
- Analysts forecast that the country's GDP will grow between 7.0% and 9.0% per annum in the next few years. With controlled inflation hovering at 4.9% at present, the economy is expected to witness robust growth. India's economic boom is forecasted to moderate slightly over the next two years, with GDP growth expected to stabilise at 8.3% in fiscal year 2008 and 8.0% in fiscal year 2009, from estimated growth of 9.2% in fiscal year 2007.

(2) Demand for business space in India is supported by strong growth of the IT, ITES, manufacturing and real estate sectors

- India's services and industrial sector has experienced sustained strong growth, underpinned by key drivers including low costs, an increasing global demand for customer services, a booming knowledge economy and supportive regulatory reforms by the Indian authorities.

- India has become the world leader in, and centre for, IT and ITES outsourcing over the past decade, with a forecast growth rate (as measured by revenues) substantially in excess of its GDP growth rate. India's IT and ITES sectors have seen significant investment and growth in recent years. The unprecedented growth in the IT and business process outsourcing ("**BPO**") industries in the last decade has resulted in a ten-fold increase in revenues, from US$5 billion in fiscal year 1998 to US$48 billion in fiscal year 2007. India, given its strengths in IT/ITES offshoring-outsourcing, is expected to have about 55% to 60% share of this market. The McKinsey-NASSCOM fiscal year 2005 report[(4)] shows that India will continue to maintain an important position with 46% share of the global BPO market and a 65% share in the IT offshoring and outsourcing market through 2010. The report also states that these two sectors will earn US$60 billion in exports by fiscal year 2010, and contribute 7% to GDP and 17% to GDP growth through fiscal year 2010.

- The Government of India has played a major role in positioning India to become the IT hub of Asia and a major BPO location for multinational organisations. In 1991, the Department of Communication and Information Technology established the Software Technology Parks India ("**STPI**"), a society set up with the objective of encouraging, promoting and boosting software exports from India. STPI also facilitates the process of setting up software units in India, by offering various tax incentives to registered software units. In 2005, the Government of India also enacted the Special Economic Zones Act, granting various tax incentives and exemptions to developers setting up SEZs. By the end of 2006, 140 IT and ITES specific SEZs received formal approvals from the government and another 30 have received "in-principle" approvals across India.

- With IT demand expected to grow in the future, there is a strong demand among IT and ITES companies for business space to accommodate their expansion plans. As the IT and ITES sectors are human resource and technology intensive, these sectors are concentrated in the major urban nodes of India like Bangalore, National Capital Region, Mumbai, Chennai, Pune, Hyderabad and Kolkata. In these locations, office space developments are mostly leased out prior to their completion and have low vacancy levels. Such buoyant demand is expected to fuel rental growth in these locations in the foreseeable future which will in turn result in capital value growth.

- Demand for business space is expected to remain buoyant. The growing IT and ITES sectors are the main contributors of demand, and are also supplemented by demand from other sectors such as financial institutions, industrial corporations and regular office users. Industrial growth remains strong, with an estimated growth of 10% in fiscal year 2007. In particular, the manufacturing sector demonstrated a growth of approximately 12% in the second quarter of fiscal year 2006 to fiscal year 2007.

- Continued expansions across key cities are also expected to drive employment growth. The Indian IT and ITES sectors currently employ over 1.6 million persons in fiscal year 2007. The Trustee-Manager believes that as demand for space continues to grow in key IT centres across India, a-iTrust is well-positioned to benefit from such growth in demand going forward. Strong growth and demand for business space among the various industrial sectors in India further presents a-iTrust with the opportunity to expand its product offering and diversify its tenant base.

(See Appendix E, "Independent Indian Market Research Report".)

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(4) Source: McKinsey-NASSCOM fiscal year 2005 report. Neither McKinsey & Co., Inc nor NASSCOM has provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 282O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by McKinsey & Co., Inc or NASSCOM is reproduced in its proper form and context and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

a-iTrust offers exposure to a portfolio of high quality investment properties built and managed to international standards within high-growth sectors and cities in India

- a-iTrust provides an attractive and relatively safe opportunity to gain exposure to these sectors, through a BT vehicle backed by a highly reputable sponsor, Ascendas Land International Pte Ltd, which itself is a wholly-owned subsidiary of Ascendas Pte Ltd. The award-winning ITPB, for instance, is considered as one of India's premier and pioneering technology parks and was awarded the prestigious World Teleport Property of the Year as early as 2002 by the New York-based Intelligent Community Forum.

- The Properties are located in Bangalore, Hyderabad and Chennai, which are attractive destinations for multinational companies to set up and/or to expand their IT-related operations given the availability of a highly skilled IT talent pool. India accounts for 28% of IT and BPO talent among 28 low-cost countries. According to the McKinsey-NASSCOM Report 2005[5]: Extending India's Leadership of the Global IT and BPO Industries, India has the largest English-speaking talent pool in the world and over 440,000 engineering degree and diploma holders, approximately 2.3 million other (arts, commerce and science) graduates and approximately 300,000 postgraduates, are added each year to the existing workforce. The low wage structure in India results in employers being able to save up to 50% to 60% in terms of human resource costs.

- Further, each of the Properties offers its tenants the benefits of an international business lifestyle environment to inspire work excellence and enhance productivity — a customer experience uniquely branded as the "Ascendas Advantage".

  — **Quality Business Space:** Physical spaces are built according to international standards to offer the best quality for the specifications and price point.

  — **Reliable Business Solutions:** Bundling services tailored to suit customers' needs and to remove the hassles of managing real estate so they can focus on their own business. For example, build-and-lease options, building management systems, reliable power and water supply, e-infrastructure and even fitting-out the offices.

  — **International Business Lifestyle:** Ascendas' IT parks offer holistic "work-play" lifestyles that knowledge workers aspire to have. Extensive amenities are provided within aesthetically landscaped settings incorporating lush gardens and artworks. Amenities on the Properties include gymnasium and fitness facilities, large food courts, restaurants and delis. Conveniences range from automated teller machines ("**ATMs**"), banks, gift shops and travel agencies to pharmacies and spa facilities. Organised activities include festive celebrations and sporting and charity events to create a vibrant and balanced lifestyle.

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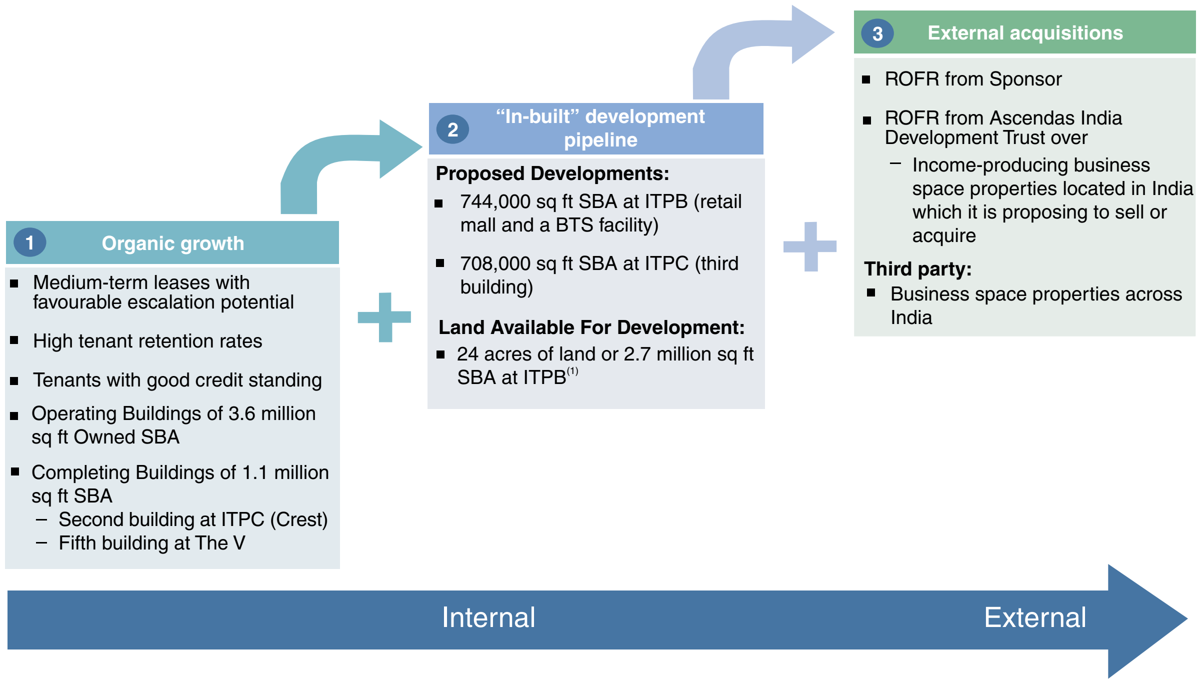
(5) See footnote 4.

Unique growth model comprising organic growth, an "in-built" development pipeline on existing land within its property portfolio and the Trustee-Manager's three-pronged external acquisitions strategy

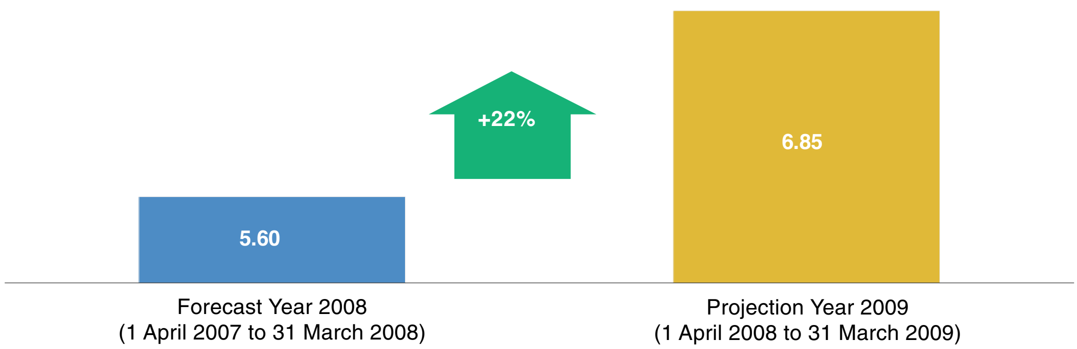


(1) Assuming 24 acres of land available for development is developed to the maximum within the approved plot ratio of 2.5.

(1) Strong organic growth potential supported by favourable lease terms and recently-completed buildings

- At the Offering Price of S$1.18 per Unit, a-iTrust's distribution per unit ("**DPU**") is expected to grow significantly by approximately 22% from 5.60 cents per Unit in respect of the Forecast Year 2008 to approximately 6.85 cents per Unit in respect of the Projection Year 2009. This is largely attributable to the completion and subsequent leasing of the fifth building at The V and the second building at ITPC (Crest). (See "Profit Forecast and Profit Projection — Assumptions — VCU Level Assumptions — (1) Property Income — (a) Base Rent".)

DPU estimate for Forecast and Projection Years (S$ cents)[1]



(1) At the Offering Price of S$1.18 per Unit.

- The majority of the leases at the Properties are structured on a three- to five-year basis with Base Rent escalation rates of approximately 5.0% per annum, taking effect upon renewal of the leases. The Property Manager has often achieved a retention rate of over 80% of tenants whose leases had expired over the past three years.
- Tenants at the Properties are largely composed of MNCs or established Indian corporations with good credit standing and have established corporate presence in India. The top 10 tenants at the Properties include many *Fortune 500* brands such as Infineon, IBM, General Motors and General Electric.

(2) Strong "in-built" development pipeline on existing land within the portfolio

- a-iTrust has a strong in-built development pipeline for the construction of new buildings on the existing land within its Property portfolio comprising up to 4.2 million sq ft of SBA, which is approximately 89% of the Owned SBA of the Operating Buildings and the Completing Buildings. This in-built development pipeline comprises:
  - (i) Proposed Developments of a BTS facility and a retail mall comprising approximately 744,000 sq ft of SBA at ITPB and a third multi-tenanted office building comprising approximately 708,000 sq ft of SBA at ITPC; and
  - (ii) Approximately 24 acres of land available for development which equates to approximately 2.7 million sq ft of SBA of income-producing business space at ITPB.
- The Trustee-Manager has identified approximately 1.5 million sq ft of SBA on the existing land at ITPB and ITPC for the Proposed Developments. The Proposed Developments comprise a 294,000 sq ft BTS building for Avestha Gengraine Technologies, a Bangalore-based Biotech company and a 450,000 sq ft retail mall at ITPB as well as a 708,000 sq ft third multi-tenanted building at ITPC. The construction of the Proposed Developments is expected to commence in the third quarter of FY2008. The Trustee-Manager expects these Proposed Developments to provide medium-term distribution yield and capital appreciation for Unitholders.
- The Trustee-Manager anticipates funding the construction of the Proposed Developments with debt financing and does not anticipate raising additional equity capital to fund the construction of the Proposed Developments.
- In addition to the Proposed Developments, there are approximately 24 acres of land available for development at ITPB, of which 23 acres of land are within an SEZ. The land has been approved by the Government of India as an SEZ pursuant to a notice in the Indian Official Gazette published on 10 April 2007. (See "Overview of Relevant Laws and Regulations in India — Special Economic Zones Act 2005" and "Taxation — India Tax Implications — Taxation of the VCUs — Corporate income-tax" for the fiscal benefits of development on SEZs.)
- The Trustee-Manager plans to undertake progressive and controlled development on the land, having regard to market demand and conditions, so as to maximise its value. Assuming 24 acres of land available for development is developed to the maximum within the approved plot ratio of 2.5, future developments could yield up to approximately 2.7 million sq ft of income-producing business space. Together with the Proposed Developments, a-iTrust could create up to 4.2 million sq ft of additional SBA on the existing land within the Properties, which equates to approximately 89% of the Owned SBA of the Operating Buildings and the Completing Buildings.
- The Trustee-Manager believes that any development risk undertaken is manageable as construction of any BTS facility will commence only after a-iTrust has obtained a pre-commitment from the tenant(s) to take up space in the new properties and construction of any multi-tenanted building will commence only when the Trustee-Manager anticipates that there will be strong demand for additional space and amenities based on indications of interest from existing clients and the Trustee-Manager's assessment of potential demand.

(3) Unique three-pronged external acquisitions growth strategy

a-iTrust has a well-defined acquisition strategy supported by the rights of first refusal granted by the Sponsor and Ascendas India Development Trust (the "**Development Trust**") as well as third party acquisitions. The Development Trust was established by the Sponsor as an India-specific private real estate fund to undertake mixed/multi-use development projects in high-growth sectors in India. The Development Trust will invest in multi-use integrated development projects in India, which may include SEZs, with the following types of real estate assets, namely, industrial, information technology parks, offices, residential and retail, hotels, recreation and other supporting uses. The Development Trust has committed capital of S$500 million and is targeted to have a total investment value of S$1 billion. The Development Trust currently holds about 100 acres of land in Pune and Nagpur.

The Trustee-Manager's three-pronged external acquisitions growth strategy

A Ascendas India Development Trust ROFR	B Sponsor's ROFR	C Third party acquisitions
▪ Right of First Refusal from Ascendas India Development Trust over income-producing business space properties located in India which it is proposing to sell or acquire ▪ Current committed capital of S$500 million and a targeted investment value of S$1 billion ▪ Current portfolio includes approximately 100 acres of land in Pune and Nagpur and more investments are in the pipeline	▪ Right of First Refusal from Sponsor over income-producing business space properties located in India which it is proposing to sell or acquire ▪ Sponsor currently owns The CyberVale in Chennai	▪ Income-producing business space properties and/or partially completed development projects across India which satisfy a-iTrust's investment criteria

A. Ascendas India Development Trust's right of first refusal

The Development Trust has granted to a-iTrust the Development Trust Right of First Refusal (as defined herein) over the future proposed sale or acquisition by the Development Trust of income-producing properties used primarily for business space in India. The Development Trust Right of First Refusal is expected to secure a proprietary future acquisitions pipeline for a-iTrust.

B. Sponsor's right of first refusal

The Sponsor has also granted a-iTrust the Sponsor Right of First Refusal (as defined herein) over the future proposed sale or acquisition by the Sponsor or its subsidiaries (each a "**Relevant Entity**") of income-producing properties used primarily for business space in India. The Sponsor currently owns The CyberVale in Chennai, an IT park comprising a proposed 1.1 million sq ft of SBA over four buildings. The first building (250,000 sq ft of SBA) is completed and tenants have committed to lease 53% of the SBA as at 31 March 2007. MindTree Consulting Limited ("**MindTree**") has committed to a 99-year lease on the second building, a BTS facility (280,000 sq ft of SBA). Development of the third building (280,000 sq ft of SBA) over which MindTree has a first right to lease (99 years) and the fourth building (proposed 280,000 sq ft of SBA) is being planned. Accordingly, the Sponsor Right of First Refusal will not include the second building and the third building of The CyberVale.

Also, in the case of unlisted funds in which a Relevant Entity participates but has no control over the fund's investment decisions, the Sponsor is not in a position to grant a right of first refusal to a-iTrust.

C. Third party acquisitions

The Trustee-Manager will also actively source quality third party income-producing business space properties and/or partially completed development projects across India which satisfy its investment criteria.

a-iTrust benefits from the proven track record, extensive experience, key relationships and real estate management platform of the Sponsor, Ascendas Land International Pte Ltd

- The Sponsor is a wholly-owned subsidiary and asset holding vehicle of Ascendas Pte Ltd, which is one of Asia's leading providers of business space covering high-tech, science, business and industrial parks, and customised developments for a host of industries. It manages a portfolio of properties exceeding 34 million sq ft across Asia, with a significant presence in regional markets like Singapore, China, India, Korea and the Philippines. It has one of the largest footprints across Asia with more than 20 years of experience serving a global clientele of more than 1,300 customers. As one of the few foreign investors who have successfully acquired and developed assets in India, the Sponsor and its related companies have a strong track record as a leading business space solutions provider with over 14 years of experience in property development and management in India.
- The Trustee-Manager and the Sponsor have demonstrated a successful track record of phased development at ITPB to meet tenant demand for new business spaces. For instance, the buildings, namely Discoverer, Innovator and Creator were delivered by November 1998, followed by Explorer (June 2002), Inventor (November 2004) and, more recently, Navigator (January 2007). Pioneer, a BTS facility, is expected to be completed in August 2007. Tata Consultancy Services ("**TCS**") has committed to the acquisition of a 99-year leasehold interest in Pioneer (which is not regarded as part of a-iTrust's portfolio for the purposes of computing a-iTrust's Distributable Income), with 85% of the consideration having been received and the balance to be received in FY2008.
- The Trustee-Manager has a proven track record of sourcing attractive acquisition opportunities from the market such as the successful acquisition and re-branding of The V. The Trustee-Manager has enhanced the performance and value of the property through the completion of the fourth building and will soon complete the fifth building. The Trustee-Manager has also given the tenants of The V the benefits and amenities uniquely branded as the "Ascendas Advantage" (see "a-iTrust offers exposure to a portfolio of high quality investment properties built and managed to international standards within high-growth sectors and cities in India" above). The Trustee-Manager believes that it is capable of understanding and fulfilling customised tenant requirements while retaining the flexibility to accommodate other similar tenants with world-class lifestyle environments and quality infrastructure.
- The Sponsor has established close relationships with various state and local governments in its areas of operations. In particular, the Sponsor has developed relationships with the Karnataka State Government, through the Karnataka Industrial Areas Development Board ("**KIADB**") and the Tamil Nadu Industrial Development Corporation ("**TIDCO**"), a Tamil Nadu state government body, in the joint venture development of ITPB and ITPC, respectively, other joint venture partners include Maharashtra Industrial Development Corporation and Maharashtra Airport Development Corporation.
- The Sponsor also believes that it has developed strong relationships with key tenants during the course of developing and managing IT parks. It has key client relationships with numerous MNCs such as Infineon Technologies, for which the Sponsor has also cultivated a long-standing

relationship in Singapore, India and China. The Sponsor anticipates that as the outsourcing sector in India evolves, its key corporate clients will seek to expand across India into emerging IT destinations such as Pune and Nagpur which provide for ample acquisition and development growth opportunities.

- The Sponsor is a wholly-owned subsidiary and asset holding vehicle of Ascendas Pte Ltd, which has demonstrated a consistent track record in managing a listed real estate trust, through its subsidiary's management of Ascendas Real Estate Investment Trust ("**A-REIT**"). A-REIT has implemented a successful acquisitions growth strategy which has yielded attractive returns to unitholders since its initial public offering in Singapore in November 2002. These acquisitions have increased A-REIT's portfolio from approximately S$600 million at its initial public offering to approximately S$3.2 billion, achieving an increase of more than 400% by 31 March 2007.

- The Trustee-Manager has access to the Sponsor's business space provider platform which offers comprehensive real estate services from pre-development planning to later stage development and project management, property and estate management, renovation services and e-Infrastructure solutions as well as financing solutions such as build-and-lease and sale-leaseback. Concurrently, the Trustee-Manager also has access to the Sponsor's ability to systemise the processes of development planning, construction management, property, lease and asset management and marketing consultancy.

Sponsor's alignment of interest with that of Unitholders

- The Sponsor is committed to supporting a-iTrust over the long-term and expects to hold 127,638,388 Units at the Offering Price of S$1.18, constituting approximately 17% of the total number of Units expected to be in issue upon the completion of the Redemption and the Offering, assuming the Over-Allotment Option is fully exercised.

- The Sponsor has also agreed to (i) a lock-up arrangement during the period commencing from the Listing Date until the date falling 180 days thereafter (both dates inclusive) (the "**First Lock-up Period**") in respect of all of the Units which will be legally or beneficially held by ALI and any other entity which is wholly-owned by the Sponsor on that date (collectively, the "**Lock-up Units**") and (ii) a lock-up arrangement during the period commencing from the day immediately following the First Lock-up Period until the date falling 360 days after the Listing Date (the "**Second Lock-up Period**") in respect of 50% of the Lock-up Units, subject to certain exceptions (see "Plan of Distribution — Lock-up Arrangements").

- Additionally, the Sponsor intends to support a-iTrust's portfolio growth through the Sponsor Right of First Refusal and it will continue to play an active and instrumental role through the Trustee-Manager to implement a comprehensive strategy aimed at enhancing the overall performance of a-iTrust.

- The Trustee-Manager's interests are further aligned with those of the Unitholders as the management fees payable to the Trustee-Manager have a performance-based element which is based on a-iTrust's Net Property Income and this will incentivise the Trustee-Manager to grow revenues and minimise operating costs.

Employment of optimum capital structure

- a-iTrust is anticipated to have a modest gearing of 4.1%[(6)] as at the Listing Date, which is well below the 35% gearing level allowed for REITs under the Property Funds Guidelines and as permitted under the Trust Deed. Currently, the Trustee-Manager has been offered a credit line for S$140 million from Citibank N.A., Singapore Branch ("**Citibank**") and DBS comprising (a) a S$120 million 18-month term loan facility and (b) a S$20 million revolving credit facility (collectively the "**Trust Loan Facilities**"). Assuming that the Trust Loan Facilities are drawn down in full at the Listing Date, the gearing will be approximately 18.9%. The Trustee-Manager believes that a-iTrust's conservative capital structure will provide for competitive financing flexibility to fund its future development projects and acquisitions.

Certain REIT-like characteristics to enhance the stability of distributions to Unitholders

Certain key safeguarding provisions under the Property Funds Guidelines which apply to REITs have been voluntarily adopted by a-iTrust and incorporated into the Trust Deed to protect Unitholders' interest. They include:

- gearing will be limited to 35% of the Trust Property of a-iTrust unless a credit rating is obtained and in which case gearing cannot exceed 60% of the Trust Property of a-iTrust; and
- certain restrictions on permissible investments under the Property Funds Guidelines.

a-iTrust is not subject to any limit on its property development activities as a business trust (REITs are subject to a 10% limit under the Property Funds Guidelines). However, to balance the need for prudence while maintaining flexibility in its investment strategies to maximise returns for its Unitholders, the Trust Deed provides that a-iTrust's property development activities will be limited to 20% of the Trust Property of a-iTrust, calculated in accordance with the formula set out in the Trust Deed.

a-iTrust will distribute 100% of its Distributable Income (as defined herein) for the period from the Listing Date to 31 March 2009. Thereafter, a-iTrust will distribute at least 90% of its Distributable Income in accordance with the Trust Deed.

Tax-free distributions from a-iTrust

Distributions made by a-iTrust, being a registered business trust, are exempt from Singapore income tax in the hands of all Unitholders, ie regardless of whether they are corporates or individuals, foreign or local. The distributions will be free of Singapore withholding tax or tax deduction at source.

a-iTrust will receive part of its Distributable Income in the form of tax-exempt one-tier dividends from the Singapore SPV.

a-iTrust will receive the other part of its Distributable Income in the form of principal repayment of loans by the Singapore SPV out of cash received from the VCUs from their repayment of loans and/or the repurchase of shares in the VCUs by way of share buy-back ("**share buy-back**"). The cash for repayment of loans and/or share buy-back comes from cash trapped by depreciation at the VCUs.

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(6) Based on a-iTrust's proportionate share of asset value of S$876.8 million and debt of S$35.9 million at the Listing Date.

Key Information on the Properties

A summary of key information on the Properties is set out below:

Operating Buildings

	ITPB	ITPC	CyberPearl	The V	Total/Weighted average
Total SBA (sq ft)	2,328,000	528,000[(1)]	518,000	880,000[(2)]	4,254,000
Total Owned SBA[(3)] (sq ft)	1,710,000	528,000[(1)]	431,000	880,000[(2)]	3,549,000
Ownership in terms of SBA (%)	73	100	83	100	83
Average Occupancy Rate (based on Committed Leases)[(4)] (%)	98	100	99	99	99
Monthly Base Rent[(4)] ('000)	Rs. 67,512 (S$2,328)	Rs. 19,629 (S$677)	Rs. 14,353 (S$495)	Rs. 31,782 (S$1,096)	Rs. 133,276 (S$4,596)
Net Property Income for Forecast Year 2008 (as defined herein) (S$ million)[(5)]	26.0	8.5	6.9[(6)]	16.4	57.8
Net Property Income for Projection Year 2009 (as defined herein) (S$ million)[(5)]	28.2	17.0	6.4	20.2	71.7
Appraised Value by C&W as at 31 March 2007[(7)] (million)[(8)]	Rs. 13,670 (S$478.45)	Rs. 5,533 (S$193.66)	Rs. 2,001 (S$70.04)	Rs. 5,439 (S$190.37)	Rs. 26,643 (S$932.51)
Top three tenants (by monthly Base Rent as at 31 March 2007)[(4)]	• Affiliated Computer Services • ZapApp/FIC/First Advantage[(9)] • General Motors	• Siemens • Pfizer • iNautix Technologies	• Nipuna Services • Keane India • Microsoft	• Computer Associates • Cognizant Technology Solutions • SSA Global Technologies	—

(1) Excludes the SBA of the second Completing Building.

(2) Excludes the SBA of the fifth Completing Building.

(3) Excludes the sold space of 618,000 sq ft of SBA in ITPB, 87,000 sq ft of SBA in CyberPearl and the BTS facility in ITPB comprising 473,000 sq ft of SBA in respect of which TCS has committed to acquiring a 99-year leasehold interest, as well as the car park space for all the Properties.

(4) As at 31 March 2007 except for ITPB, which takes into account the 100% occupancy rate of Navigator as at 31 May 2007, following its completion on 31 January 2007. Comprises the Operating Buildings. Weighted average based on Owned SBA.

(5) Excludes annual depreciation on plant and equipment of S$1.4 million for the Forecast and Projection Years and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast and Projection Years respectively, for the Properties.

(6) There is an expected drop from S$6.9 million for Forecast Year 2008 to S$6.4 million for Projection Year 2009 due to the forecast of a lower fit-out rental income, which is not a permanent income, in Projection Year 2009, and is dependent on whether there are such requirements in future from tenants. Furthermore, in Projection Year 2009, it is expected that higher tenancy renewals will result in increased marketing commissions.

(7) Cushman & Wakefield VHS Pte. Ltd. ("**C&W**") had primarily adopted the income method of valuation utilising discounted cash flow analysis. (See Appendix D, "Independent Property Valuation Summary Report".) The valuation assumes 100% ownership of the Properties, ie before deducting minority interest (in the case of ITPB and ITPC which are partially owned by a-iTrust). (See "— Structure of Ascendas India Trust.")

(8) Based on an exchange rate of Rs. 28.5714 to S$1.00.

(9) Each of ZapApp, FIC and First Advantage is a wholly-owned subsidiary of First American Corporation.

Completing Buildings

Building	**Expected completion**	**Total estimated construction costs (inclusive of all construction-related fees) (Rs. million)**	**Total estimated construction costs (inclusive of all construction-related fees) (S$ million)**	**Estimated SBA (sq ft)**
Second building at ITPC (Crest)	August 2007	1,600 – 1,700	55 – 59	730,000
Fifth building at The V	September 2007	950 – 1,050	33 – 36	377,000

Proposed Developments

Development Properties	Expected commencement of construction	Expected completion	Total estimated construction costs (inclusive of all construction-related fees)		Estimated SBA (sq ft)
			(Rs. million)	(S$ million)	
ITPB — Avestha Gengraine Technologies BTS	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	350 – 470	12 – 16	294,000
ITPB — Retail mall	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	950 – 1,170	33 – 40	450,000
ITPC — Third Building (Zenith)	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	1,400 – 1,600	48 – 55	708,000

Land Available For Development

Location	Land available for development (acres)	Maximum plot ratio	Estimated SBA (sq ft)
ITPB	24[1]	2.5	2.7 million[2]

(1) Of which 23 acres of land are within an SEZ as approved by the Government of India.

(2) Assuming 24 acres of land available for development are developed to the maximum within the approved plot ratio of 2.5.

International Tech Park, Bangalore (ITPB)
International Tech Park, Whitefield Road, Bangalore 560066

General Description

Bangalore is the capital city of the state of Karnataka and is India's third largest city and fifth largest metropolitan area by population. Bangalore is often referred to as the "Silicon Valley of India" and it accounts for about 37% of the nation's software exports.

The award-winning ITPB is located in Bangalore's peripheral business district of Whitefield. It is connected to the airport and city centre via the Outer Ring Road and Whitefield Road. Spread over 69 acres, it comprises six high quality multi-tenanted buildings, namely "Discoverer", "Innovator", "Creator", "Explorer", "Inventor" and "Navigator". A BTS facility called Pioneer is expected to be completed in August 2007. TCS has committed to the acquisition of a 99-year leasehold interest in Pioneer.

ITPB is unique in the completeness of its "plug-and-play" and "work-live-play" environments combining high-quality infrastructure with amenities, recreational facilities and activities and residential spaces in a garden setting. A fitness centre, basement retail mall (Tech Park Mall), restaurants, food courts, gift shops, clinic, banks and ATMs count among the numerous conveniences serving the 20,000-strong park community.

ITPB's self-sufficiency extends to having its own power plant, telephone exchange, water treatment plant, wireless fidelity ("**WiFi**"), dedicated bus service and advanced building management systems.

Numerous recreational and social events are organised to provide a vibrant lifestyle after work.

Development potential

- **Proposed Developments**

  The Trustee-Manager has identified two Proposed Developments, namely the construction of a 294,000 sq ft BTS facility for Avestha Gengraine Technologies (expected to be completed in the fourth quarter of Projection Year 2009) and the construction of a 450,000 sq ft retail mall on existing lots (expected to be completed in the fourth quarter of Projection Year 2009).

- **Land Available For Development**

  Subject to approvals(1) being obtained from the relevant authorities, ITPB has approximately 24(2) acres of land available for development into 2.7 million(3) sq ft of income-producing business space.

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(1) These are (a) approvals required for construction which would be applied for from the Development Commissioner (under the provisions of the SEZ Act and the SEZ Rules), (b) the building plan approval (from the local municipal authorities) and (c) environmental approvals, if required, from the Ministry of Environment and Forests, Government of India, as and when construction works have been planned.

(2) Of which 23 acres of land are within SEZ as approved by the Government of India.

(3) Based on an approved plot ratio of 2.5.

Operating Buildings	Completion date	Average occupancy rate (based on Committed Leases) as at 31 March 2007(1) (%)	Owned SBA (sq ft)
Discoverer	November 1998	100	164,000
Innovator	November 1998	86	235,000
Creator	November 1998	100	311,000
Explorer	June 2002	100	213,000
Inventor	November 2004	100	280,000
Navigator	January 2007	100	407,000
Tech Park Mall	November 1998, January 2006	100	100,000
Total/Weighted average	—	**98**	**1,710,000**
Proposed Developments	**Expected completion**		**Estimated SBA (sq ft)**
Avestha Gengraine Technologies BTS	Fourth quarter Projection Year 2009		294,000
New retail mall	Fourth quarter Projection Year 2009		450,000
Top three tenants in terms of monthly Base Rent as at 31 March 2007		• Affiliated Computer Services • ZapApp/FIC/First Advantage(2) • General Motors	
Holding tenure		Freehold	
Valuation by C&W as at 31 March 2007		Rs. 13,670 million (S$478.45 million)(3)	
Net Property Income contribution for the Forecast Year 2008 and the Projection Year 2009(4)		S$26.0 million (Forecast Year 2008) S$28.2 million (Projection Year 2009)	

(1) Except for Navigator, which takes into account the 100% occupancy rate as at 31 May 2007 following its completion on 31 January 2007.

(2) Each of ZapApp, FIL and First Advantage is a wholly-owned subsidiary of First American Corporation.

(3) Based on an exchange rate of Rs. 28.5714 to S$1.00.

(4) Excludes annual depreciation on plant and equipment of S$1.4 million for the Forecast and Projection Years and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast and Projection Years respectively, for the Properties.

International Tech Park, Chennai (ITPC)

International Tech Park Chennai, Tharamani Road, Chennai 600013

General Description

Chennai is the capital city of the state of Tamil Nadu and is India's third largest commercial and industrial centre. It was one of the first cities to introduce the concept of IT parks and IT corridors and has since emerged as the second largest and is amongst the most attractive destinations for IT/ITES services. The city is home to many industries including IT, automobiles, leather and rubber.

ITPC is located off Old Mahabalipuram Road in Taramani, the government-designated IT corridor of the peripheral business district of Taramani. It is in close proximity to prime residential precincts and is well-connected to the airport and Central Business District ("**CBD**") *via* local highways.

The prominent 15-acre development currently comprises one multi-tenanted building, "Pinnacle", and a second building, "Crest", in the final stages of completion.

Round-the-clock business continuity is assured with power-backup, broadband connectivity and advanced security and fire protection systems.

ITPC's "work-play" concept offers a stylish business environment with extensive amenities that include large food courts, restaurants, coffee delis, ATMs, pharmacy, gift shop, travel agency, florist and fitness and spa facilities. Artwork and sculptures mingle with lushly landscaped spaces to provide a vibrant and inspiring environment. Throughout the year, organised activities including rock concerts and fashion events attract city dwellers from outside the park.

Development potential

- **Proposed Developments**

  ITPC currently has approximately 0.2 million sq ft of aggregate land available for development into commercial space, providing existing tenants with the advantage of scalability. In view of the robust demand for quality IT park space in the city, the Trustee-Manager intends to construct a third multi-tenanted building, "Zenith", comprising 708,000 sq ft of SBA and construction is expected to commence in the third quarter of Forecast Year 2008. Upon completion, which is expected to be in the fourth quarter of Projection Year 2009, all three phases are expected to cater to a community of approximately 18,000 professionals.

Operating Building/ Completing Building	Completion date/ Expected completion	Average occupancy rate (based on Committed Leases) as at 31 March 2007 (%)	Owned SBA/Estimated SBA (sq ft)
Pinnacle	September 2005	100	528,000
Crest	August 2007	—	730,000
Total/Weighted average(1)		**100**	**1,258,000**
Proposed Developments	**Expected completion**		**Estimated SBA (sq ft)**
Third building (Zenith)	Fourth quarter Projection Year 2009		708,000
Holding tenure		Freehold	
Top three tenants in terms of monthly Base Rent as at 31 March 2007		• Siemens • Pfizer • iNautix Technologies	
Valuation by C&W as at 31 March 2007		Rs. 5,533 million (S$193.66 million)(2)	
Net Property Income for the Forecast Year 2008 and the Projection Year 2009(3)		S$8.5 million (Forecast Year 2008) S$17.0 million (Projection Year 2009)	

(1) Weighted average occupancy excludes the Completing Building.

(2) Based on an exchange rate of Rs. 28.5714 to S$1.00.

(3) Excludes annual depreciation on plant and equipment of S$1.4 million for the Forecast and Projection Years and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast and Projection Years respectively, for the Properties.

CyberPearl, Hyderabad (CyberPearl)
CyberPearl, Hitec City Layout, Madhapur, Hyderabad 500081

General Description

CyberPearl, the Sponsor's first venture in Hyderabad, is a well-renowned IT park located to the north-west at Hitec City in Madhapur, the existing IT corridor. It comprises two multi-tenanted buildings developed under joint venture between the Sponsor and L&T Infocity.

CyberPearl is spread over six acres and counts prominent tenants such as Microsoft and GE as its tenants.

CyberPearl is approximately 16 km from the airport and is well connected by multiple transportation networks to the CBD. It is also in close proximity to a number of prime residential areas such as Banjara Hills and Jubilee Hills and in the vicinity of the retail precincts.

Its working community of over 5,000 professionals enjoy the benefits of a fully-equipped fitness club, large food court and extensively landscaped gardens providing a serene setting.

CyberPearl's "work-play" concept draws high participation from tenants in its year-round activities including healthy lifestyle events and festive celebrations.

Operating Buildings	Completion date	Average occupancy rate (based on Committed Leases) as at 31 March 2007 (%)	Owned SBA (sq ft)
First building	May 2004	99	214,000
Second building	January 2006	100	217,000
Total/Weighted average		**99**	**431,000**

Holding tenure	Freehold
Top three tenants in terms of monthly Base Rent as at 31 March 2007	• Nipuna Services • Keane India • Microsoft
Valuation by C&W as at 31 March 2007	Rs. 2,001 million (S$70.04 million)(1)
Net Property Income for the Forecast Year 2008 and the Projection Year 2009(2)(3)	S$6.9 million (Forecast Year 2008) S$6.4 million (Projection Year 2009)

(1) Based on an exchange rate of Rs. 28.5714 to S$1.00.

(2) Excludes annual depreciation on plant and equipment of S$1.4 million for the Forecast and Projection Years and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast and Projection Years respectively, for the Properties.

(3) There is an expected drop from S$6.9 million for Forecast Year 2008 to S$6.4 million for Projection Year 2009 due to the forecast of a lower fit-out rental income, which is not a permanent income, in Projection Year 2009, and is dependent on whether there are such requirements in future from tenants. Furthermore, in Projection Year 2009, it is expected that higher tenancy renewals will result in increased marketing commissions.

The V, Hyderabad (The V)

The V, IT Park, Software Units Layout, Madhapur, Hyderabad 500081

General Description

Hyderabad is the capital city of the state of Andhra Pradesh and is India's sixth-largest metropolitan area by population. The city, often referred to as "Cyberabad", is also one of India's most developed cities and a premier IT and bio-technology hub. Its central location between other key metropolitan cities, and ease of international connectivity, has positioned it as a strategic centre for business in India.

The V, one of Hyderabad's most prominent IT parks, is located along the Cyber Corridor, in Madhapur, in close proximity to the large residential district of Jubilee Hills and other middle-income residential estates. The 19-acre park comprises four multi-tenanted buildings, namely "Mariner", "Auriga", "Orion" and "Capella", with a new fifth building named "Vega" under construction and expected to be delivered in September 2007.

The V's unique architecture and ergonomic design makes use of ambient elements, including natural lighting and terrain, to create an engaging campus-like environment for its community of over 7,000 professionals. Lush gardens, a health club, gym, clubhouse, auditorium, spacious cafeterias and delis complement the numerous activities organised throughout the year to create an attractively vibrant environment which contributes to high tenant retention.

Tenants enjoy round-the-clock broadband connectivity, 100% power back-up and integrated building management systems, amongst other facilities.

Operating Buildings/ Completing Building	Completion date/ Expected completion	Average occupancy rate (based on Committed Leases) as at 31 March 2007 (%)	Owned SBA/ Estimated SBA (sq ft)
Mariner	June 2000	96	234,000
Auriga	August 2002	100	240,000
Orion	October 2004	100	235,000
Capella	July 2005	100	171,000
Fifth building	September 2007	—	377,000
Total/Weighted average(1)		**99**	**1,257,000**

Operating Buildings/ Completing Building	Completion date/ Expected completion	Average occupancy rate (based on Committed Leases) as at 31 March 2007 (%)	Owned SBA/ Estimated SBA (sq ft)
Holding tenure		Freehold	
Top three tenants in terms of monthly Base Rent as at 31 March 2007		• Computer Associates • Cognizant Technology Solutions • SSA Global Technologies	
Valuation by C&W as at 31 March 2007		Rs. 5,439 million (S$190.37 million)(2)	
Net Property Income for the Forecast Year 2008 and the Projection Year 2009(3)		S$16.4 million (Forecast Year 2008) S$20.2 million (Projection Year 2009)	

(1) Weighted average occupancy excludes the Completing Building.

(2) Based on an exchange rate of Rs. 28.5714 to S$1.00.

(3) Excludes annual depreciation on plant and equipment of S$1.4 million for the Forecast and Projection Years and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast and Projection Years respectively, for the Properties.

Competitive Strengths

The Trustee-Manager believes that the competitive strengths of the Properties include the following:

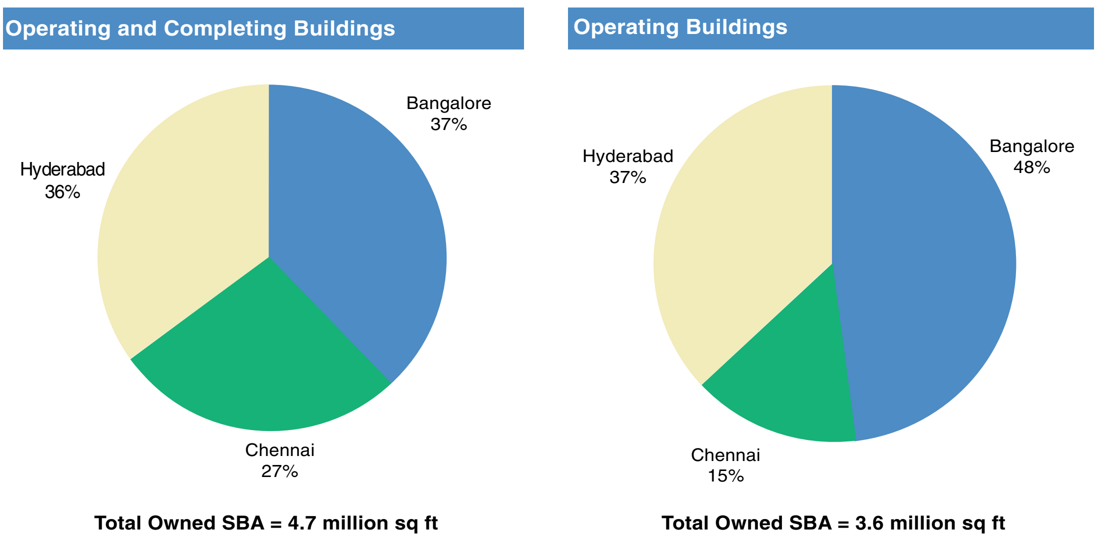
The Properties are strategically situated in the key high-growth IT and ITES centres of Bangalore, Chennai and Hyderabad, which are attractive for the following reasons:

- ***Availability of highly educated human resource***: Bangalore, Chennai and Hyderabad have large IT graduate pools in the country available to be deployed in the IT and ITES sectors, with Bangalore having one of the largest graduate pools in India. Premier tertiary institutes like the Indian Institute of Science and Indian Institute of Management produce a constant pool of talented graduates to cater to the needs of the growing IT and ITES sectors.
- ***Attractive work destination for IT professionals from all over India***: The IT and ITES sectors in Bangalore, Chennai and Hyderabad are well established, with leading IT and ITES companies such as Microsoft, IBM, SAP, Oracle, Infosys, Wipro, TCS and Satyam all having a presence in these regions. In particular, Bangalore is the largest IT hub in India, and is dubbed as India's "Silicon Valley" with over 1,400 registered IT/ITES companies, out of which 500 are multi-national technology companies.
- ***Government sponsored IT initiatives***: The state governments have implemented proactive initiatives to promote the entry of IT and ITES companies into Bangalore, Chennai and Hyderabad. ITPB and ITPC were all developed by the Sponsor with various local governments, who continue to hold minority stakes in both ITPB and ITPC.
- ***Cosmopolitan nature***: Bangalore, and Hyderabad are cosmopolitan cities in India and their retail and leisure sectors have attracted a number of international retail, restaurant and hotel chains as well as other entertainment related investments. This makes it relatively easy for people to relocate to these regions from other parts of India and from abroad. Whilst Chennai is not as cosmopolitan in nature as Mumbai, Delhi and Bangalore, it is increasingly cosmoplitan and has been attracting senior management staff to work and live there.

The Properties are geographically diversified across rapidly growing cities in India

- The Properties are located in rapidly growing focal points of high growth for the IT and ITES export services sectors in India. The total Owned SBA of the Operating and Completing Buildings are evenly distributed across the three cities of Bangalore (approximately 37%), Chennai (approximately 27%) and Hyderabad (approximately 36%).

Geographical diversification of the Properties (By Owned SBA)



- The geographical diversification of the Properties reduces a-iTrust's reliance on any single centre or regional market and, hence, enhances the stability of future distributions of the a-iTrust.
- a-iTrust also benefits from the rights of first refusal from the Sponsor and the Development Trust. Taking into consideration the pipeline developments in the Development Trust, a-iTrust would have the potential to acquire additional income-producing properties across key cities in India. The Trustee-Manager has identified additional business space properties in other cities in India and, in line with its investment strategy, the Trustee-Manager endeavours to further diversify a-iTrust's portfolio geographically.

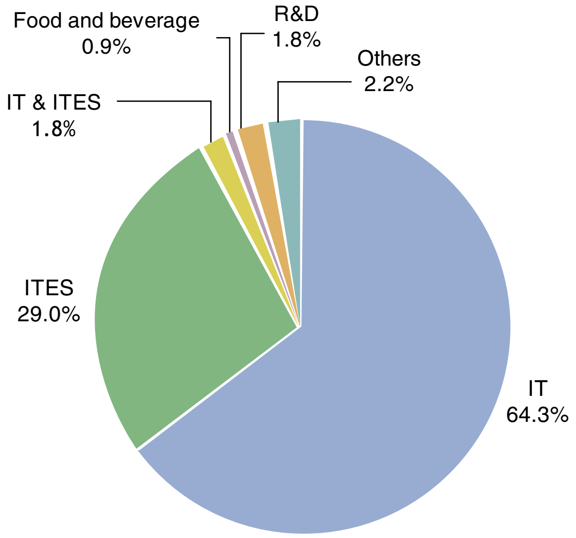
The Properties are strategically located near residential developments and social infrastructure

- The Properties are easily accessible via public roads and transportation network, and are located in the renowned IT and ITES hubs of Bangalore, Chennai and Hyderabad.
- Located in Hyderabad, CyberPearl and The V are well-connected to the Mumbai National Highway and residential localities of Banjara Hills and Jubilee Hills. The airport in Begumpet is approximately 16 km away from the Properties.
- Located in Whitefield, Bangalore, ITPB is 13 km from the Bangalore airport and 18 km from Mahatma Gandhi Road, the centre of the city. The Property is connected to the airport and city centre through the Outer Ring Road and Whitefield Road, which is proposed to be widened to four lanes in the future. Public transport in the form of buses and auto-rickshaws is widely available and easily accessible, and Cantonment Railway Station is located 20 km away from ITPB. In addition, ITPB provides dedicated shuttle bus services to various destinations in the city. Residential developments are located in Whitefield, and also in the surrounding areas of Krishnarajapuram, Vimanpura and Marathalli. A retail mall, Tech Park Mall, is located within ITPB, while other retail and entertainment facilities are located nearby in Marathalli and Koramangala. The Property has very high visibility with a prominent frontage on Whitefield Road.
- ITPC in Chennai is located off Old Mahabalipuram Road in Taramani and is approximately 9 km from the CBD and 12 km from the airport. It is located within close proximity to the residential districts of Adyar and Velacheri. ITPC has good visibility with a frontage on the road connecting it to the Old Mahabalipuram Road.
- This accessibility of the Properties brings convenience to the tenants' employees and reduces their overall transportation costs/time. Tenants perceive the strategic location and the close proximity of each of the Properties to residential developments and social infrastructure as a benefit as it leads to potentially increased employee satisfaction. The importance of employee satisfaction and retention provides the Properties with a key advantage in retaining existing tenants and attracting new tenants in a market where recruiting and retaining talented human resources is a challenge.

The Properties are leased to diverse and high quality tenants

- The tenants of the Properties include leading multinational corporations which operate in diverse business areas with no single tenant representing more than 6% of the monthly Base Rent of a-iTrust as at 31 March 2007. These include information technology companies such as IBM, Microsoft, Infineon Technologies, and Motorola, leading financial service providers and banks such as HDFC Bank, ICICI, internet companies such as Amazon.com and research and development facilities such as those of Pfizer. The Trustee-Manager believes that a congregation of such high quality tenants in the Properties is evidence of the quality and competitive advantage of the Properties over other competing IT parks in India. Such high-quality tenants add to the overall value of the Properties as they aid in attracting other similar high-quality tenants.

Tenant trade sectors of the portfolio (by Base Rent) as at 31 March 2007



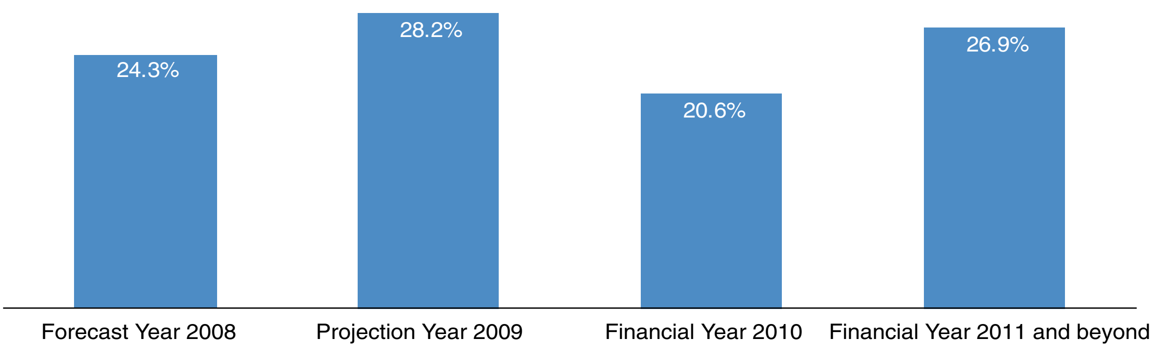
Substantially locked-in, medium-term leases with high security deposits provide rental income stability

- The weighted average lease term (by monthly Base Rent) of the Properties, as shown in the table below, is approximately 3.5 years. This reduces the lease turnover rate and ensures a steady stream of rental income for a-iTrust.

Property	Weighted average lease term (by monthly Base Rent)
ITPB	2.9 years
ITPC	3.5 years
The V	4.4 years
CyberPearl	4.0 years
Weighted average for the Properties	**3.5 years**

- As at 31 March 2007, the Properties possess a healthy lease expiry profile, with a fairly even spread of leases expiring in Forecast Year 2008, Projection Year 2009, FY2010 and in the longer term beyond FY2011. The lease expiry profiles of the Properties are shown below:

Portfolio lease expiry profile (by Base Rent as at 31 March 2007)



- In addition, the tenants are required to pay security deposits ranging from 6 to 12 months of the monthly rent, and these security deposits may be used to set-off against lease payment defaults and any resulting penalty interest incurred. This minimises the adverse effects of lease payment defaults by the tenants, and ensures a stable stream of rental income for a-iTrust.

The Ascendas brand name is well reputed for quality of service

- The Trustee-Manager believes that the Ascendas brand name is well perceived by the tenants and their employees and in the respective sub-market of the Properties and is associated with quality services and better overall IT park upkeep and maintenance. The Trustee-Manager views the strength of the Ascendas brand name as a valuable competitive advantage in retaining and acquiring new tenants. In this respect, the Trustee-Manager has entered into a licence agreement with Ascendas Pte Ltd dated 2 July 2007 (the "**Licence Agreement**") for the use of the "Ascendas" and "Ascendas India" names and related logos (including the infinity logo). (See "Certain Agreements Relating to Ascendas India Trust and the Properties — Licence Agreement".)

The Properties benefit from comprehensive ancillary facilities and services

- The Properties each have a range of integrated amenities to provide a unique international business lifestyle for the tenants. These amenities include restaurants, spacious food courts and cafeterias, fitness centres, retail malls, multi purpose halls, business centres, pharmacy, convenience stores, banks, ATMs, travel desks and coffee delis. In addition, ITPB has a dedicated power plant which provides uninterrupted power and insulates the Properties from fluctuations from the state power grid. All the Properties are equipped with 24-hour power back-up system operations, internet connectivity and 24-hour manned security.
- The Trustee-Manager believes that such lifestyle offerings, in addition to extensive organised activities within well-landscaped environments, enhances the attractiveness of the Properties as sought-after addresses for professionals to work in, thus giving substantial incentive for potential multinational corporations and local tenants to locate their offices in the Properties.

The Operating Buildings enjoy high committed occupancy rates

- As at 31 March 2007(7), the weighted average committed occupancy rate of the Operating Buildings (by Owned SBA), including the recently completed and operating sixth building at ITPB (Navigator), was approximately 99%.
- The Trustee-Manager believes that the healthy demand for IT parks in India and the strategic location of the Properties provide a competitive advantage to the Properties in maintaining their high committed occupancy and retention rates over time. (See "Business and Properties" for further details.)

The Properties are professionally managed

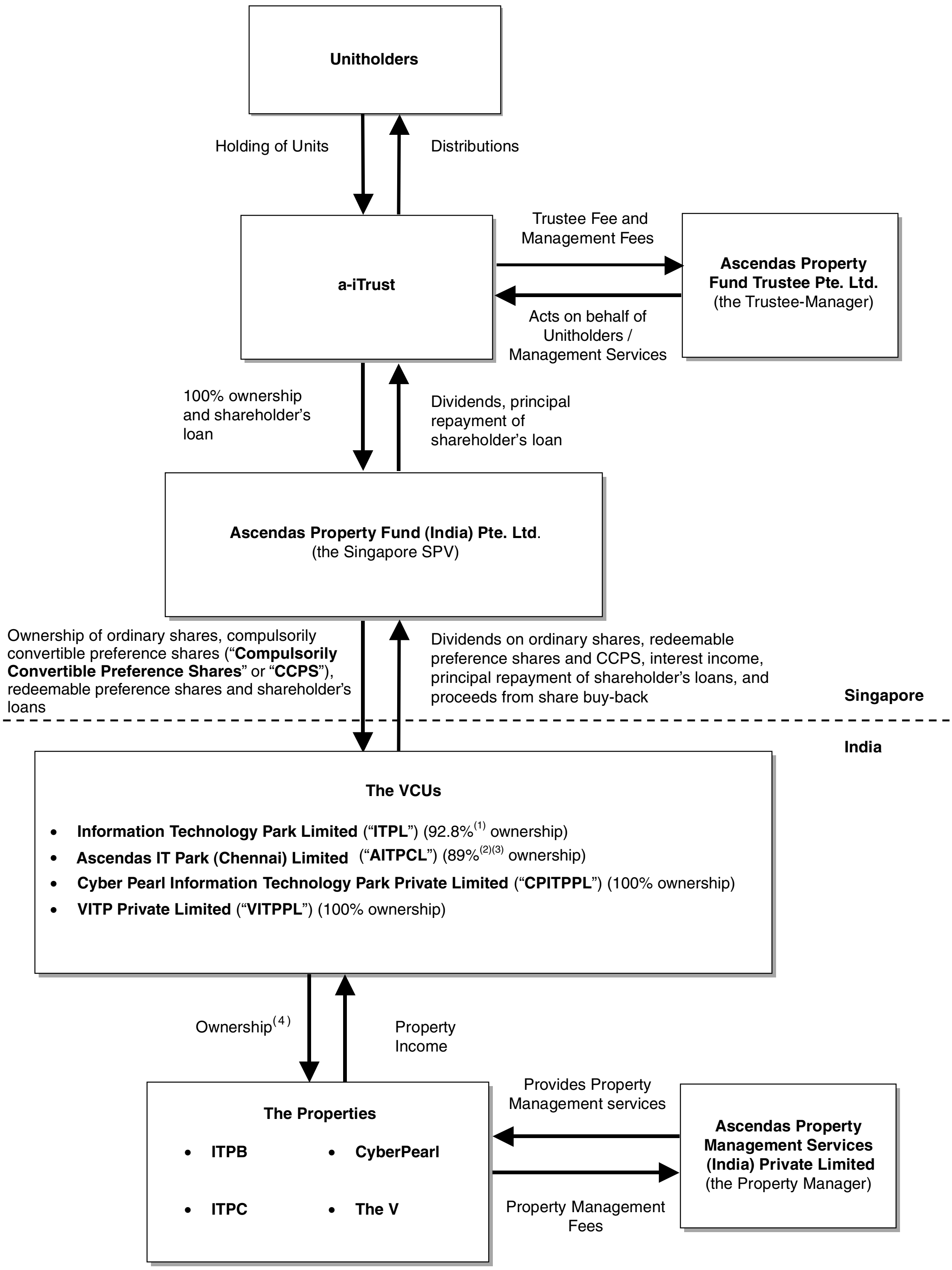
- Ongoing professional property management services are in place to ensure effective management of the assets and to provide tenant satisfaction. Ascendas Property Management Services (India) Private Limited (the "**Property Manager**") plays an important role in the tenants' business continuity by providing smooth and uninterrupted infrastructure support. The Property Manager provides comprehensive solutions to the tenants' office space needs, thus allowing them to focus their attention on the management of their business operations. The Property Manager aims to maintain the Properties at a high standard so as to prolong the physical life of the assets and to ensure best practices in the key areas of fire and security systems as well as the delivery of power and water.

  The Property Manager also aims to create convenient and engaging lifestyle environments for the community of professionals to enjoy and thrive on working in the respective Properties.

(7) Except for Navigator which takes into account the occupancy rate of 100% as at 31 May 2007, following its completion in January 2007.

STRUCTURE OF ASCENDAS INDIA TRUST

The following diagram illustrates the relationship between a-iTrust, the Trustee-Manager and the Unitholders:



(1) Karnataka State Government through KIADB holds a 7.2% stake in ITPL. The Singapore SPV holds a 92.8% stake in ITPL (i) directly through its 46.4% stake in ITPL and (ii) indirectly through its wholly-owned subsidiary, Information Technology Park Investments Pte Ltd (“**ITPI**”) which in turn holds a 46.4% stake in ITPL.

(2) The Tamil Nadu State Government, through TIDCO, holds an 11% stake in AITPCL.

(3) As at the date of this Prospectus, the Singapore SPV owns 59.3% of AITPCL and the remaining 29.7% interest in AITPCL will be acquired from ALI and paid for out of part of the proceeds of the Offering on the Listing Date subject to the fulfilment of certain conditions. (See “Appendix A — Note 2: Acquisition of Additional Interest in Ascendas IT Park (Chennai) Limited” for more information on the various acquisitions of interest in AITPCL and “Certain Agreements Relating to Ascendas India Trust and the Properties — The AITPCL Share Purchase Agreement”.)

(4) AITPCL and VITPPL own 100% of ITPC and The V respectively, while ITPL and CPITPPL own 74% and 83% of the total SBA of ITPB and CyberPearl respectively.

The Sponsor: Ascendas Land International Pte Ltd

The Sponsor is the wholly-owned subsidiary and asset holding vehicle of Ascendas Pte Ltd, which is one of Asia’s leading providers of total business space solutions covering high-tech, science, business and industrial parks, and customised developments for a host of industries. It manages a portfolio of properties comprising more than 34 million sq ft across Asia, with a significant presence in regional markets like Singapore, China, India, Korea and the Philippines. It has built a strong regional presence from more than 20 years of serving a global clientele of more than 1,300 customers.

As one of the few foreign investors who have successfully acquired and developed assets in India, the Sponsor has achieved an established presence in the Indian IT parks sector through landmark developments such as ITPB in Bangalore, ITPC in Chennai and CyberPearl and The V in Hyderabad. In particular, the Sponsor was instrumental in developing ITPB and ITPC in partnership with the Karnataka and Tamil Nadu state governments and governmental bodies. The Sponsor and its related companies have also successfully acquired The V, and have enhanced the performance and value of the property through active management and the completion of the fourth building and the development of the fifth building in the park. The Sponsor believes that it is capable of understanding and fulfilling customised tenant requirements while retaining the flexibility to accommodate other similar tenants with world class lifestyle environments and quality infrastructure.

The Trustee-Manager: Ascendas Property Fund Trustee Pte. Ltd.

The Trustee-Manager is incorporated in Singapore under the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”) on 5 October 2004. It has an issued and paid-up capital of S$100,000 and its registered office is located at 75 Science Park Drive, #01-03, Cintech II Building, Singapore 118255. The Trustee-Manager is a wholly-owned subsidiary of Ascendas Investment Pte Ltd, which is in turn wholly-owned by Ascendas Pte Ltd, in turn wholly-owned by Jurong Town Corporation, and save as aforementioned, the Trustee-Manager is not, directly or indirectly, owned or controlled, whether severally or jointly, by any person or government.

The board of directors of the Trustee-Manager (the “**Board**”) is made up of individuals with a broad range of commercial experience, including expertise in fund management and the property industry. The Board consists of Mr Philip Yeo Liat Kok, Mr David Lim Tik En, Mr Lim Hock San, Mr Sundaresh Menon, Mr Amal Ganguli, Ms Chong Siak Ching, Mr Jonathan Yap Neng Tong.

The Trustee-Manager has the dual responsibility of safeguarding the interests of Unitholders, and managing the business conducted by a-iTrust. The Trustee-Manager will generally provide the following services to a-iTrust:

- ***Investment strategy***. Formulate and execute a-iTrust’s investment strategy, including determining the location, sub-sector type and other characteristics of a-iTrust’s property portfolio.
- ***Acquisitions and divestments***. Manage the acquisition and sale of properties.

- ***Development.*** Formulate and execute a-iTrust's development plans in relation to the land available for development within a-iTrust's property portfolio.
- ***Planning and reporting***. Formulate periodic property plans, including budgets and reports, relating to the performance of a-iTrust's properties.
- ***Financing and Capital Management***. Formulate plans for equity and debt financing for a-iTrust's property acquisitions, distribution payments, expense payments and property maintenance payments.
- ***Administrative and advisory services***. Perform day-to-day administrative services as a-iTrust's representative, including providing administrative services relating to meetings of Unitholders when such meetings are convened.
- ***Investor relations***. Communicate and liaise with Unitholders and investors.
- ***Compliance management***. Make all regulatory filings on behalf of a-iTrust, and ensure that a-iTrust is in compliance with the applicable provisions of the Business Trusts Act, the Securities and Futures Act and all other relevant legislation, the SGX-ST Listing Manual ("**Listing Manual**"), the Trust Deed, any tax ruling and all relevant contracts.
- ***Accounting records***. Keep books and prepare or cause to be prepared accounts and annual reports.

(See "The Trustee-Manager — The Trustee-Manager of a-iTrust" for further details.)

The Singapore SPV: Ascendas Property Fund (India) Pte. Ltd.

Ascendas Property Fund (India) Pte. Ltd., the Singapore SPV, is a company incorporated in Singapore. The Singapore SPV is registered with the Securities and Exchange Board of India ("**SEBI**") as a foreign venture capital investor ("**FVCI**"). The Singapore SPV holds 100% of VITPPL and CPITPPL which owns The V and CyberPearl respectively. The Singapore SPV also owns 92.8% of ITPL and will on the Listing Date own 89%[(8)] of AITPCL which own ITPB and ITPC respectively. (See "Certain Agreements Relating to Ascendas India Trust and the Properties — The AITPCL Share Purchase Agreement".) The Trustee holds the entire issued capital of the Singapore SPV on behalf of a-iTrust. (See "Overview of Relevant Laws and Regulations in India" — "Investment by a FVCI in VCUs engaged in Real Estate Development" for further details regarding the benefits of registration as a FVCI with the SEBI and the investment conditions and restrictions.)

The VCUs: Information Technology Park Limited, Ascendas IT Park (Chennai) Limited, VITP Private Limited and Cyber Pearl Information Technology Park Private Limited

Each Property is held by a special purpose property-holding vehicle known as a venture capital undertaking ("**VCU**"), incorporated in India. The VCUs are ITPL, AITPCL, VITPPL and CPITPPL. AITPCL and VITPPL own 100% of the total SBA of ITPC and The V respectively, while ITPL and CPITPPL own 74% and 83% of the total SBA of ITPB and CyberPearl respectively.

The VCUs enjoy various tax incentives and benefits under the Indian income tax regime, including the tax holiday under Section 80-IA of the Indian Income Tax Act 1961. (See "Taxation — Taxation in India" and see "Overview of Relevant Laws and Regulations in India — Industrial Parks").

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(8) As at the date of this Prospectus, the Singapore SPV owns 59.3% of AITPCL and the remaining 29.7% interest in AITPCL will be acquired from ALI and paid for out of part of the proceeds of the Offering on the Listing Date subject to the fulfilment of certain conditions. (See "Appendix A — Note 2: Acquisition of Additional Interest in Ascendas IT Park (Chennai) Limited" for more information on the various acquisitions of interest in AITPCL and "Certain Agreements Relating to Ascendas India Trust and the Properties — The AITPCL Share Purchase Agreement".)

Property Manager: Ascendas Property Management Services (India) Private Limited

Ascendas Property Management Services (India) Private Limited, the Property Manager, is responsible for the management of the operations of, and maintenance of, all properties of a-iTrust (whether such properties are directly or indirectly acquired by a-iTrust or are wholly or partly owned by a-iTrust, as long as the Trustee-Manager has the right to appoint or require the appointment of the Property Manager as the property manager of such properties), subject to the overall management of the Trustee-Manager pursuant to a master property management agreement (the "**Master Property Management Agreement**"). The Property Manager is head-quartered in Bangalore and manages ITPB directly. The Property Manager manages ITPC through its office in Chennai and manages The V and CyberPearl through its office in Hyderabad.

Pursuant to the Master Property Management Agreement, an initial properties management agreement (the "**Initial Properties Management Agreement**") was entered into between ITPL, AITPCL, CPITPPL, VITPPL, the Trustee-Manager and the Property Manager for the management of the operations and maintenance of all of the Properties. In respect of future properties to be acquired by a-iTrust (whether directly or indirectly through a SPV), an individual property management will be entered into from time to time by the owner of such property and the Trustee-Manager with the Property Manager (the "**Individual Property Management Agreement**").

Under the Master Property Management Agreement, Initial Properties Management Agreement and, as the case may be, the Individual Property Management Agreement (collectively, the "**Property Management Agreements**"), the Property Manager will provide, among others, the following services to the owners of the properties (or the aforementioned VCUs in respect of the Properties):

- property management services including, recommending third party contractors for provision of property maintenance services, supervising the performance of contractors, arranging for adequate insurances and security and ensuring compliance with building and safety regulations;
- lease management services, including coordinating handing over of premises to tenants, administration of rental collection and management of rental arrears;
- marketing services, including identifying prospective tenants and negotiation of terms;
- general management services, including overseeing the finance, accounting, contract management and corporate secretarial aspects; and
- project management services in relation to the development or redevelopment, the refurbishment, retrofitting and renovation works to a property, including recommendation of project budget and project consultants, and supervision and implementation of the project.

(See "Certain Agreements Relating to Ascendas India Trust and the Properties — Property Management Agreements".)

The Property Manager will have dedicated personnel assigned to each of the Properties, as part of the management team who will be in-charge of the day-to-day operations at each of the Properties. The management teams, which are housed on-site, will provide focused attention and supervision to technicians, engineers, security and maintenance officers, and cleaners at the Properties to ensure that each Property runs smoothly and is well-maintained.

In addition, a-iTrust will enjoy access to the experience and expertise of a centralised team of personnel at the group level of a-iTrust and its subsidiaries (the "**a-iTrust Group**"), who will provide services such as leasing, technical services, tenancy co-ordination, marketing and communications, human resource support and finance.

The Trustee-Manager will continually assess and evaluate the performance of the Property Manager and will have the right to terminate the appointment of the Property Manager in respect of a Property, should the Property Manager's performance be in breach of the terms of the individual property management agreement in respect of that Property.

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

The following table is only an extract from, and should be read together with, "Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007" and the report set out in Appendix A, "Reporting Auditor's Report on Examination of the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007".

Unaudited Pro Forma Consolidated Income Statement for the year ended 31 March 2007

	a-iTrust Group 2007
	S$'000
Property Income	
Base rent	50,584
Amenities income	2,212
Fit-out rental income	3,932
Operations and maintenance income	25,851
Car park income	1,645
Other income	366
Total property income	84,590
Property Expenses	
Operating, maintenance and security	(6,410)
Business tax	(22)
Property tax	(675)
Property management fees	(2,990)
Utilities expenses	(15,880)
Employee benefits	(355)
Other property operating expenses	(7,066)
Total property expenses	(33,398)
Net Property Income	51,192
Net Property Development Income	
Property development income	38,347
Property development cost	(29,841)
Net Property Development Income	8,506
Trustee-Manager's fees	(7,742)
Other trust operating expense	(695)
Fair value losses on derivatives	(2,693)
Finance cost	(9,075)
Interest income	1,111
Excess of interest of a-iTrust Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company	25,216
Loss on dilution of interest in a subsidiary company	(26,963)
	(20,841)
Profit before tax	38,857
Income tax expense	(6,246)
Net Profit	**32,611**
Attributable to:	
Unitholders of the Trust	30,220
Minority interests	2,391
	32,611

	a-iTrust Group 2007
	S$'000
Earnings per unit[1] attributable to unitholders of the Trust (expressed in cents per unit)	
Basic	6.6
Diluted[2]	4.0

(1) We calculated our earnings per unit based on the number of units outstanding prior to completion of the offering after deducting the amount of net profit attributable to minority interest and taking into account the sub-division of units.

(2) Adjusted for the issue of 465,714,974 new units assuming the Over-Allotment Option is exercised in full and the redemption of 171,663,306 existing units.

Unaudited Pro Forma Consolidated Balance Sheet as at 31 March 2007

	a-iTrust Group 2007
	S$'000
ASSETS	
Non-current assets	
Equipment	4,852
Development properties	104,367
Investment properties	782,264
Goodwill	41,216
Finance lease receivables	14
	932,713
Current assets	
Inventories	1,076
Other current assets	15,874
Trade and other receivables	33,533
Current income tax recoverable	3,889
Cash and cash equivalents	48,434
	102,806
Total assets	1,035,519
LIABILITIES	
Current liabilities	
Trade and other payables	144,992
Borrowings	127,039
Derivative financial instruments	890
	272,921
Non-current liabilities	
Other payables	9,952
Borrowings	123,034
Deferred income tax liabilities	132,102
	265,088
Total liabilities	538,009
NET ASSETS	497,510
UNITHOLDERS' FUNDS	
Units on issue	250,000
Other reserves	135,462
Revenue reserve	77,625
Net assets attributable to unitholders	463,087
Minority interests	34,423
	497,510

Unaudited Pro Forma Consolidated Cash Flow Statement for the year ended 31 March 2007

	a-iTrust Group 2007
	S$'000
Cash flows from operating activities	
Net profit	32,611
Adjustments for:	
Income tax	6,246
Depreciation of equipment	1,383
Loss on disposal of equipment	30
Interest income	(1,111)
Interest expense	9,010
Investment properties written off	408
Fair value loss on derivatives	2,693
Loss on dilution of interest in a subsidiary company	26,963
Excess of the interest of a-iTrust Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company	(25,216)
Operating cash flow before working capital changes	53,017
Changes in operating assets and liabilities, net of effects from acquisitions and disposals of subsidiary companies	
Inventories	18
Trade and other receivables	(14,152)
Trade and other payables	7,304
Cash generated from operations	46,187
Interest paid	(7,688)
Interest received	663
Income tax paid	(3,734)
Net cash generated from operating activities	35,428
Cash flows from investing activities	
Purchase of equipment	(796)
Construction of development properties	(16,862)
Additions to investment properties	(19,069)
Cash settlement for cross-currency interest rate swaps	(1,803)
Proceeds from disposal of equipment	23
Proceeds from disposal of investment properties	43
Acquisition of subsidiary companies, net of cash acquired	(68,956)
Net cash used in investing activities	(107,420)
Cash flows from financing activities	
Repayment of borrowings	(2,628)
Proceeds from borrowings	122,643
Fixed deposits pledged with financial institutions	1,764
Net cash generated from financing activities	121,779
Net increase in cash and cash equivalents	49,787
Cash and cash equivalents at beginning of financial year	3,579
Effects of exchange rate changes on cash and cash equivalents	70
Pro Forma adjustments	(7,860)
Cash and cash equivalents at end of financial year	45,576

PROFIT FORECAST AND PROFIT PROJECTION

The following is only an extract from, and should be read together with, "Profit Forecast and Profit Projection" and the report set out in Appendix B, "Reporting Auditor's Report on the Profit Forecast and Profit Projection".

Forecast and Projected Consolidated Income Statements

	a-iTrust Group	
	Forecast Year 2008 (1 April 2007 to 31 March 2008)	**Projection Year 2009 (1 April 2008 to 31 March 2009)**
	(S$ million)	**(S$ million)**
Property Income		
Base Rent	63.6	78.5
Amenities income	1.9	2.2
Fit-out rental income	3.9	3.3
Operations and maintenance income	33.7	37.9
Car Park and other income	2.2	2.5
Total property income	105.3	124.3
Property Expenses		
Operations, maintenance and security charges	(8.6)	(11.0)
Service and property taxes	(1.4)	(1.8)
Property management fees(1)	(9.5)	(4.2)
Utilities expenses	(22.6)	(26.5)
Other property operating expenses	(9.1)	(9.4)
Total property expenses	(51.2)	(52.7)
Net Property Income	**54.1**	**71.6**
Property Development Income		
Property development income	9.4	—
Property development cost	(6.5)	—
Net Property Development Income	2.9	—
Trustee-Manager's management fees	(6.5)	(7.4)
Trustee-Manager's trustee fees	(0.2)	(0.2)
Other trust operating expense	(0.2)	(0.2)
Net finance cost	(0.7)	(1.3)
IPO expenses	(7.2)	—
	(14.8)	(9.1)
Profit before tax	42.2	62.5
Income tax expense	(8.7)	(11.7)
Net Profit	**33.5**	**50.9**
Attributable to:		
Unitholders of the Trust	32.6	49.2
Minority interests	0.9	1.7
	33.5	**50.9**

	a-iTrust Group	
	Forecast Year 2008 (1 April 2007 to 31 March 2008)	Projection Year 2009 (1 April 2008 to 31 March 2009)
	(S$ million)	(S$ million)
Reconciliation from net profit to total Unitholders' distribution		
Net profit attributable to Unitholders of the Trust	**32.6**	**49.2**
Distribution adjustments		
Less: Earnings reserves	(3.0)	(4.2)
Less: Net property development income after tax	(2.6)	—
Add: Other adjustments[(2)]	15.2	7.0
Total Unitholders' distribution	**42.3**	**52.0**
Units on issue[(3)] (millions)	**754.5**	**758.8**
Distribution per Unit (S$ cents)	**5.60**	**6.85**
Distribution yield range[(4)]	**4.75%**	**5.81%**

(1) The Property Management Fees for Forecast Year 2008 are higher than Projection Year 2009 primarily due to the higher marketing services commission chargeable upon leasing up of the Completing Buildings and the Navigator building at ITPB during 2008.

(2) Other adjustments comprises 50% of Trustee-Manager's Base Fee and 100% of the Trustee-Manager's Performance Fee paid in Units, construction related financing costs, annual depreciation on plant and equipment of S$1.4 million, IPO related expenses excluding Underwriting and Selling Commission and marketing services commission amortisation adjustments of S$2.3 million for the Forecast Year and S$(1.3) million for the Projection Year respectively, for the Properties.

(3) Adjusted for 50% of Trustee-Manager's Base Fee and 100% of the Trustee-Manager's Performance Fee paid in Units.

(4) Assuming that all the Trustee-Manager's management fees are paid in cash and based on the Offering Price per Unit of S$1.18, the distribution yield will be 4.3% for Forecast Year 2008 and 5.3% for Projection Year 2009.

Certain Fees and Charges

The following is a summary of the amounts of certain fees and charges payable by the Unitholders in connection with the purchase of the Units (so long as the Units are listed):

	Payable by the Unitholders directly	**Amount payable**
(a)	Subscription fee or preliminary charge	N.A.[(1)]
(b)	Realisation fee	N.A.[(1)]
(c)	Switching fee	N.A.[(1)]
(d)	Any other fee	Clearing fee for trading of Units on the SGX-ST at the rate of 0.04% of the transaction value, subject to a maximum of S$600.00 per transaction and Goods and Services Tax ("**GST**") charges thereon.

(1) As the Units will be listed and traded on the SGX-ST and Unitholders will have no right to request the Trustee-Manager to redeem their Units while the Units are listed, no subscription fee, preliminary charge, realisation fee or switching fee is payable in respect of the Units.

The table below sets out a summary of certain fees and charges payable by a-iTrust in connection with the establishment and on-going management and operation of a-iTrust. (See "The Trustee-Manager — Fees payable to the Trustee-Manager" for further details on such fees and charges payable by a-iTrust.)

	Payable by a-iTrust	**Amount payable**
(a)	Management fee (payable to the Trustee-Manager)	**Base Fee** 0.5% per annum of the value of the Trust Property of a-iTrust. **Performance Fee** 4.0% per annum of a-iTrust's Net Property Income. The Base Fee and Performance Fee is payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect). The Profit Forecast and Profit Projection assume that the Trustee-Manager has elected to receive 50% of the Base Fee in Units and the remainder in cash for the Forecast Year 2008 and the Projection Year 2009. The Profit Forecast and Profit Projection assume that the Trustee-Manager has elected to receive 100% of the Performance Fee in Units for the Forecast Year 2008 and the Projection Year 2009.
(b)	Trustee fee (payable to the Trustee-Manager)	0.02% per annum of the value of the Trust Property of a-iTrust.
(c)	Any other substantial fee or charge (ie 0.1% or more of a-iTrust's asset value)	
	(i) Acquisition fee (payable to the Trustee-Manager)	1.0% of the acquisition value of the investment. The acquisition fee is payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect). No acquisition fee is payable for the acquisition of the Properties. Any payment to third party agents or brokers in connection with the acquisition of any asset of a-iTrust shall be paid by the Trustee-Manager to such persons out of the Trust Property of a-iTrust or the assets of the relevant SPV, and not out of the acquisition fee received or to be received by the Trustee-Manager.

	Payable by a-iTrust	Amount payable
	(ii) Divestment fee (payable to the Trustee-Manager)	0.5% of the sale value of the investment. The divestment fee is payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect). Any payment to third party agents or brokers in connection with the divestment of any asset of a-iTrust shall be paid by the Trustee-Manager to such persons out of the Trust Property of a-iTrust or the assets of the relevant SPV, and not out of the divestment fee received or to be received by the Trustee-Manager.
	(iii) Property Manager's fees (payable to the Property Manager)	Under the Property Management Agreements, the Property Manager will provide property management services, lease management services, general management services, marketing services and project management services in relation to the properties. The Property Manager is entitled to the following fees: • ***Project management fee:*** 2.0% of the total costs of construction, being any development, re-development, refurbishment, retrofitting, addition to, alteration of or renovation carried out in respect the relevant Property • ***Property management fee***: a monthly fee of 2.0% of the monthly PMA Gross Revenue of the relevant Property • ***Lease management fee***: a monthly fee of 1.0% of the monthly PMA Gross Revenue of the relevant Property

	Payable by a-iTrust	Amount payable
		• ***Marketing services commission***: — 1 month's rent (including property and fit-out rental) for every lease with a duration of less than one year — 1.5 months' rent (including property and fit-out rental) for every lease with a duration of between one and three years (inclusive) — 2 months' rent for every lease with a duration of more than three but not exceeding 10 years — 2.0% of the total lease payment for the entire lease period for every lease with a duration exceeding 10 years — Renewal of an existing lease will be calculated at half of the above Commission otherwise payable for a new tenancy — Commission of 2.0% of the total sale consideration, in the case of sale of any property Where external property agents are involved in securing a lease, renewal, or sale of a property, a 20% mark-up applies to the abovementioned commissions (See "Certain Agreements relating to Ascendas India Trust and the Properties — Property Management Agreements".)

THE OFFERING

a-iTrust	Ascendas India Trust, a business trust established in Singapore and constituted by the Trust Deed.
The Trustee-Manager	Ascendas Property Fund Trustee Pte. Ltd.
The Sponsor	Ascendas Land International Pte Ltd
The Unit Lender	Ascendas Land International Pte Ltd
The Offering	423,377,249 Units offered under the Placement Tranche and the Public Offer, subject to the Over-Allotment Option. 465,714,974 Units where the Over-Allotment Option is exercised in full.
The Placement Tranche	392,096,249 Units offered by way of an international placement to investors, including institutional and other investors in Singapore, subject to the Over-Allotment Option. 434,433,974 Units where the Over-Allotment Option is exercised in full. The Units have not been and will not be registered under the Securities Act and, accordingly, may not be offered or sold within the United States, except in certain transactions exempt from the registration requirements of the Securities Act. The Units are being offered and sold in offshore transactions (as defined in Regulation S), outside the United States in reliance on Regulation S.
The Public Offer	31,281,000 Units offered by way of a public offer in Singapore, including the 11,281,000 Reserved Units.
Original Investors	Ascendas Land International Pte Ltd, General Electric Capital Corporation, The Great Eastern Life Assurance Company Limited, Lianhe Investments Pte Ltd and Forum Asian Realty Income L.P.
Reserved Units	Up to 11,281,000 Units reserved for subscription by the directors, management, employees and business associates of the Sponsor and its related corporations. (See "Information concerning the Units — Reserved Units".) In the event that any of the 11,281,000 Reserved Units are not subscribed for, they will be made available to satisfy excess applications (if any) under the Placement Tranche and/or the Public Offer (other than the Reserved Tranche). Any Reserved Units allocated to the Trustee-Manager's employees residing in India will be subscribed for, during the Offering period and held in trust on their behalf initially, by a special purpose vehicle incorporated outside India.
Clawback and Re-allocation	The Units may be re-allocated between the Placement Tranche and the Public Offer at the discretion of the Joint Underwriters and Bookrunners (in consultation with the Trustee-Manager).
Offering Price	S$1.18 per Unit.

Subscription for Units in the Public Offer	Investors applying for Units by way of Application Forms or Electronic Applications (both as referred to in Appendix F, "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore") in the Public Offer will pay the Offering Price of S$1.18 per Unit on application, subject to a refund of the full amount or, as the case may be, the balance of the application monies (in each case, without interest or any share of revenue or other benefit arising therefrom) where (i) an application is rejected or accepted in part only, or (ii) the Offering does not proceed for any reason. For the purpose of illustration, an investor who applies for 1,000 Units by way of an Application Form or an Electronic Application under the Public Offer will have to pay S$1,180, which is subject to a refund of the full amount or the balance thereof (without interest or any share of revenue or other benefit arising therefrom), as the case may be, upon the occurrence of any of the foregoing events. The minimum initial subscription is for 1,000 Units. An applicant may subscribe for a larger number of Units in integral multiples of 1,000. Investors in Singapore must follow the application procedures set out in Appendix F, "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore". Subscriptions under the Public Offer must be paid for in Singapore dollars. No fee is payable by applicants for the Units, save for an administration fee, where applicable for each application made through automated teller machines and the internet banking websites of the Participating Banks.
Over-Allotment Option	In connection with the Offering, the Stabilising Manager has been granted the Over-Allotment Option by the Trustee-Manager. The Over-Allotment Option is exercisable by the Stabilising Manager, in consultation with the Joint Underwriters and Bookrunners, in full or in part, on one or more occasions, from the date of commencement of trading of the Units on the SGX-ST until the earlier of (i) the date falling 30 days from the date of commencement of trading of the Units on the SGX-ST, (ii) the date when the over-allotment of the Units which are the subject of the Over-Allotment Option has been fully covered (through the purchase of the Units on the SGX-ST and/or the exercise of the Over-Allotment Option by the Stabilising Manager) or (iii) the date falling 30 days after the date of adequate public disclosure of the Offering Price. The total number of Units in issue immediately after the close of the Offering will be 750,810,362 Units at the Offering Price. In the event of the Over-Allotment Option being exercised, it is agreed between the Trustee-Manager and the Original Investors that up to 42,337,725 Units held by them will be redeemed in the proportion as agreed between them at the Offering Price per Unit so that the outstanding Units after the exercise of the Over-Allotment Option remain as 750,810,362 at the Offering Price. The total number of Units subject to the Over-Allotment Option is within the legal requirement of not exceeding 20% of the initial total number of 423,377,249 Units under the Placement Tranche and the Public Offer (excluding the Over-Allotment Option).

Lock-ups	Each of GE, Great Eastern, Lianhe Investments and Forum has agreed to a lock-up arrangement during the First Lock-up Period in respect of all of its respective Units held on the Listing Date (collectively, the "**Original Investors Lock-up Units**"), subject to certain exceptions. The Sponsor has agreed to (i) a lock-up arrangement during the First Lock-up Period in respect of all of the Lock-up Units; and (ii) a lock-up arrangement during the Second Lock-up Period in respect of 50% of the Lock-up Units, subject to certain exceptions. Ascendas Pte Ltd, as the holding company of the Sponsor, has agreed to (i) a lock-up arrangement during the First Lock-up Period in respect of the Lock-up Units held by a Relevant Entity (as defined herein) (or any interest therein or in respect of through the holding of shares of the Sponsor or otherwise); and (ii) a lock-up arrangement during the Second Lock-up Period in respect of 50% of the Lock-up Units held by a Relevant Entity (as defined herein) (or any interest therein or in respect of through the holding of shares of the Sponsor or otherwise), subject to certain exceptions. The Trustee-Manager has also undertaken to the Joint Underwriters and Bookrunners not to offer, issue or contract to issue any Units, and the making of any announcements in connection with any of the foregoing transactions, during the First Lock-up Period, subject to certain exceptions. (See "Plan of Distribution — Lock-up Arrangements".)
Capitalisation and Indebtedness	S$895.6 million (based on the Offering Price) (see "Capitalisation and Indebtedness")
Use of Proceeds	(See "Use of Proceeds" and "Certain Agreements Relating to Ascendas India Trust and the Properties".)
Listing and Trading	Prior to the Offering, there has been no market for the Units. Application has been made to the SGX-ST for permission to list on the Main Board of the SGX-ST all the Units in issue on the Listing Date (after the completion of the Sub-division and the Redemption and including all the Units comprised in the Offering) and all the Units which may be issued to the Trustee-Manager from time to time in full or part payment of the Trustee-Manager's fees (see "The Trustee-Manager — Fees payable to the Trustee-Manager"). Such permission will be granted when a-iTrust is admitted to the Official List of the SGX-ST. The Units will, upon their issue, listing and quotation on the SGX-ST, be traded in Singapore dollars under the book-entry (scripless) settlement system of The Central Depository (Pte) Limited ("**CDP**"). The Units will be traded in board lot sizes of 1,000 Units.

Stabilisation	In connection with the Offering, the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) may, in consultation with the other Joint Underwriters and Bookrunners, over-allot or effect transactions which stabilise or maintain the market price of the Units at levels which might not otherwise prevail in the open market. Such transactions may be effected on the SGX-ST, in each case in compliance with all applicable laws and regulations, including the SFA, and any regulations thereunder. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action.
	Such transactions may commence on or after the date of commencement of trading in the Units on SGX-ST and, if commenced, may be discontinued at any time without notice to you and shall not be effected after the earliest of (i) the date falling 30 days from the commencement of trading in the Units on the SGX-ST, (ii) the date when the over-allotment of the Units which are the subject of the Over-Allotment Option has been fully covered (through the purchase of the Units on the SGX-ST and/or the exercise of the Over-Allotment Option by the Stabilising Manager), or (iii) the date falling 30 days after the date of adequate public disclosure of the final price of the Units. (See "Plan of Distribution — Over-Allotment and Stabilisation".)
No Redemption	Unitholders have no right to request the Trustee-Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their listed Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.
Distribution Policy	a-iTrust will distribute 100% of its Distributable Income for the period from the Listing Date to 31 March 2009. Thereafter, a-iTrust's distribution policy is to distribute at least 90% of its Distributable Income in each financial year. The actual distribution to Unitholders may be greater than 90% of the Distributable Income to the extent that the Trustee-Manager believes it to be appropriate having regard to all considerations.
	Distributions will be paid on a semi-annual basis for the six-month periods ending 31 March and 30 September of each year. The first distribution period will however be for the period from 1 April 2007 to 30 September 2007 and will be paid on or before 31 December 2007.
	(See "Distributions".)
Singapore Tax Considerations	Distributions made by a-iTrust, being a registered business trust, are exempt from Singapore income tax in the hands of all Unitholders, ie regardless of whether they are corporates or individuals, foreign or local. The distributions will be free of Singapore withholding tax or tax deduction at source.

India Tax Considerations	The Singapore SPV will be subject to tax in India on income from investments in the VCUs as follows: • dividends - not taxable if the same have been subject to Dividend Distribution Tax ("**DDT**"); and • interest - 15.0% Indian withholding tax provided that the Singapore SPV is a tax resident of Singapore for purposes of the India-Singapore tax treaty. (See "Taxation".)
Governing Law	The Trust Deed, pursuant to which a-iTrust was constituted, is governed by Singapore law.
Financial Advisory Fee and Underwriting, Selling and Management Commission Payable by a-iTrust to the Sole Financial Adviser to the Offering and the Joint Underwriters and Bookrunners	The Trustee-Manager has agreed to pay the Sole Financial Adviser to the Offering and the Joint Underwriters and Bookrunners for their services in connection with the Offering, a financial advisory fee (the "**Financial Advisory Fee**") and an underwriting, selling and management commission (the "**Underwriting, Selling and Management Commission**") of up to S$14.3 million (based on the Offering Price of S$1.18 per Unit and assuming that the Over-Allotment Option is exercised in full and the discretionary component of the Financial Advisory Fee is paid in full) excluding GST on the Financial Advisory Fee and Underwriting, Selling and Management Commission.
Risk Factors	**Prospective investors should carefully consider certain risks connected with an investment in the Units, as discussed under "Risk Factors".**

INDICATIVE TIMETABLE

An indicative timetable for the Offering is set out below for the reference of applicants for the Units:

Date and time	Event
25 July 2007, 12.00 noon. . .	Opening date and time for the Placement Tranche and the Public Offer.
30 July 2007, 7.00 a.m.	Closing date and time for the Placement Tranche and the Public Offer.
30 July 2007	Balloting of applications, if necessary. Commence returning or refunding of application monies to unsuccessful or partially successful applicants and commence returning or refunding of application monies to successful applicants.
1 August 2007, 2.00 p.m.. . .	Commence trading on a "ready" basis.
6 August 2007	Settlement date for all trades done on a "ready" basis on 1 August 2007.

The above timetable is indicative only and is subject to change. It assumes (i) that the closing of the application list for the Public Offer (the "**Application List**") is 30 July 2007; (ii) that the Listing Date is 1 August 2007; (iii) compliance with the SGX-ST's unitholding spread requirement; and (iv) that the Units will be issued and fully paid up prior to 2.00 p.m. on 1 August 2007. All dates and times referred to above are Singapore dates and times.

Trading in the Units through the SGX-ST on a "ready" basis will commence at 2.00 p.m. on 1 August 2007 (subject to the SGX-ST being satisfied that all conditions necessary for the commencement of trading in the Units through the SGX-ST on a "ready" basis have been fulfilled). There will be no trading of the Units through the SGX-ST on a "when-issued" basis. If a-iTrust is terminated by the Trustee-Manager under the circumstances specified in the Trust Deed prior to 2.00 p.m. on 1 August 2007 (being the time and date of commencement of trading in the Units through the SGX-ST), the Offering will not proceed and the application monies will be returned in full (without interest or any share of revenue or other benefit arising therefrom and at each applicant's own risk and without any right or claim against a-iTrust, the Trustee-Manager, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners or the Sponsor).

In the event of any early or extended closure of the Application List or the shortening or extension of the time period during which the Offering is open, the Trustee-Manager will publicly announce the same:

- via SGXNET, with the announcement to be posted on the internet at the SGX-ST website: http://www.sgx.com; and
- in one or more major Singapore newspapers, such as The Straits Times, The Business Times and Lianhe Zaobao.

For the date on which trading on a "ready" basis will commence, investors should monitor SGXNET, the newspapers, or check with their brokers.

The Trustee-Manager will provide details and results of the Public Offer through SGXNET and in one or more major Singapore newspapers, such as The Straits Times, The Business Times and Lianhe Zaobao.

The Trustee-Manager reserves the right to reject or accept, in whole or in part, or to scale down or ballot any application for Units, without assigning any reason for it, and no enquiry and/or correspondence on the decision of the Trustee-Manager will be entertained. In deciding the basis of allotment, due consideration will be given to the desirability of allotting the Units to a reasonable number of applicants with a view to establishing an adequate market for the Units.

Where an application is rejected or accepted in part only or if the Offering does not proceed for any reason, the full amount or the balance of the application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicant, at his own risk, and without any right or claim against a-iTrust, the Trustee-Manager, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners, the Sponsor or the Unit Lender.

Where the application is unsuccessful, the return of the full amount of the application monies (without interest or any share of revenue or other benefit arising therefrom) to the applicant is expected to be completed at his own risk within 24 hours after balloting (provided that such refunds in relation to applications in Singapore are made in accordance with the procedures set out in Appendix F, “Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore”).

Where an application is accepted in full or in part only, any balance of the application monies, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicant, at his own risk, within 14 Market Days after the completion of the Offering (provided that such refunds in relation to applications in Singapore are made in accordance with the procedures set out in Appendix F, “Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore”).

Where the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will, within three Market Days after the Offering is discontinued, be returned to the applicants at their own risk (provided that such refunds in relation to applications in Singapore are made in accordance with the procedures set out in Appendix F, “Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore”).

RISK FACTORS

An investment in the Units involves risks. Prospective investors should consider carefully, together with all other information contained in this Prospectus, the factors described below before deciding to invest in the Units, as these may, inter alia, adversely affect the trading price of the Units and the ability a-iTrust to make distributions to Unitholders. The risks set forth below are not an exhaustive list of the challenges currently facing a-iTrust or that may develop in the future. Additional risks, whether known or unknown, may in the future have a material adverse effect on a-iTrust or the Units.

This Prospectus also contains forward-looking statements (including a profit forecast) that involve risks, uncertainties and assumptions. The actual results of a-iTrust could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by a-iTrust as described below and elsewhere in this Prospectus.

As an investment in a business trust is meant to produce returns over the long-term, investors should not expect to obtain short-term gains.

Investors should be aware that the price of units in a business trust, and the income from them, may rise or fall. Investors should note that they could lose all or part of their original investment.

Before deciding to invest in the Units, prospective investors should seek professional advice from the relevant advisers about their particular circumstances.

Risks Relating to a-iTrust's Operations

The Properties are located in India and therefore will be subject to Indian real estate market laws, policies, as well as economic conditions in India.

a-iTrust is a Singapore-based BT established with the principal objective of owning income-producing real estate used primarily as business space in India, and real estate-related assets in relation to the foregoing. a-iTrust may acquire, own and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion.

All of the Properties in the initial portfolio are situated in India in the states of Karnataka, Andhra Pradesh and Tamil Nadu. As a result, a-iTrust's Property Income (as defined herein) and results of operations depend, to a large extent, on the performance of the Indian economy and the property market conditions in India as a whole and in the above identified states. An economic downturn in India could adversely affect a-iTrust's business and financial conditions, results of operations and future growth. Political upheavals, natural disasters, insurgency movements, riots and governmental policies all play a pivotal role in and may adversely affect the performance of the Properties. (See "Risks Relating to India".) The value of the Properties may also be adversely affected by a number of local property market conditions, such as over-supply, competition from other IT parks or reduced demand for IT parks located in India. As a result, a-iTrust's Property Income and results of operations depend, to a large extent, on the performance of the economy of India and may be adversely affected by a downturn in the Indian economy.

Furthermore, the real estate markets are historically cyclical, a phenomenon that can affect the optimal timing of investment in properties which are used primarily for IT, ITES and business spaces located in India which may adversely affect the distribution to Unitholders.

Furthermore, a-iTrust will be subject to Indian real estate laws, regulations and policies as the property investments are in India. The properties of a-iTrust will be subject to those laws, regulations and policies from time to time adopted by the state and the central governments of India.

Exposure to risks associated with exchange rate fluctuations.

As the income of a-iTrust is being generated in India, a-iTrust may be exposed to risks associated with exchange rate fluctuations between the Indian Rupee and the Singapore dollar which may adversely affect the value of distributions paid in respect of Units in Singapore dollars.

a-iTrust is subject to risks inherent in investing in a single industry.

a-iTrust is established with the principal objective of owning income-producing real estate used primarily as business space located in India, and real estate-related assets in relation to the foregoing. The tenants of the Properties are primarily those from the IT and ITES sectors. This exposes a-iTrust to both a downturn in the real estate market as well as the IT and ITES sectors in India. Such downturns may lead to a decline in occupancy for IT parks, including those in a-iTrust's portfolio thereby adversely affecting a-iTrust's rental income from the Properties, and/or resulting in a decline in the capital value of a-iTrust's portfolio, which will have an adverse impact on distributions to the Unitholders and/or on the results of operations and the financial condition of a-iTrust. As such, a-iTrust will be subject to risks inherent in concentrating on investments in a single industry.

The Sponsor will be a controlling holder of a-iTrust, and will be able to exercise influence over certain activities of a-iTrust.

The Sponsor, its respective subsidiaries, related corporations and/or associates are engaged in, among others, investment in real estate. Immediately following the completion of the Redemption and the Offering assuming the Over-Allotment Option is exercised in full, it is intended that the Sponsor will hold 127,638,388 Units at the Offering Price. This is equivalent to 17% of the total number of Units expected to be in issue then, assuming that the Over-Allotment Option is exercised in full.

The Sponsor will therefore be in a position to exercise influence in matters which require the approval of Unitholders. (See "Risk Factors — Unitholders have no vote in the election or removal of Directors of the Trustee-Manager and it is more difficult to remove the Trustee-Manager as compared to the removal of a director of a public company or a manager of a REIT.")

The Sponsor Right of First Refusal and the Development Trust Right of First Refusal shall not apply if the conditions for their grant are not satisfied.

The Sponsor Right of First Refusal is granted to a-iTrust on the condition that (i) the Trustee-Manager remains the trustee-manager of a-iTrust, (ii) the Sponsor and/or any of its associates (as defined in the Listing Manual) remains a related corporation of the Trustee-Manager and (iii) Ascendas Pte Ltd and/or any of its associates (as defined therein) remains the controlling shareholder (as defined in the Listing Manual) and the single largest shareholder of the Trustee-Manager.

The Development Trust Right of First Refusal is granted to a-iTrust on the condition that (i) the Trustee-Manager remains the trustee-manager of a-iTrust, (ii) Ascendas Pte Ltd and/or any of its associates (as defined therein) remains a controlling shareholder (as defined in the Listing Manual) and the single largest shareholder of the Trustee-Manager; and (iii) the Fund Trustee-Manager (as defined therein) remains the trustee-manager of the Development Trust and is a subsidiary of the Sponsor.

(See "Certain Agreements Relating to Ascendas India Trust and the Properties — Right of First Refusal")

There is no guarantee that the Trustee-Manager will remain the trustee-manager of a-iTrust, or that the level of shareholdings required for the continued validity of the Sponsor Right of First Refusal or the Development Right of First Refusal will continue to be maintained. a-iTrust will no longer be able to benefit from the Sponsor Right of First Refusal or the Development Trust Right of First Refusal should the conditions for their grant be no longer satisfied. This will affect a-iTrust's ability to implement its acquisition strategy.

a-iTrust's initial investment in the Properties will be held via the VCUs through the Singapore SPV. As such, its ability to make distributions to Unitholders is dependent on the financial position of the VCUs and the Singapore SPV.

a-iTrust's initial investment in the Properties will be held via the VCUs through the Singapore SPV. a-iTrust will receive dividends and/or other distributions from the Singapore SPV which the latter will pay out of, interest, dividends and/or other distributions received from the VCUs (holding the Properties). In addition, substantially all of the assets of a-iTrust will consist of its shareholdings in, and the shareholder's loans advanced by it to, the VCUs. In order to meet its payment obligations and to make distributions to Unitholders, a-iTrust will rely on the receipts from the VCUs through the Singapore SPV. There can be no assurance that the VCUs or the Singapore SPV will have sufficient distributable or realised profits or surplus in any future period to pay dividends, make distributions, pay interest, or make advances. Further, the VCUs may under certain circumstances, require the prior consent of their lenders for declaration of dividends or distributable profits. For example, they may not during the subsistence of their liability to their lenders under or in respect of the credit facilities, without the written consent of their lenders, declare a dividend or distribute profits (after deduction of taxes), except where the instalment of principal and interest payable to such lenders in respect of the credit facilities are being paid regularly and there are no irregularities whatsoever in respect of any of the credit facilities. (See "Capitalisation and Indebtedness — Indebtedness — VCU level".) The ability of the VCUs or the Singapore SPV to pay dividends and make interest payments may be affected by a number of factors including, among others:

- their respective business and financial positions;
- the availability of distributable profits;
- insufficient cash flows received by the VCUs from the Properties;
- applicable laws and regulations which may restrict the payment of dividends by the VCUs or the Singapore SPV;
- operating losses incurred by the Singapore SPV in any financial year;
- changes in accounting standards (including standards in respect of depreciation policies relating to investment properties like IT parks), taxation laws and regulations, laws and regulation in respect of foreign exchange repatriation of funds, corporation laws and regulations (including laws and regulations in respect of statutory reserves required to be maintained by the VCUs or the Singapore SPV) relating thereto, in India and/or Singapore; and
- the terms of agreements to which they are, or may become, a party to.

The occurrence of these or other factors that affect the ability of the VCUs or the Singapore SPV to pay dividends or other distributions would adversely affect the level of distributions paid to Unitholders.

Risk associated with existing debt facilities.

All the Properties are mortgaged as security for the respective existing debt facilities taken out by the VCUs. Certain debt facilities further contain certain restrictive covenants, including the need to obtain the approval of the lender's written consent prior to any declaration of dividend or distributable profits where there is default in the repayment of any loan instalment. In the event that there is a default in repayment of any loan instalment by such VCUs under the facility agreements or a breach of any of the restrictive covenants, the Properties may be liable to forfeiture and/or the relevant VCU's right to declare dividend or distributable profits may be restricted. This will adversely affect the financial condition of a-iTrust and consequently result in a fall in the amount of distributions which may be made to Unitholders.

Distribution of trapped cash via share buy-back may be restricted.

Due to a difference between the Indian accounting standards and the Singapore Financial Reporting Standards over the treatment of depreciation of real estate, cash is effectively trapped at the VCU level. As such, there is a need to extract the cash that is trapped in the VCUs in the form of depreciation expense in order to distribute to Unitholders. This may be achieved through a share buy-back of CCPS on an annual basis or by way of the repayment of shareholders' loans. In the case of a share buy-back, however, such share buy-back must be in accordance with Section 77A and other applicable provisions of the Indian Companies Act, 1956 of India (the "**Indian Companies Act**"). In the event that any conditions for the share buy-back set out in these provisions are not satisfied, the relevant VCU will not be able to effect a share buy-back and this will restrict the manner in which the trapped cash may be extracted and hence result in a fall in the amount of distributions which may be made to Unitholders. (See "Overview of Relevant Laws and Regulations in India — Provisions relating to buy-back of shares by VCU".)

a-iTrust does not have full control over the operations of ITPL and AITPCL, which it jointly holds with other shareholders including Indian state government bodies.

a-iTrust holds the Properties through the VCUs, which are in turn held by the Singapore SPV. The Singapore SPV holds 100% of the equity interest in CPITPPL and VITPPL, but holds the remaining two VCUs, ITPL and AITPCL, jointly with various Indian state government bodies under joint venture partnerships established to develop ITPB and ITPC. In the case of ITPL, the Singapore SPV holds, directly and indirectly 92.8% interest while the Karnataka State Government (through KIADB) holds 7.2% of the remaining interest in ITPL. In the case of AITPCL, as at the date of this Prospectus, the Singapore SPV holds 59.3% while the Tamil Nadu State Government (through TIDCO) and ALI respectively hold 11% and 29.7% of the equity interest in AITPCL. ("Appendix A — Note 2: Acquisition of Additional Interest in Ascendas IT Park (Chennai) Limited" for more information on the various acquisitions of interest in AITPCL). It is expected that 29.7% of the equity interest in AITPCL will be acquired by a-iTrust (through the Singapore SPV) on the Listing Date. As a joint venture partner holding an equity stake in ITPL and AITPCL respectively, KIADB and TIDCO will be represented on the board of the relevant VCUs. Besides enjoying proportionate voting rights, each of ALI and TIDCO enjoy certain rights, under the Indian Companies Act by virtue of it holding more than 10% or more, of the paid up share capital of AITPCL, such as its entitlement to requisition for an Extraordinary General Meeting regarding any matter; its right to file an application to the Indian Company Law Board, in case of oppression and mismanagement by AITPCL in the conduct of its affairs; its right to apply for cancellation of any variation of the rights attached to a class of shares; its right to make a demand for voting by way of a poll (where the voting rights of each shareholder would be in proportion to the percentage of the paid up share capital held by it — as opposed to voting, by show of hands) on any resolution in a General Meeting; and its right to apply for an investigation into the affairs of the Company and a report thereon. Further, in the case of AITPCL, while it is intended that the remaining 29.7% of the equity interest in AITPCL will be acquired by a-iTrust, through the Singapore SPV, from ALI and paid for out of part of the proceeds of the Offering on the Listing Date subject to the fulfilment of certain conditions (see "Certain Agreements Relating to Ascendas India Trust and the Properties — The AITPCL Share Purchase Agreement"), in the event that any of the conditions precedent are not satisfied and the acquisition of the remaining 29.7% of the equity interest does not proceed, a-iTrust, through the Singapore SPV, will only hold 59.3% of the equity interest in AITPCL and the Singapore SPV may be vetoed from implementing decisions which are beneficial to its business and financial conditions of a-iTrust but which require at least 75% of the total voting rights of the shareholders under Indian law or the Articles of Association of AITPCL.

As a result, a-iTrust, through the Singapore SPV, may not have full control of ITPL and AITPCL. There is no guarantee that KIADB and TIDCO or its board nominees will vote in favour of the interests of a-iTrust, and the Singapore SPV may be prevented from implementing decisions which are beneficial to its business and financial conditions of a-iTrust. This could have implications on the Trustee-Manager's implementation of its strategy to maximise operating profits.

There is no assurance that a-iTrust will be able to leverage the Sponsor's experience in the operation of IT parks located in India.

In the event that the Sponsor decides to transfer or dispose of its Units or its interest in the Trustee-Manager, a-iTrust may no longer be able to leverage the Sponsor's experience in the ownership and operation of IT parks and business parks located in India, nor their financial strength, market reach and network of contacts in the IT and ITES sectors to further its growth. In addition, a-iTrust may not be able to benefit from the range of corporate services which are available to owners of properties managed by the Sponsor. This would have a material and adverse impact on a-iTrust's results of operations and financial condition which may consequently affect its ability to make distributions to its Unitholders.

The amount a-iTrust may borrow is limited, which may affect the operations of a-iTrust.

Under the Trust Deed, a-iTrust is permitted to borrow only up to 35% (or such higher limit as permitted under the Property Funds Guidelines from time to time) of the value of the Trust Property of a-iTrust at the time the borrowing is incurred, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in a-iTrust Units). Under the Trust Deed, a-iTrust may borrow more than 35% (up to a maximum of 60%) (or such higher limits as permitted under the Property Funds Guidelines) of the value of the Trust Property of a-iTrust only if a credit rating from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public. Further, a-iTrust's ability to borrow against the security of real estate assets in India may be subject to the Foreign Exchange Management Act ("**FEMA**") and exchange control regulations in India and may, in certain instances, require the prior approval of the Indian regulatory authorities.

In the event that a-iTrust decides to incur borrowings in the future beyond the borrowing limits currently set out in the Trust Deed, and approval by way of a special resolution of its Unitholders, which is required to amend the Trust Deed to increase the borrowing limits, is not obtained and a-iTrust is unable to incur additional borrowings, a-iTrust may face adverse business consequences of this limitation on any future borrowings, and these may include:

- an inability to fund capital expenditure requirements in relation to a-iTrust's existing asset portfolio or in relation to a-iTrust's future acquisitions of additional IT parks located in India to expand its portfolio;
- a decline in the value of the Trust Property of a-iTrust may cause the borrowing limit to be exceeded, thus affecting a-iTrust's ability to make further borrowings; and
- cash flow shortages (including with respect to distributions) which a-iTrust might otherwise be able to resolve by borrowing funds.

a-iTrust may face risks associated with debt financing.

In the event of any borrowings incurred in the future, a-iTrust will be subject to the risk that the terms of any refinancing undertaken will be less favourable than the terms of the original borrowings. In addition, a-iTrust may be subject to certain covenants in connection with any future borrowings that may limit or otherwise adversely affect its operations and its ability to make distributions to Unitholders. Such covenants may also restrict a-iTrust's ability to acquire properties or undertake other capital expenditure or may require it to set aside funds for maintenance or repayment of security deposits. Furthermore, if prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make loans in relation to IT parks located in India) result in higher interest rates upon refinancing, the interest expense relating to such refinanced indebtedness would increase, which would adversely affect a-iTrust's cash flow and the amount of distributions it could make to Unitholders.

Neither a-iTrust nor the Trustee-Manager, has an established operating history.

a-iTrust was constituted on 7 December 2004 and the Trustee-Manager was incorporated on 5 October 2004. As such, the operating histories of a-iTrust and the Trustee-Manager are not sufficiently established for their past performance to be judged. This will make it difficult for investors to assess a-iTrust's likely future performance. There can be no assurance that a-iTrust will be able to generate sufficient revenue from operations to make distributions or that such distributions will be in line with those set out in "Profit Forecast and Profit Projection".

The Trustee-Manager may not be able to successfully implement its investment strategy for a-iTrust.

a-iTrust is established with the principal objective of owning income-producing real estate used primarily as business space in India, and real estate-related assets in relation to the foregoing. a-iTrust may acquire, own and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion. There can be no assurance that the Trustee-Manager will be able to implement its investment strategy successfully or that it will be able to expand a-iTrust's portfolio at all, or at any specified rate or to any specified size.

a-iTrust faces active competition in acquiring suitable properties, especially in times of low interest rates where other investment vehicles will be highly leveraged. As such, a-iTrust's ability to make new property acquisitions under its acquisition growth strategy may be adversely affected. a-iTrust will be relying on external sources of funding to expand its asset portfolio, which may not be available on favourable terms, or at all. Even if a-iTrust were able to successfully make additional property acquisitions or investments, there can be no assurance that a-iTrust will achieve its intended return on such acquisitions or investments.

Furthermore, there may be significant competition for attractive investment opportunities from other property investors, including commercial property development companies and private investment funds. There can be no assurance that a-iTrust will be able to compete effectively against such entities.

a-iTrust may face risks associated with the uncompleted property developments as well as the undertaking of development activities within the Properties.

The second multi-tenanted building at ITPC (Crest) and the fifth multi-tenanted building at The V comprising of an aggregate of approximately 1.1 million sq ft of SBA, are currently under construction and are scheduled to be completed in August 2007 and September 2007 respectively.

An aggregate of approximately 1.5 million sq ft of land is available for development. Construction of a BTS facility for Avestha Gengraine Technologies and a new retail mall at ITPB, as well as a third multi-tenanted office building at ITPC, is scheduled to commence in the third quarter of Forecast Year 2008. These Proposed Developments are expected to be completed by the fourth quarter of Projection Year 2009, and increase the SBA of ITPB and ITPC by approximately 744,000 sq ft and 708,000 sq ft respectively.

The Trustee-Manager may acquire land for the development of business space or uncompleted property developments with the intention of developing properties used for business space and holding such properties upon completion. The development of new properties involves various risks, including regulatory, construction and financing risks, as well as the risk that the completed properties will be unable to yield income. These risks are exacerbated in an emerging market like India.

As the commission of a development project for the construction of a multi-tenanted building is based upon the Trustee-Manager's anticipation and assessment of potential market demand for additional space and amenities, and there is no guarantee of the reliability and accuracy of the Trustee-Manager's assessment, the developments may suffer from a lack of demand upon completion due to prevailing market conditions. Tenants may not be found in a timely manner or at all. Leases may not be concluded on satisfactory terms due to the low demand for the developments at the relevant time of completion. Periods of vacancy and unfavourable lease terms will adversely affect a-iTrust's Property Income.

The development project undertaken by a-iTrust may encounter delays and incur unexpected expenses and liabilities, resulting in losses for which a-iTrust may not be adequately compensated by insurance proceeds and/or contractual indemnities. This will affect the financial condition of a-iTrust and affect the ability of a-iTrust to make distributions to the Unitholders.

Further, the title to all the Properties has been transferred by the government authorities subject to a number of specific conditions (including those provided under the allocation letters issued by the government authorities). Such conditions which include the completion of the relevant development projects according to a specified schedule. The failure to comply with such conditions imposed by the government authorities could result in the government authorities modifying the terms of the lease allotment or, in extreme cases, terminating the lease or invalidating the transfer of the title over such land.

Future acquisitions may not yield the returns expected, resulting in disruptions to a-iTrust's business, straining of management resources and dilution of holdings.

a-iTrust's external growth strategy and its market selection process may not ultimately be successful and may not provide positive returns to Unitholders. Acquisitions may cause disruptions to a-iTrust's operations and divert management's attention away from day-to-day operations. New Units issued in connection with any new acquisition could also be substantially dilutive to Unitholders.

a-iTrust depends on certain key personnel, and the loss of any key personnel may adversely affect its operations.

a-iTrust's performance depends, in part, upon the continued service and performance of key staff members of the Trustee-Manager. These key personnel may leave the Trustee-Manager in the future and compete with the Trustee-Manager and a-iTrust. The loss of any of these individuals could have a material adverse effect on a-iTrust's financial condition and the results of operations.

a-iTrust may engage in hedging transactions, which can limit gains and increase exposure to losses.

a-iTrust may enter into hedging transactions to protect itself from the effects of interest rate and currency exchange fluctuations on floating rate debt and also to protect its portfolio from interest rate and prepayment fluctuations. Hedging transactions may include entering into interest rate hedging instruments, purchasing or selling futures contracts, purchasing put and call options or entering into forward agreements. Hedging activities may not have the desired beneficial impact on the results of operations or financial condition of a-iTrust. The hedging activities may not completely insulate a-iTrust from the risks associated with changes in interest rates and exchange rates. Moreover, interest rate hedging could fail to protect a-iTrust or even adversely affect a-iTrust because among others:

- available interest rate hedging may not correspond directly with the interest rate risk for which protection is sought;
- the duration of the hedge may not match the duration of the related liability;
- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs a-iTrust's ability to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Downward adjustments would reduce the net asset value of a-iTrust.

Hedging involves risks and typically involves costs, including transaction costs, which may reduce overall returns. These costs increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. These costs will also limit the amount of cash available for distributions to Unitholders. The Trustee-Manager will regularly monitor the feasibility of engaging in such hedging transactions taking into account the cost of such hedging transactions.

All of the Properties are subject to property taxes that may increase or capital gains taxes that may be imposed or incurred in the future, and adversely affect a-iTrust's Property Income.

The Properties are subject to real (ie immovable) and personal (ie chattel or movable) property taxes that may increase as property tax rates increase and as the Properties are assessed or re-assessed by relevant authorities. If a-iTrust's property tax liabilities increase, its ability to make distributions to the Unitholders could be adversely affected.

In addition, if the VCUs dispose of the Properties, such VCUs may be subject to Indian capital gains taxes, and consequently reducing income repatriated from the VCUs to a-iTrust (through the Singapore SPV).

The Trustee-Manager may change a-iTrust's investment strategy after three years, as there is no restriction on changes in such investment and financing strategies.

a-iTrust's policy with respect to certain activities, including investments and acquisitions, will be determined by the Trustee-Manager. The Trustee-Manager has stated its intention of owning real estate and real estate-related assets used as income-producing business space located in India. a-iTrust may acquire, own and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion.

This strategy may not be changed for a period of three years commencing from the Listing Date (as the Listing Manual prohibits a departure from the Trustee-Manager's stated investment strategy for a-iTrust for the said period unless otherwise approved by an Extraordinary Resolution passed by Unitholders). The Trust Deed grants the Trustee-Manager wide powers of investing in other types of assets, including any real estate, real estate-related assets, as well as listed and unlisted securities in Singapore and other jurisdictions, and such other investments permitted under the Property Funds Guidelines from time to time. There are risks and uncertainties with respect to the selection of investments and with respect to the investments themselves.

The methods of implementing a-iTrust's investment strategies and policies may also vary as new investment and financing techniques are developed or otherwise used. Any such changes may adversely affect the Unitholders' investment in a-iTrust.

a-iTrust's growth strategy to expand into new geographical areas across India poses risks.

a-iTrust may face significant competition from other real estate developers, many of which undertake similar projects within India. Given the fragmented nature of the real estate development business, a-iTrust may not have adequate information about the projects its competitors are developing and accordingly, a-iTrust may run the risk of under-estimating supply in the market. In the event that a-iTrust intends to expand its business across India, a-iTrust may not be able to compete as efficiently as the other real estate developers.

a-iTrust may face the risk that its competitors may be better known in other geographical areas across India, enjoy better relationships with landowners and international joint venture partners, gain early access to information regarding attractive assets and be better placed to acquire such assets.

RISKS RELATING TO THE PROPERTIES

The current portfolio of Properties is concentrated on the IT and ITES industries.

a-iTrust's strategic focus on the development of real estate for the IT and ITES industries may not be successful. The recent growth in the IT and ITES industries in India may not be sustainable. The Indian IT and ITES industries may come under competitive pressure from other countries providing similar services such as the Philippines. In addition, the IT and ITES industries in India are dependent on the continued popularity of BPO by businesses located in Western Europe and North America. It is possible that BPO may become politically less acceptable in such countries and the practice may be reduced or stopped. In addition, the Government of India has granted a number of tax incentives to companies in the IT and ITES sectors which may be withdrawn thus reducing the profits of such companies. Any adverse affect on the IT and ITES industries in India or on the BPO industry may have a negative impact on a-iTrust's business, financial condition and results of operations. Demand for office space from IT and ITES companies may fall in the event that the IT and ITES sectors suffer a decrease in revenues or profitability or the expansion of such sectors slows or ceases entirely and may lead to decreases in rental revenues and property values in the IT and ITES real estate sectors, which may adversely affect a-iTrust's business, results of operations and financial condition. In addition, an increasing number of other real estate developers in India are focusing on the IT and ITES sectors given the anticipated growth of these sectors. As a consequence, an increasing number of real estate developments aimed at these sectors is likely to become available in the cities targeted by a-iTrust in India, which may adversely affect a-iTrust's business, results of operations and financial condition.

The loss of key tenants or a downturn in the businesses of a-iTrust's tenants could have an adverse effect on its financial condition and results of operations.

The 10 largest tenants of the Properties (in terms of their contributions to the total monthly Base Rent for the month ended 31 March 2007) accounted for approximately 36.4% of the total monthly Base Rent of the Properties for the said period. CA Computer Associates India Pvt. Ltd., the largest tenant, accounts for approximately 6% of the total Base Rent for the month ended 31 March 2007. Accordingly, a-iTrust's financial condition and results of operations and ability to make distributions may be adversely affected by the bankruptcy, insolvency or downturn in the businesses of one or more of these tenants, as well as the decision by one or more of these tenants not to renew its lease or to terminate its lease before it expires.

The Trustee-Manager expects that a-iTrust will continue to be dependent upon these tenants for a significant portion of its Property Income. If these key tenants terminate their leases, do not renew their leases at expiry, or reduce their leased space in the Properties, the Property Income of a-iTrust could be adversely affected. Replacement tenants able to lease the Properties on satisfactory terms may not be found in a timely manner or at all. The loss of one or more of the key tenants of the Properties could result in periods of vacancy, which could adversely affect a-iTrust's rental income. In addition, the amount of rent and the terms on which lease renewals and new leases are agreed may be less favourable than those on current leases.

There may also be additional consequences in relation to a loss of key tenants of the BTS facilities. As the BTS facilities are customised to the needs of the tenants, there may be delays in reconfiguring the premises for new tenants, or there may be difficulties sourcing for replacement tenants willing to accept the existing customisations of the premises. These delays and difficulties faced by a-iTrust will be exacerbated if the prior customisations are extensive.

Transportation infrastructure near the Properties may be closed or relocated.

There is no assurance that the amenities, transportation infrastructure and public transport services will not be closed or relocated. Such closure or relocation may adversely affect the accessibility of the Properties. This may then have an adverse effect on the demand and the rental rates for the Properties and adversely affect the financial position of a-iTrust.

The Properties and future properties may require significant capital expenditure and a-iTrust may not be able to secure funding.

The Properties and future properties to be acquired by a-iTrust may require funds, as well as periodic capital expenditure, refurbishment, renovation for improvements and development in order to remain competitive or be income-producing. a-iTrust may not be able to fund capital improvements or acquisitions solely from cash provided from its operating activities and a-iTrust may not be able to obtain additional equity or debt financing or be able to obtain such financing on favourable terms or at all.

a-iTrust's assets might be adversely affected if the Trustee-Manager and Property Manager do not provide adequate management and maintenance services.

Should the Trustee-Manager and/or the Property Manager fail to provide adequate management and maintenance services, the value of a-iTrust's assets might be adversely affected or if this results in a loss of tenants, the distribution of Unitholders may be adversely affected.

a-iTrust may suffer material losses in excess of insurance proceeds.

The Properties face the risks of suffering physical damage caused by fire or natural disaster or other causes, as well as facing potential public liability claims, including claims arising from the operations of the Properties, all of which may result in losses (including loss of rent) and may not be fully compensated by insurance proceeds. a-iTrust will remain liable for any debt or other financial obligation related to a particular Property if there are material losses in excess of insurance proceeds. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future.

In addition, certain types of risks (such as war risk and losses caused by the outbreak of contagious diseases, contamination or other environmental breaches) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Currently, a-iTrust's insurance policies for the Properties do not cover acts of war, outbreaks of contagious diseases, contamination or other environmental breaches. For insurance covering claims arising out of the operations of the Properties, or insurance to cover losses from business interruption at the Properties, they are insured for Rs. 10.4 billion. Should an uninsured loss occur, a-iTrust could be required to pay compensation and/or lose capital invested in the affected property as well as anticipated future revenue from that Property. a-iTrust will also remain liable for any debt or other financial obligation related to that Property. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future.

The Properties may be affected by contamination and other environmental issues.

The Properties and other properties owned by a-iTrust may be affected by contamination or other environmental issues which may not previously have been identified and/or rectified. This raises a number of risks including:

- the risk of prosecution by relevant municipal authorities;
- the risk of prosecution by environmental authorities;
- the requirement for unbudgeted additional expenditure to remedy such issues; and
- the adverse impact on the financial position of tenants arising from the above, affecting their ability to trade and to meet their tenancy obligations.

Under the prevailing Indian environmental law (which includes several rulings of the courts in India), any company, person or entity causing pollution by disposal of hazardous, toxic substance or such substance considered as polluting under the environmental law, would be required to pay a penalty for polluting or compensation for rectification of such pollution. If any of the Properties fails to comply with the requirements of the environmental law, it would result in payment to rectify the situation, thus affecting dividend payouts and distribution.

The due diligence exercise on buildings and equipment prior to their acquisition may not have identified all material defects, breaches of laws and regulations and other deficiencies.

While the Trustee-Manager believes that reasonable due diligence investigations prior to their acquisition have been conducted with respect to the Properties and the special purpose companies, there can be no assurance that the Properties will not have defects or deficiencies requiring repair or maintenance thereby incurring significant capital expenditures or payment or other obligations to third parties, other than those disclosed in this Prospectus. The experts' reports that the Trustee-Manager relies upon as part of its due diligence investigations of the Properties may be subject to inaccuracies and deficiencies as certain building defects and deficiencies may be difficult or impossible to ascertain due to the limitations inherent in the scope of the inspections, the technologies or techniques used and other factors.

In addition, while the Trustee-Manager is not aware of any non-compliance with any laws, some of the Properties may in fact be in breach of laws and regulations (including those in relation to IT parks) or fail to comply with certain regulatory requirements, which the Trustee-Manager's due diligence investigations did not uncover. As a result, a-iTrust may incur financial or other obligations in relation to such breaches or non-compliance.

Losses or liabilities from latent building or equipment defects may adversely affect earnings and cash flow.

Design, construction or other latent property or equipment defects in the Properties may require additional capital expenditure, special repair or maintenance expenses or the payment of damages or other obligations to third parties, other than those disclosed in this Prospectus.

Costs or liabilities arising from such property or equipment defects may be significant and unpredictable and may have a material adverse effect on a-iTrust's earnings and cash flows.

Statutory or contractual representations, warranties and indemnities given by any seller of IT parks are unlikely to afford satisfactory protection from costs or liabilities arising from such property or equipment defects.

The Properties may face increased competition from other properties.

The Properties are located in areas that have other competing properties. The Properties may also compete with properties in India that may be developed in the future. The income from, and market value of, the Properties will be largely dependent on the ability of the Properties to compete against other properties in India in attracting and retaining tenants. An increase in the number of competitive real estate developments which are primarily used for business space in India, particularly in the areas where the Properties are located, could have a material adverse effect on the revenue of the Properties. If after the Offering, competing properties of a similar type are built in the area where the Properties are located or similar properties in their vicinity are substantially upgraded and refurbished, the rental revenue from the Properties could be reduced, thereby adversely affecting a-iTrust's cash flow and the amount of funds available for distribution to Unitholders.

The market values of the Properties may differ from their appraised values as determined by the Independent Valuers.

The valuation of the Properties was generally conducted using the discounted cash flow method of valuation.

Property valuations generally may include a subjective determination of certain factors relating to the relevant properties, such as their relative market positions, financial and competitive strengths, and physical conditions. In addition, the real estate market in India is characterised by a limited amount of publicly available data as compared to the data publicly available in other industrialised countries as a small number of organisations have only recently begun to publish statistical and other research data with respect to the Indian real estate markets. The lack of data with respect to the Indian real estate market makes it relatively more difficult to assess the market value of real estate in India. The market values of the Properties may therefore differ from the appraised values of the Properties as determined by the Independent Valuers.

The appraised value of any of the Properties is not an indication of, and does not guarantee, a sale price at that value at present or in the future. The price at which a-iTrust may sell a property may be lower than its appraised value as determined by the Independent Valuers.

Risks relating to India

All of the Properties are located in India. Accordingly, a-iTrust's results of operations, financial position and prospects are subject, to a significant degree, to economic and other developments in India as well as to the laws prevailing from time to time.

Land title in India is uncertain and there is no assurance of clean title.

The method of documentation of land records in India has not been fully computerised. Records and related documents are generally updated manually. This could result in the updated process taking a significant amount of time or being inaccurate in certain respects. The land records are often hand-written, in local languages and not legible which makes it difficult to ascertain the content. Further, the land records are often in a poor condition and at times untraceable, which materially impedes the title investigation process. As a result, while the Trustee-Manager is not aware of any potential dispute or claims over title to the lands on which the Properties are situated, the title of the real property that a-iTrust has invested and/or might invest in may not be clear or may be in doubt. It is difficult to obtain title guarantees in India. Title records provide only for presumptive title rather than a guaranteed title to the land. Further, independent verification of title may be difficult and time consuming. The VCUs are unlikely to be able to obtain title insurance in India due to the limited availability of such insurance coverage. A lack of title insurance, coupled with difficulties in verifying title to land, may increase a-iTrust's exposure to third parties claiming title to the property. This could even result in a loss of title to the property, affect valuations of the property, or otherwise materially prejudice the development of the property which could in turn have an adverse effect on a-iTrust's business, financial condition or results of operations. More often than not, the title to land is fragmented and it is possible that land relating to one project may have come from multiple owners. Some lands may have irregularities of title, such as non-execution or non-registration of conveyance deeds and inadequate stamping and may be subject to encumbrances that a-iTrust may not be aware of. The uncertainty of title to land makes the acquisition process more complicated. It may also impede the transfer of title, expose a-iTrust to legal disputes and adversely affect land valuations. Legal disputes in respect of land title may take several years and considerable expense to resolve if they become the subject of court proceedings. Any judgment obtained by a-iTrust in the Indian courts in respect of the ownership of or title to any particular development may also be difficult or impossible to enforce, if it is at all enforceable.

The VCUs' title rights over land may be subject to various legal defects.

The VCUs' title over land on which its Properties are situated may be subject to various title-related legal defects that the VCUs or a-iTrust may not currently be able to fully identify, resolve or assess. The rights in respect of these lands may be compromised by improperly executed, unregistered or insufficiently stamped conveyance instruments in the property's chain of title, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of spouses or other family members of prior owners, or other title defects that the VCUs or a-iTrust may not be aware of. Such or other title defects may result in the loss of title over the land, and the cancellation of the development plans in respect of the land. If a VCU loses the title to the land on which a property has been constructed, the successful litigant may seek a court order for the demolition of such property.

While the Trustee-Manager is not aware of any potential dispute or claims over title to the lands on which the Properties are situated, the VCUs may face claims of third parties to ownership or use of the land and where disputes cannot be resolved through accommodations with such claimants, the VCUs may lose their respective interests in the land. Legal disputes arising in respect of land title can take several years and considerable expense to resolve if they become the subject of court proceedings and their outcome can be uncertain. Under Indian law, a title document generally is not effective, nor may be admitted as evidence in court, unless it has been registered with the applicable land registry and applicable stamp duty has been paid in respect of such title document. There also exists the possibility that the stamp authorities might impound the documents which may lead to further delays or possible imposition of fines under certain circumstances. The failure to comply with such requirements may result in a-iTrust failing to have acquired valid title or development rights. As mentioned in the foregoing risk factors, multiple property registries exist, and verification of title is difficult.

Building and other consents may not be granted.

While all consents and approvals to the extent required have been obtained, there can be no assurance that any building permits, consents or other approvals required from third parties in connection with the construction and letting of existing or new development projects will be issued or granted to the relevant VCU in the future. It is possible that some projects will be located in areas that will require the addition of significant infrastructure support, including roads, electrical power, telecommunications, water and waste treatment. a-iTrust and/or the VCUs may be dependent on third parties, including local authorities, to provide such services. In order for these third parties to provide such services, a variety of consents and approvals may also be required. Any delay or failure by any third party to provide such additional services to a-iTrust and/or the VCUs or a failure to obtain any required consents and approvals on acceptable terms or in a timely fashion may affect the ability of a-iTrust and/or the VCUs to execute or complete existing and/or new development projects.

Health and safety regulations in India.

Construction sites can be hazardous working environments and the rates of accidents and fatalities in the construction industry are high relative to other industries. In developing countries, such as India, the health and safety standards on construction sites may not be applied as stringently as in industrialised countries. Accidents and in particular, fatalities, may have an adverse impact on the a-iTrust Group's reputation and may result in fines imposed and/or investigations made by public authorities, as well as litigation by injured workers and/or their dependants.

The Government of India's SEZ policy is relatively new and has attracted political opposition and may be restricted, withdrawn or altered.

The Government of India's policy in respect of SEZs is currently a politically sensitive issue in India. In addition, the Finance Ministry of India has expressed concern in respect of tax revenues lost as a result of commercial activities enjoying fiscal exemptions under the SEZ regime. The Government of India's policy has been criticised on economic grounds by the International Monetary Fund and it has been suggested that the fiscal exemptions may be challenged by the World Trade Organisation. Further it has been criticised for several other reasons such as the creation of SEZs which involves compulsory acquisition of agricultural land acquired from farmers by the Government. It is possible that, as a result of political pressures, the procedure for obtaining SEZ status may become more onerous, or that the types of land that are eligible for SEZ status will be restricted, or that the SEZ regime may be withdrawn entirely. As the laws and regulations relating to SEZs have been in force for a relatively short period of time, there may be some uncertainty with respect to the interpretation and application of such laws and regulations. Additionally, regulatory authorities may allege non-compliance and may subject the relevant VCU to regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings under applicable laws and regulations. Any such changes to the SEZ regime may adversely affect the relevant VCU's results of operations, financial condition and the value of a-iTrust's Properties. Currently, 23 acres of land in ITPB (partially owned by ITPL) is within an approved SEZ.

The business of a-iTrust may be impacted by political, economic and social risks.

Political, economic, and social factors, changes in Indian law or regulations and the status of India's relations with other countries may adversely affect the value of a-iTrust's assets. In addition, the Indian economy may differ favourably or unfavourably from other economies in several respects, including the rate of growth of GDP, the rate of inflation, resource self-sufficiency and balance of payments. a-iTrust does not intend to obtain political risk insurance. Future policies of the Indian central government or the relevant Indian state governments could have a significant impact on the Indian economy, which could adversely affect private sector companies, market conditions, prices and yields of a-iTrust's portfolio investments. The occurrence of local unrest, or external tensions, could adversely affect India's political and economic stability and, consequently, adversely affect a-iTrust's investments.

Weaknesses and uncertainties relating to the legal and regulatory systems in the Indian subcontinent create an uncertain and high-risk environment for investment and business activities.

India is still in the process of transition to a market economy and, as a result, is experiencing changes in its economy and its government policies (including, without limitation, policies relating to foreign ownership, repatriation of profits, property and contractual rights and planning and permit-granting regimes) that may affect a-iTrust's investments in India. Further, property litigation in India is often protracted and such delays in legal proceedings could potentially affect a-iTrust's operations.

Decreases in the value of the Indian Rupee could adversely affect the value of distributions paid in respect of the Units in Singapore dollars.

Since the income and profit of a-iTrust are denominated in Indian Rupees, any decrease in the value of the Indian Rupee against the Singapore dollar would adversely affect the value of distributions paid in respect of Units in Singapore dollars.

Epidemic diseases in Asia and elsewhere may adversely affect a-iTrust's operations.

Several countries in Asia have suffered from outbreaks of communicable diseases like SARS and avian flu. A new and prolonged outbreak of such diseases may have a material adverse effect on a-iTrust's business and financial conditions and results of operations. Although the long-term effect of such diseases cannot currently be predicted, previous occurrences of SARS and avian flu had an adverse effect on the economies of those countries in which they were most prevalent. In the case of avian flu, should the virus mutate and lead to human-to-human transmission of the disease, the consequence for a-iTrust's business could be severe.

An outbreak of a communicable disease in India or in the particular region in which a property owned by a-iTrust is located may affect a-iTrust.

Such epidemic diseases may affect the general business sentiment, and affect take-up of vacant business space. Furthermore, such epidemic diseases may affect the operations and day-to-day running of the Properties, including implementing measures to manage the epidemic and crisis, if any, which will require extra human and monetary resources. This could materially and adversely affect the business and financial conditions and the results of operations of a-iTrust.

A rise in protests targeting tenants who are multinational corporations may adversely affect a-iTrust's operations.

Many of the tenants which occupy the Properties are multinational corporations from regions such as the United States and Europe. A rise in anti-globalisation protests, protests against foreign cultural influences, or a fear of losing the city's linguistic and cultural identity in the countries where the majority of the customers of the multinational corporations are located or in India may impact these corporations in a number of ways such as a reduction in demand for the products or the services provided by these corporations. It could also result in the corporations scaling down their operations in India, or may result in workers not being able to report for work or the Properties being damaged. This could materially and adversely affect the business and financial conditions and the results of operations of a-iTrust, and consequently a fall in the amount of distributions to Unitholders.

If regional hostilities, terrorist attacks or social unrest in some parts of the country increase, a-iTrust could be adversely affected.

India has from time to time experienced social and civil unrest and hostilities both internally and with neighbouring countries. In the past, there have been military confrontations between India and some of its neighbouring countries. India has also experienced terrorist attacks in some parts of the country. These hostilities and tensions could lead to political or economic instability in India and adversely affect the business of a-iTrust's tenants which could in turn affect the amount of distributions if the tenants are not able to pay the rent. India has been one of the countries which have been the target of terrorism for a fairly long period of time.

Political instability or changes in the Government in India could delay the further liberalisation of the Indian economy and adversely affect economic conditions in India generally.

Since 1991, successive Indian Governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Nevertheless, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators have remained significant. Subsequent to the general elections that took place in India in April and May 2004, the new Government publicly indicated an intention to continue India's program of economic reform. However, possible political instability, changes in the rate of economic liberalisation, laws and policies affecting the IT and ITES industries, foreign investment, currency exchange, India's economic liberalization and deregulation policies could all adversely affect business and economic conditions in India generally, and could also adversely affect a-iTrust. The Indian government may adopt measures or policies that may require a-iTrust to divest all or part of its investments in IT parks located in India.

Foreign investment in real estate in India is governed by FEMA. The FEMA Regulations, the FDI Policy and other regulations promulgated by the RBI pursuant to the powers conferred under the provisions of the FEMA ("**Exchange Control Regulations**"). Some of the FDI in real estate are through automatic routes while some are subject to prior governmental approvals. In some cases, FDIs made under the automatic route are also subject to certain conditions which are to be met for the enjoyment of repatriation of such investments. If the Government of India makes any changes in the rules or policies subjecting a-iTrust to additional conditions or permissions or which prevents or restricts a-iTrust from making investments, the ability of a-iTrust to make distributions could be affected.

It may not be possible to enforce any judgment obtained outside India, against a-iTrust or any of its affiliates/VCUs in India, except by way of a suit in India on such judgment.

The majority of a-iTrust's assets are located in India. As a result, it may not be possible to enforce judgments obtained in foreign courts against a-iTrust and other persons or entities, including judgments predicated upon the civil liability provisions of the securities laws of foreign jurisdictions. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including Singapore. In order to be enforceable, a judgment from certain specified courts located in a jurisdiction with reciprocity such as Singapore, must meet certain requirements of the Indian Code of Civil Procedure, 1908 ("**Civil Code**"). Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be executed in India. Even if an investor of a-iTrust obtained a judgment in such a jurisdiction against a-iTrust or its officers or directors in India, it may be required to file fresh law suit in India and obtain a decree from an Indian court. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India or to the same extent awarded in a final judgment rendered in another jurisdiction if it believed that the amount of damages awarded was excessive or inconsistent with Indian practice.

In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the Reserve Bank of India ("**RBI**") to repatriate any amount recovered.

FDI in the real estate sector in India under the automatic route is governed by a policy statement which may be ambiguous in its terms.

The FEMA, FEMA Regulations, FDI Policy and the Exchange Control Regulations impose certain conditions on investment in real estate in India. Government policy in respect of FDI in the real estate sector in India is regulated by Press Note 2 (2005 Series) dated 3 March 2005 ("**Press Note 2**") issued by the DIPP which permits FDI of up to 100% subject to the project fulfilling certain specified conditions. The FEMA, FEMA Regulations, FDI Policy, the Exchange Control Regulations and Press Note 2, however, are subject to differing interpretations. For example, FDI is subject to the condition that for joint ventures with Indian partners the ''minimum capitalisation'' should be US$5.0 million. However, there is some ambiguity on what is meant by "minimum capitalisation". In addition, although the FDI Policy and Press Note 2 stipulate that funds have to be brought in within six months of ''commencement of business of the Company'', the term ''commencement of business of the Company'' has not been defined or explained and may also be subject to differing interpretations. There can be no assurance as to the position the Government of India will take in interpreting Press Note 2 and the FDI Policy. An interpretation by the Government of Press Note 2 and the FDI Policy that is inconsistent with the proposed investment by a-iTrust and/or its affiliates resident outside India could prevent a-iTrust from fulfilling its investment strategy and/or result in partial or total reversal of the investment in VCUs and have an adverse effect on a-iTrust's profitability and the potential returns to Unitholders.

Key Indian Tax Risks.

The income and gains derived from investment in properties in India will be subject to various types of tax in India, including income tax, withholding tax, capital gains tax and any other taxes which may be specific to Bangalore, Chennai or Hyderabad, or that may be imposed specifically on ownership of real estate in India. All of these taxes, which are subject to changes in laws and regulations that may lead to an increase in tax rates or the introduction of new taxes, could adversely affect and erode the returns from the Properties and hence the distributions to Unitholders.

In this respect, the Union Finance Ministry announces the fiscal policy annually in the month of February. Such announcement includes matters such as tax rates (including surcharges and cesses, if any) and amendments in tax laws. The taxes covered in the fiscal announcements include direct and indirect taxes. There is no assurance or guarantee that the current tax rates or scope of taxability will continue in the years to come. Any changes in such tax rates or in scope of levy of taxes would have a direct or indirect bearing on the income of the VCUs and ultimately have an impact on the amounts available for distribution.

Lease tax on fit out rents.

Under the local sales tax or value added tax ("**VAT**") laws, typically lease (ie transfer of right to use) of movable goods is liable to sales tax or VAT. Litigation is pending for VITPPL on the applicability of local sales tax or VAT on the rentals pertaining to lease of furniture and fittings (as part of lease of the office space to customers) (See "General Information — Litigation — VITPPL disputes"). There is a possibility that the courts could ultimately take a view that fit out rentals are to be treated as consideration for lease of movable property and hence liable to local sales tax or VAT. Any such eventuality could have material adverse effect on the returns of the VCU which may adversely affect the financial condition of a-iTrust.

Tax imposed on Tenants.

The Indian government may decide to abolish or reduce the tax benefits or impose additional conditions that need to be satisfied before tax exemptions such as SEZ and Section 80-IA of the Indian Income Tax Act can be granted. Currently, certain tenants of the Properties are enjoying the tax benefits under the Software Technology Parks of India scheme. However, this tax benefit will expire in 2009 and if the tax benefit is not renewed, this would increase the amount of tax payable by the tenants. a-iTrust could be affected if such changes in the tax legislation result in reduced foreign investment in India. Furthermore, without such benefits, the tenants of the Properties may decide that the prevailing rental rates to lease space at the Properties are no longer justified. This may result in the VCUs having to reduce its rents when tenants are renewing their leases.

Tax on Sale of Shares in the VCUs.

Capital gains arising from the sale of shares in the VCUs may qualify for exemption from tax in India if the Singapore SPV is a tax resident of Singapore, does not have a permanent establishment in India and certain other prescribed conditions are met.

The view that MAT is not payable by a foreign company on capital gains exempted under a tax treaty is based on the principle that tax treaty provisions override domestic Indian income tax law. This view is however largely untested and no jurisprudence is currently available on this matter. Given that the applicability of MAT to a foreign company is a debatable issue, there is no assurance that the Indian revenue authorities will not attempt to levy MAT on the Singapore SPV arising from the sale of shares. The current MAT rate on such gains, if applicable, is 10.5575%.

The capital gains exemption under the India-Singapore tax treaty is subject to the meeting of certain conditions which include:

- the affairs of the Singapore SPV were not arranged with the primary purpose of taking advantage of the capital gains exemption; and
- the Singapore SPV is not a shell or conduit company. A shell or conduit company has been defined to mean any legal entity falling within the definition of resident with negligible or no business operations or with no real and continuous business activities in Singapore. Further, an entity is deemed to be a shell or conduit company if its total annual expenditure on operations in Singapore is less than S$200,000 for the period of 24 months prior to the date on which the capital gains arise.

There can be no assurance that the revenue authorities will agree that the conditions for the tax exemptions are met or that the Singapore SPV will meet the conditions. Should the Singapore SPV fail to meet the conditions for claiming relief from Indian income tax under the India-Singapore tax treaty, capital gains arising from sales of shares in the VCUs will be taxable (currently at the rate of 21.115% in the case of long term gains (ie when the shares have been held for more than 12 months) and 42.23% in the case of short-term gains (ie when the shares have been held for 12 months or less)). Further, there is a risk that the shares may be treated by the revenue authorities as possessing the character of the principal asset. In such a case, the applicable rate will be made by reference to a 36-month holding period instead of the 12-month holding period.

The claim for exemption from capital gains on sale of shares in the VCUs could also be an issue if such a sale is treated by the Indian revenue authorities as a sale of immovable property.

In addition, tax laws in India are subject to interpretation by the revenue authorities and/or courts. For example, there is a risk that some income of the VCUs may be treated as "income from house property" rather than "business income" in which case there will be no deduction for depreciation. It is also necessary for specific transactions to satisfy the anti-abuse tests under the provisions of Indian tax law. These anti-abuse laws are aimed at nullifying the effectiveness of schemes which shift income/assets to persons not resident in India in order to avoid liability to taxation.

Where comments have been provided on any tax implication in this document, such comments are not binding on the revenue authorities and there can be no assurance that they will not take a position contrary to what is indicated herein.

There can be no assurance that the terms of the applicable tax treaty will not be subject to renegotiation in the future. Any such change could have material adverse effect on the returns of a-iTrust. There can also be no assurance that the tax treaty will continue and will be in full force and effect during the life of a-iTrust.

a-iTrust's investment in real estate or real estate-related assets used as income-producing business space located in India is subject to certain conditions.

a-iTrust is established with the principal objective of owning real estate and real estate-related assets used as income-producing business space located in India and real estate-related assets in relation to the foregoing. a-iTrust may acquire, own and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion. Foreign investment in real estate-related assets in India is permitted only in properties that satisfy certain conditions or in respect of which the investment has been specifically approved by the Indian regulatory authorities. The conditions imply that foreign investment must be utilised for the purpose of development of real estate and should not be invested in developed real estate projects. There can be no assurance that a-iTrust will be able to identify and acquire, or make investments in, suitable properties that satisfy the prescribed conditions on commercially acceptable terms, in a timely manner, or at all.

RISKS RELATING TO INVESTING IN REAL ESTATE

a-iTrust may be adversely affected by the illiquidity of real estate investments.

a-iTrust is established with the principal objective of owning income-producing real estate used primarily as business space in India, and real estate-related assets in relation to the foregoing. a-iTrust may acquire, own and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion. This involves a higher level of risk as compared to a portfolio which has a diverse range of investments. Real estate investments, particularly investments in high value properties such as those in which a-iTrust has invested or intends to invest, are relatively illiquid. Such illiquidity may affect a-iTrust's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real estate market or other conditions. For instance, a-iTrust may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. Moreover, a-iTrust may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on a-iTrust's financial condition and results of operations, with a consequential adverse effect on a-iTrust's ability to deliver expected distributions to Unitholders.

The Properties and/or future acquisitions, or a part of them, may be acquired compulsorily.

Indian laws provide for a right to the Indian government to acquire any land or property for public purpose with compensation which may be below market value. Such compulsory acquisitions of any of the Properties or any future properties acquired by a-iTrust would have an adverse effect on the financial condition, operating results and the value of a-iTrust's asset portfolio.

a-iTrust's ability to make distributions to Unitholders may be adversely affected by increases in direct expenses and other operating expenses.

a-iTrust's ability to make distributions to Unitholders apart from the several circumstances set out below could be adversely affected if direct expenses and other operating expenses increase without a corresponding increase in revenue.

Factors which could lead to an increase in expenses include, but are not limited to, any of the following:

- withdrawal of exemptions from income tax in respect of income from the Properties;
- increase in property tax assessments and other statutory charges;
- change in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- change in direct or indirect taxing policy;
- increase in sub-contracted service costs;
- increase in labour costs/manpower;
- increase in repair and maintenance costs;
- increase in the rate of inflation;
- increase in insurance premiums;
- increase in the cost of utilities; and
- increase in the cost of fuel.

a-iTrust and the Singapore SPV have both been granted GST remission which will allow them to recover all their input taxes but excluding disallowed input taxes under regulations 26 and 27 of the GST (General) Regulations. The GST remission granted by the MoF will end on 17 February 2010. If this remission is not subsequently extended beyond 17 February 2010, the inability to recover input taxes after 17 February 2010 will increase the costs of a-iTrust and the Singapore SPV and this will have an impact on the amounts available for distribution.

RISKS RELATING TO AN INVESTMENT IN THE UNITS

Sale or possible sale of a substantial number of Units by ALI or the other Original Investors, or the sale or possible sale of Ascendas Pte Ltd's interest in the Units (whether through the sale or possible sale of the Sponsor's shares or otherwise) in the public market following the lapse of any applicable lock-up arrangements could adversely affect the price of the Units.

At the Offering Price of S$1.18, following the completion of the Redemption and the Offering, a-iTrust will have 750,810,362 Units outstanding, of which 127,638,388 Units, or 17% will be held by the Sponsor (assuming that the Over-Allotment Option is fully exercised), and 157,457,000 Units, or 21% will be held by the other Original Investors assuming that the Over-Allotment Option is exercised in full. Following the lapse of the relevant respective lock-up arrangement, or pursuant to any applicable waivers, if ALI and/or any of its transferees of the Lock-up Units or any of the other Original Investors sells or is perceived as intending to sell a substantial amount of its Lock-up Units or Original Investors Lock-up Units, if Ascendas Pte Ltd sells or is perceived as intending to sell its interest in the Lock-up Units (whether through the sale or possible sale of the Sponsor's shares or otherwise) or if a secondary offering of the Units is undertaken in connection with an additional listing on another securities exchange, the market price for the Units could be adversely affected (see "Plan of Distribution — Lock-up Arrangements" and "Information concerning the Units").

a-iTrust may not be able to make distributions to Unitholders or the level of distributions may fall.

The net operating profit earned from real estate investments depends on, among other factors, the amount of rental income received, and the level of property, operating and other expenses incurred. If the Properties held by a-iTrust directly or indirectly do not generate sufficient net operating profit, a-iTrust's income, cash flow and ability to make distributions will be adversely affected. In addition, if the Singapore SPV does not have sufficient cash flows or distributable profits or surplus, or the Singapore SPV does not make the expected level of distributions in any financial year, this will adversely affect a-iTrust's income, cash flow and ability to pay or maintain distributions to Unitholders.

Further, any change in the applicable laws in the respective countries may limit a-iTrust's ability to pay or maintain distributions to Unitholders.

No assurance can be given as to a-iTrust's ability to pay or maintain distributions. Neither is there any assurance that the level of distributions will increase over time, that there will be contractual increases in rent under the leases of the Properties or that the receipt of rental income in connection with the expansion of the properties or future acquisitions of properties will increase a-iTrust's cash flow available for distribution to Unitholders.

Market and economic conditions may affect the market price and demand for the Units.

Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of, and demand for, the Units. In particular, an increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return compared to other investments.

The NAV per Unit may be diluted if further issues are priced below the current NAV per Unit.

The Trust Deed contemplates that new issues of Units may occur, and the offering price for which may be above, at or below the then current net asset value per Unit. Where new Units, including Units which may be issued to the Trustee-Manager in payment of the Trustee-Manager's management fees, are issued at less than the net asset value per Unit, the net asset value of each existing Unit may be diluted.

The laws, regulations and accounting standards in Singapore and India may change.

a-iTrust (including the ability to extract trapped cash from the underlying VCUs) may be adversely affected by the introduction of new or revised legislation, regulations or accounting standards. Accounting standards in India and Singapore are subject to change as accounting standards in both countries are further aligned with international accounting standards. As a result, the financial statements of a-iTrust may be affected by the introduction of such revised accounting standards. The extent and timing of these changes in accounting standards are currently unknown and subject to confirmation by the relevant authorities. The Trustee-Manager has not quantified the effects of these proposed changes and there can be no assurance that these changes will not have a significant impact on the presentation of a-iTrust's financial statements or on a-iTrust's results of operations. In addition, such changes may adversely affect the ability of a-iTrust to make distributions to Unitholders. There can be no assurance that any such changes to laws, regulations and accounting standards will not have an adverse effect on the ability of the Trustee-Manager to carry out a-iTrust's investment strategy or on the operations and financial condition of a-iTrust.

a-iTrust may be unable to comply with the condition for the tax remission, or the tax remission may no longer apply.

The MoF has granted a tax remission under Section 92(2) of the Income Tax Act, Chapter 134 of Singapore (the "**Income Tax Act**") to remit the Singapore income tax payable on the interest received by the Singapore SPV on a loan granted to ITPL.

The tax remission under Section 92(2) is subject to a-iTrust satisfying the stipulated condition. Where the condition is not satisfied, or is no longer satisfied by a-iTrust, the tax remission may no longer apply.

(See "Taxation — Interest from ITPL" at page 235 of this Prospectus and "Appendix C, Independent Taxation Report — Interest Income from ITPL" at page C-3 of this Prospectus.)

The approval is also granted based on the facts presented to the MoF. Where the facts turn out to be different from those represented to the MoF, or where there is a subsequent change in the tax laws, the tax remission may no longer apply.

There is no assurance that a-iTrust will be able to secure Section 92(2) tax remission on the interest to be received by the Singapore SPV on new loans that may be extended to the VCUs

The Section 92(2) tax remission currently obtained by a-iTrust is only applicable to the interest to be received by the Singapore SPV on an existing loan that is extended to ITPL. As the approval obtained from the MoF is case-specific, there will be a need for a-iTrust to make a fresh application to the MoF for Section 92(2) tax remission on each occasion there is interest arising from new loan(s) extended to the VCU(s). There is no assurance that a-iTrust will be able to secure similar approvals from the MoF in the future. Failure to obtain the Section 92(2) tax remission could have an impact on the amounts available for distribution.

Foreign Unitholders may not be permitted to participate in future rights issues by a-iTrust.

The Trust Deed provides that in relation to any rights issue, the Trustee-Manager may, in its absolute discretion, elect not to extend an offer of Units under a rights issue to those Unitholders whose addresses, as registered with CDP, are outside Singapore. The rights or entitlements to the Units to which such Unitholders would have been entitled will be offered for sale and sold in such manner, at such price and on such other terms and conditions as the Trustee-Manager may determine, subject to such other terms and conditions as the Trustee-Manager may impose. The proceeds of any such sale, if successful, will be paid to the Unitholders whose rights or entitlements have been so sold, provided that where such proceeds payable to the relevant Unitholders are less than S$10, the Trustee-Manager is entitled to retain such proceeds as part of the Trust Property of a-iTrust. The holding of the relevant holder of the Units may be diluted as a result of such sale.

The actual performance of a-iTrust and the Properties could differ materially from the forward-looking statements in this Prospectus.

This Prospectus contains forward-looking statements regarding, among others, forecast and projected distribution levels for the period from 1 April 2007 to 31 March 2009. These forward-looking statements are based on a number of assumptions which are subject to significant uncertainties and contingencies, many of which are outside of the Trustee-Manager's control (see "Profit Forecast and Profit Projection — Assumptions"). In addition, a-iTrust's revenue is dependent on a number of factors including the receipt of rent from the Properties, which may decrease for a number of reasons including the lowering of occupancy and rental rates, insolvency or delay in rent payment by tenants. This may adversely affect a-iTrust's ability to achieve the forecast and projected distributions as some or all events and circumstances assumed may not occur as expected, or events and circumstances may arise which are not currently anticipated. Actual results may be materially different from the Forecast and Projection. While the Trustee-Manager currently expects to meet the forecast and projected distribution levels, no assurance can be given that the assumptions will be realised and the actual distributions will be as forecast and projected.

Property yield on real estate to be held by a-iTrust is not equivalent to yield on the Units.

Generally speaking, property yield depends on the amount of net property income and is calculated as the amount of revenue generated by the properties concerned, less the expenses incurred in maintaining, operating, managing and leasing the properties compared against the current value of the properties. Yield on the Units, however, depends on the distributions payable on the Units as compared with the purchase price of the Units. While there may be some correlation between these two yields, they are not the same and will vary accordingly for investors who purchase Units in the secondary market at a market price that differs from the Offering Price.

The Trustee-Manager is not obliged to redeem Units.

Unitholders have no right to request the Trustee-Manager to redeem their Units while the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their listed Units through trading on the SGX-ST.

The Units have never been publicly traded and the listing of the Units on the Main Board of the SGX-ST may not result in an active or liquid market for the Units.

Prior to the Offering, there is no public market for the Units and an active public market for the Units may not develop or be sustained after the Offering. While the Trustee-Manager has received a letter of eligibility from the SGX-ST to have the Units listed and quoted on the Main Board of the SGX-ST, listing and quotation does not guarantee that a trading market for the Units will develop or, if a market does develop, the liquidity of that market for the Units. Prospective Unitholders should view the Units as illiquid and must be prepared to hold their Units for an indefinite length of time. Further, it may be difficult to assess a-iTrust's performance against either domestic or international benchmarks.

There is no assurance that the Units will remain listed on the SGX-ST.

Although it is currently intended that the Units will remain listed on the SGX-ST, there is no guarantee of the continued listing of the Units. a-iTrust may not continue to satisfy the listing requirements.

Certain provisions of the Singapore Code on Take-over and Mergers could have the effect of discouraging, delaying or preventing a merger or acquisition, which could adversely affect the market price of the Units.

Pursuant to the Singapore Code on Take-overs and Mergers, the Sponsor is required to make a mandatory offer for all the Units not already held by it and/or parties acting in concert with it (as defined by the Singapore Code on Take-overs and Mergers) in the event that an increase in the aggregate unitholdings of it and/or parties acting in concert with it results in the aggregate unitholdings crossing certain thresholds as specified in the Singapore Code on Take-overs and Mergers. These provisions could substantially impede the ability of Unitholders to benefit from a change in control and, as a result, may adversely affect the market price of the Units and the ability to realise any potential change of control premium.

The price of the Units may decline after the Offering.

The Offering Price of the Units is determined by agreement between the Trustee-Manager and the Joint Underwriters and Bookrunners and may not be indicative of the market price for the Units after the completion of the Offering. The Units may trade at prices significantly below the Offering Price after the Offering. The trading price of the Units will depend on many factors, including:

- the perceived prospects of a-iTrust's business and investments and the market for IT parks located in India;
- differences between a-iTrust's actual financial and operating results and those expected by investors and analysts;
- changes in analysts' recommendations or projections;
- changes in general economic or market conditions;
- the market value of a-iTrust's assets;
- the perceived attractiveness of the Units against those of other equity or debt securities, including those not in the real estate sector;
- the balance of buyers and sellers of the Units;
- the future size and liquidity of the Singapore real estate investment trust market;
- any future changes to the regulatory system, including the tax system, both generally and specifically in relation to Singapore real estate investment trusts and business trusts;
- the ability on the Trustee-Manager's part to implement successfully its investment and growth strategies;
- foreign exchange rates; and

- broad market fluctuations, including increases in interest rates and weakness of equity and bond markets.

For these and other reasons, Units may trade at prices that are higher or lower than the net asset value per Unit. To the extent that a-iTrust retains operating cash flow for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of its underlying assets, may not correspondingly increase the market price of the Units. Any failure on a-iTrust's part to meet market expectations with regard to future earnings and cash distributions may adversely affect the market price for the Units.

In addition, the Units are not capital-safe products and there is no guarantee that Unitholders can regain the amount invested. If a-iTrust is terminated or liquidated, it is possible that investors may lose a part or all of their investment in the Units.

a-iTrust may not have fully protected its intellectual property rights.

Currently, the Trustee-Manager and the VCUs are entitled to the use of the name "Ascendas", "Ascendas India" and the related logos (including infinity logo) pursuant to the Licence Agreement (see "Certain Agreements Relating to Ascendas India Trust and the Properties — Licence Agreement"). However, Ascendas Pte Ltd, the grantor of the licence, has not registered any intellectual property rights in such marks in India and does not enjoy the protection available to the holder of a registered trademark in India. In the event that the Licence Agreement is terminated or the right of Ascendas Pte Ltd to such marks in India is challenged, the ability of a-iTrust and the VCUs to use their intellectual property rights may be lost. Any such loss could have an adverse effect on a-iTrust's reputation, business and/or results of operations.

Investment by the Singapore SPV is subject to compliance with approval conditions.

The investment by the Singapore SPV in the VCUs is subject to certain conditions imposed by the various Indian regulatory authorities such as the Foreign Investment Promotion Board (Ministry of Finance, Government of India) ("**FIPB**"), SIA, RBI and SEBI. Currently, the relevant approval obtained from the FIPB restricts the investment by the Singapore SPV (by way of share issuance) in the share capital of AITPCL and ITPL up to a ceiling of 89% and 47.28% respectively. Any further investment by the Singapore SPV will always be subject to such conditions and the ceilings prescribed by such authorities. In the event of breach of such ceilings, prior approval or amendment of existing approvals may be required to be obtained from such regulatory authorities.

USE OF PROCEEDS

Issue Proceeds

Assuming the Over-Allotment Option is exercised in full, the Trustee-Manager expects the proceeds from the issue of the Units pursuant to the Offering will be approximately S$549.5 million (based on the Offering Price of S$1.18 per Unit).

Use of Proceeds

The Trustee-Manager intends to apply the proceeds from the Offering and proceeds from the Trust Loan Facilities towards the following:

(i) payment to ALI, GE, Great Eastern, Lianhe Investments and Forum pursuant to the redemption of some of their Units at the Offering Price;

(ii) repayment of S$120 million outstanding under the Pre-IPO Facility (as defined herein) which was drawn down by the Trustee-Manager for the purpose of acquiring 59.3% interest in AITPCL and CPITPPL (see "Capitalisation and Indebtedness-Indebtedness");

(iii) repayment of VCU level debt outstanding (See "Capitalisation and Indebtedness — Indebtedness — VCU Level".);

(iv) payment of the total consideration of S$63 million(1) for the acquisition of the remaining 29.7% interest in AITPCL from ALI, an interested person of a-iTrust, pursuant to the terms of the AITPCL Share Purchase Agreement (see "Certain Agreements Relating to Ascendas India Trust and the Properties — AITPCL Share Purchase Agreement"); and

(v) Payment of the costs and expenses relating to the Offering (the "**Issue Expenses**" — see "Plan of Distribution — Issue Expenses") and debt facilities (See "Capitalisation and Indebtedness — Indebtedness — Trust Loan Facilities".),

with the balance of the proceeds to be utilised for general corporate and working capital purposes.

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(1) Determined on an arm's length basis and based on recent market comparables. For purposes of the acquisition of the remaining 29.7% AITPCL, the valuation of ITPC was made by having reference to the potential cashflow generation of the asset based on committed leases and various cost assumptions which are consistent with the Trustee-Manager's historical experience. This is then capitalised based on a market comparable capitalisation rate. The capitalisation rate utilised, when referenced to the overall value of the portfolio based on the independent market valuation undertaken by C&W for the IPO process, is consistent with each other.

The following table, included for the purpose of illustration, sets out the intended source and application of the total proceeds from the Offering, based on the Offering Price of S$1.18 and assuming the Over-Allotment Option is exercised in full:

Source	(S$ million)	Application	(S$ million)	%
Issue of Units pursuant to the Offering	549.5	Redemption of Units held by: ALI	10.1	
		GE	109.7	
		Great Eastern	51.8	
		Lianhe Investments	18.0	
		Forum	12.9	
		Sub-total	202.6	36.2
Trust Loan Facilities	10.0	Repayment of outstanding amount under the Pre-IPO Facility	120.0	21.4

Source	(S$ million)	Application	(S$ million)	%
		Repayment of VCU level debt	142.5[(1)]	25.5
		Consideration for the acquisition of 29.7% interest in AITPCL from ALI .	63.0	11.3
		Payment of Issue Expenses and debt facilities costs	21.5	3.8
		To provide for general corporate and working capital purposes	10.0	1.8
Total	559.6	**Total**	559.6	100.0

(1) Based on the amount of the VCU level debt outstanding as at 31 March 2007.

Assuming the Over-Allotment Option is exercised in full and based on the Offering Price of S$1.18, for every dollar of the proceeds raised from the Offering and the drawdown of the Trust Loan Facilities, approximately 36.2 Singapore cents are applied towards payment of the proceeds of the Redemption to the Original Investors, approximately 21.4 Singapore cents are applied towards repayment of the outstanding amount under the Pre-IPO Facility, approximately 25.5 Singapore cents are applied towards the repayment of VCU level debt, approximately 11.3 Singapore cents are applied towards the payment of consideration for the acquisition of 29.7% stake in AITPCL, approximately 3.8 Singapore cents are applied towards payment of the Issue Expenses and debt issuance costs and 1.8 Singapore cents are applied towards the provision of general corporate and working capital.

Other Matters

Pending the deployment of the net proceeds of the Offering, the funds will be placed in deposits with banks and institutions, or used for investment in short-term money market instruments or debt instruments, as the Trustee-Manager may deem fit.

The Directors of the Trustee-Manager believe, in their reasonable opinion, that as at the date of lodgement of this Prospectus with the MAS, that the working capital available to the Trustee-Manager is sufficient for the present requirements of a-iTrust and that the amounts allocated to a-iTrust Group's general corporate and working capital purposes from the proceeds of the Offering will be sufficient for a-iTrust Group's general corporate and working capital requirements over the next 12 months following the close of the Offering.

Issue Expenses

The estimated amount of the expenses in relation to the Offering of S$549.5 million (assuming the Offering Price of S$1.18 per Unit and assuming the Over-Allotment Option is exercised in full) includes the Underwriting, Selling and Management Commission, professional and other fees and all other incidental expenses in relation to the Offering, which will be borne by a-iTrust. A breakdown of these estimated expenses is as follows[(1)]:

	(S$ million)
Professional and other fees[(2)]	2.5
Underwriting, Selling and Management Commission[(3)]	14.3[(4)]
Miscellaneous Offering expenses[(5)]	1.4
Total estimated expenses of the Offering[(6)]	18.2

(1) Amounts exclude GST, where applicable.

(2) Includes financial advisory fees, solicitors' fees and fees for the Independent Reporting Auditor, the Independent Tax Adviser, the Independent Valuer and other professionals' fees.

(3) Assuming the Offering Price of S$1.18 per Unit and the Over-Allotment Option is exercised in full, such commission represents approximately 2.6% of the total amount of the Offering, which includes the financial advisory fee comprising (a) S$500,000 and (b) up to 0.30% of the total amount of the Offering payable to the Sole Financial Adviser to the Offering (regardless of whether or not the Over-Allotment Option is exercised in full). The amount of total commission payable by the Trustee-Manager will be pegged to the Offering Price.

(4) Amounting to S$0.03 per Unit, based on 465,714,974 Units (assuming the Over-Allotment Option is exercised in full).

(5) Includes cost of prospectus production, road show expenses and certain other expenses incurred or to be incurred in connection with the Offering.

(6) The total expenses in relation to the Offering will be ultimately borne by the investors subscribing for Units pursuant to the offering as well as the Original Investors in accordance with their proportionate interests in a-iTrust upon the completion of the Redemption and the Offering.

INFORMATION CONCERNING THE UNITS

Units held by the Original Investors

As at the Latest Practicable Date (as defined herein) and as at the date of this Prospectus, ALI, GE, Great Eastern, Lianhe Investments and Forum respectively hold 64,200,000, 86,102,764, 40,650,407, 14,141,138 and 10,162,602 Original Units, each fully-paid (see "The Formation and Structure of Ascendas India Trust — Background"). None of the Original Investors have been granted any special rights under the Trust Deed that are distinct from the rights enjoyed by any other Unitholder under the Trust Deed.

On the date of this Prospectus, pursuant to the Sub-division, each of ALI, GE, Great Eastern, Lianhe Investments and Forum holds 136,227,487, 182,703,477, 86,257,053, 30,006,413 and 21,564,264 Units, each fully-paid.

Part of the proceeds from the Offering will be applied towards the redemption of some Units from ALI, GE, Great Eastern, Lianhe Investments and Forum respectively.

Original Investors

ALI, the Sponsor, is a direct wholly-owned subsidiary of Ascendas Pte Ltd.

General Electric Company (listed on the New York Stock Exchange) is a diversified services, technology and manufacturing company with operations worldwide. With products and services ranging from aircraft engines, power generation, water processing and security technology to medical imaging, business and consumer financing, media content and advanced materials, General Electric Company serves customers in more than 100 countries and employs more than 300,000 people worldwide. GE is a wholly-owned subsidiary of General Electric Company.

GE Real Estate is one of the world's premier commercial real estate companies with more than US$59 billion in assets and a presence in 28 countries throughout North America, Europe, Asia, and Australia/New Zealand. With a 28% CAGR since 1993, GE Real Estate is one of the world's fastest growing and most profitable real estate enterprises.

Great Eastern is the largest insurance group in Singapore and Malaysia. It is the only life insurance company to be listed on the SGX-ST, and the largest insurance company in South-East Asia in terms of assets and market capitalisation.

Lianhe Investments Pte Ltd is a wholly-owned subsidiary of Singapore Press Holdings Ltd ("**SPH**"). The principal activity of the company consists of investment holding for dealing purposes. Listed on the SGX-ST main board, SPH is the leading media company in Singapore, delivering news and information through print, internet and broadcasting platforms. SPH publishes 14 newspapers in four languages in Singapore, and over 90 magazine titles in Singapore and the region, covering a broad range of interests from lifestyle to information technology. Apart from its core business as a newspaper and magazine publisher, SPH also has interests in properties and outdoor advertising.

Forum Asian Realty Income, L.P. is a private equity fund managed by Forum Partners, a global real estate investment management firm with offices in Asia, Europe and North America and over US$1.9 billion of capital under management on behalf of institutional and individual investors worldwide.

Reserved Units

11,281,000 Units have been reserved under the Public Offer for subscription by the directors, management, employees and business associates of the Sponsor and its related corporations. (See "Summary — The Offering".)

Subscription by the Directors

The Directors and the Executive Officers may subscribe for Units under the Public Offer and/or the Placement Tranche and in such cases, the Trustee-Manager will make announcements via SGXNET as soon as practicable. Save for the Trustee-Manager's internal policy which prohibits the Directors and the Executive Officers from dealing in the Units at certain times, there is no restriction on the Directors and the Executive Officers disposing of or transferring all or any part of their unitholdings. (See "The Trustee-Manager" and "Corporate Governance").

Subscription for more than 5.0% of the Units

To the Trustee-Manager's knowledge, as at the Latest Practicable Date, no person intends to subscribe for more than 5.0% of the Units comprised in the Public Offer. If any persons were to make an application for Units amounting to more than 5.0% of the Units comprised in the Offering and are subsequently allotted or allocated such number of Units, the Trustee-Manager will make the necessary announcements at an appropriate time. The final allocation of Units will be in accordance with the unitholding spread and distribution guidelines set out in Rule 210 of the Listing Manual.

Options on Units

No option to subscribe for Units has been granted to any of the Directors or to the Chief Executive Officer.

Moratorium

Each of the Original Investors, Ascendas Pte Ltd, the Sponsor and the Trustee-Manager has agreed to certain lock-up arrangements. (See "Plan of Distribution — Lock-up Arrangements".)

Ownership of the Units

The following table sets out the principal Unitholders and their unitholdings based on the Offering Price of S$1.18:

Ownership of the Units	Units owned after the Sub-Division as at the date of this Prospectus			Units owned after the Sub-division, the Redemption and the Offering on the Listing Date (assuming that the Over-Allotment Option is not exercised)		Units owned after the Sub-division, the Redemption and the Offering on the Listing Date (assuming that the Over-Allotment Option is exercised in full)	
		(%)	(S$) [1]		(%)		(%)
ALI[2][3]	136,227,487	29.8	0.47	127,637,113	17.0	127,638,388	17.0
GE[4]	182,703,477	40.0	0.58	113,884,000	15.2	89,751,000	12.0
Great Eastern[5]	86,257,053	18.9	0.58	53,766,000	7.2	42,373,000	5.6
Lianhe Investments[6]	30,006,413	6.6	0.58	18,704,000	2.5	14,740,000	2.0
Forum	21,564,264	4.7	0.58	13,442,000	1.8	10,593,000	1.4
Public and institutional investors[7]	—	—	—	423,377,249	56.4	465,714,974	62.0
Total	**456,758,694**	**100.0**	**0.55**[8]	**750,810,362**	**100.0**	**750,810,362**	**100.0**

(1) Effective cash cost per Unit to the Original Investors.

(2) Immediately after the completion of the Sub-division, the Redemption and the Offering, the Sponsor will hold 17% of all the issued Units, assuming that the Over-Allotment Option is exercised in full. As such, the Sponsor will be regarded as a controlling Unitholder for the purposes of the "interested person transaction" rules under the Listing Manual. (See "Corporate Governance — Interested Person Transactions" and "Corporate Governance — Potential Conflicts of Interest".)

(3) Ascendas Pte Ltd, being the holding company of ALI, is deemed to have an interest in the Units held by ALI. Jurong Town Corporation, being the holding company of Ascendas Pte Ltd, is also deemed to have an interest in the Units held by ALI.

(4) General Electric Company, being the holding company of GE, is deemed to have an interest in the Units held by GE.

(5) Great Eastern Holdings Limited, being the holding company of Great Eastern, is deemed to have an interest in the Units held by Great Eastern.

(6) Singapore Press Holdings Limited, being the holding company of Lianhe Investments, is deemed to have an interest in the Units held by Lianhe Investments.

(7) Includes the Reserved Units.

(8) Average effective cash cost per Unit to the Original Investors.

At the time of establishment of a-iTrust, ALI was the sole Unitholder in a-iTrust until the other Original Investors became Unitholders on 29 June 2005. Since then, there has been no change in the percentage of ownership of Units in a-iTrust up to the Latest Practicable Date.

Dilution

Dilution is the amount by which the price paid by the new investors of the Units exceeds the net asset value per Unit immediately after the completion of the Offering. Net asset value per Unit is determined by subtracting the total liabilities of a-iTrust from the total book value of the assets of a-iTrust excluding minority interests and dividing by the number of Units issued in a-iTrust outstanding immediately before the Offering. The pro forma net asset value per Unit as at 31 March 2007 was S$1.01 per Unit.

After giving effect to the issue of 465,714,974 Units at the Offering Price of S$1.18 for each Unit issued and the redemption of 171,663,306 existing Units, the pro forma net asset value of a-iTrust would be approximately S$788.5 million in aggregate or S$1.05 per Unit based on the total number of Units in issue of 750,810,362 after the Offering and Redemption. This is after deducting the estimated Underwriting, Selling and Management Commission relating to the Offering, and the estimated IPO-related expenses borne by a-iTrust taking into account the redemption of units of the Original Investors. This represents an immediate increase in pro forma net asset value of S$0.04 per Unit to the Original Investors and an immediate dilution in pro forma net asset value of S$0.13 per Unit to new investors subscribing for the Units in the Offering at the Offering Price.

The following breakdown illustrates this per Unit dilution as at 31 March 2007 based on the Offering Price of S$1.18 (assuming that the Over-Allotment Option is exercised in full):

- Pro forma net asset value per Unit as at 31 March 2007. S$1.01
- Pro forma net asset value per Unit after the Offering (assuming that the Over-Allotment Option is exercised in full) . . . . S$1.05
- Increase in pro forma net asset value per Unit to the Original Investors attributable to the Offering . . . . S$0.04
- Dilution in pro forma net asset value per Unit to new public investors . . . . S$0.13
- Dilution in pro forma net asset value per Unit to new public investors (as a percentage of Offering Price) 11.0%

DISTRIBUTIONS

- The distribution ("**Distributable Income**") of a-iTrust is substantially based on the cash flow generated from the underlying operations undertaken by the VCUs, being the letting of completed and stabilised properties and the provision of property-related services. The cash flow will be received by a-iTrust in the form of (i) dividend income received or receivable from the Singapore SPV; and (ii) repayments of principal of the shareholder's loan by the Singapore SPV. The dividend income from the Singapore SPV will, in turn, be paid out of interest income (net of withholding tax) derived from the provision of shareholder's loans to the VCUs as well as dividend distributions on the ordinary shares, redeemable preference shares and CCPS from the VCUs. The repayments of principal of the shareholder's loan by the Singapore SPV will, in turn, be out of proceeds received from the repayments of the principal of the shareholder's loans by the VCUs and/or the proceeds from the share buy-back.
- a-iTrust has not made any distribution since its establishment. a-iTrust will distribute 100% of its Distributable Income for the period from the Listing Date to 31 March 2009. Thereafter, a-iTrust will distribute at least 90% of its Distributable Income, with the actual level of distribution to be determined at the Trustee-Manager's discretion. Distributions, when paid, will be in Singapore dollars.

The Distributable Income is arrived at as follows:

VCU Level:

- *To arrive at Consolidated Net Profit from Operations*
  (a) Adding all Net Property Income (or proportional share if a-iTrust owns, directly or indirectly, less than 100% of a VCU) of the VCUs to arrive at consolidated net property income.
  (b) Deducting interest expense on external borrowings, general and administrative expenses (non property-related) and all relevant domestic taxes (if any), including but not limited to corporate income tax and minimum alternate tax, dividend distribution tax on dividends declared by the VCUs and India withholding tax on offshore interest payable, at the VCU level (or proportional share if a-iTrust owns, directly or indirectly, less than 100% of a VCU).
  (c) Deducting earnings reserves required to be set aside under Indian regulations.
  (d) Straight-lining of rent adjustment representing the difference (if any) between the amount of rent due for the relevant period and the amount recorded as Rental Revenue, to adjust for rent-free periods.

Trust and Singapore SPV Levels

- *To derive Distributable Income from Consolidated Net Profit from Operations by making the following adjustments:*
  (a) deducting interest expense on external borrowings (excluding interest payable on external borrowings obtained for the purpose of funding the development of and subsequent leasing up of new properties by the VCUs to the extent as deemed appropriate by the Trustee-Manager[(1)]), fees payable to the Trustee-Manager, general and administrative expenses, other trust expenses, hedging costs and expenses (if any) and taxes (if any), at the a-iTrust and the Singapore SPV levels;
  (b) adding any income from external parties at the Singapore SPV and a-iTrust levels (if any) (for example, interest income on placement of cash balances with banks);

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(1) With regard to borrowings to fund construction activities, interest expense will not be deducted for the following periods:

(a) Construction period: From the commencement date of construction until completion date of such new properties; and

(b) Stabilisation period: At the Trustee-Manager's sole discretion, from the completion date of such new properties until the earlier of (i) six months following such date or (ii) the date at which the new properties attain 70% committed occupancy levels.

(c) deducting unrealised income, gains from the disposal of shares and properties and adding back unrealised expenses (unrealised income and expenses include unrealised exchange differences and accretion and fair value adjustments relating to financial instruments and real properties);

(d) adding back trust expenses (for example, the portion of the Trustee-Manager's management fees) paid in Units (as these are non-cash items); and

(e) adding back any non-recurring expenses (as deemed appropriate by the Trustee-Manager), such as one-time offering-related expenses.

- To the extent that the amount of Distributable Income to be distributed exceeds the amount of cash that the Trustee-Manager may repatriate back to Singapore from India in the form of income, repayment of shareholder's loans or share buy-back, the Trustee-Manager has put in place a Trust Loan Facilities that it will be able to avail of to fund the excess amount. This situation may arise if:

  (i) net profits after tax of the VCUs are not declared and paid as dividends to the Singapore SPV in the current distribution period as a result of:

    (a) repayment of external/third-party borrowings at the VCU level using cash generated from the VCUs' operations; or

    (b) insufficient revenue reserves to frank dividend payments as a result of lease-up operating performance in the initial years of operations of the VCUs. To the extent that such VCUs accumulate sufficient revenue reserves in the future, the VCUs would be able to frank dividend payments annually in the future;

  (ii) trapped cash as a result of Indian accounting rules that require the depreciation of real properties, thus reducing accounting profits available for payment of dividends; or

  (iii) no cash interest is paid by the VCUs on shareholder's loans extended to them by the Singapore SPV for the purpose of funding developments.

- The consolidated leverage of a-iTrust will be substantially maintained at the same levels as the incurrence of borrowings by a-iTrust will be partially offset, to the extent possible, by the use of the unrepatriated cash to repay third-party borrowings at the VCU level.

Semi-annual distributions

- After a-iTrust has been admitted to the Main Board of the SGX-ST, a-iTrust will make distributions to Unitholders on a semi-annual basis, with the amount calculated as at 31 March and 30 September each year for the six-month period ending on each of the said dates. However, a-iTrust's first distribution after the Listing Date will be for the period from the 1 April 2007 to 30 September 2007 and will be paid by the Trustee-Manager on or before 31 December 2007. Subsequent distributions will take place on a semi-annual basis.
- In the event that there are gains arising from sales of the Properties either directly or indirectly through the sales of the shares in the Singapore SPV or in the VCUs, and only if such gains are surplus to the business requirements and needs of a-iTrust and its taxability or otherwise is confirmed by the Inland Revenue Authority of Singapore in the event that the gains arise from the sale of shares in the Singapore SPV or the VCUs, the Trustee-Manager may, at its discretion, distribute such gains. Such gains, if not distributed, will form part of the Trust Property of a-iTrust.
- a-iTrust's primary source of liquidity to fund distributions, payment of non-property expenses and other recurring capital expenditure will be from the receipts of Property Income and any future borrowings. For cash flow management during the initial period immediately after listing, a-iTrust will set aside certain amount of the IPO proceeds as working capital.
- Unitholders will be exempt from Singapore income tax on distributions made by a-iTrust. No Singapore withholding tax is applicable on such distributions.

(See "Taxation" and Appendix C, "Independent Taxation Report".)

EXCHANGE RATE INFORMATION

The table below sets forth, for the period from 2002 to June 2007, information concerning the exchange rates between (i) Indian Rupees and Singapore dollars (in Indian Rupees per Singapore dollar) and (ii) US dollars and Indian Rupees (in US dollar per Indian Rupee). The exchange rates were based on the average between the bid and offer rates of the currency as obtained from Bloomberg[(1)]. No representation is made that (i) the Indian Rupee amounts actually represent such Singapore dollar amounts or could have been or could be converted into Singapore dollars or (ii) the US dollar amounts actually represent such Indian Rupee amounts or could have been or could be converted into Indian Rupees at the rates indicated, at any other rate, or at all.

	Indian Rupee/Singapore dollar		
Period ended	**Average**	**High**	**Low**
2002	27.1540	28.1255	26.0556
2003	26.7300	27.7398	25.9458
2004	26.8024	27.5282	25.9877
2005	26.4931	27.5441	25.6329
2006	28.5208	29.6437	27.0304
January 2007	28.8077	29.0104	28.7042
February 2007	28.7855	28.9637	28.5730
March 2007	28.8398	29.2036	28.3415
April 2007	27.8595	28.6541	26.9701
May 2007	26.8017	27.2739	26.4855
June 2007[(2)]	26.5295	26.6972	26.4587

	US dollar/Indian Rupee		
Period ended	**Average**	**High**	**Low**
2002	0.0206	0.0209	0.0204
2003	0.0215	0.0221	0.0208
2004	0.0221	0.0230	0.0215
2005	0.0227	0.0232	0.0216
2006	0.0221	0.0227	0.0213
January 2007	0.0226	0.0226	0.0224
February 2007	0.0226	0.0227	0.0226
March 2007	0.0227	0.0232	0.0224
April 2007	0.0237	0.0245	0.0230
May 2007	0.0245	0.0247	0.0241
June 2007[(2)]	0.0245	0.0247	0.0243

(1) Source: Bloomberg. Bloomberg has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 282O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by Bloomberg is reproduced in its proper form and context and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

(2) As at the Latest Practicable Date.

Exchange Controls

Restrictions on Conversion of Rupees into Foreign Currency

There are certain restrictions on the conversion of Rupees into foreign currency. FEMA regulates transactions involving foreign exchange and provides that certain transactions cannot be carried out without the general or special permission of the RBI. FEMA has eased restrictions on most current account transactions.

However, the RBI continues to exercise significant control over capital account transactions (ie, those which alter the assets or liabilities, including contingent liabilities, of persons). The RBI has issued regulations under the FEMA to regulate the various kinds of capital account transactions, including certain aspects of the purchase and issuance of shares of Indian companies. The RBI has also permitted authorised dealers to freely allow remittances by Indian resident individuals of up to US$50,000 per calendar year for any permissible current or capital account transactions or a combination of both.

(See "General Information — Exchange Controls".)

CAPITALISATION AND INDEBTEDNESS

The following table sets forth our cash and cash-equivalents, capitalisation and indebtedness as at 31 May 2007 on pro forma basis and after application of the total proceeds from the Offering, based on the Offering Price of S$1.18 per Unit. The pro forma capitalisation and indebtedness of the a-iTrust Group is adjusted as if the acquisition of additional interest of AITPCL by a-iTrust had occured on 31 May 2007. See "Appendix A — Note 2: Acquisition of Additional Interest in Ascendas IT Park (Chennai) Limited" for more information on the acquisition of additional interest in Ascendas IT Park (Chennai) Limited. The information in the table below should be read in conjunction with "Use of Proceeds".

	Pro Forma as at 31 May 2007	Adjustments for our net proceeds from the Offering(1)	Adjustments for the Redemption, the AITPCL Share Purchase and repayment of borrowings using proceeds from Offering(1)	As adjusted at 31 May 2007
	S$'000	S$'000	S$'000	S$'000
Cash and cash-equivalents	80,272	538,087	(527,850)	90,509
Borrowings (current portion) — secured	143,827		(142,003)	1,824
Borrowings (non-current portion) — secured	146,848	10,000(2)	(120,284)	36,564
Total borrowings	290,675	10,000	(262,287)	38,388
Net assets attributable to Unitholders	495,569	528,087	(202,563)	821,093
Minority interest	36,072	—	—	36,072
Total capitalisation and indebtedness	822,316	538,087	(464,850)	895,553

(1) Based on the Offering Price of S$1.18 per Unit and assuming the Over-Allotment Option is exercised in full. See "Use of Proceeds".

(2) Includes new borrowing of S$10 million from the Trust Loan Facilities assumed to be drawn down.

Indebtedness

Trust Level

Pre-IPO Facility

As at the date of this Prospectus, a-iTrust has in place the Pre-IPO Facility obtained from JPMorgan Chase Bank, N.A. (the "**Lender**"). The Pre-IPO Facility comprises two term loan facilities as follows:

- a S$95.0 million term loan facility dated 21 February 2007, to be used to finance the acquisition of a 59.3% interest in AITPCL, and to repay a bridging loan from the Sponsor to finance the acquisition of CPITPPL; and
- a S$25.0 million term loan facility dated 30 April 2007, to be used to finance the construction of the fifth building of The V.

The facilities will mature nine months from the respective date of the facilities or on the Listing Date, whichever is the earlier. Interest is at a floating rate of the swap offering rate plus 35 basis points. As at 31 May 2007, an aggregate of S$120 million of the amount under both facilities remains outstanding. The facility amounts are secured by a pledge over the total issued share capital of the Singapore SPV, and there is a negative pledge over the Properties. AITPCL is also subject to a cap on its additional borrowings of up to Rs. 550 million.

Part of the proceeds from the Offering will be used to repay in full the S$120 million drawn down under the Pre-IPO Facility.

Trust Loan Facilities

As at the date of this Prospectus, a-iTrust has been offered an 18-month term loan facility from Citibank and DBS for the sum of S$120 million and a revolving credit facility for the sum of S$20 million, secured by, *inter alia*, a pledge over the total issued share capital of the Singapore SPV.

Under the terms of the facilities, there is a negative pledge on the Properties. a-iTrust, *inter alia*, shall not increase its indebtedness at the VCU level without the approval of Citi and DBS, and shall not enter into sale and lease-back transactions.

The facilities will mature or expire on the earlier of (a) 31 March 2009, or (b) 18 months from the date of the facilities' first drawdown, subject to Citi's and DBS' review of the revolving credit facility from time to time.

Interest is at a floating rate of the swap offering rate plus 70 basis points. A commitment fee of 0.25% is payable on amounts undrawn under the facilities. An upfront flat fee of 0.30% is also payable on the amount of the facilities.

VCU Level

As at 31 March 2007, the respective VCUs have in place the various debt facilities set out below. The Trustee-Manager intends to repay with the gross proceeds from the IPO, all the VCU level debt, with the exception of the Exim Bank and Indian Bank term loan facilities at ITPL and the State Bank of India and Standard Chartered Bank term loan facilities at AITPCL. The two tranches outstanding at AITPCL are intended to be pre-paid post IPO during the Forecast Year 2008.

ITPL

- a Rs. 250 million term loan facility extended by the Export Import Bank of India ("**Exim Bank**") to ITPL on 8 October 2004. Proceeds from the facility were applied towards the construction of Inventor building. The facility will mature on 20 September 2011. As at 31 March 2007, interest is at a fixed rate of 7.70% per annum, and Rs. 108 million of the facility amount remains outstanding. The facility amount is secured by (i) a first charge on a *pari passu* basis over the fixed assets and immovable properties pertaining to Phase IA, Phase IB and Phase IC of ITPB; (ii) an irrevocable power of attorney dated 12 October 2004 authorising Exim Bank to effect sale of the premises/units comprised in Phase IA, Phase IB and Phase IC of ITPB, upon occurrence of an event of default and (iii) a *pari passu* charge over the immovable property of ITPL having a market value of Rs. 2.65 billion as at 21 December 2004. Under this facility, ITPL shall not during the subsistence of its liability to the bank under or in respect of the credit facilities, without the written consent of Exim Bank, *inter alia*:

– create any mortgage, charge, lien or other encumbrance in any form whatsoever over any of its assets and properties constituting the security, except a *pari passu* charge in favour of any term lender(s) who may have co-financed or agreed to co-finance the project;

– create, incur or assume any other indebtedness of any nature whether for borrowed money or otherwise, except for its working capital requirements in the ordinary course of business;

– sell, assign, mortgage, lease, alienate in any manner whatsoever or otherwise dispose of, any of the fixed assets charged to Exim Bank;

– amend its Memorandum or Articles of Association or alter its capital structure or its shareholding pattern;

– alter the scope of the project or implement a new scheme of diversification of expansion or set up a new project; and

– declare a dividend or distributable profits after deduction of taxes, except where the instalment of principal and interest payable to the bank in respect of the credit facilities are being paid regularly and there are no irregularities whatsoever in respect of any of the credit facilities and declare dividends only out of its profits.

• There were orginially four term loan facilities entered into between Housing Development Finance Corporation Limited ("**HDFC**") and ITPL. As of 29 September 2004, these term loan facilities were restructured into two term loan facilities, as described below:

(a) a term loan facility for an amount of Rs. 1.2 billion. Proceeds from the facility were applied towards the construction of Discoverer, Innovator, Creator and Explorer buildings. This facility will mature on 30 September 2010, and interest is at a fixed rate of 7.5% per annum. As at 31 March 2007, Rs. 323.4 million of the facility amount remains outstanding. This facility is secured by (i) a first *pari passu* charge over the immovable properties of ITPL having a market value of Rs. 2,650 million as at 21 December 2004; (ii) demand promissory notes executed in favour of HDFC; and (iii) a hypothecation of the whole of the movable properties of ITPL, present and future, on a *pari passu* basis. Under the facility, ITPL shall not during the subsistence of its liability to the bank under or in respect of the credit facilities, without the written consent of HDFC, *inter alia*:

– create any mortgage, charge, lien or other encumbrance in any form whatsoever over any of its assets and properties constituting the security, except a *pari passu* charge in favour of any term lender(s) who may have co-financed or agreed to co-finance the project;

– create, incur or assume any other indebtedness of any nature whether for borrowed money or otherwise, except for its working capital requirements in the ordinary course of business;

– sell, assign, mortgage, lease, alienate in any manner whatsoever or otherwise dispose of, any of the fixed assets charged to HDFC;

– effect any material change in the composition of its board of directors or make any drastic change in their management set up or ownership of its business;

- amend its Memorandum or Articles of Association or alter its capital structure or its shareholding pattern;
- alter the scope of the project or implement a new scheme of diversification of expansion or set up a new project;
- declare a dividend or distributable profits after deduction of taxes, except where the instalment of principal and interest payable to the bank in respect of the credit facilities are being paid regularly and there are no irregularities whatsoever in respect of any of the credit facilities and declare dividends only out of its profits;
- change the use of the property and if such use is changed, the bank will be entitled to charge a higher rate of interest; and
- refinance any borrowings charged with the bank.

(b) a term loan facility for an amount of Rs. 1.2 billion. Proceeds from the facility were applied towards the construction of Discoverer, Innovator, Creator and Explorer buildings. This facility will mature on 30 September 2010, and interest is at a floating rate based on HDFC's prime lending rate. As at 31 March 2007, the rate of interest is 11.25% per annum and Rs. 323.4 million of the facility amount remains outstanding. This facility is secured by (i) a first *pari passu* charge over the immovable properties of ITPL having a market value of Rs. 2,650 million as at 21 December 2004; (ii) demand promissory notes executed in favour of HDFC; and (iii) a hypothecation of the whole of the movable properties of ITPL, present and future, on a *pari passu* basis. Under the facility, ITPL shall not during the subsistence of its liability to the bank under or in respect of the credit facilities, without the written consent of HDFC, *inter alia*:

- create any mortgage, charge, lien or other encumbrance in any form whatsoever over any of its assets and properties constituting the security, except a *pari passu* charge in favour of any term lender(s) who may have co-financed or agreed to co-finance the project;
- create, incur or assume any other indebtedness of any nature whether for borrowed money or otherwise, except for its working capital requirements in the ordinary course of business;
- sell, assign, mortgage, lease, alienate in any manner whatsoever or otherwise dispose of, any of the fixed assets charged to HDFC;
- effect any material change in the composition of its board of directors or make any drastic change in their management set up or ownership of its business;
- amend its Memorandum or Articles of Association or alter its capital structure or its shareholding pattern;
- alter the scope of the project or implement a new scheme of diversification of expansion or set up a new project;
- declare a dividend or distributable profits after deduction of taxes, except where the instalment of principal and interest payable to the bank in respect of the credit facilities are being paid regularly and there are no irregularities whatsoever in respect of any of the credit facilities and declare dividends only out of its profits;
- change the use of the property and if such use is changed, the bank will be entitled to charge a higher rate of interest; and
- refinance any borrowings charged with the bank.

• a Rs. 500 million term loan facility was extended by HDFC Bank Limited ("**HDFC Bank**") to ITPL on 20 November 2006. Proceeds from the facility were applied towards the construction of Navigator building and related infrastructure upgrading. The facility will mature on 12 September 2011. As at 31 March 2007, interest is at a fixed rate of 8.75% per annum, and Rs. 500 million of the facility amount remains outstanding. The facility amount is secured by (i) a first *pari passu* charge over immovable property admeasuring 26 acres at ITPB; (ii) a demand promissory note and a letter of continuity in relation to the demand promissory note, both dated 20 November 2006, executed in favour of HDFC Bank, for an amount of Rs. 500 million, together with interest at the rate of 2.75% lower than the prime lending rate of HDFC Bank (8.75% at the time of borrowing); and (iii) a letter of general lien and set-off dated 20 November 2006 in favour of HDFC Bank. Under this facility, ITPL shall not during the subsistence of its liability to the bank under or in respect of the credit facilities, without the written consent of HDFC Bank:

- create any mortgage, charge, lien or other encumbrance in any form whatsoever over any of its assets and properties constituting the security, except a pari passu charge in favour of any term lender(s) who may have co-financed or agreed to co-finance the project; and
- sell, assign, mortgage, lease, alienate in any manner whatsoever or otherwise dispose of, any of the fixed assets charged to HDFC Bank.

• a Rs. 250 million medium term loan facility extended by Indian Bank to ITPL on 25 June 2004. Proceeds from the facility were applied towards the construction of Inventor building. The facility will mature on 27 September 2011, and interest is at a fixed rate of 7.75% per annum. As at 31 March 2007, Rs. 108 million of the facility amount remains outstanding. The facility amount is secured by (i) a first *pari passu* charge over 26 acres 3 guntas of immovable property of ITPB; (ii) a *pari passu* agreement dated 21 December 2004 between Indian Bank and HDFC for common security, ranking *pari passu* without any preference or priority of one over the other, between the loan of Rs. 250 million by Indian Bank and aggregate loan of Rs. 2.4 billion by HDFC, over ITPL's property at ITPB; and (iii) an irrevocable power of attorney dated 19 October 2004, authorising Indian Bank to *inter alia*, effect a sale of the premises/units comprised in Phase IA, Phase IB and Phase IC of ITPB, upon an occurrence of an event of default. Under this facility, ITPL shall not during the subsistence of its liability to the bank under or in respect of the credit facilities, without the written consent of Indian Bank:

- create any mortgage, charge, lien or other encumbrance in any form whatsoever over any of its assets and properties constituting the security, except a pari passu charge in favour of any term lender(s) who may have co-financed or agreed to co-finance the project;
- create, incur or assume any other indebtedness of any nature whether for borrowed money or otherwise, except for its working capital requirements in the ordinary course of business;
- sell, assign, mortgage, lease, alienate in any manner whatsoever or otherwise dispose of, any of the fixed assets charged to Indian Bank;
- effect any material change in the composition of its board of directors or make any drastic change in their management set up or ownership of its business;
- amend its Memorandum or Articles of Association or alter its capital structure or its shareholding pattern;
- alter the scope of the project or implement a new scheme of diversification of expansion or set up a new project;
- withdraw or allow to be withdrawn any money brought in by its promoters and directors or relatives and friends of the promoters or directors;
- declare a dividend or distributable profits after deduction of taxes, except where the instalment of principal and interest payable to the bank in respect of the credit facilities are being paid regularly and there are no irregularities whatsoever in respect of any of the credit facilities and declare dividends only out of its profits; and
- invest any funds by way of deposits, or loan or advance or provide financing or in share capital of any other concern (including subsidiaries) as long as any money is due to the bank.

- a ¥1.8 billion (Rs. 700 million) term loan facility was extended by DBS Bank Ltd to ITPL on 18 April 2006. Proceeds from the facility were applied towards the construction of Navigator building and related infrastructure upgrading. The facility will mature on 25 April 2011. As at 31 March 2007, interest is at a fixed rate of 7.22% per annum. Rs. 700 million of the facility amount remains outstanding. The facility amount is secured by (i) a deed of hypothecation over ITPL's movable assets, present and future, ranking *pari passu* with other existing lenders of ITPL; (ii) an equitable mortgage dated 9 December 2004 on the land and building over immovable properties, present and future of ITPL, ranking *pari passu* with other existing lenders of ITPL; (iii) a demand promissory note and a letter of continuity in relation to the demand promissory note, both dated 20 November 2006, executed in favour of HDFC Bank (on behalf of DBS Bank Ltd), for an amount of Rs. 500 million, together with interest at the rate of 2.75% lower than the prime lending rate of HDFC Bank (8.75% at the time of borrowing); and (iv) a letter of general lien and set-off dated 20 November 2006 in favour of HDFC Bank (on behalf of DBS Bank Ltd). The facility proceeds will be used to part finance the project cost of Rs. 1.57 billion for development, design, construction, completion, operation and maintenance of industrial park at Phase 1D. Under this facility, ITPL shall not during the subsistence of its liability to the bank under or in respect of the credit facilities, without the written consent of HDFC Bank (on behalf of DBS Bank Ltd):
  - create, incur or assume any other indebtedness of any nature whether for borrowed money or otherwise, except for its working capital requirements in the ordinary course of business;
  - undertake or permit any merger, de merger, consolidation reorganisation, scheme of arrangement or compromise with the creditors or shareholders or effect any scheme of amalgamation or reconstruction including creation of any subsidiary or permit any company to become its subsidiary;
  - undertake guarantee obligations or in any manner become directly or contingently liable for or in connection with the obligation of any other company, firm or person, except those in the normal course of business;
  - amend its Memorandum or Articles of Association or alter its capital structure or its shareholding pattern;
  - declare a dividend or distributable profits after deduction of taxes, except where the instalment of principal and interest payable to the bank in respect of the credit facilities are being paid regularly and there are no irregularities whatsoever in respect of any of the credit facilities and declare dividends only out of its profits;
  - invest any funds by way of deposits, or loan or advance or provide financing or in share capital of any other concern (including subsidiaries) as long as any money is due to HDFC Bank;
  - refinance any borrowings charged with HDFC Bank; and
  - enter into derivative contracts linked to the nature or currency of interest and/or principal repayments of the loan facility.

VITPPL

- a Rs. 75 million term loan facility, a Rs. 225 million revolving line of credit and a Rs. 5 million bank guarantee facility, all extended by UTI Bank Limited to VITPPL on 21 November 2003. Proceeds from the facility were applied towards the construction of Orion building. The facilities will mature on 14 December 2007. Interest is at a floating rate based on semi-annual yield available for 5-year benchmark security as per the Fixed Income Money Market and Derivative Association of India. As at 31 March 2007, interest for all the facilities is at a rate of 8.5% per annum, and an aggregate amount of Rs. 101 million remain outstanding on these facilities. The amounts under these facilities are secured by (i) an exclusive first charge over the entire fixed assets (movable and immovable) of Phase I (Mariner Block) and Phase III (Orion Block) situated over 14 acres of land at The V, along with building and structures constructed or to be constructed thereon, fixed and movable assets including plant and machinery (present and future); (ii) an exclusive first charge over all the lease rentals, outstanding monies receivable from Phase I, Phase II and Phase III, present and future, and VITPPL's movable fixed assets, present and future, situated over 14 acres of land at The V. Under these facilities, VITPPL shall not during the subsistence of its liability to the bank under or in respect of the credit facilities, without the written consent of UTI Bank Limited:

- sell, assign, mortgage, lease, alienate in any manner whatsoever or otherwise dispose of, any of the fixed assets charged to the bank;
- create any mortgage, charge, lien or other encumbrance in any form whatsoever over any of its assets and properties constituting the security, except a pari passu charge in favour of any term lender(s) who may have co-financed or agreed to co-finance the project;
- effect any material change in the composition of its board of directors or make any drastic change in their management set up or ownership of its business;
- permit any change in its ownership or control whereby its effective beneficial ownership or control is changed;
- amend its Memorandum or Articles of Association or alter its capital structure or its shareholding pattern;
- change the use of the property and if such use is changed, the bank will be entitled to charge a higher rate of interest;
- create, incur or assume any other indebtedness of any nature whether for borrowed money or otherwise, except for its working capital requirements in the ordinary course of business;
- undertake or permit any merger, de merger, consolidation reorganisation, scheme of arrangement or compromise with the creditors or shareholders or effect any scheme of amalgamation or reconstruction including creation of any subsidiary or permit any company to become its subsidiary;
- receive, compound or realise any of the said debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented; or
- undertake guarantee obligations or in any manner become directly or contingently liable for or in connection with the obligation of any other company, firm or person, except those in the normal course of business.

AITPCL

- a Rs. 515 million term loan facility extended by HDFC to AITPCL on 16 December 2004. Proceeds from the facility were applied towards the construction of Pinnacle building. The facility will mature on 16 December 2011. As at 31 March 2007, interest is at a fixed rate of 10.75% per annum and Rs. 515 million of the facility amount remains outstanding. The facility amount is secured by a mortgage over five acres of land in Phase I of ITPC. Under this facility, AITPCL shall not:
  - change the use of property for which the loan was taken without HDFC's consent;
  - undertake any merger/amalgamation/compromise without HDFC's consent; and
  - raise loans from any other source without HDFC's consent during the period for which the loan subsists.
- a Rs. 60 million term loan facility extended by HDFC to AITPCL on 1 September 2005. Proceeds from the facility were applied towards the construction of Pinnacle building. The facility will mature on 15 September 2012. As at 31 March 2007, interest is at a fixed rate of 7.90% per annum and Rs. 60 million of the facility amount remains outstanding. The facility amount is secured by a *pari passu* charge with Indian Bank over five acres of land in Phase I of ITPC. Under this facility, AITPCL shall not:
  - change the use of property for which the loan was taken without HDFC's consent;

- undertake any merger/amalgamation/compromise without HDFC's consent; and
- raise loans from any other source without HDFC's consent during the period for which the loan subsists.

- a Rs. 500 million term loan facility extended by HDFC to AITPCL on 26 September 2005. Proceeds from the facility were applied towards the construction of second building at ITPC (Crest). The facility will mature on 20 October 2012. As at 31 March 2007, interest is at a fixed rate of 7.9% per annum and Rs. 50 million of the facility amount remains outstanding. The facility amount is secured by a *pari passu* charge over the assets and immovable property in ITPC. Under this facility, AITPCL shall not:
  - change the use of property for which the loan was taken without HDFC's consent;
  - undertake any merger/amalgamation/compromise without HDFC's consent; and
  - raise loans from any other source without HDFC's consent during the period for which the loan subsists.
- a Rs. 350 million term loan facility extended by Indian Bank to AITPCL on 16 December 2004. Proceeds from the facility were applied towards the construction of Pinnacle building. The facility will mature on 20 January 2012. As at 31 March 2007, interest is at a fixed rate of 10.5% per annum and Rs. 338 million of the facility amount remains outstanding. The facility amount is secured by a *pari passu* charge over five acres of land in Phase I of ITPC. Under this facility, AITPCL shall not:
  - change the use of property for which the loan was taken without Indian Bank's consent;
  - undertake any merger/amalgamation/compromise without Indian Bank's consent; and
  - raise loans from any other source without Indian Bank's consent during the period for which the loan subsists.
- a Rs. 500 million term loan facility extended by State Bank of India ("**SBI**") to AITPCL on 24 October 2005. Proceeds from the facility were applied towards the construction of second building at ITPC (Crest). The loan will mature on 18 November 2012. As at 31 March 2007, interest is at a fixed rate of 7.25% per annum and Rs. 370 million of the facility amount remains outstanding. The facility amount is secured by a first charge on *pari passu* basis on the fixed assets of AITPCL in respect of Phase II of ITPC, including an equitable mortgage over five acres of land together with the buildings to be constructed thereon at a total cost of Rs. 1.6 billion. Under this facility, AITPCL shall not:
  - change its capital structure without SBI's approval;
  - induct a person as director who has been identified as wilful defaulter and should take expeditious steps for removal of such person, if any, from the board; and
  - raise any loans from any other source (aside from the banks which financed Phase II of ITPC) for Phase II without obtaining the prior written permission of SBI.
- a Rs. 300 million term loan facility extended by Standard Chartered Bank to AITPCL on 16 November 2005. Proceeds from the facility were applied towards the construction of second building at ITPC (Crest). The facility will mature on 1 January 2013. As at 31 March 2007, interest is at a fixed rate of 9.5% per annum and Rs. 250 million of the facility amount remains outstanding. The facility amount is secured by a first *pari passu* charge by way of equitable mortgage of Phase II of ITPC along with current assets arising out of the same. Under this facility, AITPCL shall not raise any loans from any other source for Phase II without obtaining the prior written permission of Standard Chartered Bank.

CPITPPL

- a Rs. 509 million term loan facility and a Rs. 511 million term loan facility, both extended by Indian Bank to CPITPPL on 14 March 2005. Proceeds from the facility were applied towards the construction of Phase 1A and 1B of CyberPearl. The facilities will both mature on 31 March 2012. As at 31 March 2007, interest for both facilities was 11% per annum, and an aggregate amount of Rs. 673 million under these facilities remains outstanding. The amounts under these facilities are secured by (i) an exclusive first charge on the immovable properties measuring 6 acres situated at Plot No. 9, Hitec City, Survey No. 64 (Part), Madhapur Village, Serilingampally, Ranga Reddy District ("**Plot 9**"), along with building and structures constructed or to be constructed thereon, fixed and movable assets including plant and machinery (present and future); (ii) by exclusive first charge over CPITPPL's movable assets, present and future, situated over Plot 9; and (iii) a demand promissory note dated 14 March 2005 executed in favour of Indian Bank for an amount of Rs. 1.0 billion, together with interest at the rate of 12.5% or such other rate, as determined by Indian Bank. Under these facilities, CPITPPL shall not, during the subsistence of its liability to Indian Bank and under or in respect of the facilities, without the written consent of Indian Bank:
  - sell, assign, mortgage, lease, alienate in any manner whatsoever or otherwise dispose of, any of the fixed assets charged to Indian Bank;
  - create any mortgage, charge, lien or other encumbrance in any form whatsoever over any of its assets and properties constituting the security, except a *pari passu* charge in favour of any term lender(s) who may have co-financed or agreed to co-finance the project;
  - change the use of the property and if such use is changed, the bank will be entitled to charge a higher rate of interest;
  - create, incur or assume any other indebtedness of any nature whether for borrowed money or otherwise, except for its working capital requirements in the ordinary course of business;
  - undertake or permit any merger, de merger, consolidation reorganisation, scheme of arrangement or compromise with the creditors or shareholders or effect any scheme of amalgamation or reconstruction including creation of any subsidiary or permit any company to become its subsidiary; or
  - undertake guarantee obligations or in any manner become directly or contingently liable for or in connection with the obligation of any other company, firm or person, except those in the normal course of business.

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

The following tables present the unaudited pro forma consolidated income statement, unaudited pro forma consolidated balance sheet and unaudited pro forma consolidated cash flow statement of a-iTrust Group. Such pro forma financial statements should be read in conjunction with the related notes thereto.

a-iTrust's reporting auditors, PricewaterhouseCoopers, have reported on the unaudited pro forma consolidated financial statements of a-iTrust Group for the year ended 31 March 2007, and their report is set out in Appendix A, "Reporting Auditor's Report on Examination of the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007". The Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007 have been prepared on the bases set out in Appendix A, "Reporting Auditor's Report on Examination of the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007".

The pro forma financial statements are based on certain assumptions after making certain adjustments to show what:

(a) the financial results of a-iTrust Group for the financial year ended 31 March 2007, would have been if the acquisition of CPITPPL during the year, and the acquisitions of additional interest in AITPCL by a-iTrust, had occurred on 1 April 2006.

(b) the financial position of a-iTrust Group as at 31 March 2007, would have been if the acquisition of CPITPPL during the year, and the acquisitions of additional interest in AITPCL by a-iTrust, had occurred on 31 March 2007.

(c) the changes in Unitholders' funds, and the cash flows of a-iTrust Group for the financial year ended 31 March 2007, would have been if the acquisition of CPITPPL during the year, and the acquisitions of additional interest in AITPCL by a-iTrust, had occurred on 1 April 2006.

The Unaudited Pro Forma Consolidated Financial Statements of the Group, because of their nature, may not give a true picture of the Group's actual financial results, financial position, changes in unitholders' funds and cash flows.

Apart from the inclusion of the summary of the information in a-iTrust Group's financial statements for the year ended 31 March 2007 in Appendix B2, "Summary Financial Information", which has been requested by the SGX-ST, the Trustee-Manager has not included the historical audited consolidated financial information of a-iTrust Group for the past two financial years ended 31 March 2006 and 31 March 2007 in this Prospectus as the Trustee-Manager believes that:

- the historical financial performance of a-iTrust will not be an accurate indicator or representative of a-iTrust's future performance and is unlikely to add any real value to investors in their assessment of whether to invest in a-iTrust given that two of the Properties, namely ITPC and CyberPearl, were acquired by a-iTrust only in the financial year ended 31 March 2007 and the Properties have been, and are still undergoing phased development, with the increase in the asset size of a-iTrust over the last two financial years and the years thereafter; and
- actual historical audited financial information of a-iTrust may be misleading to investors and may give rise to inaccurate expectations of the future performance of a-iTrust as certain buildings on the Properties, namely Inventor at ITPB and Capella at The V, experienced exceptionally strong lease-up very shortly after their respective completion in November 2004 and July 2005 respectively and the financial results of the relevant VCUs did not therefore reflect the impact of the development drag for the years in which the buildings were completed. The Trustee-Manager believes that the particularly strong lease-up profiles were largely the product of the exponential growth of the IT and ITES sectors in the earlier stages of the cycle and the tighter IT park real estate supply environment which resulted in higher net space absorption over the past few years

and may not be reflective of the greater potential supply environment over the next two years. As such, the Trustee-Manager believes that the historical audited financial information for the years ended 31 March 2006 and 31 March 2007, if included in this Prospectus, may be misleading and confusing to prospective investors as they would not be able to draw a logical comparison or trend when reading the information contained therein and the assumptions set out in "Profit Forecast and Profit Projection". Prospective investors may be led into acquiring the Units on the expectation that the other developments of a-iTrust will achieve a similar lease-up profile upon their completion.

An application has been made to the MAS for a waiver of the requirement to include the historical audited consolidated financial information of a-iTrust Group for the financial years ended 31 March 2006 and 31 March 2007. The MAS has, on the basis that the cost of compliance outweighs any benefit to a-iTrust and the Unitholders, granted a-iTrust a waiver from the requirement to include the historical audited consolidated financial information of a-iTrust Group for the financial years ended 31 March 2006 and 31 March 2007, conditional upon the inclusion in this Prospectus of:

(i) the profit forecast and profit projection from 1 April 2007 to 31 March 2009; and

(ii) a statement disclosing the reasons why historical audited consolidated financial information of a-iTrust Group for the past financial years ended 31 March 2006 and 31 March 2007 as required under paragraphs 2 to 15 of Part X of the Fourth Schedule to the Securities and Futures (Offer of Investments)(Business Trusts)(No. 2) Regulations 2005 were not provided in this Prospectus,

in lieu of such historical audited consolidated financial information.

Unaudited Pro Forma Consolidated Income Statement for the year ended 31 March 2007

	a-iTrust Group 2007 S$'000
Property Income	
Base rent	50,584
Amenities income	2,212
Fit-out rental income	3,932
Operations and maintenance income	25,851
Car park income	1,645
Other income	366
Total property income	84,590
Property Expenses	
Operating, maintenance and security	(6,410)
Business tax	(22)
Property tax	(675)
Property management fees	(2,990)
Utilities expenses	(15,880)
Employee benefits	(355)
Other property operating expenses	(7,066)
Total property expenses	(33,398)
Net Property Income	51,192
Net Property Development Income	
Property development income	38,347
Property development cost	(29,841)
Net Property Development Income	8,506
Trustee-Manager's fees	(7,742)
Other trust operating expenses	(695)
Fair value losses on derivatives	(2,693)
Finance cost	(9,075)
Interest income	1,111
Excess of interest of a-iTrust Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company	25,216
Loss on dilution of interest in a subsidiary company	(26,963)
	(20,841)
Profit before tax	38,857
Income tax expense	(6,246)
Net Profit	**32,611**
Attributable to:	
Unitholders of the Trust	30,220
Minority interests	2,391
	32,611
Earnings per unit[(1)] attributable to unitholders of the Trust (expressed in cents per unit)	
Basic	6.6
Diluted[(2)]	4.0

(1) We calculated our earnings per unit based on the number of units outstanding prior to completion of the offering after deducting the amount of net profit attributatble to minority interests and taking into account the sub-division of units.

(2) Adjusted for the issue of 465,714,974 new Units assuming the Over-Allotment Option is exercised in full and the redemption of 171,663,306 existing units.

Unaudited Pro Forma Consolidated Balance Sheet as at 31 March 2007

	a-iTrust Group 2007 S$'000
ASSETS	
Non-current assets	
Equipment	4,852
Development properties	104,367
Investment properties	782,264
Goodwill	41,216
Finance lease receivables	14
	932,713
Current assets	
Inventories	1,076
Other current assets	15,874
Trade and other receivables	33,533
Current income tax recoverable	3,889
Cash and cash equivalents	48,434
	102,806
Total assets	1,035,519
LIABILITIES	
Current liabilities	
Trade and other payables	144,992
Borrowings	127,039
Derivative financial instruments	890
	272,921
Non-current liabilities	
Other payables	9,952
Borrowings	123,034
Deferred income tax liabilities	132,102
	265,088
Total liabilities	538,009
NET ASSETS	497,510
UNITHOLDERS' FUNDS	
Units on issue	250,000
Other reserves	135,462
Revenue reserve	77,625
Net assets attributable to unitholders	463,087
Minority interests	34,423
	497,510

Unaudited Pro Forma Consolidated Cash Flow Statement for the year ended 31 March 2007

	a-iTrust Group 2007 S$'000
Cash flows from operating activities	
Net profit	32,611
Adjustments for:	
Income tax	6,246
Depreciation of equipment	1,383
Loss on disposal of equipment	30
Interest income	(1,111)
Interest expense	9,010
Investment properties written off	408
Fair value loss on derivatives	2,693
Loss on dilution of interest in a subsidiary company	26,963
Excess of the interest of a-iTrust Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company	(25,216)
Operating cash flow before working capital changes	53,017
Changes in operating assets and liabilities, net of effects from acquisitions and disposals of subsidiary companies	
Inventories	18
Trade and other receivables	(14,152)
Trade and other payables	7,304
Cash generated from operations	46,187
Interest paid	(7,688)
Interest received	663
Income tax paid	(3,734)
Net cash generated from operating activities	35,428
Cash flows from investing activities	
Purchase of equipment	(796)
Construction of development properties	(16,862)
Additions to investment properties	(19,069)
Cash settlement for cross-currency interest rate swaps	(1,803)
Proceeds from disposal of equipment	23
Proceeds from disposal of investment properties	43
Acquisition of subsidiary companies, net of cash acquired	(68,956)
Net cash used in investing activities	(107,420)
Cash flows from financing activities	
Repayment of borrowings	(2,628)
Proceeds from borrowings	122,643
Fixed deposits pledged with financial institutions	1,764
Net cash generated from financing activities	121,779
Net increase in cash and cash equivalents	49,787
Cash and cash equivalents at beginning of financial year	3,579
Effects of exchange rate changes on cash and cash equivalents	70
Pro Forma adjustments	(7,860)
Cash and cash equivalents at end of financial year	45,576

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Unaudited Pro Forma Consolidated Financial Statements of a-iTrust Group for the year ended 31 March 2007, which comprise the unaudited pro forma consolidated income statement, unaudited pro forma consolidated balance sheet, the unaudited pro forma consolidated statement of changes in unitholders' funds and pro forma consolidated cash flow statement of the a-iTrust Group, have been prepared for illustrative purposes only, and are based on certain assumptions after making certain adjustments to show what:

(a) the financial results of a-iTrust Group for the financial year ended 31 March 2007, would have been if the acquisition of CPITPPL during the year, and the acquisitions of additional interest in AITPCL by a-iTrust, had occurred on 1 April 2006;

(b) the financial position of a-iTrust Group as at 31 March 2007, would have been if the acquisition of CPITPPL during the year, and the acquisitions of additional interest in AITPCL by a-iTrust, had occurred on 31 March 2007; and

(c) the changes in Unitholders' funds, and the cash flows of a-iTrust Group for the financial year ended 31 March 2007, would have been if the acquisition of CPITPPL during the year, and the acquisitions of additional interest in AITPCL by a-iTrust, had occurred on 1 April 2006.

The following discussion and analysis of the financial conditions and results of operations is based on and should be read in conjunction with the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007, and related notes thereto, which are included elsewhere in this Prospectus.

(See Appendix A, "Reporting Auditor's Report on Examination of the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007").

OVERVIEW

a-iTrust's initial portfolio

a-iTrust's initial portfolio comprises four world-class and pioneering IT parks across the primary IT centres of India, namely:

(i) International Tech Park, Bangalore ("**ITPB**");

(ii) International Tech Park, Chennai ("**ITPC**");

(iii) The V, Hyderabad ("**The V**"); and

(iv) CyberPearl, Hyderabad ("**CyberPearl**") (collectively, the "**Properties**" and each, a "**Property**")

For the purposes of the Pro Forma Financial Statements for the financial year ended 31 March 2007, the Operating Buildings of the Properties together have approximately 3.6 million sq ft of owned super built-up area ("**Owned SBA**"). A breakdown of Owned SBA by Property is set out below.

	ITPB[1]	ITPC	The V	CyberPearl	Total
Total Owned SBA (sq ft)	1,710,000	528,000	880,000	431,000	3,549,000

(1) Include 407,000 sq ft of SBA constructed during the year.

FACTORS AFFECTING RESULTS OF OPERATIONS

Gross Property Income is affected by a number of factors including:

- Portfolio size in terms of SBA
- Rental rate and operation and maintenance rate
- Occupancies
- Age, condition and location of the Properties
- General macroeconomic and supply/demand trends and competition affecting the business space market in India
- Foreign exchange rates

Property Expenses are affected by a number of factors including:

- Portfolio size in terms of SBA
- Occupancies
- Age and condition of the Properties
- Inflation rates
- Wage regulations set by the local government
- Changes in tax and utility charges
- Foreign exchange rates
- Property management related fees payable to the Property Manager

PRINCIPAL COMPONENTS OF UNAUDITED PRO FORMA CONSOLIDATED INCOME STATEMENT

Property Income

Property Income in FY2007 was S$84.6 million, and the components are set out below. The Property Income for the financial year ended 31 March 2007 was derived mainly from Rental, Operations and Maintenance income of the Properties.

	2007 S$'000
Property Income	
Base rent	50,584
Amenities income	2,212
Fit-out rental income	3,932
Operations and maintenance income	25,851
Car park income	1,645
Other income	366
Total property income	84,590

(a) Base rent

Base rent comprised rental income earned from the leasing of the owned SBA of the Properties of 3,549,000 sq ft (including ITPB's Navigator building: 407,000 sq ft, completed in January 2007). It was S$50.6 million in FY2007, and made up 60% of Total Property Income. The portfolio's weighted average occupancy rate as at 31 March 2007 based on committed leases was 94%, including the Navigator which was approximately 64% occupied.

(b) Amenities income

Amenities income was generated from the letting of space at the Properties for amenities, including canteen space and business centre. It was S$2.2 million in FY2007.

(c) Fit-out rental income

Fit-out rental income was rental revenue earned from the fit-out provisions (including renovations and furnishings provided to space leased by tenants) provided to the tenants at the Properties. Fit-out rent typically arises from tenant-specific fit-out requirements, which are charged to tenants via fit-out rentals in their lease agreements. Fit-out rental income accounted for S$3.9 million of Total Property Income in FY2007.

(d) Operations and maintenance income

Operations and maintenance income was revenue earned from the provision of operations and maintenance services at the Properties. This income was receivable based on the total SBA of the Properties (ie including a-iTrust's owned SBA and sold area). In addition to the operations and maintenance services, this income included revenue from utilities supplied to tenants from a dedicated power plant at ITPB. It was S$25.9 million in FY2007, and made up 31% of Gross Property Income. The breakdown of the Operations and maintenance income by Properties are set out below.

ITPB	ITPC	The V	CyberPearl
S$21.6 million	S$1.4 million	S$1.5 million	S$1.4 million

(e) Car park income

Car park income included revenue earned from the operations of the parking facilities located at the Properties. There were in total 9,313 parking spaces at the Properties as at 31 March 2007. Car park income was S$1.6 million in FY2007.

(f) Other income

Other income included miscellaneous income earned from the Properties such as kiosks, advertising revenue, etc. Other income was S$0.4 million in FY2007.

Property Expenses

Property Expenses in FY2007 were S$33.4 million, comprising the components set out below.

	2007 S$'000
Operating, maintenance and security	6,410
Business tax	22
Property tax	675
Property management fees	2,990
Utilities expenses	15,880
Employee benefits	355
Other property operating expenses	7,066
Total expenses	33,398

(a) Operations, maintenance and security charges

Operations, maintenance and security charges related to costs incurred for the day-to-day running and upkeep of the Properties, including maintenance and servicing of the building systems and installations, housekeeping, landscaping, security and general repair. It was S$6.4 million in FY2007, which made up 19% of Property Expenses.

(b) Business tax

Business tax, which was payable as a percentage of on the property management fee and lease management fee, was S$0.02 million in FY2007.

(c) Property tax

Property tax which was paid based on the Owned SBA of the Properties was S$0.7 million in FY2007.

(d) Property management fees

Property management fees were payable to the Property Manager, and included property management fees, lease management fees, marketing services commissions and project management fees. It was S$3.0 million in FY2007.

(e) Utilities expenses

Utilities expenses related to the costs incurred for the consumption of electricity, water and gas for the functioning of the Properties and the cost of operating the dedicated power plant at ITPB. It was S$15.9 million in FY2007.

(f) Employee benefits

Employee benefits related to the salaries and benefits incurred for hiring of employees. The employees included those hired by CPITPPL, before it was acquired by the Trust, as well as one company secretary and one manager for each of the entities, where required by Indian law. It was S$0.4 million in FY2007.

(g) Other property expenses

Other property expenses included reimbursement of the remuneration cost of personnel employed by the Property Manager and who were deployed on-site at the Properties to provide property management services; general management expenses, depreciation, advertising and promotion, general and administration expenses, insurance, etc.

General management expenses included reimbursement of the apportioned remuneration cost of personnel of a centralised team employed by the Property manager to provide general management services and an administrative fee of 20% of such apportioned cost.

General and administration expenses included expenses such as statutory fees, printing and stationery, travel, communication, entertainment, etc. Other property operating expenses amounted to S$7.1 million in FY2007.

Net Property Income

Net Property Income, as a result of the above, was S$51.2 million in FY2007.

Net Property Development Income

Net Property Development Income was S$8.5 million in FY2007, arising from the development of a BTS facility in ITPB for TCS, which had committed to a 99-year lease, with an option to renew. The property development income was S$38.3 million, and the property development cost was S$29.8 million. The property development income and property development cost were recognised in the income statement by reference to the stage of completion of the construction contract as at the balance sheet date (percentage of completion method). The balance of the net property development income would be recognised in FY2008 upon construction completion (please refer to section on "Profit Forecast and Profit Projection" for more details). The TCS BTS facility was 85% completed in FY2007, and the balance is expected to be completed in Forecast Year 2008.

Trustee-Manager's fees

Under the previous Trust Deed, the Trustee-Manager was entitled to certain fees for managing the Trust and for acting as trustee. The fees included a base fee of 1.0% per annum of the aggregate market value of the Properties and an acquisition fee of 1.0% of the acquisition value of the Properties. The total fees, amounted to S$7.7 million in FY2007.

Other trust operating expenses

Other trust operating expenses included expenses such as professional fee, general and administration charges, etc. It was S$0.7 million in FY2007.

Fair value losses on derivatives

Fair value losses on derivatives would occur when their values fall. It was S$2.7 million in FY2007, arising substantially from ITPL's holding of cross-currency interest rate swaps to exchange floating-rate USD and JPY obligations for fixed rate INR obligations.

Finance cost

Finance cost referred mainly to the interest expense on external borrowing. It was S$9.1 million in FY2007.

Interest income

Interest income referred to the interest earned from cash balances of the a-iTrust Group. It was S$1.1 million in FY2007.

Excess of interest of the a-iTrust Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company

This related to the acquisition of 89% interest in AITPCL during FY2007, whereby the net value of the assets acquired exceeded the cost of acquisition. The excess amount was S$25.2 million. (See "Appendix A — Note 2: Acquisition of Additional Interest in Ascendas IT Park (Chennai) Limited" and "Certain Agreements Relating to Ascendas India Trust and the Properties — The AITPCL Share Purchase Agreement" for the acquisition by a-iTrust (through its subsidiary) of a total of 89% interest in AITPCL from AIPL and the Property Manager).

Loss on dilution of interest in a subsidiary company

Loss on dilution of interest in a subsidiary company referred to the dilution of a-iTrust's interests in AITPCL from 89% to 37.94%, when AITPCL issued new shares to ALI and TIDCO. The amount was S$27.0 million. (See "Appendix A — Note 2: Acquisition of Additional Interest in Ascendas IT Park (Chennai) Limited" and "Certain Agreements Relating to Ascendas India Trust and the Properties — The AITPCL Share Purchase Agreement" for issuance of new shares to ALI and TIDCO.

Profit before tax

Profit before tax, as a result of the above, was S$38.9 million in FY2007.

Income tax expense

Income tax expense comprised India corporate tax on the income earned by the VCUs and deferred taxes. It was S$6.3 million in FY2007.

Net profit

Net profit, as a result of the above, was S$32.6 million in FY2007.

Liquidity and Capital Resources

The principal sources of funding for the investing activities of a-iTrust, such as the construction of development properties, additions to investment properties and acquisition of subsidiary companies, had been cash flow from operations and bank borrowings.

Net cash from operations would be a-iTrust's primary sources of liquidity for funding distributions, servicing of debt, payment of non-property expenses and other recurring capital expenditures. The Trustee-Manager is of the opinion that a-iTrust's working capital is sufficient for its present requirements. In addition, a-iTrust has in place an 18-month Trust Loan Facilities which is anticipated to fund the construction of planned development projects.

A summary of the a-iTrust Group's cash flow data for FY2007 is set out below.

	2007
	S$'000
Net cash generated from operating activities	35,428
Net cash used in investing activities	(107,420)
Net cash generated from financing activities	121,779
Cash and cash equivalents at the end of the year	45,576

	2007
	S$'000
Add: Fixed deposits pledged	61
Add: Bank escrow accounts	2,797
Cash and bank balances	48,434

Net cash flow from operating activities was S$35.4 million in FY2007. Operating cash flow before working capital changes was S$53.0 million. Increase in trade and other receivables were S$14.2 million, increase in trade and other payables were S$7.3 million, and decrease in inventories were S$0.02 million. Hence, cash generated after working capital changes was S$46.2 million. Interest of S$7.7 million was paid and S$0.7 million received, and income tax of S$3.7 million was paid. As a result, net cash generated from operating activities was S$35.4 million.

Net cash used in investing activities was S$107.4 million. S$69.0 million was used for the acquisition of a 100% interest in CPITPPL and a 89% interest in AITPCL. S$19.1 million was used for construction payments mainly relating to the completion of ITPB's Navigator Building and infrastructure expansion. S$16.9 million was used for the construction of The V's Fifth Building.

Net cash generated from financing activities was S$121.8 million. S$122.6 million of borrowings were received, of which a loan of S$95.0 million was taken by AIITPT for the acquisition of CPITPPL and AITPCL. The remaining borrowings were taken by ITPL and CPITPPL. S$2.6 million of borrowings were repaid. There were also fixed deposits pledged with financial institutions amounting to S$1.8 million.

As AITPCL and CPITPPL were acquired during the year, this brought about more operating cash flow activities, for instance, more rental receivables and operating and capital expenses.

Borrowings

A summary of the a-iTrust Group's borrowings as at 31 March 2007 is set out below.

	Total	Within 1 year	After 1 year but within 5 years
	S$'000	S$'000	S$'000
2007			
Secured bank loans			
Variable rate loans			
— SGD term loans	94,891	94,891	—
— INR term loans	70,262	18,555	51,707
— USD term loans	17,500	2,189	15,311
— JPY term loans	24,500	—	24,500
Fixed rate loans			
— INR term loans	42,920	11,404	31,516
	250,073	127,039	123,034

Security granted

The INR, USD and JPY term loans were secured by the mortgage over trade receivables, inventories, investment properties, equipment and development properties.

The SGD term loan was secured by a pledge over the total issued share capital of the Singapore SPV and a negative pledge over the shares of the subsidiaries.

Interest rate risks

The weighted average effective interest rates of total borrowings at 31 March 2007 were as follows:

	2007
	%
Secured bank loans	
— SGD	3.88
— INR	7.19
— USD	6.32
— JPY	1.1

Contractual obligations and commitments

As at the end of FY2007, the a-iTrust Group had the following commitments:

(a) For development and capital expenditure, there was a total commitment of S$53.1 million, of which S$41.7 million was approved and contracted for, and S$11.4 million was approved but not contracted for. These commitments were substantially a result of ongoing building development at The V and the cost for buying back units at ITPB from TCS.

(b) For investments, there was a commitment of S$15.9 million for investment in a subsidiary, namely AITPCL. For the purposes of preparing the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007, this additional investment is assumed to be completed in FY2007.

For the material commitments as at the Latest Practicable Date, see “The Formation and Structure of Ascendas India Trust — History”.

Foreign currency exposure

The Group’s exposure to foreign currency risk arose mainly from borrowings in United States Dollars, Japanese Yen and Singapore Dollars. Derivative financial instruments were used to reduce exposure to fluctuations in foreign exchange rates.

PROFIT FORECAST AND PROFIT PROJECTION

Statements contained in the Profit Forecast and Profit Projection section that are not historical facts may be forward-looking statements. Such statements are based on the assumptions set forth in this section and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecast and projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by any of a-iTrust, the Trustee-Manager, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners, the Sponsor or any other person, nor that these results will be achieved or are likely to be achieved. See "Forward-looking Statements" and "Risk Factors". Investors in the Units are cautioned not to place undue reliance on these forward-looking statements which are made only as of the date of this Prospectus.

None of a-iTrust, the Trustee-Manager, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners, or the Sponsor guarantees the performance of a-iTrust, the repayment of capital or the payment of any distributions, or any particular return on the Units. The forecast and projected yields stated in the following table are calculated based on the Offering Price. Such yields will vary accordingly and in relation to investors who purchase Units in the secondary market at a market price that differs from the Offering Price.

The financial year-end of a-iTrust is 31 March. a-iTrust's first accounting period was for the period from 7 December 2004, being the date of its constitution, to 31 March 2005. The following table sets out a-iTrust's forecast and projected Income Statement and Distribution for the accounting period from 1 April 2007 to 31 March 2008 ("**Forecast Year 2008**" or "**Forecast**") and its next accounting period will be for the period from 1 April 2008 to 31 March 2009 (the "**Projection Year 2009**" or "**Projection**"). The profit forecast and profit projection are based on the assumptions set out in this section of the Prospectus. The profit forecast and profit projection should be read together with the report set out in Appendix B, "Reporting Auditor's Report on the Profit Forecast and Profit Projection", as well as the assumptions and the sensitivity analysis set out in this section of the Prospectus.

Investors in the Units should read the whole of this "Profit Forecast and Profit Projection" section together with the report set out in Appendix B, "Reporting Auditor's Report on the Profit Forecast and Profit Projection".

Forecast and Projected Consolidated Income Statements

	a-iTrust Group	
	Forecast Year 2008 (1 April 2007 to 31 March 2008)	Projection Year 2009 (1 April 2008 to 31 March 2009)
	(S$ million)	(S$ million)
Property Income		
Base Rent	63.6	78.5
Amenities income	1.9	2.2
Fit-out rental income	3.9	3.3
Operations and maintenance income	33.7	37.9
Car park and other income	2.2	2.5
Total Property Income	**105.3**	**124.3**
Property Expenses		
Operations, maintenance and security charges	(8.6)	(11.0)
Service and property taxes	(1.4)	(1.8)
Property management fees[1]	(9.5)	(4.2)
Utilities expenses	(22.6)	(26.5)
Other property operating expenses	(9.1)	(9.4)
Total Property Expenses	**(51.2)**	**(52.7)**
Net Property Income	**54.1**	**71.6**
Property Development Income		
Property development income	9.4	—
Property development cost	(6.5)	—
Net Property Development Income	**2.9**	—
Trustee-Manager's management fees	(6.5)	(7.4)
Trustee-Manager's trustee fees	(0.2)	(0.2)
Other trust operating expense	(0.2)	(0.2)
Net finance cost	(0.7)	(1.3)
IPO expenses	(7.2)	—
	(14.8)	(9.1)
Profit before tax	**42.2**	**62.5**
Income tax expense	(8.7)	(11.7)
Net Profit	**33.5**	**50.9**
Attributable to:		
Unitholders of the Trust	32.6	49.2
Minority interests	0.9	1.7
	33.5	**50.9**

	a-iTrust Group	
	Forecast Year 2008 (1 April 2007 to 31 March 2008)	Projection Year 2009 (1 April 2008 to 31 March 2009)
	(S$ million)	(S$ million)
Reconciliation from net profit to total Unitholders' distribution		
Net profit attributable to Unitholders of the Trust	**32.6**	**49.2**
Distribution adjustments		
Less: Earnings reserves	(3.0)	(4.2)
Less: Net property development income after tax	(2.6)	—
Add: Other adjustments(2)	15.2	7.0
Total Unitholders' distribution	**42.3**	**52.0**
Units on issue(3) (millions)	**754.5**	**758.8**
Distribution per Unit (S$ cents)	**5.60**	**6.85**
Distribution yield range(4)	**4.75%**	**5.81%**

(1) The Property Management Fees for Forecast Year 2008 are higher than Projection Year 2009 primarily due to the higher marketing services commission chargeable upon leasing up of the Completing Buildings and the Navigator building at ITPB during 2008.

(2) Other adjustments comprises 50% of Trustee-Manager's Base Fee and 100% of the Trustee-Manager's Performance Fee paid in Units, construction related financing costs, annual depreciation on plant and equipment of S$1.4 million for the portfolio, IPO related expenses excluding Underwriting and Selling Commission and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast Year and Projection Year respectively, for the Properties.

(3) Adjusted for 50% of Trustee-Manager's Base Fee and 100% of the Trustee-Manager's Performance Fee paid in Units.

(4) Assuming that all the Trustee-Manager's management fees are paid in cash and based on the Offering Price per Unit of S$1.18, the distribution yield will be 4.3% for Forecast Year 2008 and 5.3% for Projection Year 2009.

Assumptions

The major assumptions made in preparing the financial model are set out below.

VCU Level Assumptions

(I) Property Income

Property Income is the aggregate of Base Rent, amenities income, fit-out rental income, operating and maintenance income (including revenue from the dedicated power plant at ITPB), car park income and other income earned from the Properties. A summary of the assumptions used in calculating the Property Income is set out as follows:

(a) Base Rent

The Base Rent comprises rental income earned from the leasing of the Owned SBA of the Operating Buildings and the Completing Buildings. This includes the Base Rent receivable from the recently completed and operating sixth building at ITPB (Navigator) and the two Completing Buildings which are near completion and will be undergoing lease-up over the course of the Forecast Year 2008 and the Projection Year 2009 (together, the "**Forecast and Projection Years**"). In respect of newly completed buildings with no Committed Leases as at 31 March 2007, the Base Rent is assumed to be approximately the same as the Base Rent of the Committed Leases. Specifically, the lease-up with respect to the above properties are as follows:

- ITPB:
  - 407,000 sq ft of SBA in Navigator which was completed in January 2007 was 64% occupied as at 31 March 2007 and had 100% committed occupancy as at 31 May 2007;
  - approximately 100,000 sq ft of space in Discoverer and Innovator buildings, which is expected to be acquired from TCS upon delivery of the BTS facility, is assumed for the purpose of the forecast to be 50% leased by December 2007 and 95% leased by April 2008. The consideration for the acquisition is approximately S$9.6 million (approximately Rs. 278 million) payable upon delivery of the vacant units, and is intended to be funded via cash reserves and/or additional borrowing from the Trust Loan facilities;
- The V -the fifth building of 377,000 sq ft of SBA (anticipated completion in September 2007), which includes space for office and retail, is assumed for the purpose of the forecast to be over 38% leased by completion date and 90% and 98% leased by January 2008 and May 2008, respectively. As at 31 May 2007, the fifth Completing Building's committed occupancy rate was 35%; and
- ITPC -the Crest building of 730,000 sq ft of SBA (anticipated completion in August 2007) is assumed for the purpose of the forecast to be 40% leased by October 2007 and 95% leased by January 2008. As at 31 May 2007, the committed occupancy of the second building was 28%.

The Forecast and Projection Years also include contractual step-up in the Base Rent, occurring on an annual and/or upon renewal basis, as set out in the tenancy lease agreements or appropriate subject to expected market conditions.

Occupancy

The average occupancy rate of the Properties for the Forecast and Projection Years are set out in the tables below.

Operating Buildings

VCU	Committed Occupancy(1) as at 31 March 2007	Average occupancy for Forecast Year 2008 (1 April 2007 to 31 March 2008)	Average occupancy for Projection Year 2009 (1 April 2008 to 31 March 2009)
ITPB(2)	89%	93%	96%
ITPC(3)	100%	99%	94%
The V(4)	99%	97%	97%
CyberPearl	99%	99%	98%
Weighted average(5)	**95%**	**96%**	**96%**

(1) Based on Committed Leases.

(2) Includes Navigator building, which was 64% occupied as at 31 March 2007 and 100% occupied as at 31 May 2007 (based on committed leases), and excludes 100,000 sq ft of TCS space.

(3) Does not include the second building at ITPC, Crest.

(4) Does not include the fifth building at The V.

(5) Weighted average for the Properties based on SBA.

In the case of ITPB, the occupancy rate increased from Forecast Year 2008 to Projection Year 2009 as the Navigator building had not reached 100% full committed occupancy for part of Forecast Year 2008 whereas it would be 100% occupied for the whole of Projection Year 2009.

In the case of ITPC, the decline in ITPC's average occupancy rates from 99% to 94% reflects the provision of vacancy periods resulting from expiries (84.1%) in Projection Year 2009. (See " — Lease renewals and vacancy allowances".)

Operating and Completing Buildings

VCU	Committed Occupancy(1) as at 31 March 2007	Average occupancy for Forecast Year 2008 (1 April 2007 to 31 March 2008)	Average occupancy for Projection Year 2009 (1 April 2008 to 31 March 2009)
ITPB(2)	89%	92%	96%
ITPC(3)	100%	83%	95%
The V(4)	99%	93%	97%
CyberPearl	99%	99%	98%
Weighted average(5)	**95%**	**90%**	**96%**

(1) Based on Committed Leases, not including Completing Buildings.

(2) Includes Navigator building, which was 64% occupied as at 31 March 2007 and 100% occupied as at 31 May 2007 (based on committed leases), and 100,000 sq ft of TCS space which is assumed to be 50% leased by December 2007 and 95% leased by April 2008 for the purpose of the Forecast.

(3) Includes the second building at ITPC, Crest.

(4) Includes the fifth building at The V.

(5) Weighted average for the Properties based on SBA.

In the case of ITPC and The V, the average occupancy rates in respect of the Operating and Completing Buildings for the Forecast Year 2008 were relatively lower compared to that as at 31 March 2007, as the former reflects the progressive lease up of the Completing Buildings during the Forecast Year 2008.

Proposed Developments

Development Properties	Expected commencement of construction	Expected completion	Total estimated construction costs(1)		Estimated SBA (sq ft)
			(Rs. million)	(S$ million)	
ITPB — Avestha Gengraine Technologies BTS	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	350 – 470	12 – 16	294,000
ITPB — Retail mall	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	950 – 1,170	33 – 40	450,000
ITPC — Third Building (Zenith)	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	1,400 – 1,600	48 – 55	708,000

(1) Total estimated construction costs (inclusive of all construction-related fees). See "Property management fee" for a description of project management fee.

The Proposed Developments are anticipated to commence revenue generation within two to four months following assumed completion date to account for rent-free periods in the case of multi-tenanted buildings, or within two to three months in the case of BTS facilities.

Land Available For Development

Location	Land Available For Development (acres)	Approved plot ratio	Estimated SBA (sq ft)
ITPB	24[(1)]	2.5	2.7 million[(2)]

(1) Of which 23 acres of land are within an SEZ as approved by the Government of India.

(2) Assuming 24 acres of land available for development is developed to the maximum within the approved plot ratio of 2.5.

(b) Amenities income

Amenities income is rental revenue earned from the letting of space at the Properties for amenities (including canteen spaces and business centre). This income is projected based on the Amenities Rents set out in the lease agreements. The projections also take into account any annual step-up and/or step-up upon renewals in Amenities Rents provided for in the tenancy lease agreements.

(c) Fit-out rental income

Fit-out rental income is rental revenue earned from the fit-out provisions provided to the tenants at the Properties. Fit-out rents typically arise from the higher costs related to tenant-specific fit-out requirements, which are in turn passed through to those tenants via fit-out provisions in their lease agreements. The projections also take into account any step-up in fit-out rents provided for in the lease agreements. It is assumed that no fit-out rent is applicable on new leases or upon lease renewal.

(d) Operations and maintenance income

Operations and maintenance income is revenue earned from the operations and maintenance of the Properties. This income is receivable based on the total SBA of the Properties (ie including a-iTrust's Owned SBA and sold area). Operations and maintenance income for ITPC and The V is forecast and projected to grow in line with inflation rates each year to defray increasing costs while the operations and maintenance income for ITPB and CyberPearl is assumed to be constant as their charges are believed to be sufficient to cover cost escalations over the subject period. The operations and maintenance assumption for Forecast Year 2008 is set out below.

VCU	Operations and maintenance income (Rs. per sq ft per month)
ITPB[(1)]	31.0
ITPC	6.2
The V	5.0
CyberPearl[(2)]	7.0

(1) The operations and maintenance income at ITPB includes, income earned from the supply of power to tenants from the in-house power plant, which is charged based on power consumption. This is also applicable to the 618,000 sq ft of sold area.

(2) The operations and maintenance income at CyberPearl is also applicable to 87,000 sq ft of sold area.

(e) Car park income

Car park income includes revenue earned from the operations of the parking space currently located at the Properties and the new parking lots currently under construction at The V and ITPC. At The V, there are approximately 2,400 parking lots in operation. There are an additional 1,500 parking lots under construction and expected to be operational by September 2007. These are expected to be leased in line with the lease-up rate of the fifth Completing Building. At ITPC, there are over 1,900 lots in operation. In addition over 1,450 parking lots are expected to complete construction in August 2007. These parking lots are leased to tenants on a monthly basis. The Trustee-Manager will monitor the market conditions and revise parking fees when the demand for parking increases. For forecasting purposes, it is assumed that there is no growth in car park income in the Forecast and Projection Years.

(f) Other income

Other income includes miscellaneous income earned from the Properties such as kiosks, advertising revenue, etc. No growth has been assumed on this income stream for the Forecast and Projection Years.

(g) Market Rent growth rates

The table below summarises the Market Rent annual growth rates[1] for the Forecast and Projection Years for the Properties.

VCU	Office space	Retail space
ITPB	3.0%	3.0%
ITPC	7.0%	NA
The V	7.0%	NA
CyberPearl	7.0%	NA

(1) Not applicable to leases with pre-committed rental escalation clause.

(h) Lease renewals and vacancy allowances

For leases expiring in the Forecast and Projection Years, where the actual vacancy and rent-free periods are already known pursuant to commitments to lease which are in place as at 31 March 2007, the actual periods have been used.

For the other leases expiring in the Forecast and Projection Years, a renewal probability of 80% and a vacancy period of three months have been assumed for all assets to project the Property Income to take into consideration the effect of leases expiring over the Forecast and Projection Years. The vacancy period assumption also includes any rent free period offered to new tenants.

(II) Property Expenses

(a) Operations, maintenance and security charges

The operating, maintenance and security charges assumptions for Forecast Year 2008 are set out in the table below. These expenses are assumed to grow by 10% between the Forecast and Projection Years.

VCU	Operations and maintenance (Rs. per sq ft per month of Owned SBA)	Security charges (Rs. per sq ft per month of Owned SBA)
ITPB	28.5[(1)]	0.8
ITPC	2.5	0.6
The V	3.4	0.6
CyberPearl	3.9	0.7

(1) The operations and maintenance expense at ITPB includes, expenses on the supply of power to tenants from the in-house power plant (utilities expenses), which is assumed to grow at inflation rate per annum. The operations and maintenance charges are applicable on the Owned and sold SBA of the park, while utilities expenses are applicable based on typical consumption levels on the Owned and sold SBA of the park. The assumption of Rs. 28.5 per sq ft per month indicates an implied cost based on the above.

(b) Utilities expenses

Utilities expenses are estimated based on typical consumption levels and average electricity, water and gas rates for each category of mechanical and electrical equipment as well as for lighting equipment at each of the Properties, except at ITPB, where utilities are included as part of operations and maintenance charges. It has been assumed that utilities expenses will increase by inflation rate per annum.

(c) Service tax

Service tax, which is payable on the property management fee and lease management fee is assumed at 12.36% of the fee payable for each of the Properties.

(See "- Property management fee" for a description of the property management fee and lease management fee.)

(d) Property tax

The assumptions on property tax for the Properties for Forecast Year 2008 are set out in the table below and are assumed to grow in line with the inflation rate over the Forecast and Projection Years with the exception of The V, which is expected to be substantially reimbursed.

VCU	Net property tax (Rs. per sq ft per month of Owned SBA)
ITPB	0.6
ITPC	1.0
The V[(1)]	0.1
CyberPearl	0.6

(1) Property tax is reimbursable by tenants at The V, while it is borne by the VCUs at the other Properties.

(e) Property management fees

The Property Manager is entitled to the following fees in relation to the Properties:

(i) a property management fee of 2.0% per month of the monthly PMA Gross Revenue of each Property for property management services provided by the Property Manager;

(ii) a lease management fee of 1.0% per month of the monthly PMA Gross Revenue of each Property for lease management services provided by the Property Manager;

(iii) certain marketing services commissions for securing new tenancies or renewals of leases pursuant to marketing services of the Property Manager; and

(iv) a project management fee of 2.0% of the total costs of construction, being any development, re-development, refurbishment, retrofitting, addition to, alteration of, or renovation carried out in respect of, a Property.

(See "Certain Agreements relating to Ascendas India Trust and the Properties — Master Property Management Agreement".)

(f) Other property expenses

Other property expenses include reimbursement of remuneration cost for personnel employed by the Property Manager and who are deployed on-site at the Properties to provide property management services; general management expenses, advertising and promotion, general and administration expenses, insurance and depreciation etc.

General management expenses comprise reimbursements of an apportioned amount of the remuneration cost of members of a centralised team of personnel employed to render general management services collectively to all of the Properties and an administrative fee of 20% of such apportioned cost. These expenses are assumed to grow at 10% per annum.

Advertising and promotion expenses are assumed to be incurred based on the extent of promotional activities and events undertaken with regards to or at the Properties.

General and administration expenses comprise expenses such as statutory fees, printing and stationery, travel, communication, entertainment, etc. These expenses are assumed to grow at 10% per annum.

Insurance is assumed to be consistent with current levels of insurance cost per sq ft of Owned SBA and is assumed to increase at the rate of inflation per annum.

Annual depreciation on plant and equipment is assumed to be at S$1.4 million for the Forecast Year and Projection Year in line with the current levels.

(III) Net property development income

Prior to the Listing Date, the Trustee-Manager had entered into a sale agreement to sell the TCS BTS building at ITPB. A portion of the profit on sale amounting to S$2.9 million (Rs. 83.6 million) will be recognised during the Forecast Year 2008. However, this profit is attributable to the private trust unitholders prior to the IPO and is non-recurring in nature.

(IV) Depreciation

Depreciation expenses at the VCUs consist of the depreciation of property, plant and equipment. Depreciation for each VCU is computed on a straight line basis as per the effective rates below:

VCU	Effective depreciation rates per annum
ITPB	4.9%
ITPC	6.2%
The V	8.7%
CyberPearl	3.5%

(V) Earnings Reserves

Under the Companies (Transfer of Profits to Reserves) Rules, 1976, the board of directors of a company must, before declaring or paying any dividend for any financial year, compulsorily transfer a certain percentage of profits of the company to the reserves as provided herein below:

Percentage of proposed dividend as a percentage of paid-up share capital	Amount transfer to reserve
Up to 10%	NIL
More than 10% but up to 12.5%	2.5 % of the current profits
More than 12.5% but up to 15%	5.0% of the current profits
More than 15% but up to 20%	7.5% of the current profits
More than 20%	10% of the current profits

The Trustee-Manager has assumed earnings reserves of 10% of the distributable profit after tax at all VCUs.

Singapore SPV Level Assumptions

(VI) Other trust operating expenses

These expenses comprise intermediary company expenses such as professional fees, custodian charges, general and administration charges, etc. It is currently assumed that a minimum annual expense of S$200,000 will be incurred during the Forecast Year and Projection Year.

Trust Level Assumptions

(VII) Trustee-Manager's fees

The Trustee-Manager's fees comprise management and trustee fees. The Trustee-Manager has adopted the independent property valuation by C&W as at 31 March 2007 as the basis for the value of the Trust Property in Forecast Year 2008. The same implied per sq ft value of the Operating Buildings in the subject valuation has been adopted for the Completing Buildings for Projection Year 2009. The Trustee-Manager's fees payable will be subject to any pro ration to reflect the completion of the Completing Buildings.

(a) Trustee-Manager's management fees

The Base Fee is 0.5% per annum of the value of the Trust Property. In addition, there is a Performance Fee of 4.0% per annum of the Net Property Income of a-iTrust. Both components are payable quarterly in accordance with the Trust Deed.

It is assumed that 50% of the Base Fee and 100% of the Performance Fee will be paid in the form of Units although the Trustee-Manager may elect to receive its fees either in cash or Units or a combination of cash and Units (as it may in its sole discretion determine). (See "Summary — Profit Forecast and Profit Projection — Forecast and Projected Consolidated Income Statements — Note (3)" and "Profit Forecast and Profit Projection — Forecast and Projected Consolidated Income Statements — Note (3)" for the distribution yield if 100% of the Base Fee and Performance Fee are paid in cash). The issue price of such Units will be at the market price as determined in accordance with the Trust Deed.

(b) Trustee-Manager's trustee fee

The Trustee-Manager's trustee fee includes an initial fee of S$20,000 and 0.02% per annum of the value of the Trust Property. It is calculated at the end of each month in accordance with the Trust Deed.

(VIII) Capital Structure

The capital structure of a-iTrust comprises a combination of shareholder's equity, redeemable preference shares, Compulsorily Convertible Preference Shares, shareholder's loans and external borrowings at the VCU level, a combination of shareholder's equity and shareholder's loans at the Singapore SPV level, and a combination of Unitholders' equity and external borrowings at the trust level.

a-iTrust has in place the following external borrowings:

- S$120 million 18-month term loan facility, and S$20 million revolving credit facility, of which S$10 million (from the revolving credit facility) will be drawn down at the Listing Date.
- Approximately Rs. 836 million (S$28.8 million) of total domestic debt outstanding at the VCU level as set out below following pre-payments at the Listing Date.

VCU	Pro forma VCU-level debt as at 31 March 2007 (Rs. million)	Pro forma VCU-level debt as at 31 March 2007 (S$ million)	Weighted average interest rate as at 31 March 2007	Weighted average maturity as at 31 March 2007 (years)
ITPB	216.0	7.4	7.7%	4.6
ITPC	620.0	21.4	8.2%	5.7
Total/weighted average	**836.0**	**28.8**	**8.1%**	**5.4**

The Trustee-Manager intends to pre-pay the outstanding tranches of external debt at ITPC when they are due for interest rate reset in the Forecast Year.

(IX) Net Finance Cost

Net finance cost comprises two components:

(a) Interest expense on external borrowings

The Trustee-Manager has assumed the following interest rates for the Forecast and Projection Years:

- Trust Loan Facilities at an interest rate of 5.0% per annum: The Trust Loan Facilities will be assumed to be used for funding the construction of the planned development projects. Interest expense relating to the portion utilised for construction will be expensed after the completion of construction of such planned developments.

- Total domestic debt outstanding at the VCU level has a weighted average effective interest rates of 8.1% for the Forecast Year and 7.7% for the Projection Year.

(b) Interest income

For the Forecast Year and Projection Year, the Trustee-Manager has assumed that the outstanding cash balances at the VCU level will earn interest income at the rate of 8.0% per annum.

(X) Repayment of Shareholder's Loan, Buyback of Equity and Compulsorily Convertible Preference Shares

Based on Indian accounting standards, depreciation of real estate is a mandatory provision at the VCU level when determining the net profits from operations of a VCU that would be available for payment as dividends. Although this acts to reduce Indian corporate income tax/minimum alternate tax, it effectively traps cash in the VCUs as depreciation is not a cash expense.

However, the Properties are treated as real properties carried at valuation under Singapore Financial Reporting Standards and hence are not depreciated. Accordingly, such depreciation of real properties is not provided as an expense item when computing the Distributable Income of a-iTrust. To distribute this portion, there is a need to extract the cash that is trapped in the VCU in the form of depreciation expense. Hence, a repayment of the principal of the shareholder's loan and repurchase of Compulsorily Convertible Preference Shares is made per annum, and this repayment sum is equal to the lowest of the below subject to the availability of the required cash levels at the VCU:

- depreciation expense for the period;
- profit before taxes and depreciation; and
- the maximum allowable repayment amount per financial year as per the terms of the loan and ECB guidelines if applicable and, secondly the maximum allowable buy-back of preference shares and share equity as per section 77A of the Indian Companies Act.

(XI) Interest on Shareholder's Loan

It is assumed that the interest rates on the shareholder's loans extended by the Trust to the Singapore SPV and by the Singapore SPV to the VCUs will be 0.0% and 7.0% per annum, respectively.

(XII) Dividend on Compulsorily Convertible Preference Shares and Redeemable Preference Shares

Dividend rate on the Compulsorily Convertible Preference Shares to be issued by the VCUs to the Singapore SPV can be up to 3.0% per annum.

It is assumed for the Forecast Year and Projection Year that such dividend will be 1.0% per annum.

The existing redeemable preference shares in the capital structure at the ITPB and CyberPearl are at a dividend rate of 0.5% and 12% per annum, respectively.

(XIII) Capital Expenditure

Capital expenditure is assumed at the following levels for the Forecast and Projection Years:

	Annual capital expenditure	
	S$ million	**Rs. million**
ITPB	2.1	60
The V	1.4	40
CyberPearl	0.9	25

(XIV) Taxes

The following taxes at the VCU level have been factored into the Profit Forecast and Profit Projection:

- Service tax;
- Property tax;
- Fringe benefits tax;
- Withholding tax on offshore interest payment;
- Income tax; and
- Dividend distribution tax.

(XV) Exchange Rate and Hedging

To enhance the stability of distributions to Unitholders, the Trustee-Manager intends to enter into forward contracts prior to Listing Date to hedge up to 100% of the cash flow it expects to receive for the Forecast Year 2008 and Projection Year 2009. Hedging of Indian rupee cash flows received from the VCUs is effected through two limbs of forward contracts, comprising (a) a forward sale of Indian rupees and purchase of US dollars in the first instance, and (b) a forward sale of US dollars and purchase of Singapore dollars. The forward contracts have settlement dates within approximately 2 months following each of the semi-annual distributions the Trustee-Manager intends to make in the Forecast Year 2008 and Projection Year 2009. As hedging is effected by way of forward contracts, the Trustee-Manager has assumed no hedging cost for the Forecast and Projection Years. Any realised gains or loss would depend on actual Rupee/SGD exchange rate prevailing around the time of the settlement of such contracts. The Trustee-Manager has assumed an exchange rate of Rs. 29 to SGD1.00 for the Forecast and Projection Years and that there is no Rs./SGD exchange rate volatility for the Forecast and Projection Years.

(XVI) Inflation Rates

For the Forecast and Projection Years, an inflation rate of 7.0% per annum has been assumed.

(XVII) Accounting Standards and Policies

The Trustee-Manager has adopted FRS 40 — Investment Property on 1 April 2007, which is the effective date of the standard, and assumed that there will be no change in applicable accounting standards or other financial reporting requirements that may have a material effect on the Profit Forecast or Profit Projection.

Significant accounting policies adopted by the Trustee-Manager in the preparation of the Forecast and Projection are set out in Appendix A, "Reporting Auditor's Report on Examination of the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007".

(XVIII) Other Assumptions

The following additional assumptions have been made in preparing the Profit Forecast and Profit Projection:

- There will be no material changes in taxation legislation or other applicable legislation.
- The tax exemption and tax ruling remain valid.
- All leases are enforceable and will be performed in accordance with their terms.
- The property portfolio, which includes the existing properties under operations and those which are currently under construction and expected to be leased over the Forecast and Projection Years, remains unchanged throughout the Forecast and Projection Years.
- 100% of the Distributable Income will be distributed for the Forecast and Projection Years.
- There will be no change in the fair value of all financial instruments throughout the Forecast and Projection Years.
- There will be no change in the fair value of investment properties throughout the Forecast and Projection Years.

Sensitivity Analysis

The forecast and projected distributions included in this Prospectus are based on a number of key assumptions that have been outlined earlier in this section.

Unitholders should be aware that future events cannot be predicted with any certainty and deviations from the figures forecast or projected in this Prospectus are to be expected. To assist Unitholders in assessing the impact of these assumptions on the Profit Forecast and Profit Projection, a series of tables demonstrating the sensitivity of the distribution per Unit (at the Offering Price of S$1.18) to changes in the key assumptions are set out below.

The sensitivity analysis is intended to provide a guide only and variations in actual performance could exceed the ranges shown. Movements in other variables may offset or compound the effect of a change in any variable beyond the extent shown.

Market Rent Growth Rates

Changes in market rental's growth rates for the leases not committed as at 31 March 2007, impact the Net Property Income of a-iTrust. The Market Rent base case rental growth rate adopted is set out earlier in this section. The impact of variations in the growth rates on distribution per Unit is set out below.

	Distribution per Unit	
Market Rent Growth Rates	**Forecast Year 2008 (Singapore cents)**	**Projection Year 2009 (Singapore cents)**
+ 5.0%	5.61	6.88
Base Case	5.60	6.85
– 5.0%	5.60	6.83

Vacancy Allowance for Leases

Changes in vacancy allowances assessed by the Trustee-Manager impact the Property Income of a-iTrust. The base case vacancy allowance assumptions are set out earlier in this section. The impact of variations in the vacancy allowance on distribution per Unit is set out below.

	Distribution per Unit	
Vacancy Allowance	**Forecast Year 2008 (Singapore cents)**	**Projection Year 2009 (Singapore cents)**
100% renewal probability	5.73	6.99
Base Case[(1)]	5.60	6.85
60% renewal probability	5.48	6.71

(1) Assumes 80% renewal probability

Property Expenses

Changes in property expenses impact the Net Property Income of a-iTrust. The base case property expenses assumed in the Forecast and Projection are set out earlier in this section. The impact of variations in property expenses on distribution per Unit is set out below.

	Distribution per Unit	
Property Expenses	**Forecast Year 2008 (Singapore cents)**	**Projection Year 2009 (Singapore cents)**
2.5% below estimate[(1)]	5.71	6.96
Base case[(2)]	5.60	6.85
2.5% above estimate[(3)]	5.50	6.74

(1) Implies an increase of 2.5% in Property Expenses.

(2) Assumes Property Expenses as described in "Profit Forecast and Profit Projection — Assumptions — VCU Level Assumptions — (ii) Property Expenses".

(3) Implies a decrease of 2.5% in Property Expenses.

Interest Rate on External Loans

Changes in interest rate of the external loans impact the interest expenses, and therefore the distributable income of a-iTrust. The base case interest rates assumed in the Profit Forecast and Profit Projection are set out earlier in this section. The impact of variations in interest rates on distribution per Unit is set out below.

	Distribution per Unit	
Interest Rate on External Loans	**Forecast Year 2008 (Singapore cents)**	**Projection Year 2009 (Singapore cents)**
50 bps below the Base Case	5.61	6.86
Base Case	5.60	6.85
50 bps above the Base Case	5.60	6.84

Currency exposure

a-iTrust receives all its income from the Properties which are earned in Indian Rupees. The Trustee-Manager intends to enter into forward contracts prior to the Listing Date to substantially hedge the cash flow it expects to receive for the Forecast Year 2008 and Projection Year 2009. Notwithstanding the aforesaid, the following table illustrates the hypothetical impact as though there was no currency hedging.

	Distribution per Unit	
Exchange rate Rs./SGD	**Forecast Year 2008 (Singapore cents)**	**Projection Year 2009 (Singapore cents)**
5.0% above the Base Case	5.92	7.23
Base Case	5.60	6.85
5.0% below the Base Case	5.32	6.51

STRATEGY

The principal investment strategy of the Trustee-Manager for a-iTrust involves owning income producing real estate used primarily as business space located in India and real estate-related assets in relation to the foregoing. a-iTrust may acquire, own and develop land primarily or uncompleted developments to be used for business space with the objective of holding the properties upon completion. Certain key provisions of the Property Funds Guidelines which govern REITs have been voluntarily adopted by a-iTrust and incorporated into the Trust Deed (see "The Formation and Structure of Ascendas India Trust — Incorporation of Certain Key Provisions of the Property Funds Guidelines").

In accordance with the requirements of the Listing Manual, the Trustee-Manager's investment strategy for a-iTrust will be adhered to for at least three years following the Listing Date, unless otherwise agreed by an Extraordinary Resolution passed at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

The initial asset portfolio of a-iTrust will comprise the Properties, all of which are located in India. The Trustee-Manager's key objectives are to deliver regular and stable distributions to Unitholders and to achieve long-term growth in the net asset value per Unit. The Trustee-Manager plans to achieve these objectives through the following key strategies:

(a) **Three-pronged external acquisitions growth.** Achieve portfolio growth through a broad-based external acquisitions growth strategy supported by an identifiable acquisition pipeline;

(b) **Portfolio growth through in-built development pipeline.** Expansion of income-producing portfolio through phased development and leasing up of the remaining land available for development;

(c) **Active management of assets.** Actively managing a-iTrust's income-producing portfolio to achieve organic growth and maximise returns on the portfolio; and

(d) **Capital and risk management.** Maintain strong balance sheet and adopt appropriate financing and hedging policies to manage interest rate volatility and foreign exchange exposure.

THREE-PRONGED EXTERNAL ACQUISITIONS GROWTH STRATEGY

a-iTrust's investment strategy entails owning income-producing real estate used primarily as business space in India, and real estate-related assets in relation to the foregoing. a-iTrust may acquire, own and develop land approved for the development of business space or acquire other uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion.

The Trustee-Manager will pursue opportunities for asset acquisitions that will provide attractive cash flows and yields relative to a-iTrust's weighted average cost of capital, and opportunities for future income and capital growth. In evaluating future acquisition opportunities, the Trustee-Manager will seek acquisitions that may enhance the diversification of the portfolio by geography and tenancy profile, and optimise risk-adjusted returns to the Unitholders. The Trustee-Manager believes it is well qualified to pursue its acquisition strategy and has developed a comprehensive three-pronged approach of acquiring suitable assets to aggressively grow a-iTrust's portfolio.

- ***Development Trust Right of First Refusal***

  The Development Trust has granted to a-iTrust the Development Trust Right of First Refusal over the future proposed sale or acquisition by the Development Trust of any income-producing property used primarily for business spaces in India. Going forward, the Sponsor plans to undertake new development projects in India through the Development Trust and will actively identify and pursue attractive development and acquisition opportunities to build the portfolio consistent with its investment criteria. The Development Trust Right of First Refusal is expected to secure for a-iTrust a proprietary acquisition pipeline comprising high-quality business space properties strategically located in key growth cities in India. The Development Trust currently has committed capital of up to S$500 million and is targeted to have a total investment value of S$1.0 billion. Assets held by the Development Trust are expected to be highly complementary to a-iTrust's portfolio and will further enhance a-iTrust's portfolio diversification upon the injection of the assets into a-iTrust.

- ***Sponsor Right of First Refusal***

  As part of the Sponsor's strategy to expand its presence in India, the Sponsor will continue to actively source opportunities for the acquisition of income-producing business space properties across key growth cities in India. The Sponsor intends to support a-iTrust in its acquisition strategy and, in this regard, has offered a-iTrust a right of right refusal over the future proposed sale or acquisition by a Relevant Entity of income-producing properties used primarily for business space. The Sponsor currently owns The CyberVale in Chennai, an IT park comprising a proposed 1.1 million sq ft of SBA over four buildings. The first building (250,000 sq ft of SBA) is completed and tenants have committed to lease 53% of the SBA as at 31 March 2007. MindTree has committed to a 99-year lease on the second building, a BTS facility (280,000 sq ft of SBA). Development of the third building (280,000 sq ft of SBA) over which MindTree has a first right to acquire and the fourth building (proposed 280,000 sq ft of SBA) is being planned. Accordingly, the Sponsor Right of First Refusal will not include the second building and the third building of The CyberVale.

  Also, in the case of unlisted funds in which a Relevant Entity participates but has no control over the fund's investment decisions, the Sponsor is not in a position to grant a right of first refusal to a-iTrust.

- ***Third-party acquisitions***

  The Trustee-Manager will also actively source and acquire quality third party properties across India in both the cities in which a-iTrust already has investments in or in cities in which the Trustee-Manager assesses to be feasible for investment.

  The Trustee-Manager has also identified certain third party assets acquisition opportunities and is taking steps to pursue such acquisition opportunities.

  The Trustee-Manager believes it has a competitive advantage in identifying and executing acquisition and management of business space properties in India. The management of the Trustee-Manager has extensive experience and a strong track-record in developing and actively managing IT parks located in India, to successfully attract and retain tenants.

  In addition, the Trustee-Manager will also be able to leverage the Sponsor's presence in India and access to market information to provide a competitive advantage with respect to identifying, evaluating and acquiring good land sites for business space located in India, both from the Sponsor's pipeline and external parties, efficiently and in the shortest time possible to reduce the acquisition process timeframe. In particular, the Sponsor will be able to support the portfolio growth of a-iTrust in the following ways:

  - by allowing the Trustee-Manager to leverage the established network of relationships that the Sponsor has developed over the years to pursue the growth strategy of a-iTrust;
  - by lending its extensive industry knowledge and expertise in the development and management of IT parks located in India and in the broader real estate sector to the Trustee-Manager in assessing potential acquisition opportunities; and
  - a-iTrust intends to leverage the Sponsor's experience, market reach and network of contacts for its acquisition strategy to evaluate and execute appropriate acquisitions that are expected to maintain or enhance returns to the Unitholders and provide potential for net asset growth.

In evaluating future acquisition opportunities, the Trustee-Manager will focus primarily on the following criteria:

- ***Impact on distributions***: The Trustee-Manager will seek to acquire properties that provide income yields above a-iTrust's weighted average cost of capital, and are thereby expected to maintain or enhance a-iTrust's distributions per Unit as well as provide future long-term growth prospects which are consistent with a-iTrust's pre-acquisition portfolio.
- ***Lease expiry profile***: The Trustee-Manager will seek to acquire properties that improve the weighted average lease expiry profile of a-iTrust's property portfolio and/or provide added diversification to the lease expiry profile to minimise a-iTrust's exposure to lease expiry in any one year. The Trustee-Manager will also seek to add BTS facilities to the portfolio, so as to lengthen the lease expiry profile. The Trustee-Manager will assess the risk of a tenant vacating upon expiry of its lease term and will factor any likely re-letting period into purchase price considerations. Shorter lease durations may provide opportunities for rental growth if passing rents are below market levels.
- ***Location***: The Trustee-Manager will evaluate properties in strategic locations which are in close vicinity to residential development and social infrastructure. The Trustee-Manager will assess the attractiveness of properties in terms of their location, as well as convenient access to public transportation and a skilled workforce. The Trustee-Manager will also seek to diversify the locations of the properties across various regions and states in India, in order to minimise the risks associated with a geographical concentration of properties.
- ***Tenant credit quality and diversification***: The Trustee-Manager will evaluate the credit standing of tenants and will carry out the relevant enquiries and checks where necessary (particularly in the case of single-lessee properties). The Trustee-Manager will target to achieve a diversified tenant base in order to minimise a-iTrust's exposure to any single tenant. The Trustee-Manager will seek to attract tenants from a range of industry and operator types and build a tenant list incorporating representation from investment grade rated tenants, listed companies, and international and local tenants.
- ***Value adding opportunities***: The Trustee-Manager will take into account opportunities to increase occupancy rates, enhance value through pro-active asset management and improve returns to Unitholders. The potential to add value through selective renovations or other enhancements works will also be assessed, subject to compliance with the prevailing planning and other relevant regulations.
- ***Building and facilities specifications***: The Trustee-Manager will seek to acquire high quality properties used as business space with due consideration being given to their size, age, state of maintenance and whether they can be used, or easily altered for use, by other tenants upon the expiry of the existing tenancy or tenancies.

The Trustee-Manager has a rigorous process for the assessment of potential acquisition opportunities, incorporating:

- the Trustee-Manager's research-driven investment approach that focuses on the relevant national macroeconomic outlook, analysis of the relevant real estate markets (including the forecast level of supply and demand, vacancy and rental), and detailed asset analysis of the location, tenant profile, and risks and enhancement opportunities;
- the completion of detailed physical, legal, tax and financial due diligence prior to the completion of any acquisition to ensure all risks have been properly assessed;
- independent valuation to support the purchase price; and
- detailed analysis of the impact of a proposed acquisition on distributions and net tangible asset per Unit, earnings growth prospects, portfolio and tenant diversification, and lease expiry profile.

DEVELOPMENT STRATEGY

a-iTrust's development strategy is underpinned by the significant potential for capital appreciation through the Proposed Developments on two of the Properties, ITPB and ITPC. The Trustee-Manager has identified three buildings to be developed at ITPB and ITPC, which include a total of 744,000 sq ft of potential SBA and 708,000 sq ft of potential SBA, respectively.

Proposed Developments

Development Properties	Expected commencement of construction	Expected completion	Total estimated construction costs (inclusive of all construction-related fees)		Estimated SBA (sq ft)
			(Rs. million)	(S$ million)	
ITPB — Avestha Gengraine Technologies BTS	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	350 - 470	12 - 16	294,000
ITPB — Retail mall	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	950 - 1,170	33 - 40	450,000
ITPC — Third Building (Zenith)	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	1,400 - 1,600	48 - 55	708,000

In addition, there is an additional 24 acres of land available for development at ITPB (representing up to approximately 2.7 million sq ft of potential SBA) which can be used to develop real estate for IT and ITES and/or ancillary uses. Such existing land available for development will provide a-iTrust with an in-built potential for the future growth of a-iTrust's portfolio.

Land Available For Development

Location	Land available for Development (acres)(1)	Maximum plot ratio	Estimated SBA (sq ft)
ITPB	24	2.5	2.7 million(2)

(1) Of which 23 acres of land are within an SEZ as approved by the Government of India.

(2) Assuming 24 acres of land available for development is developed to the maximum within the approved plot ratio of 2.5.

The Trustee-Manager believes that any development risk undertaken is manageable as construction of any BTS facility will commence only after a-iTrust has obtained a pre-commitment from a tenant to take up space in the new property and construction of any multi-tenanted building will commence only when the Trustee-Manager anticipates that there will be strong demand for additional space and amenities based on indications of interest from existing clients and the Trustee-Manager's assessment of potential demand.

ACTIVE ASSET MANAGEMENT AND MARKETING STRATEGY

The Trustee-Manager intends to implement pro-active measures to enhance the returns from the existing and future properties in a-iTrust's portfolio. A key objective of this strategy is to develop and nurture strong, long-standing relationships with tenants by providing value-added services and facilities in order to achieve high tenant retention rates and attract quality new tenants. The Trustee-Manager intends to undertake the following initiatives and strategies to improve the yields of a-iTrust's portfolio and maximise returns from the assets:

- actively managing early lease renewals for the existing properties and implementing aggressive leasing programmes to achieve high occupancy rates;
- carrying out addition and alteration work, including work carried out for the purpose of expanding size and capacity;
- leveraging on and enhancing the competitive strengths of the properties to optimise rentals and engaging in enhancement projects to maintain the international standards and competitive positioning of such properties;
- promoting a niche position for the properties in a-iTrust's portfolio and raising the profile of the properties in a-iTrust's portfolio;
- engaging in active marketing to refresh and expand clientele base;
- (in relation to new leases) obtaining contractual rent escalations under long-term, non-cancellable leases, backed by security deposits consisting of irrevocable letters of credit, cash or banker's guarantee;
- organising lifestyle and related activities at the properties, such as IT fairs, family events, performances, festive celebrations, to create a balanced work-live-play environment for tenants and their families;
- improving cost efficiencies by seeking synergistic benefits of scale and presence across its portfolio. This would include exploring opportunities for further reduction of property expenses such as maintenance and cleaning expenses, and security charges at the properties, without compromising on the quality of services provided; and
- overall maintenance of its properties to international standards.

CAPITAL AND RISK MANAGEMENT STRATEGY

The Trustee-Manager intends to employ an appropriate mix of debt and equity in the financing of acquisitions and property enhancements, and utilise currency and interest rate hedging strategies where appropriate to optimise risk-adjusted returns to the Unitholders. The Trustee-Manager intends to utilise debt financing to fund all development activities of a-iTrust. In accordance with the Trust Deed and similar to the requirements under the Property Funds Guidelines, a-iTrust will maintain a conservative capital structure with aggregate leverage as defined herein not exceeding 35% of the Trust Property of a-iTrust (up to a maximum of 60% if a credit rating from Fitch Inc., Moody's or Standard & Poor's is obtained and disclosed to the public) or such higher limit as permitted under the Property Funds Guidelines from time to time. The Trustee-Manager intends to obtain such credit rating, and continue to maintain and disclose such credit rating so long as its Aggregate Leverage exceeds 35% of the Trust Property of a-iTrust. The Trustee-Manager believes that with this policy, it can achieve a long-term Aggregate Leverage which is in line with and supportive of the primary objectives of maximising returns on equity invested, maintaining flexibility for a-iTrust's future funding requirements and adhering to a prudent risk profile.

The Trustee-Manager may also seek to diversify its sources of debt funding, and may supplement bank borrowings with debt issues in the international capital markets. Ultimately, the Trustee-Manager aims to fund the growth of a-iTrust through an optimal combination of debt and equity with the objective of minimising the overall cost of capital of a-iTrust.

The objectives of the Trustee-Manager in relation to capital management are to:

- maintain a strong balance sheet by adopting and maintaining a target gearing ratio;
- secure diversified funding sources from financial institutions and capital markets as a-iTrust continually assesses expansion and acquisition opportunities throughout India;
- adopt a proactive interest rate management strategy to manage risks related to interest rate fluctuations; and
- manage the foreign exchange exposure through hedging, where appropriate.

By doing so, the Trustee-Manager believes that a-iTrust will optimise Unitholders' returns while maintaining operating flexibility when considering capital expenditure requirements.

The Trustee-Manager will periodically review a-iTrust's capital management policy with respect to its Aggregate Leverage and modify the policy as its management deems prudent in light of prevailing market conditions. Its strategy will generally be to match the maturity of its indebtedness with the maturity of its investment assets, and to employ long-term, fixed-rate debt to the extent practicable in view of market conditions in existence from time to time.

The key aspects of the proposed capital and risk management strategy are as follows:

- **To maintain a target gearing ratio**

  The Trustee-Manager will aim to maintain gearing conservatively within borrowing limits allowable under the Trust Deed, which incorporates the borrowing limits under the Property Funds Guidelines (See "The Formation and Structure of Ascendas India Trust — Incorporation of Certain Key Provisions of the Property Funds Guidelines"). a-iTrust's initial gearing level will be a modest 4.1%[(1)] to allow for flexibility in acquisition and development. Furthermore, by achieving a suitable ratio of debt and equity, the Trustee-Manager will be able to minimise its cost of capital and maximise returns to Unitholders.

- **To secure diversified funding sources from financial institutions and capital markets as a-iTrust will continually assess expansion and acquisition opportunities throughout India as well as development opportunities within its existing asset portfolio**

  In order to finance acquisitions, enhancements, and refurbishment of properties, in addition to any bank borrowings, the Trustee-Manager will consider accessing the public debt capital markets through the issuance of bonds and/or notes to diversify its sources of funding or through the establishment of an offshore or domestic commercial mortgage-backed securities issuance structure. The public debt market provides a-iTrust with the opportunity to secure longer term funding options in a more cost-efficient manner. In addition to its debt strategy, the Trustee-Manager will capitalise on opportunities to raise additional equity capital for a-iTrust through the issue of additional Units, if a-iTrust has an appropriate use for such proceeds.

- **To adopt a proactive interest rate management strategy**

  The Trustee-Manager will adopt a proactive interest rate management policy to manage the risk associated with changes in interest rates on the loan facilities while also seeking to ensure that a-iTrust's ongoing cost of debt capital remains competitive. The Trustee-Manager may enter into interest rate hedging instruments where appropriate, to manage interest payable on its floating rate debt obligations.

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(1) Based on a-iTrust's proportionate share of asset value of S$876.8 million and debt of S$35.9 million at the Listing Date.

- **To manage the foreign exchange exposure through hedging, where appropriate**

  To manage the foreign exchange volatility associated with a-iTrust's cash flows, the Trustee-Manager may, as far as possible, use currency hedging instruments.

  The Trustee-Manager intends to adopt a disciplined capital risk management approach to actively monitor and manage foreign exchange fluctuations in order to enhance the stability and certainty of its cash flows. The Trustee-Manager will undertake hedging transactions, including but not limited to, forward contracts on a semi-annual basis with an objective of enhancing the certainty of long-term cash flow distributions to Unitholders. For example, the Trustee-Manager may enter into foreign exchange forward contracts every half-yearly for the sale of Indian rupees to facilitate the conversion of Indian rupee cash flows received from the VCUs into Singapore dollar cash flows, to substantially insulate Unitholders' distributions from the risks associated with possible changes in exchange rates. The Trustee-Manager will regularly evaluate the feasibility of putting in place the appropriate level of foreign exchange hedges, after taking into account prevailing market conditions. In respect of its cash flow for the Forecast Year 2008 and Projection Year 2009. The Trustee-Manager expects to hedge up to 100% of the cash flow receivable to improve stability of distributions to Unitholders.

BUSINESS AND PROPERTIES

Overview

a-iTrust is a Singapore-based BT established with the principal objective of owning income producing real estate used primarily as business space in India, and real estate-related assets in relation to the foregoing. a-iTrust may acquire, own and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion.

The Trustee-Manager's key objective is to provide Unitholders of a-iTrust with a competitive total return for their investment by ensuring regular and stable distributions to Unitholders and by achieving long-term growth in distributable income and the NAV per Unit through growth in rental yields and acquisitions. a-iTrust's initial asset portfolio will, as at the Listing Date, comprise ITPB, ITPC, The V and CyberPearl.

a-iTrust holds the Properties through the Singapore SPV, which in turn holds the Properties through four VCUs. The VCUs are ITPL, AITPCL, VITPPL and CPITPPL.

Subsequently, the Trustee-Manager aims to produce attractive total returns for Unitholders by, among others:

- selective acquisition of properties that meet the Trustee-Manager's investment criteria;
- active management of a-iTrust's property portfolio to maximise returns;
- development of income-producing properties within a-iTrust's property portfolio; and
- employment of optimum capital structure.

Key Information on the Properties

A summary of key information on the Properties is set out below:

Operating Buildings

	ITPB	ITPC	CyberPearl	The V	Total/ Weighted average
Total SBA (sq ft)	2,328,000	528,000[1]	518,000	880,000[2]	4,254,000
Total Owned SBA[3] (sq ft)	1,710,000	528,000[1]	431,000	880,000[2]	3,549,000
Ownership in terms of SBA (%)	73	100	83	100	83
Average Occupancy Rate (based on Committed Leases)[4] (%)	98	100	99	99	99
Monthly Base Rent[4] ('000)	Rs. 67,512 (S$2,328)	Rs. 19,629 (S$677)	Rs. 14,353 (S$495)	Rs. 31,782 (S$1,096)	Rs. 133,276 (S$4,596)
Net Property Income for Forecast Year 2008 (as defined herein) (S$ million)[5]	26.0	8.5	6.9	16.4	57.8
Net Property Income for Projection Year 2009 (as defined herein) (S$ million)[5]	28.2	17.0	6.4[6]	20.2	71.7
Appraised Value by C&W as at 31 March 2007[7] (million)[8]	Rs. 13,670 (S$478.45)	Rs. 5,533 (S$193.66)	Rs. 2,001 (S$70.04)	Rs. 5,439 (S$190.37)	Rs. 26,643 (S$932.51)
Top three tenants (by monthly Base Rent as at 31 March 2007)[4]	• Affiliated Computer Services • ZapApp/FIC/First Advantage[9] • General Motors	• Siemens • Pfizer • iNautix Technologies	• Nipuna Services • Keane India • Microsoft	• Computer Associates • Cognizant Technology Solutions • SSA Global Technologies	—

(1) Excludes the SBA of the second Completing Building.

(2) Excludes the SBA of the fifth Completing Building.

(3) Excludes the sold space of 618,000 sq ft of SBA in ITPB, 87,000 sq ft of SBA in CyberPearl and the BTS facility in ITPB comprising 473,000 sq ft of SBA in respect of which TCS has committed to acquiring a 99-year leasehold interest, as well as the car park space for all the Properties.

(4) As at 31 March 2007 except for ITPB, which takes into account the 100% occupancy rate of Navigator as at 31 May 2007, following its completion on 31 January 2007. Comprises the Operating Buildings. Weighted average based on Owned SBA.

(5) Excludes annual depreciation on plant and equipment of S$1.4 million for the Forecast and Projection Years and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast and Projection Years respectively, for the Properties.

(6) There is an expected drop from S$6.9 million for Forecast Year 2008 to S$6.4 million for Projection Year 2009 due to the forecast of a lower fit-out rental income, which is not a permanent income, in Projection Year 2009, and is dependent on whether there are such requirements in future from tenants. Furthermore, in Projection Year 2009, it is expected that higher tenancy renewals will result in increased marketing commissions.

(7) C&W had primarily adopted the Income Method of Valuation utilising Discounted Cash Flow Analysis. (See Appendix D, "Independent Property Valuation Summary Report".) The valuation assumes 100% ownership of the Properties, ie before deducting minority interests (in the case of ITPB and ITPC which are partially owned by a-iTrust.) (See "Summary — Structure of Ascendas India Trust.")

(8) Based on an exchange rate of Rs. 28.5714 to S$1.00.

(9) Each of ZapApp, FIC and First Advantage is a wholly-owned subsidiary of First American Corporation.

Completing Buildings

Building	Expected completion	Total estimated construction costs (inclusive of all construction-related fees) (Rs. millions)	Total estimated construction costs (inclusive of all construction-related fees) (S$ millions)	Estimated SBA (sq ft)
Second building at ITPC (Crest)	August 2007	1,600 - 1,700	55 - 59	730,000
Fifth building at The V	September 2007	950 - 1,050	33 - 36	377,000

Proposed Developments

Development Properties	Expected commencement of construction	Expected completion	Total estimated construction costs (inclusive of all construction-related fees) (Rs. million)	(S$ million)	Estimated SBA (sq ft)
ITPB — Avestha Gengraine Technologies BTS	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	350 - 470	12 - 16	294,000
ITPB — Retail mall	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	950 - 1,170	33 - 40	450,000
ITPC — Third Building (Zenith)	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	1,400 - 1,600	48 - 55	708,000

Land Available For Development

Location	Land available for Development (acres)	Maximum plot ratio	Estimated SBA (sq ft)
ITPB	24[(1)]	2.5	2.7 million[(2)]

(1) Of which 23 acres of land are within an SEZ as approved by the Government of India.

(2) Assuming 24 acres of land available for development is developed to the maximum, within the approved plot ratio of 2.5.

Competitive Strengths

The Trustee-Manager believes that the competitive strengths of the Properties include the following:

The Properties are strategically situated in the key high-growth IT and ITES centres of Bangalore, Chennai and Hyderabad, which are attractive for the following reasons:

- ***Availability of highly educated human resource***: Bangalore, Chennai and Hyderabad have large IT graduate pools in the country available to be deployed in the IT and ITES sectors, with Bangalore having one of the largest graduate pools in India. Premier tertiary institutes in these cities, like the Indian Institute of Science and Indian Institute of Management produce a constant pool of talented graduates to cater to the needs of the growing IT and ITES sectors.
- ***Attractive work destination for IT professionals from all over India***: The IT and ITES sectors in Bangalore, Chennai and Hyderabad are well established, with leading IT and ITES companies such as IBM, Microsoft, SAP, Oracle, Infosys, Wipro, TCS and Satyam all having a presence in these regions. In particular, Bangalore is the largest IT hub in India, and is dubbed as India's "Silicon Valley" with over 1,400 registered IT/ITES companies, out of which 500 are multi-national technology companies.
- ***Government sponsored IT initiatives***: The state governments have implemented proactive initiatives to promote the entry of IT and ITES companies into Bangalore, Chennai and Hyderabad. ITPB and ITPC were developed by the Sponsor with various local governments, who continue to hold minority stakes in both ITPB and ITPC.
- ***Cosmopolitan nature***: Bangalore and Hyderabad are cosmopolitan cities in India and their retail and leisure sectors have attracted a number of international retail, restaurant and hotel chains as well as other entertainment related investments. This makes it relatively easy for people to relocate to these regions from other parts of India and the world. Whilst Chennai is not as cosmopolitan in nature as Mumbai, Delhi and Bangalore, this has not been a hindrance to attracting senior management staff to work and live there.

The Properties are geographically diversified across rapidly growing cities in India

- The Properties are located in the rapidly growing focal points of high growth for the IT and ITES and export services sectors in India. The total Owned SBA of the Operating Buildings and the Completing Buildings are evenly distributed across the three cities of Bangalore (approximately 37%), Chennai (approximately 27%) and Hyderabad (approximately 36%).
- The geographical diversification of the Properties reduces a-iTrust's reliance on any single IT centre or regional market and hence, enhances the stability of future distributions of a-iTrust.
- a-iTrust also benefits from the rights of first refusal from the Sponsor and the Development Trust. Taking into consideration the pipeline developments in the Development Trust, a-iTrust would have the potential to acquire additional income-producing properties across key cities in India. The Trustee-Manager has identified additional business space properties in other cities in India and, in line with its investment strategy, the Trustee-Manager endeavours to further diversify a-iTrust's portfolio geographically.

The Properties are strategically located near residential developments and social infrastructure

- The Properties are easily accessible via public roads and the public transportation network as they are located in the renowned IT and ITES hubs of Bangalore, Chennai and Hyderabad.
- Located in Hyderabad, CyberPearl and The V are well-connected to the Mumbai National Highway and residential localities of Banjara Hills and Jubilee Hills. The airport in Begumpet is approximately 16 km away from the two properties.

- Located in Whitefield, Bangalore, ITPB is 13 km from the Bangalore airport and 18 km from Mahatma Gandhi Road, the centre of the city. The Property is connected to the airport and City Centre through the Outer Ring Road and Whitefield Road, which is proposed to be widened to four lanes in the future. Public transport in the form of buses and auto rickshaws are widely available and easily accessible, and Cantonment Railway Station is located 20 km away from ITPB. In addition, ITPB provides bus shuttle services to various destinations in the city. Residential developments are located in Whitefield, and also in the surrounding areas of Krishnarajapuram, Vimanpura and Marathalli. A retail mall, Tech Park Mall, is located within ITPB, while other retail and entertainment facilities are located nearby in Marathalli and Koramangala. The Property has very high visibility as ITPB has a prominent frontage on the Whitefield Road.
- ITPC in Chennai is located off Old Mahabalipuram Road in Taramani and is approximately 9 km from the CBD and 12 km from the airport. It is located within close proximity to the residential districts of Adyar and Velacheri. ITPC has good visibility with a frontage on the road connecting it to the Old Mahabalipuram Road.
- This accessibility of the Properties brings convenience to the tenants' employees and reduces their overall transportation costs. Tenants perceive the strategic location and the close proximity of each of the Properties to residential developments and social infrastructure as a benefit as it leads to potentially increased employee satisfaction. The importance of employee satisfaction and retention provides the Properties with a key advantage in retaining existing tenants and attracting new tenants in a market where recruiting and retaining talented human resources is a challenge.

The Properties are leased to diverse and high quality tenants

- The tenants of the Properties include leading multinational corporations which operate in diverse business areas with no single tenant representing more than 6% of the monthly Base Rent of a-iTrust as at 31 March 2007. These include information technology companies such as IBM, Microsoft, Infineon Technologies, and Motorola, leading financial service providers and banks such as HDFC Bank, ICICI, internet companies such as Amazon.com and research and development facilities such as those of Pfizer. The Trustee-Manager believes that a congregation of such high quality tenants in the Properties is evidence of the quality and competitive advantage of the Properties over the other competing IT parks in India. Such high quality tenants add to the overall value of the Properties as they aid in attracting other similar high quality tenants.

Substantially locked-in, medium-term leases with high security deposits provide rental income stability

- The weighted average lease term (by monthly Base Rent) of the Properties, as shown in the table below, is approximately 3.5 years. This reduces the lease turnover rate and ensures a steady stream of rental income for a-iTrust.

Property	**Weighted average lease term (by monthly Base Rent)**
ITPB	2.9 years
ITPC	3.5 years
The V	4.4 years
CyberPearl	4.0 years
Weighted average for the Properties	**3.5 years**

- In addition, the tenants are required to pay security deposits ranging from 6 to 12 months of the monthly rent, and these security deposits may be used to set-off lease payment defaults and any resulting penalty interest incurred. This minimises the adverse effects of lease payment defaults by the tenants, and ensures a stable stream of rental income for a-iTrust.

The Ascendas brand name is well reputed for quality of service

- The Trustee-Manager believes that the Ascendas brand name is well perceived by the tenants and their employees and in the respective sub-market of the Properties and is associated with quality services and better overall IT park upkeep and maintenance. The Trustee-Manager views the strength of the Ascendas brand name as a valuable competitive advantage in retaining and acquiring new tenants.

The Properties benefit from comprehensive ancillary facilities and services

- The Properties each have a range of integrated amenities to provide a unique international business lifestyle for the tenants. These amenities include restaurants, spacious food courts and cafeterias, fitness centres, retail malls, multi-purpose halls, business centres, pharmacies, convenience stores, banks, ATMs, travel desks and coffee delis. In addition, ITPB has a dedicated power plant which provides uninterrupted power and insulates the Properties from fluctuations from the state power grid. All the Properties are equipped with 24-hour power back-up system operations, internet connectivity and 24-hour manned security.
- The Trustee-Manager believes that such lifestyle offerings, in addition to extensive organised activities within well-landscaped environments, enhance the attractiveness of the Properties as sought-after addresses for professionals to work in, thus giving substantial incentives for potential multinational corporations and local tenants to locate their offices in Ascendas' IT parks.

The Operating Buildings enjoy high committed occupancy rates

- As at 31 March 2007[(1)], the weighted average committed occupancy rate of the Operating Buildings, including the recently completed and operating sixth building at ITPB (Navigator), was approximately 99%.

- The Trustee-Manager believes that the healthy demand for IT parks located in India and the strategic location of the Properties provide a competitive advantage to the Properties in maintaining their high committed occupancy and retention rates over time. (See "Business and Properties" for further details.)

The Properties are professionally managed

Ongoing professional property management services are in place to ensure effective management of the assets and to provide tenant satisfaction. Ascendas Property Management Services (India) Private Limited, the Property Manager, plays an important role in the tenants' business continuity by providing smooth and uninterrupted infrastructure support. The Property Manager provides comprehensive solutions to the tenants' office space needs, thus allowing them to focus their attention on the management of their business operations. The Property Manager aims to maintain the Properties at a high standard so as to prolong the physical life of the assets and to ensure best practices in the key areas of fire and security systems as well as the delivery of power and water.

The Property Manager also aims to create convenient and engaging lifestyle environments for the community of professionals to enjoy and thrive on working in the respective Properties.

(See "Certain Agreements relating to Ascendas India Trust and the Properties — Property Management Agreements for the terms of the Property Management Agreement")

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(1) Except for Navigator, which takes into account its occupancy rate of 100% as at 31 May 2007, following its completion in January 2007.

Development Land

Two of the Properties, ITPB and ITPC, offer investors the advantage of an optimal combination of steady income (from leasing out the Operating Buildings within ITPB and ITPC) and significant potential for capital appreciation (through the three Proposed Developments within ITPB and ITPC). In addition, there is an additional 24 acres of land available for development at ITPB (representing up to approximately 2.7 million sq ft of potential SBA) which can be used to develop real estate for IT and ITES and/or ancillary uses. Such land available for development will provide a-iTrust with an in-built potential for the future growth of a-iTrust's portfolio.

The Trustee-Manager believes that any development risk undertaken is manageable as construction of any BTS facility will commence only after a-iTrust has obtained a pre-commitment from a tenant to take up space in the new property and construction of any multi-tenanted building will commence only when the Trustee-Manager anticipates that there will be strong demand for additional space and amenities based on indications of interest from existing clients and the Trustee-Manager's assessment of potential demand. The Property Manager maintains close contact with existing tenants, thus enabling it to anticipate their demands for additional space. The Trustee-Manager is also able to leverage the close contact which the internal marketing department of the Sponsor maintains with key tenants, thus enabling the Trustee-Manager to monitor the demands of these tenants and market suitable properties to them accordingly.

Although a-iTrust, being a BT, is not subject to the 10% limit on its property development activities under the Property Funds Guidelines, to balance the need for prudence while maintaining flexibility in its investment strategies to maximise returns for its Unitholders, the Trust Deed provides that a-iTrust's property development activities will be limited to 20% of the Trust Property of a-iTrust, being a BT, calculated in accordance with the formula set out in the Trust Deed.

Insurance

The Properties are insured consistent with industry practice in India. This includes property damage, machinery, directors' and officers' liability and public liability insurance (including personal injury) policies. There are no significant or unusual excess or deductible amounts required under such policies. There are, however, certain types of risks that are not covered by such insurance policies, including acts of war and outbreaks of contagious diseases. The Trustee-Manager believes that the insurance in place is adequate for the purpose of a-iTrust in view of industry practice in India.

Encumbrances

Certain areas in some of the Properties, along with certain buildings, fixed and current assets of the VCUs, are subject to security interests in favour of banks against loan facilities availed by the VCUs. These security interests are created through mortgages and hypothecation, as the case may be. Such security interests have been created for the purpose of financing the development of and construction on the Properties.

International Tech Park, Bangalore — World in a park

Address: Whitefield Road, Bangalore — 560066

Bangalore Profile

Bangalore is the capital city of the state of Karnataka and is India's fifth largest metropolitan area by population. It is located in the Southeast of India at the heart of the Mysore plateau. Its strategic location in the southern delta of India provides ease of connectivity to other prominent metropolitan cities across India, Southeast Asia and the Middle East.

Bangalore has a population of about seven million inhabitants and has one of the largest graduate pools in India available to be deployed in various IT/ITES sectors. The city has a high literacy rate of 84%, supported by a large number of degree colleges, comprising 135 engineering and 838 degree colleges in Karnataka. Bangalore has emerged as India's technology hub with over 1,400 registered IT and ITES companies and is presently the largest IT hub in India, generating 37% of India's IT and ITES export revenue. The city had attracted approximately US$2.1 billion in foreign direct investments between 2000 and 2007.

Bangalore, one of the fastest growing cities in Asia, is also often referred to as the "Silicon Valley of India", with almost all IT-related MNCs setting up their India headquarters in Bangalore primarily due to its pleasant weather and cosmopolitan nature. Apart from the booming IT sector, Bangalore is also well established in a number of other key industries such as aeronautics, heavy electronics and research, primarily due to the abundance of technically qualified professionals in the city graduating from premier institutions such as the Indian Institute of Science and the Indian Institute of Management.

The massive growth that the city has witnessed in the last decade is a clear indication of Bangalore being developed to be on par with the leading cities of the world. A number of infrastructure related initiatives such as the introduction of the Metro rail, the construction of the new international airport at Devanhalli, the widening of domestic expressways to four lanes, improvement to the local bus services and construction of more flyovers and underpasses are expected to position Bangalore as one of the world class cities in India.

ITPB overview

Key property statistics	
Site area	69 acres
Operating Buildings	Six Completed Buildings as well as a basement retail mall totalling Owned SBA of approximately 1.7 million sq ft
Proposed Developments	Two Proposed Developments with potential SBA of 744,000 sq ft
Land Available For Development	24 acres of land available for development into up to 2.7 million sq ft of income-producing business space, assuming all the land is developed to the maximum, within the approved plot ratio of 2.5
Title	Freehold

Description

The award-winning ITPB, one of the first IT parks in India, is a state-of-the-art business space park for organisations in high-tech industries, such as IT, ITES and bio-technology. It is one of Bangalore's premier landmarks and is located in the peripheral business district of Whitefield, one of the two prominent clusters along with Electronics City. Whitefield, an Export Promotion Industrial Park hub, is located to the east of Bangalore, approximately 18 km from the city centre and 12 km from the domestic-cum-international airport. It is also fast establishing itself as a prominent suburban mid-to-high end residential locality with numerous large residential townships developments coming up such as Prestige Shantiniketan and Brigade Metropolis. In addition, to cater to the needs of local residents and working professionals, some retail malls are currently under development in the vicinity.

ITPB has a prominent frontage, being located on main Whitefield Road. It is well connected and enjoys good accessibility from the airport, city centre and major residential localities such as Krishnarajapuram, Indiranagar and Marathalli *via* Airport Road and Old Madras Road. ITPB has a bus service operating for the workforce with nearly 100 routes extensively covering all major residential localities of Bangalore. An estimated 30% of the park's population use the bus service to commute to work on a daily basis. In addition, there are bus services provided by the local government and hired transport such as auto rickshaws and taxis. In addition, ITPB will also soon be a beneficiary of the Metro rail system which is expected to connect a number of prominent residential hubs within Bangalore such as Malleshwaram, Jayanagar, Rajaji Nagar and others. This system is expected to be operational by December 2011, with the Byappanahalli station being the main junction for ITPB (about 10 km from ITPB).

ITPB is spread over 69 acres, and currently comprises six multi-tenanted office buildings, namely "Discoverer", "Innovator", "Creator", "Explorer", "Inventor" and "Navigator". There is also a basement retail mall, "Tech Park Mall" and "Pioneer" the BTS facility for TCS which is expected to be completed in August 2007. TCS has committed to the acquisition of a 99-year leasehold interest in Pioneer, and 85% of the consideration having been received and the balance to be received in FY2008.

At ITPB, the space leased out can be categorised as "extended warm shell", and the characteristics include false ceilings, two-level fire sprinklers and the installation of lighting and air conditioning.

Features of ITPB

Apart from the numerous amenities provided to tenants, the ITPB management team also organises exciting recreational and social events for the workforce, to provide a vibrant and attractive environment. These events such as festival celebrations, sports meets, talent shows, entertainment performances by local and international artistes and community activities are conducted on a regular basis, providing a distinctively dynamic business environment and a form of relaxation and entertainment to the 20,000-strong workforce at ITPB. ITPB is a cohesive self-sustained development, comprising a suite of facilities that support retail, health and recreational activities of its tenants.

(See Appendix E, "Independent Indian Market Research Report".)

Accolade won by ITPB

In 2002, the Intelligent Community Forum, a New York-based non-profit trade association, awarded ITPB the New York-based World Teleport Property Award, in recognition of ITPB's contribution to Bangalore's remarkable growth and its ability to provide "plug-and-play" services and state-of-the-art infrastructure.

ITPB has also been certified under the ISO 9001:2000 program for the operation and maintenance of technology parks.

Occupant Base

ITPB's prestigious occupants add to its overall value as an IT park. It has a number of high profile companies which include General Motors, GE, Societe General, IBM, Infineon and Affiliated Computer Services.

Property Title Status

Information Technology Park Limited (the VCU which owns ITPB), of which 296 million equity shares of Rs. 10 each representing 92.8% of the total paid up share capital are held directly and indirectly (through its wholly-owned subsidiary, ITPI) by the Singapore SPV; has legal and marketable title over the land measuring 69 acres. In this respect, the Trustee-Manager has obtained a legal opinion from its Indian legal adviser, Messrs Luthra & Luthra Law Offices confirming that the aforesaid VCU has a legal and marketable title over the aforesaid lands.

Key information on Operating Buildings

Building Statistics

Building	Owned SBA	Date of Completion	Number of tenants as at 31 March 2007[(1)]
	(sq ft)	(year)	
Discoverer	164,000	November 1998	13
Innovator	235,000	November 1998	33
Creator	311,000	November 1998	12
Explorer	213,000	June 2002	10
Inventor	280,000	November 2004	13
Navigator	407,000	January 2007	22
Tech Park Mall	100,000	November 1998, January 2006	47
Total	**1,710,000**	**—**	**150**

(1) Except for Navigator, which is based on the number of tenants as at 31 May 2007, following its completion in January 2007.

Park Statistics

Summary financials for Forecast and Projection Years

	Forecast Year 2008		Projection Year 2009	
	(Rs. million)	(S$ million)	(Rs. million)	(S$ million)
Property Income	1,701.2	58.7	1,878.1	64.8
Net Property Income[(1)]	754.0	26.0	817.1	28.2
Appraised Value by C&W as at 31 March 2007[(2)]	13,670	478.45		

(1) Excludes annual depreciation on plant and equipment of S$1.4 million for the Forecast and Projection Years and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast and Projection Years respectively, for the Properties.

(2) Based on an exchange rate of Rs. 28.5714 to S$1.00.

Tenant Information

As at 31 March 2007[(1)], ITPB has 150 tenants based on Committed Leases. The tenant profile of ITPB is diverse and represents a wide variety of industry sub-sectors in the IT and ITES segments. The park is home to world-renowned tenants who have established a long standing presence in India. Top 10 tenants at the park include:

Top 10 tenants by Base Rent (in alphabetical order)

Affiliated Computer Services of India Pvt. Ltd.	General Motors India Pvt. Ltd.
Agere Systems India Pvt. Ltd.	IBM Global Services Pvt. Ltd.
Applied Materials India Pvt. Ltd.	Infineon Technologies India Pvt. Ltd.
Bally Systems India Private Limited	Societe Generale Global Solutions Centre Pvt. Ltd.
GE Medical & GE Power	ZapApp/FIC/First Advantage[(2)]

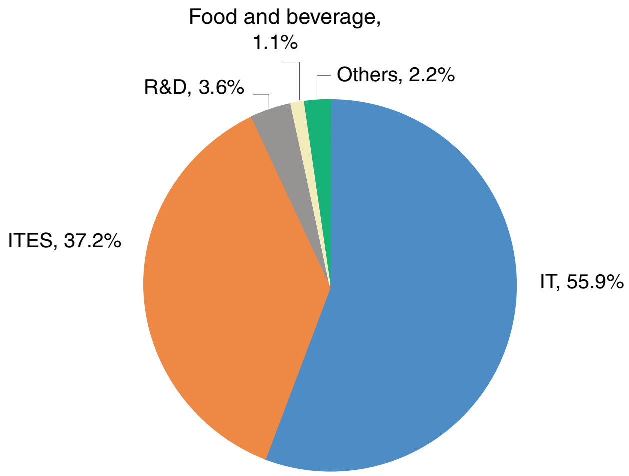
(1) Except for Navigator, which takes into account the number of tenants as at 31 May 2007, following its completion in January 2007.

(2) Each of ZapApp, FIL and First Advantage is a wholly-owned subsidiary of First American Corporation.

The lease terms of ITPB's tenants are for an average of three years. Some of the leases have been structured with pre-committed step-up provisions upon renewals. The standard lease term is three years with a lock-in for three years during which the tenants are not entitled to terminate the leases. At the end of the lease term, there is an option to renew for a further period of three years based on mutual consent. The rental is fixed during the lease term, and upon renewal at the end of the lease term, the rental has a step-up which is subject to mutual consent.

The following chart provides a breakdown by Base Rent (from Committed Leases) of the various trade sub-sectors represented in ITPB as at 31 March 2007.

Tenant trade sectors (by Base Rent): ITPB



Expiries

The table below sets out the expiry profiles of the tenancies at ITPB as at 31 March 2007:

Period	Expiring leases by Owned SBA	Monthly Base Rent from expiring leases	Expiring leases as a percentage of aggregate Base Rent for the month ended 31 March 2007
	(sq ft)		
Forecast Year 2008	607,000	Rs. 26,047,000 (S$898,000)	38.6%
Projection Year 2009	308,000	Rs. 13,655,000 (S$471,000)	20.2%
Financial Year ending 31 March 2010 . .	394,000	Rs. 17,716,000 (S$611,000)	26.2%
Financial Year ending 31 March 2011 and beyond.	213,000	Rs. 10,094,000 (S$348,000)	15.0%
Total	**1,522,000**	**Rs. 67,512,000 (S$2,328,000)**	**100.0%**

Key Information on Proposed Developments

Development Properties	Expected commencement of construction	Expected completion	Total estimated construction costs (inclusive of all construction-related fees) (Rs. million)	Total estimated construction costs (inclusive of all construction-related fees) (S$ million)	Estimated SBA (sq ft)
Avestha Gengraine Technologies BTS	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	350 - 470	12 - 16	294,000
Retail mall	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	950 - 1,170	33 - 40	450,000
Total	—	—	**1,300 - 1,640**	**45 - 55**	**744,000**

The Trustee-Manager has planned for the development of a 14-floor, 294,000 sq ft BTS facility for Avestha Gengraine Technologies. The development is expected to commence by the third quarter of Forecast Year 2008 and completed in the fourth quarter of Projection Year 2009, and will be located in the non-SEZ portion of ITPB.

In addition, the construction of a 450,000 sq ft retail mall on existing lots is expected to commence in the third quarter of Forecast Year 2008 and completed in the fourth quarter of Projection Year 2009. The mall would cater to the public as well as the employees of tenants at ITPB. It would comprise a mix of retail, food and beverage outlets and entertainment facilities.

Also, currently under construction is a 200-room business hotel of the Taj Group, a premier Indian hotel chain operated by the Tata Group. It is expected to be operational by early 2008. Construction of the hotel is currently funded by and managed by The Taj Group, and is being built on land owned by the ITPL under a 30-year master lease.

The construction cost (inclusive of all construction-related fees) for the recently completed Navigator building (construction completed in January 2007) was approximately Rs. 2,100 per sq ft. As at 31 May 2007, it was 100% occupied.

Key Information on Land Available for Development

Location	Land available for Development (acres)	Maximum plot ratio	Estimated SBA (sq ft)
ITPB	24	2.5	2.7 million

24 acres of land are available for development at ITPB, of which 23 acres of the land available for development are within a notified IT sector-specific SEZ as approved by the Government of India. An optimum mix of BTS and multi-tenanted buildings is planned, to cater to the expansion plans of existing tenants as well as new tenants. Assuming the 24 acres of land available for development are developed to the maximum, within the approved plot ratio of 2.5, the total potential SBA of the land available for development is approximately 2.7 million sq ft. The Trustee-Manager expects the development of this land to be undertaken over the next three to five years.

Additional information

Infrastructural:

Dedicated Power Plant	An on-site 20 MW power plant is the primary power source to ensure a high quality and reliable power supply within the park. The dedicated power plant operates in conjunction with the 220 kva state grid and in addition to the diesel generator ("**DG**") sets, thus providing a three-level power backup system ensuring the highest level of reliability for tenant operations.
Voice & Data Communication	The park is supported by six service providers for voice and data for seamless communication connectivity. An in-house telephone exchange forms part of this service in addition to WiFi enabled zones within the park.
Fire Protection System	Includes fire alarms, water sprinklers, portable fire extinguishers and fire hydrant hose reels with 24-hour security.
Building Automation System	Centrally monitored and controlled at a common console in each of the buildings. Common area lighting and air conditioning are time-controlled through the building automation system.
Water Storage and Sewage Treatment Plant	The park also includes a sewage treatment plant and all treated waste is used for landscaping. Water storage tank has a capacity to store up to five days' supply.
Parking	A total of 1,379 car parking slots and 2,336 two-wheeler parking lots for both visitors and employees.

Amenities:

Transportation	Ferry service from key destinations across the city for the employees of the park and shuttle service every half an hour from the city centre for visitors and the workforce.
Health Club	Includes a fully equipped gym, an aerobics studio and a steam room.
Business Centre	Incubation centre for companies wishing to start an office immediately. Comprises cabins, suites and discussion and conference rooms with a provision of secretarial support. Additional video conferencing facility is also available.
Retail Mall	Banks, ATMs, restaurants, food court, telephone service providers, laundry, convenience store, photo shop, travel agent, insurance service and pharmacy.

Value Added Services:

Property Management	In-house maintenance team. Qualified maintenance team available round-the-clock, to oversee all requirements and general maintenance.
Project Management	In-house qualified project management team to execute the fit-out works for the client's office premises.

Competition

ITPB face competition from other IT parks in Bangalore such as SJR 1 Park (Tower 1), Brigade Tech Park and Netra Tech Park.

International Tech Park, Chennai — Lifestyle in a park

Address: Tharamani Road, Chennai — 600013

Chennai Profile

Chennai, the capital city of the state of Tamil Nadu, is India's third largest commercial and industrial centre and the fourth largest metropolitan city. It is located along the Coromandel Coast of the Bay of Bengal, near the southern tip of India.

Chennai has been growing in size and population. The city has an urban population of approximately 6.4 million, which has grown at a healthy rate of 9.8% over the past ten years. Tamil Nadu is the second most urbanised state next to Maharashtra and is currently the third largest economy in India with a state domestic product of US$34.4 billion, recording a 9.5% growth over the previous year. The state is also ranked by studies to be within the top three places in India in terms of foreign direct investments, industrial output, number of factories and total workforce employed in factories. Chennai recorded approximately US$2.4 billion in foreign direct investments for the period from 2000 to 2007.

Chennai also houses a number of prominent educational institutions such as the Indian Institute of Technology, Central Leather Research Institute, Anna University, Central Polytechnic, the National Institute of Fashion Technology. There are approximately 365 degree colleges and 96 engineering colleges in the state.

Chennai was amongst the first cities in India to introduce the concept of IT parks and IT corridors in the early 1990's, and has since emerged as one of the most attractive destinations for off-shore services. This is attributable to the abundance of technically qualified professionals in the city, produced by the approximately 100 engineering colleges in the state. It is also known as the "automobile capital of India" and the "Detroit of India", with approximately half of the nation's auto-components industry located in the city. A number of world-renowned car manufacturers such as BMW, Hyundai, Mitsubishi and Ford have set up their manufacturing operations in the city. Chennai is also known for its petrochemical industries, textiles and locomotives and is fast emerging as a telecommunications manufacturing hub with prominent brands such as Nokia establishing their manufacturing operations in the city.

Chennai has witnessed massive growth in the recent past, and seeks to position itself as a premier business destination in India. Popularly known as the "Gateway to South India", Chennai boasts of one of the best transportation networks in the country, with well established road, rail, air and sea networks. There are five major national highways connecting it to the various parts of India, seven government-owned transport corporations operating inter-city and inter-state bus services, a central railway junction providing connectivity to all parts of India, a local train system providing connectivity within the city, an international-cum-domestic airport and two major sea ports. The ease of connectivity to Chennai is epitomised by its position as one of the busiest air-cargo terminus and container hubs in India. In addition, the city's transportation infrastructure was given a recent boost with the construction of flyovers, highways, expansion of road networks connecting the CBD and residential hubs to the suburban IT corridors and the introduction of the mass rapid transport suburban train system ("**MRTS**") in late 2005 to complement the existing local rail network of the city. The local government is also currently undertaking planning activities for the construction of an underground Metro rail system.

ITPC overview

Key property statistics	
Site area	15 acres
Operating Building	One Operating Building with SBA of approximately 528,000 sq ft
Completing Building	One Completing Building with SBA of approximately 730,000 sq ft
Proposed Development	One Proposed Development with potential SBA of up to 708,000 sq ft
Title	Freehold

Description

ITPC, one of the most prominent IT park developments in Chennai, is a state-of-the-art business park for organisations in the IT and ITES sectors. a-iTrust, through the Singapore SPV, will own 89% equity interest in ITPC. Located in the highly popular peripheral business district of Tharamani, off Old Mahabalipuram Road, a government-designated IT corridor, ITPC is in close proximity to the city centre (approximately 9 km) and the airport (approximately 10 to 12 km). It is also in the vicinity of prime residential precincts such as Adyar, Besant Nagar, Indira Nagar and Thiruvanmiyur. It is well connected to various parts of the city by the local bus networks (nearest bus terminus being Tharamani Road near Council of Scientific Industrial Research, which is across the road from ITPC), private hired transport such as taxis, auto rickshaws, and is within walking distance (less than one km) from the newly constructed Thiruvanmiyur MRTS station which connects to the major regions within Chennai.

ITPC is a 15-acre, three-phase development currently comprising one Operating Building, "Pinnacle" (Phase I), one Completing Building expected to be completed in August 2007, "Crest" (Phase II) and a Proposed Development, "Zenith" (Phase III). ITPC will house over 3,350 car and two-wheeler lots which are let out to tenants as well as visitors. ITPC's multi-tenanted buildings are home to some of the premier MNC tenants in the IT and ITES sectors.

ITPC has been designed on a "plug-and-play" concept and is equipped with unique features to provide an integrated business environment with complete lifestyle and value-added amenities. These include food courts, 100% power backup, WiFi/broadband connectivity, large floor plates for efficient space usage and layout, central air-conditioning, state-of-the-art fire and security systems, centrally controlled and monitored building management systems and a pharmacy. ITPC's lush landscaping with water features also provides a pleasant working environment. In addition, round-the-clock in-house maintenance teams and qualified project management teams are available to oversee all requirements such as general maintenance and fit-out requirements of the tenants. These unique features have made ITPC home to a number of tenants from the outsourcing industries, who value the "work-live-play" concept for their round-the-clock operations.

Features of ITPC

Apart from the many unique amenities provided to tenants, the ITPC management team also organises exciting entertainment and social events for the workforce, to add to the vibrancy and the lifestyle theme of the park. Events such as fashion shows, community events, festivities and entertainment performances by local and international artistes are conducted regularly, providing a distinctively vibrant "work-live-play" environment. (See Appendix E, "Independent Indian Market Research Report")

Property Title Status

Ascendas IT Park (Chennai) Limited (the VCU which owns ITPC), of which 60,520,000 equity shares of Rs. 10, each representing 59.3% of the total issued share capital are held by the Singapore SPV, has a freehold legal and marketable title over the lands measuring 15 acres. In this respect, the Trustee-Manager has obtained a legal opinion from its Indian legal adviser, Messrs Luthra & Luthra Law Offices, confirming that the aforesaid VCU has a legal and marketable title over the aforesaid lands. It is intended that on the Listing Date, the Singapore SPV will hold an 89% equity interest in AITPCL.[3]

Key information on the Operating Building

Building Statistics

Building	Total SBA	Date of Completion	Number of tenants as at 31 March 2007
	(sq ft)	(year)	
Pinnacle	528,000	September 2005	35

Summary financials for Forecast and Projection Years

	Forecast Year 2008		Projection Year 2009	
	(Rs. million)	(S$ million)	(Rs. million)	(S$ million)
Property Income	453.1	15.6	719.3	24.8
Net Property Income(1)	245.9	8.5	491.7	17.0
Appraised Value by C&W as at 31 March 2007(2)	5,533	193.66		

(1) Excludes annual depreciation on plant and equipment of S$1.4 million for the Forecast and Projection Years and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast and Projection Years respectively, for the Properties.

(2) Based on an exchange rate of Rs. 28.5714 to S$1.00.

Tenant Information

As at 31 March 2007, ITPC has 35 tenants based on Committed Leases. The tenant profile of ITPC is focused on the IT and ITES sectors. The IT park is home to some of the most prominent and world renowned IT and ITES companies such as Amazon.com, Nokia, Siemens, Caterpillar and iNautix.

[3] As at the date of this Prospectus, the Singapore SPV owns 59.3% of AITPCL and the remaining 29.7% interest in AITPCL will be acquired from ALI and paid for out of part of the proceeds of the Offering on the Listing Date subject to the fulfilment of certain conditions. (See "Appendix A — Note 2: Acquisition of Additional Interest in Ascendas IT Park (Chennai) Limited" for more information on the various acquisitions of interest in AITPCL and "Certain Agreements Relating to Ascendas India Trust and the Properties — The AITPCL Share Purchase Agreement".)

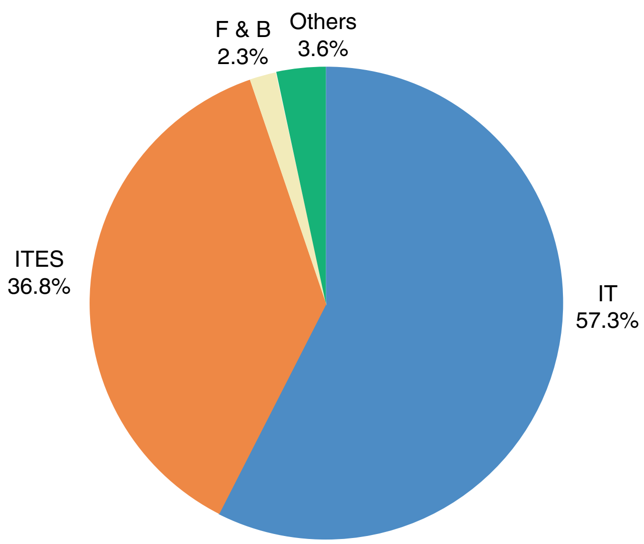
Top 10 tenants by Base Rent (in alphabetical order)

Amazon Development Centre India Pvt. Ltd.	Nokia India Pvt. Ltd.
Bally Systems India Private Limited	Pfizer Pharmaceutical India Pvt. Ltd.
Caterpillar India Pvt. Ltd.	Siemens Information Processing Services Pvt. Ltd.
iNautix Technologies India Pvt. Ltd.	Siemens Information Systems Limited
Intelenet Global Services Pvt. Ltd.	Visual Graphics Computing Services India Pvt. Ltd.
Nipuna Services Limited	

The lease terms of ITPC's tenants are for an average of 3.5 years. Most of the leases have been structured with a pre-committed step-up provision upon renewals. The standard lease term is three years with a lock-in for three years. At the end of the lease term, there is an option to renew for a further period of three years based on mutual consent. The rental is fixed during the lease term, and at the end of the lease term, the rental has a step up of 12% to 18%.

The following chart provides a breakdown by Base Rent (from Committed Leases) of the various trade sub-sectors represented in ITPC as at 31 March 2007.

Tenant trade sectors (by Base Rent): ITPC



Expiries

The table below sets out the expiry profiles of the tenancies at ITPC as at 31 March 2007:

Period	Expiring Leases by Owned SBA	Monthly Base Rent from expiring leases	Expiring leases as a percentage of aggregate Base Rent for the month ended 31 March 2007
	(sq ft)		
Forecast Year 2008	2,000	Rs. 101,000 (S$4,000)	0.5%
Projection Year 2009	440,000	Rs. 16,509,000 (S$569,000)	84.1%
Financial Year ending 31 March 2010	9,000	Rs. 345,000 (S$12,000)	1.8%
Financial Year ending 31 March 2011 and beyond	75,000	Rs. 2,674,000 (S$92,000)	13.6%
Total	**526,000**	**Rs. 19,629,000 (S$677,000)**	**100.0%**

Key information on the Completing Building

The construction cost (inclusive of all construction-related fees) for the Crest building (construction expected to be completed in August 2007) is estimated at Rs. 1.61 billion. Upon completion, it is expected to be approximately 40% committed. The construction cost (inclusive of all construction-related fees) for the completed Pinnacle building (construction completed in September 2005) was approximately Rs. 2,200 per sq ft.

Property	Total SBA	Expected completion
	(sq ft)	(year)
Crest	730,000	August 2007

Key information on the Proposed Development

Development Property	Expected commencement of construction	Expected completion	Total estimated construction costs (inclusive of all construction-related fees) (Rs. million)	Total estimated construction costs (inclusive of all construction-related fees) (S$ million)	Estimated SBA (sq ft)
Third Building	Third quarter Forecast Year 2008	Fourth quarter Projection Year 2009	1,400 - 1,600	48 - 55	708,000

ITPC currently has approximately 0.2 million sq ft of aggregate land available for development into commercial space, providing existing tenants with the advantage of scalability. In view of the robust demand for quality IT park space in the city, the Trustee-Manager intends to construct a third multi-tenanted building, “Zenith”, comprising 708,000 sq ft of SBA. The construction of the development is expected to commence in the third quarter Forecast Year 2008 and completed in the fourth quarter of Projection Year 2009. Upon completion, all three phases are expected to cater to a community of approximately 18,000 professionals.

Additional Information

Infrastructural:

Power Supply	Dual primary power through two sub-stations. Additional 100% DG power backup.
Voice & Data Communication	The park is supported by five service providers for voice and data for seamless communication connectivity. The park has WiFi-enabled zones as well.
Security System	Advanced security systems, including CCTV camera surveillance, boom/flap barriers and visitor management system.
Fire Protection System	Includes smoke detectors, water sprinklers, portable fire extinguishers and fire hydrant hose reels.
Building Automation System	Centrally monitored and controlled at a common console. Common area lighting and air conditioning are time-controlled through the building automation system.
Parking	Approximately 3,350 car and two-wheeler parking lots for both visitors and employees.

Amenities:

Health Club	Includes a fully equipped gym, an aerobics studio and shower and changing facilities.
Business Centre	Incubation centre for companies wishing to start an office immediately. Comprises cabins, discussion and conference rooms.
Retail Mall	ATMs, a food court, coffee delis, telephone service providers, a convenience store, a travel agent, and a pharmacy.

Value Added Services:

Property Management	In-house maintenance team. Qualified maintenance team available round-the-clock, to oversee all requirements and general maintenance.
Project Management	In-house qualified project management team to execute the fit-out works for the client’s office premises.

Competition

ITPC faces competition from other IT parks in Chennai such as RMZ Millennia Business Park, Tidel Park (IT park) and Chennai One.

CyberPearl, Hyderabad — Where work-meets-play

Address: Hitec City Layout, Madhapur, Hyderabad — 500081

Hyderabad Profile

Hyderabad is the capital city of the state of Andhra Pradesh and is India's sixth largest metropolitan area by population. It is located in the southeast of India on the Deccan plateau. Its central location, being equidistant from key metropolitan cities such as Chennai and Mumbai, and ease of international connectivity has positioned it as a strategic centre for business in India.

Hyderabad has a population of approximately six million, with the city having recorded higher growth rates than Mumbai and Bangalore in the decade 1990 to 2001. The GDP per capita is Rs. 23,000. It was estimated that the city had attracted US$1.2 billion in foreign direct investment for the period from January 2000 to 2007. Hyderabad had witnessed unprecedented growth in the IT and ITES sectors as a result of renewed economic reform by the state government and the abundance of skilled manpower graduating from institutions in Hyderabad.

The city, often referred to as "Cyberabad", is currently one of India's most developed cities and a premier IT and bio-technology hub. With the fast-paced economic growth driven by the IT sector, Hyderabad has witnessed a number of infrastructural developments to position itself as one of the leading cities of South India. The transportation infrastructure in Hyderabad is amongst the most well developed in the country, being well-connected to the rest of India via three national highways, government-operated bus services providing intra-city, intra-state and inter-state connectivity, a light rail transportation system known as the MultiModal Transport System ("**MMTS**") providing inter-state and inter-city connectivity, a major railway junction connecting to the rest of India and an international-cum-domestic airport. As a part of the expansion of infrastructure, the city has witnessed the construction of several flyovers to ease the traffic congestion in the recent past. In addition, the government is undertaking planning activities to construct an inner ring road going around Hyderabad within the city limits and outer ring road, running outside the city limits. This development is expected to further enhance the connectivity between various parts of the city. Also, a new international airport, GMR Hyderabad International Airport Ltd. is under construction at Shamshabad (approximately 30 km from Madhapur) in the Southern part of Hyderabad, which is expected to be operational by March 2008.

The airport will be built on an area of 5,400 acres and will have the longest runway among Indian airports.

Since the early 1990's, Hyderabad has been well renowned for its IT, ITES and pharmaceutical industries. It has established itself as the BPO and IT hub of India along with Bangalore and Chennai, and this is predominantly attributable to the abundance of technically qualified professionals in the city, graduating from the city's premier engineering and technological institutes such as Jawaharlal Nehru Technological University, International Institute of Information Technology, Indian School of Business and the Osmania University. It is estimated that there is an average of 80,000 students graduating every year from these technical institutes. Apart from these new age industries, Hyderabad has been historically famous for its jewellery and handicrafts, in particular pearls, silverware and handlooms. With such a vibrant economic and demographic environment, Hyderabad has been the front runner in terms of attracting huge investments from *Fortune 500* Companies and is poised to become a truly cosmopolitan city.

CyberPearl overview

Key property statistics	
Site area	6 acres
Operating Buildings	Two Operating Buildings with Owned SBA of 431,000 sq ft
Title	Freehold

Description

CyberPearl, the Sponsor's first venture in Hyderabad, is a well renowned IT park located to the north-west of Hyderabad at Hitec City in Madhapur, along the IT corridor of the city. CyberPearl was acquired by a-iTrust in November 2006. It is a state-of-the art business space park for companies in the IT and ITES sectors, constructed in conjunction with L&T Limited, India's largest engineering and construction conglomerate. Located in the peripheral business district of Madhapur, a locality which has the highest concentration of information technology companies in Hyderabad, it is approximately 10 km from the city centre and approximately 16 km from the airport. It is easily accessible *via* Jubilee Hill Road No.36 and Banjara Hills Road No.10, which connect Madhapur to the city centre. It also benefits from the nearby Hitec City bus terminus (less than one km away) which operates frequent services to various parts of the city. The Hitec City MMTS train station is also in the vicinity (less than one km away) and connects Madhapur to the prominent residential hubs within the city.

With the increasing number of IT park developments in the locality, Madhapur is also fast emerging as a popular suburban residential locality amongst software professionals as proven by the increase in township developments over the last two to three years. Other prominent residential precincts such as Banjara Hills, Jubilee Hills and Gachchibowli are in the vicinity. Retail malls such as City Center in Banjara Hills and Central in Punja Gutta currently cater to the large working population while another mall is under construction in the Gachchibowli area.

CyberPearl is spread over six acres and currently comprises two Completed Buildings with a seating capacity of 5,000 professionals. Both these buildings are multi-tenanted to prominent organisations from the IT sector such as Microsoft and GE. It also houses 459 car and 400 two-wheeler parking lots.

CyberPearl has been constructed based on a 'work-live-play' theme and is unique in comparison to the other IT parks in the locality.

Features of CyberPearl

Apart from the several unique amenities and infrastructure facilities provided to tenants, the CyberPearl management team also organises events to add to the vibrancy and cultural lifestyle theme of the park. These events, which are conducted on a regular basis for the workforce, include arts and entertainment events, business seminars, healthy lifestyle programmes, musical shows, karaoke sessions, charity shows, excursions and picnics, festive gatherings, fetes, sporting events, talent shows and community-serving events, providing a distinctively vibrant "work-live-play" environment.

(See Appendix E, "Independent Indian Market Research Report".)

Property Title Status

Cyber Pearl Information Technology Park Private Limited (the VCU which owns CyberPearl), of which 50,000 equity shares of Rs. 10 each representing 100% of the total paid up share capital are held by the Singapore SPV, has a freehold legal and marketable title over the lands measuring six acres. In this respect, the Trustee-Manager has obtained a legal opinion from its Indian legal adviser, Messrs Luthra & Luthra Law Offices confirming that the aforesaid VCU has a legal and marketable title over the aforesaid lands.

Key information on CyberPearl

Building Statistics

Building	Owned SBA	Date of Completion	Number of tenants as at 31 March 2007
	(sq ft)	**(year)**	
Phase I	214,000	May 2004	12
Phase II	217,000	January 2006	11
Total	**431,000**	—	**23**

Park Statistics

Summary financials for Forecast and Projection Years

	Forecast Year 2008		Projection Year 2009	
	(Rs. million)	**(S$ million)**	**(Rs. million)**	**(S$ million)**
Property Income	270.9	9.3	266.3	9.2
Net Property Income(1)(2)	200.7	6.9	186.8	6.4
Appraised Value by C&W as at 31 March 2007(3)	2,001	70.04		

(1) Excludes annual depreciation on plant and equipment of S$1.4 million for the Forecast and Projection Years and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast and Projection Years respectively, for the Properties.

(2) There is an expected drop from S$6.9 million for Forecast Year 2008 to S$6.4 million for Projection Year 2009 due to the forecast of a lower fit-out rental income, which is not a permanent income, in Projection Year 2009, and is dependent on whether there are such requirements in future from tenants. Furthermore, in Projection Year 2009, it is expected that higher tenancy renewals will result in increased marketing commissions.

(3) Based on an exchange rate of Rs. 28.5714 to S$1.00.

Tenant Information

As at 31 March 2007, CyberPearl has 23 tenants based on Committed Leases. The tenant profile of CyberPearl is focused on the IT and ITES sectors. The IT park is home to some of the most prominent and world renowned IT and ITES companies such as Microsoft and GE, which have had long standing presences in the IT sector as well as in India.

Top 10 tenants at the park include:

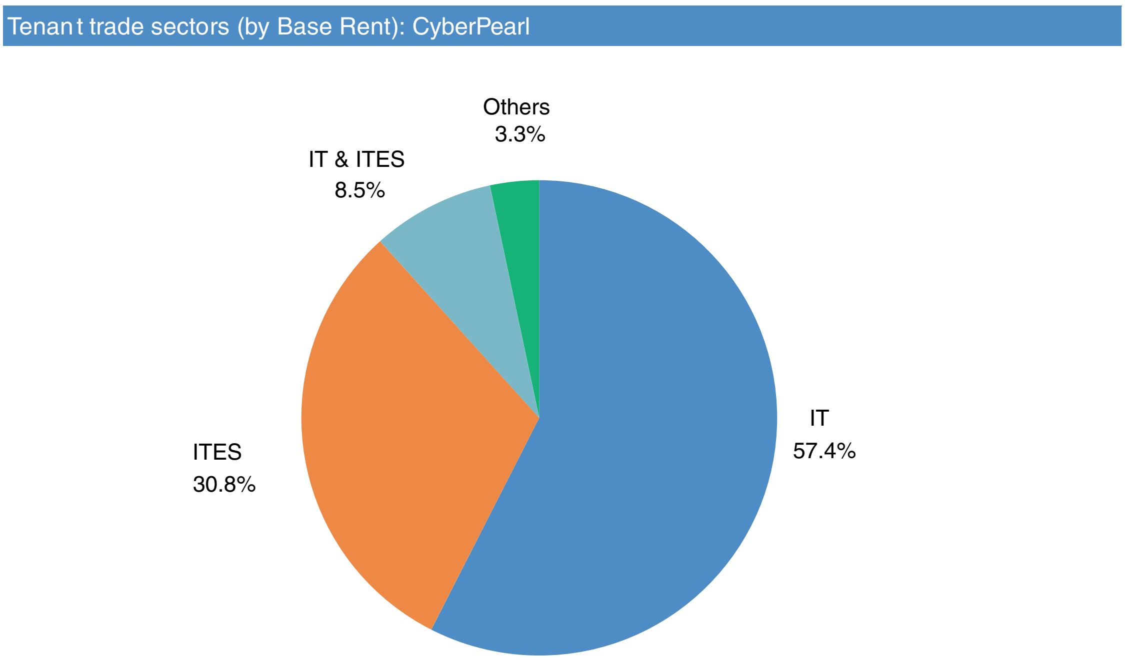
Top 10 tenants by Base Rent (in alphabetical order)

Austriamicro Systems India Pvt Ltd	Metaminds Software Solutions Ltd
Bank of Baroda	Microsoft India (R&D) Pvt Ltd
GE India Exports Pvt Ltd	Nipuna Services Ltd
Keane India Ltd	SITEL India Ltd
Markettools Research Pvt Ltd	Xilinx India Technology Services Pvt Ltd

The lease terms of CyberPearl's tenants are for an average of four years. Most of the leases have been structured with a pre-committed step up provision upon renewals. The standard lease term is three years with a lock-in for three years. At the end of the lease term, there is an option to renew for a further period of 3 years based on mutual consent. For most of the leases rental is fixed during the lease term, and at the end of the lease term, the rental has a step up of 15% to 30%.

The following chart provides a breakdown by Base Rent (from Committed Leases) of the various trade sub-sectors represented in CyberPearl as at 31 March 2007:

Tenant trade sectors (by Base Rent): CyberPearl



Expiries

The table below sets out the expiry profiles of the tenancies at CyberPearl as at 31 March 2007:

Period	Expiring leases by Owned SBA	Monthly Base Rent from expiring leases	Expiring leases as a percentage of aggregate Base Rent for the month ended 31 March 2007
	(sq ft)		
Forecast Year 2008	69,000	Rs. 2,100,000 (S$72,000)	14.6%
Projection Year 2009	139,000	Rs. 4,834,000 (S$167,000)	33.7%
Financial Year ending 31 March 2010	44,000	Rs. 1,738,000 (S$60,000)	12.1%
Financial Year ending 31 March 2011 and beyond	171,000	Rs. 5,681,000 (S$196,000)	39.6%
Total	**423,000**	**Rs. 14,353,000 (S$495,000)**	**100.0%**

Additional information

Infrastructural:

Power Supply	100% DG power backup in addition to the primary power supply from the state grid through two feeder lines.
Voice & Data Communication	The park is supported by six service providers for voice and data for seamless communication connectivity.
Fire Protection System	Includes fire alarms, water sprinklers, portable fire extinguishers and fire hydrant hose reels.
Security System	Advanced security systems, including CCTV camera surveillance and boom/ flap barriers.
Building Automation System	Centrally monitored and controlled at a common console in each of the buildings. Common area lighting and air conditioning are time-controlled through the building automation system.
Parking	A total of 459 car parking lots and 400 two-wheeler parking lots for both visitors and employees.

Amenities

Health Club	Includes a fully equipped gym, an aerobics studio. Services include yoga classes, meditation sessions and personalised fitness programs.
Retail Mall	ATMs, a restaurant, telephone service providers, a pharmacy and an online education institution.
Customer Service	24-hour customer service hotline to respond to tenants' emergency requirements.

Value Added Services:

Property Management	In-house maintenance team. Qualified maintenance team available round-the-clock, to oversee all requirements and general maintenance.
Project Management	In-house qualified project management team to execute the fit-out works for the client's office premises.

Competition

CyberPearl faces competition from other IT parks in Hyderabad such as Cyber Towers, Cyber Gateway and K Raheja Mindspace.

The V, Hyderabad — Vibrancy in a park

Address: Software Units Layout, Madhapur, Hyderabad — 500081

Hyderabad Profile

(See "CyberPearl — Hyderabad Profile")

The V overview

Key property statistics	
Site area	19 acres
Operating Buildings	Four Operating Buildings with SBA of approximately 880,000 sq ft
Completing Building	One Completing Building with SBA of approximately 377,000 sq ft
Title	Freehold

Description

The V, one of Hyderabad's most prominent IT parks, is located along the IT corridor, in Madhapur, in proximity to CyberPearl. It is a state-of-the-art multi-tenanted business space park for organisations in the IT and ITES industries.

(See "CyberPearl — Description" for a brief description on Madhapur.)

The V is a landmark in the knowledge corridor of Hyderabad, is built on 19 acres of land near Hitec City. It currently comprises four Business space buildings, namely — "Mariner", "Auriga", "Orion" and "Capella" and a fifth building currently in its final stages of construction. All these buildings have been constructed on a "plug-and-play" model with a "work-play" concept. In addition, most of the natural large rock formations have been left untouched, with the buildings designed around the natural landscape, adding to the serene and environmentally-friendly setting of the park.

The V is flanged by the approach road on the south, K Raheja Mind Space IT Park on its north, the under construction Inorbit mall by the K Raheja Group on the east and Pioneer IT Park on the West. It is located in close proximity to the large residential district of Jubilee Hills and other middle-income residential estates. The V is approximately 14 kilometres from the city and the airport.

The V was part of the initial portfolio of a-iTrust when it was launched in June 2005.

The V, which has been designed to provide a "campus-feel" to its tenants, offers a number of unique infrastructural features similar to the other IT parks in a-iTrust portfolio.

Features of The V

Apart from the infrastructure facilities and unique amenities provided to tenants, The V's management team also organises events regularly to add to the dynamism and cultural lifestyle theme of the park. These events, which are conducted for the workforce, include arts and entertainment events, musical shows, talent shows, festival celebrations, fashion shows, sporting events and community-serving events, providing a distinctively vibrant "work-live-play" environment.

(See Appendix E, "Independent Indian Market Research Report".)

Property Title Status

VITP Private Limited (the VCU which owns The V), of which 5,595,120 equity shares of Rs. 100 each representing 100% of the total paid-up share capital are held by the Singapore SPV, has a freehold legal and marketable title over the lands measuring approximately 19 acres. In this respect, the Trustee-Manager has obtained a legal opinion from its Indian legal adviser, Messrs Luthra & Luthra Law Offices confirming that the aforesaid VCU has a legal and marketable title over the aforesaid lands.

Key information on the Operating Buildings

Building Statistics

Property	Total SBA	Date of Completion	Number of tenants as at 31 March 2007
	(sq ft)	(year)	
Mariner	234,000	June 2000	13
Auriga	240,000	August 2002	8
Orion	235,000	October 2004	5
Capella	171,000	July 2005	4
Total	**880,000**	**—**	**30**

Summary financials for Forecast and Projection Years

	Forecast Year 2008		Projection Year 2009	
	(Rs. millions)	**(S$ millions)**	**(Rs. millions)**	**(S$ millions)**
Property Income	627.4	21.6	741.5	25.6
Net Property Income(1)	474.5	16.4	584.8	20.2
Appraised Value by C&W as at 31 March 2007(2)	5,439	190.37		

(1) Excludes annual depreciation on plant and equipment of S$1.4 million for the Forecast and Projection Years and marketing services commission amortisation adjustments of S$2.3 million and S$(1.3) million for the Forecast and Projection Years respectively, for the Properties.

(2) Based on an exchange rate of Rs. 28.5714 to S$1.00.

Tenant Information

As at 31 March 2007, The V has 30 tenants based on Committed Leases. The tenant profile of The V is focused on the IT and ITES sectors. The IT park is home to some of the most prominent and world renowned IT and ITES companies such as Cognizant Technologies, Motorola and Patni Systems, which have had long standing presences in the IT sector as well as in India.

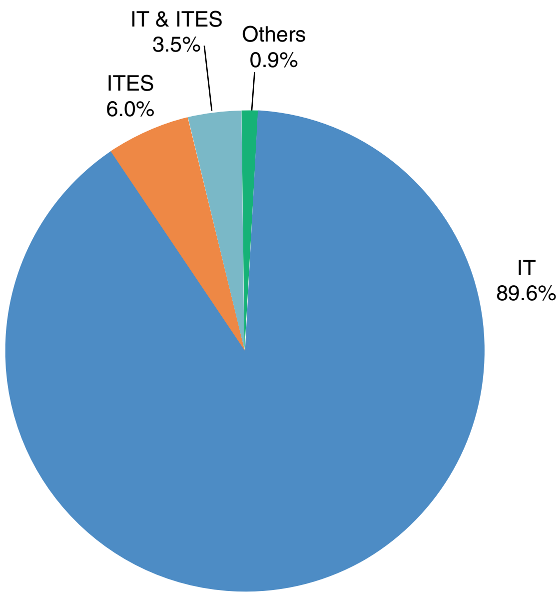
Top 10 tenants by Base Rent (in alphabetical order)

Capmark Overseas Pvt Ltd	Cymbal Info Services Pvt. Ltd.
Cognizant Technology Solutions (India)	C3i Support Services Pvt. Ltd.
Conexant Systems India Pvt. Ltd.	Invensys Development Center India
Computer Associates India Pvt. Ltd.	SSA Global Technologies India Pvt. Ltd.
Cordys R&D (India) Pvt. Ltd.	TNS India Pvt. Ltd.

The average lease terms of The V's tenants are for four years. Most of the leases have been structured with pre-committed annual step ups during the lease term. The standard lease term is three to five years with a lock-in tenure of two to four years based on the lease term. At the end of the lease term, there is an option to renew for a further period of three years based on mutual consent.

The following chart provides a breakdown by Base Rent (from Committed Leases) of the various trade sub-sectors represented in The V as at 31 March 2007:

Tenant trade sectors (by Base Rent): The V



Expiries

The table below sets out the expiry profiles of the tenancies at The V as at 31 March 2007:

Period	**Expiring leases by Owned SBA**	**Monthly Base Rent from expiring leases**	**Expiring leases as a percentage of aggregate Base Rent for the month ended 31 March 2007**
	(sq ft)		
Forecast Year 2008	105,000	Rs. 4,148,000 (S$143,000)	13.1%
Projection Year 2009	61,000	Rs. 2,658,000 (S$92,000)	8.4%
Financial Year ending 2010	194,000	Rs. 7,599,000 (S$262,000)	23.9%
Financial Year ending 2011 and beyond .	466,000	Rs. 17,377,000 (S$599,000)	54.7%
Total	**826,000**	**Rs. 31,782,000 (S$1,096,000)**	**100.0%**

Key information on the Completing Building

Building	**Total SBA**	**Expected completion**
	(sq ft)	
Fifth Building	377,000	September 2007

The Trustee-Manager intends to construct a fifth multi-tenanted building, comprising 377,000 sq ft of SBA, which is expected to be completed in September 2007, which will provide space for office, retail and amenities and is expected to be 38% leased by October 2007 and 90% leased by January 2008. Upon completion, it is expected to cater to a community of approximately 3,600 professionals.

Additional Information

Infrastructural:

Power Supply	The state grid is the primary source of power with 100% power backup from DG sets.
Voice & Data Communication	The park is supported by four service providers for voice and data for seamless communication connectivity.
Fire Protection System	Includes fire alarms, water sprinklers, portable fire extinguishers and fire hydrant hose reels with 24-hour security.
Building Automation System	Centrally monitored and controlled at a common console in each of the buildings. Common area lighting and air conditioning are time-controlled through the building automation system.
Parking	A total of approximately 700 car parking lots and 1,700 two-wheeler parking lots for both visitors and employees.

Amenities:

Cafeteria	A large furnished cafeteria with a fully-equipped kitchen. The cafeteria is convertible into an auditorium with a maximum seating capacity of approximately 2,000 persons for any meeting/conference requirements of the tenants at The V as well as CyberPearl. This facility, unique to only The V in the entire Madhapur district, is frequently used by the tenants due to the lack of any large conference halls in the locality.
Customer Service	24-hour customer service hotline to respond to tenants' emergency requirements.

Value Added Services:

Property Management	In-house maintenance team. Qualified maintenance team available round-the-clock, to oversee all requirements and general maintenance.
Project Management	In-house qualified project management team to execute the fit-out works for the client's office premises.

Competition

The V faces competition from other IT parks in Hyderabad such as Cyber Towers, Cyber Gateway and K Raheja Mindspace.

SUMMARY OF INDIAN MARKET RESEARCH REPORT

Business Space Market in Various South Indian Cities

Jones Lang LaSalle Property Consultants (India) Pvt. Ltd. has been commissioned to conduct a market study to provide an independent overview on the business space market in various South Indian cities for the purpose of inclusion in this prospectus.

The following sets out a summary of the key findings and conclusions contained in the "Independent Indian Market Research Report" set out in Appendix E.

The purpose of the report is to provide independent market overview in relation to business space sector which encompasses sub-urban and IT Parks in various cities in South India, namely, Bangalore, Chennai and Hyderabad.

All capitalised terms, unless expressly defined in this Section, shall have the meaning as set out in the "Independent Indian Market Research Report" set out in Appendix E.

Macro-economic overview of India

1. India is the fourth largest economy in the world after United States, China and Japan as measured by purchasing power parity ("**PPP**") with gross domestic product ("**GDP**") in 2006 estimated to be US$4.0 trillion(1). India is also the second fastest growing major economy in the world. Between FY2004-2006, GDP grew at an average of 8.5% p.a. The growth momentum has accelerated further and is expected to remain strong at 9.2% in FY2007, making this the fastest growing year in terms of GDP in recent Indian history(2). The immense growth noticed is due to its stable political outlook, growing foreign exchange reserves, sustained growth in services and industrial sectors, young demographic profile and regulated financial environment. As a result of this robust outlook, India has emerged as an attractive investment destination.

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(1) Source: Economic Survey of India, 2006 by the Government of India. the Government of India has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by the Government of India is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

(2) Source: State of Economy – Dec, 2006 by Confederation of Indian Industries. Confederation of Indian Industries has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by Confederation of Indian Industries is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

2. The services sector, which includes among others, the IT, construction and real estate sectors, is the fastest growing sector in the Indian economy. In FY2007, growth in this sector is expected to be 11.2%. Industrial growth also continues to be brisk, with estimated growth of 10% in FY2007. Agricultural growth on the other hand, is expected to be only 2.7% during FY2007[(3)].

3. It is an established fact that GDP growth is closely related to growth in FDI. This is because apart from improving efficiencies and bridging technology gap in the sector involved, it creates demand for ancillary sectors and expansion of employment base. Levels of Foreign Direct Investment ("**FDI**") in India are rising, with inflows reaching US$12 billion in FY2007 from US$7.2 billion in FY2006 and around US$2 to 3 billion a year for most of the 1990s[(4)] (although these figures are not strictly comparable, since in FY2000-2001 the government changed the means by which it measures FDI to include, for instance, reinvested earnings). In India, FDI has had the greatest impact on India's IT/ITES and real estate sectors, apart from the pharmaceutical, telecoms and power sectors.

Growth in business property sector

4. The relaxed FDI rules for the real estate sector implemented in India has encouraged increased foreign investment. The revised investor-friendly policies allow foreigners to own property, with the minimum size for housing estates built with foreign capital lowered to 25 acres (10 hectares) from 100 acres (40 hectares). With this sudden change in investment policies, the overseas firms can now put up commercial buildings as long as the projects surpass 50,000 sq m (538,200 sq ft) of floor space[(5)].

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(3) Source: India Budget 2007, E&Y. E&Y has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by E&Y is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

(4) Source: Weekly Economic Bulletin January 2007, India Business Standard. India Business Standard has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee- Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by India Business Standard is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

(5) Source: The Department of Industrial Policy and Promotion ("DIPP") vide press note no.2, 2005. DIPP has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee- Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by DIPP is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

5. The real estate market is currently growing at 30% per annum and offering strong returns to investors. The domestic real estate market, which is presently estimated at US$16 billion (Rs. 724.96 billion), will increase by over three and a half times to US$60 billion (Rs. 2,718.60 billion) by 2010. In 2003-04, India received total FDI inflow of US$2.70 billion (Rs. 122.33 billion), of which only 4.5% was committed to real estate sector. In 2004-05, this increased to US$3.75 billion (Rs. 169.91) of which, the real estate share was 10.6%.[(6)]

6. As many as seven large realty players have already raised or are in the process of raising capital of approximately US$5 billion through AIM (Alternative Investment Market) on the London Stock Exchange[(7)]. Other sources of capital in real estate are property funds and private equity firms.

7. Apart from the construction and realty sector, another sector which has seen brisk investment and growth in recent years is the IT/ITES sector. As IT/ITES sector will require real estate solutions, the growth in the IT/ITES sector is expected to benefit the real estate market.

The booming IT Sector in India

8. The last decade, particularly the last 5 years, have seen the emergence of India as the global leader in offshore it and BPO services. As of 2005, India had an estimated share of 60% of global offshore it revenues and 46% of global BPO revenues. Over FY2001-2006, India's share in global sourcing is estimated to have grown from 62% to 65% for IT services and 39% to 45% for BPO services[(8)]. The other leading offshore centres include China (8.0-9.0% share of offshore IT and BPO industries), Eastern Europe and Russia (8.9%), the Philippines (4.0%), Mexico (2.0%), and other locations including Ireland accounting for 18–19% market share. Although there are other countries around the world that are competing for a piece of the global off-shoring business, India has successfully maintained its leadership position and is expected to continue to do so in the foreseeable future.

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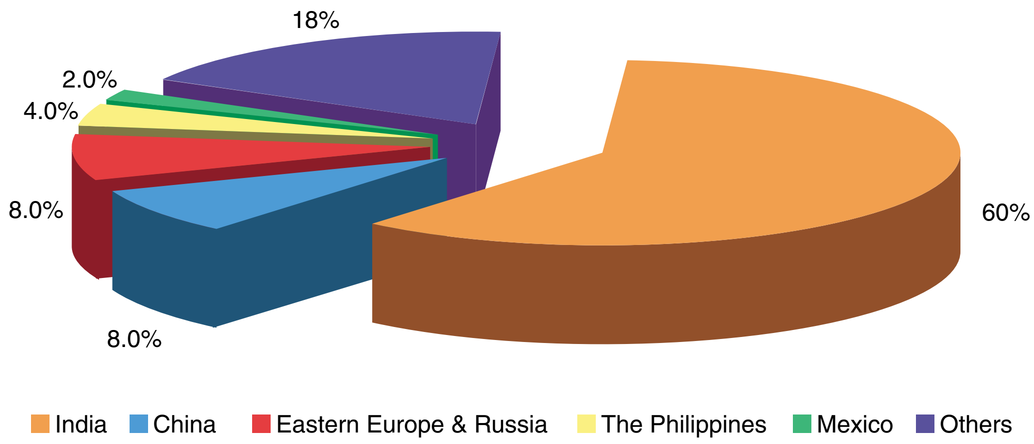
(6) Source: Study of future of real estate investment in India report, ASSOCHAM (Associated Chambers of Commerce and Industry of India). ASSOCHAM has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by ASSOCHAM is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

(7) Source: www.londonstockexchange.com. London Stock Exchange has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by London Stock Exchange is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

(8) Source: NASSCOM-McKinsey Report, 2005. Neither McKinsey & Co. Inc nor NASSCOM has provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by McKinsey & Co. Inc or NASSCOM is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

Market Share of Offshore Locations in Global IT/ITES Revenue (Total: US$29.8 billion) (2005)

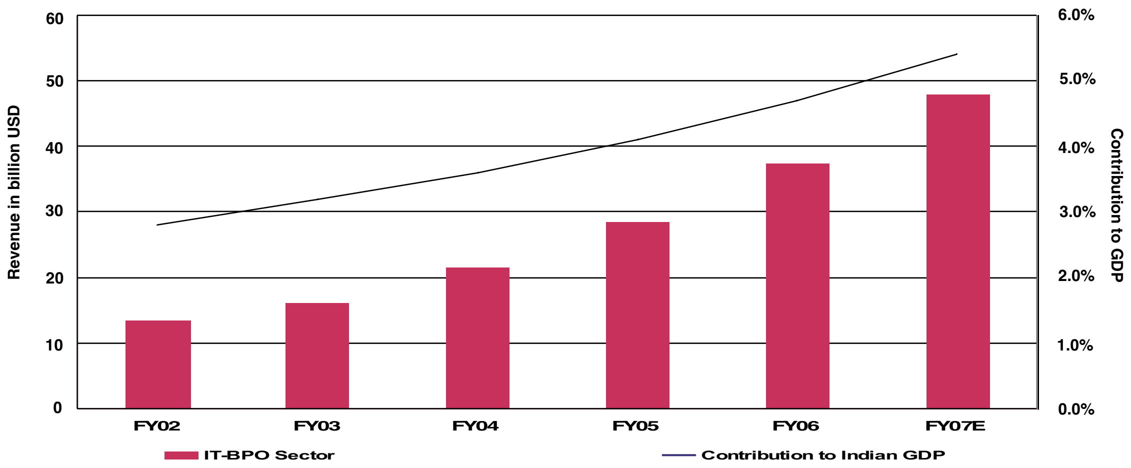


Source — NASSCOM-McKinsey Report, 2005

9. India offers a unique combination of attributes that culminated in it being the preferred offshore destination for IT-BPO. India's attractiveness includes abundant talent, cost advantage, quality workforce and information security.

10. The contribution of the IT-BPO sector to the Indian GDP is growing at a very fast rate from 2.8% in FY2002 to above 5.5%[9] now. The sector is not only growing very fast, it is also rising up the value chain with respect to the type of job delivered. The chart below depicts the Y-O-Y growth of contribution to the Indian GDP by the sector along with the Y-O-Y growth of revenues earned by the sector. The unprecedented growth in the Indian IT and BPO industry has resulted in a 10-fold increase in revenues over the last decade, from US$4.8 billion in FY1998 to US$47.8 billion in FY2007. A growing part of these revenues are from exports. In FY2007, 67% of revenues were from exports, a growth of 32% over the previous year. Overall revenues (domestic and exports) of Indian IT-BPO companies in FY2007 grew by 28% over the comparable period.

Growth of IT-BPO Revenue and its contribution to India GDP (FY2002-07)



Source: Strategic Review 2007, NASSCOM

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[9] Source: Strategic Review 2007, NASSCOM. NASSCOM has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by NASSCOM is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

11. The Indian IT software and services market is expected to reach US$60 billion in exports and US$13–15 billion in domestic revenues by FY2010[(10)]. These revenues are over and above revenues from hardware exports and domestic sector. As per NASSCOM estimates stated in the Strategic Review 2007, the sector is expected to grow at a CAGR of 28.9% through FY2000-2010 to achieve the above targets. However, through FY2000-2006 the sector grew at a CAGR of 31.5%. Thus, the achieved growth rates is a fair indication of the above targets being met. The positive outlook is on account of untapped potential in existing segments and growing confidence amongst companies to expand the offshore model to unexplored business segments.

12. With over half the population of India aged below 25 years[(11)], India's young demographic profile is an inherent advantage. With a graduate out-turn of about 3.1 million each year (across all disciplines), India accounts for approximately 28% of the total suitable talent pool available in offshore locations[(12)]. The number of IT-BPO professionals employed in India is estimated to have grown from less than 200,000 in FY1998 to over 1.6 million in FY2007[(13)]. In the short term, it is expected that employment in the IT/ITES sector will experience similar growth momentum, particularly given strong and positive FDI trends in this sector.

13. According to the NeoIT report[(14)] which ranked the most preferred offshoring cities in the world, Indian cities swept the top 7 ranks (these cities are Bangalore, National Capital Region, Mumbai, Chennai, Pune, Hyderabad and Kolkata).

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(10) See footnote 9.

(11) Source: CIA Fact-book, December 2006 by the Central Intelligence Unit, United States of America. The Central Intelligence Unit has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by the Central Intelligence Unit is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

(12) See footnote 9.

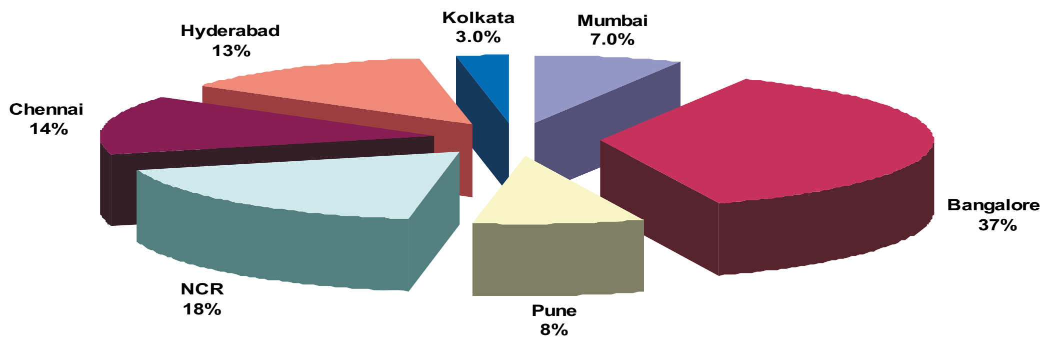
(13) See footnote 9.

(14) Source: Offshore Insights: Global City Competitiveness- 2006. NeoIT has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by Neo IT is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

Map Showing Key IT/locations in India

Source — Jones Lang LaSalle Research

IT/ITES Export Revenue Break-up by Location of STPI Units (Total: Rs. 998 billion)



14. In terms of the office space market, each city has various micro-market locations. However, only certain locations cater to the real estate demand of IT/ITES sector. This is primarily on account of quality of space and lower rental values. Micro-market locations within the Tier I & II cities, which cater to IT/ITES demand are Bangalore: SBD[15] — Outer Ring Road and PD[16] — Whitefield, NCR: PD — Gurgaon, Chennai: SBD — Guindy, Mount Poonamallee Road and PD — Old Mahabalipuram Road, Pune: PD — Magarpatta City, Hyderabad: PD — Madhapur, Kolkata: PD — Salt Lake and Mumbai: PD — Vashi (Navi Mumbai).

Bangalore, India's technology hub:

15. Bangalore's economy is largely services industry driven, especially the IT/ITES sector. The city has in the last decade emerged as India's technology hub with over 1400 registered IT/ITES companies, out of which 500 are multinational technology companies. The city was identified as the 4th Best Technology Cluster[17] in the world by Wired Magazine in 2000[18] and by UNDP in "Human Development Report 2001 — Making new technologies work for human development"[19]. Presently, it is the largest IT hub in India generating maximum revenue earned by the IT/ITES sector.

16. The growth of the city during the last 2 to 3 years, in terms of commercial space has been mainly in the SBD (particularly on the Airport Road and the ORR) and the PD of Whitefield (Speculative Stock & Campuses), Electronic City and the area abutting Hosur Road (Largely Campuses).

Chennai as a promising IT node:

17. The other location in India where leading IT companies are investing is Tamil Nadu, especially Chennai, because of a progressive policy framework, good infrastructure and skilled technical manpower.

18. The city is presently growing commercially in the PD locations, mainly in the OMR and its vicinity. It is experiencing a huge demand for Grade A commercial space due to the IT boom. The stock of grade A space has increased from just over one million in 2002, to a high of 8 million in 2007. The vacancy levels of the city have hit an all time low of just over 1.0% in the first quarter of 2007 due to the pressure of demand.

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(15) Secondary Business District, the commercial nodes of the city which are away from the city centre but within the city limits. And are usually located on the outskirts/periphery of the city.

(16) Peripheral Business District, the other commercial nodes which lies just outside the city. These areas have typically new developments coming up because of lack of adequate space in CBD and SBD.

(17) Rated on the ability of area universities and research facilities to train skilled workers or develop new technologies, the presence of established companies and multinational corporations to provide expertise and economic stability, the population's entrepreneurial drive to start new ventures and the availability of venture capital to ensure that the ideas make it to market.

(18) Source: Wired Magazine. Wired Magazine has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by Wired Magazine is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

(19) Source: UNDP — "Human Development Report 2001 — Making new technologies work for human development". UNDP has not provided its consent, for purposes of Section 282I of the SFA, to the inclusion of the information extracted from the relevant report issued by it and is thereby not liable for such information under Sections 282N and 292O of the SFA. While the Trustee-Manager and the Joint Underwriters and Bookrunners have taken reasonable action to ensure that the information from the relevant report issued by UNDP is reproduced in its proper term and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor the Joint Underwriters and Bookrunners nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

Hyderabad, the upcoming IT node:

19. Hyderabad has been well renowned for its IT, ITES and pharmaceutical industries since the 1990's. It has been able to establish itself as the BPO and IT hub of India along with Bangalore and Chennai. This is predominantly attributable to the abundance of technically qualified professionals in the city, graduating from the city's premier engineering and technological institutes. The government of Andhra Pradesh is proactive and has initiated projects like the Hitech City as the IT hub, the Genome Valley as the biotechnology hub, the Knowledge Park as the hub for research and development, etc.

20. The demand for quality space and low availability has driven the growth of the peripheral markets. The western part — which includes areas like Hitech City, Gachibowli, Manikonda and the southern part which includes areas like Shamshabad, Maheshwaram, Budvel etc. The major growth corridors are along the NH-7, Outer Ring Road. Srisailam Road etc.

THE TRUSTEE-MANAGER

The Trustee-Manager of a-iTrust

The Trustee-Manager, Ascendas Property Fund Trustee Pte. Ltd. was incorporated in Singapore under the Companies Act on 5 October 2004. It has an issued and paid-up capital of S$100,000 and its registered office is located at 75 Science Park Drive, #01-03, Cintech II Building, Singapore 118255. The telephone and facsimile numbers of the Trustee-Manager are +65 6774 1033 and +65 6774 9852 respectively.

Roles and Responsibilities of the Trustee-Manager

The Trustee-Manager has the dual responsibility of safeguarding the interests of Unitholders, and managing the business conducted by a-iTrust. The Trustee-Manager has general powers of management over the business and assets of a-iTrust and its main responsibility is to manage a-iTrust's assets and liabilities for the benefit of Unitholders as a whole.

The Trustee-Manager will set the strategic direction of a-iTrust and decide on the acquisition, divestment or enhancement of assets of a-iTrust in accordance with its stated investment strategy. Additionally, the Trustee-Manager will undertake active management of a-iTrust's assets to enhance the performance of the portfolio. It will also undertake capital and risk management strategies in order to maintain a strong balance sheet for a-iTrust.

The Trustee-Manager is also obliged to exercise Due Care (as defined herein) to comply with the applicable provisions of all relevant legislation, as well as the Listing Manual, and is responsible for ensuring compliance with the Trust Deed and all relevant contracts entered into by a-iTrust.

Furthermore, the Trustee-Manager will prepare property plans on a regular basis, which may contain proposals and forecasts on net income, capital expenditure, sales and valuations, explanations of major variances to previous forecasts, written commentary on key issues and any relevant assumptions. The purpose of these plans is to explain the performance of a-iTrust's properties.

The Trustee-Manager, in exercising its powers and carrying out its duties as a-iTrust's trustee-manager, is required to:

- treat Unitholders who hold Units in the same class fairly and equally;
- ensure that all payments out of the Trust Property of a-iTrust are made in accordance with the BTA and the Trust Deed;
- report to the Authority any contravention of the BTA or the SF BT Regulations by any other person that:
  - — relates to a-iTrust; and
  - — has had, has or is likely to have, a materially adverse effect on the interests of all Unitholders, or any class of Unitholders, as a whole,

  as soon as practicable after the Trustee-Manager becomes aware of the contravention;
- ensure that the Trust Property of a-iTrust is properly accounted for; and
- ensure that the Trust Property of a-iTrust is kept distinct from the property held in its own capacity.

The Board will meet regularly to review a-iTrust's business activities and strategies pursuant to its then prevailing investment strategy. Such regular review is aimed at ensuring adherence to the Trust Deed and compliance with any applicable legislation, regulations and guidelines.

The Trustee-Manager also has the following statutory duties under the BTA:

- at all times act honestly and exercise reasonable diligence in the discharge of its duties as a-iTrust's trustee-manager in accordance with the BTA and the Trust Deed;
- act in the best interests of all Unitholders as a whole, and give priority to the interests of all Unitholders as a whole over its own interests in the event of a conflict between the interests of all the Unitholders as a whole and its own interests;
- not make improper use of any information acquired by virtue of its position as a-iTrust's trustee-manager to gain, directly or indirectly, an advantage for itself or for any other person to the detriment of the Unitholders; and
- hold the Trust Property of a-iTrust on trust for all Unitholders as a whole in accordance with the terms of the Trust Deed.

Should the Trustee-Manager contravene any of the provisions setting out the aforesaid duties, it is:

- liable to all Unitholders as a whole for any profit or financial gain directly or indirectly made by it or any of its related corporations or for any damage suffered by all Unitholders as a whole as a result of the contravention; and
- guilty of an offence and shall be liable on conviction to a fine not exceeding S$100,000.

Whilst the Trustee-Manager is required to be dedicated to the conduct of the business of a-iTrust, it is not prohibited from delegating its duties and obligations to third parties. Save for an instance of fraud, wilful default, breach of trust by the Trustee-Manager or where the Trustee-Manager fails to exercise the degree of care and diligence required of a trustee-manager of a registered business trust ("**Due Care**"), it shall not incur any liability by reason of any error of law or any matter or thing done or suffered to be done or omitted to be done by it in good faith under the Trust Deed. In addition, the Trustee-Manager shall be entitled, for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as Trustee-Manager, to have recourse to the Trust Property of a-iTrust or any part thereof save where such action, cost, claim, damage, expense or demand is occasioned by the fraud, wilful default, breach of trust by the Trustee-Manager or where the Trustee-Manager fails to exercise Due Care. The Trustee-Manager may, in managing a-iTrust and in carrying out and performing its duties and obligations under the Trust Deed appoint such person to exercise any or all of its powers and discretions and to perform all or any of its obligations under the Trust Deed, provided always that the Trustee-Manager shall be liable for all acts and omissions of such persons as if such acts and omissions were its own.

Directors of the Trustee-Manager

The Board is entrusted with the responsibility for the overall management of the Trustee-Manager. The following table sets forth information regarding the Directors:

Name	Age	Address	Position
Mr Philip Yeo Liat Kok	61	55 West Coast Park, Singapore 127662	Independent Director and Chairman
Mr David Lim Tik En	52	452 Holland Road, Singapore 278697	Independent Director
Mr Lim Hock San.	61	10 Peirce Road, Singapore 248529	Independent Director
Mr Sundaresh Menon	45	27 Ewart Park, Singapore 279764	Independent Director

Name	Age	Address	Position
Mr Amal Ganguli	68	J-6/7 DLF, Phase II, Gurgaon, 122002, Haryana, India	Independent Director
Ms Chong Siak Ching	49	1 Matlock Rise, Singapore 358561	Non-Executive Director
Mr Jonathan Yap Neng Tong .	40	17 Flora Road #02-10 Avila Gardens Singapore 509735	Executive Director and Chief Executive Officer

The Directors were all appointed on 11 June 2007.

None of the Directors are related to one another, to any executive officers of the Trustee-Manager, to any employee of the Trustee-Manager upon whose work a-iTrust is dependent, to any substantial shareholder of the Trustee-Manager or any Substantial Unitholder.

Experience and Expertise of the Board of Directors

Information on the business and working experience of the Directors is set out below:

Mr Philip Yeo Liat Kok

Mr Philip Yeo Liat Kok is the Chairman and an Independent Director of the Board. Mr Yeo is currently the Special Advisor for Economic Development (Prime Minister's Office), Senior Advisor for Science and Technology (Ministry of Trade and Industry) and Chairman of the Standards, Productivity and Innovation Board (SPRING).

He was the Chairman of the Agency for Science, Technology and Research (A*STAR, formerly the National Science and Technology Board) from February 2001 to March 2007. Mr Yeo was formerly the Chairman of the Economic Development Board from January 1986 to January 2001 and Co-Chairman of the Economic Development Board from February 2001 to January 2006.

Mr Yeo is recognised for his contributions to Singapore's economic development and his pioneering role in the promotion and development of the country's information technology, semiconductor, chemical industries and biomedical sciences.

He holds a Bachelor of Applied Science (Industrial Engineering) degree and a doctorate in Engineering from the University of Toronto, Canada, a Master of Science (Systems Engineering) from the then University of Singapore, and an MBA in Business Administration from Harvard University.

He has received numerous honours and awards including France's Ordre National du Merite (National Order of Merit), Indonesia's Bintang Jasa Utama (the First Class Order of Service Award), Belgium's National Order of the Crown and the CEO Lifetime Achievement Award, Asia Pacific IPA Awards 2003, the honorary degree of Doctor of Medicine by Karolinska Institute (2006), the 11th Nikkei Asia Prize for Science, Technology and Innovation Award (2006), The Order of the Nila Utama (First Class, one of the most prestigious Singapore National Day Awards 2006) award and the Harvard Business School's prestigious Alumni Achievement Award 2006.

Mr David Lim Tik En

Mr David Lim Tik En is an Independent and Non-Executive Director of the Board. Mr Lim was the Group President and CEO of Neptune Orient Lines Ltd from 2003 to 2006, and was also a Member of Singapore's Parliament, and served in the Cabinet from 1998 to 2003. Mr Lim was previously the CEO of the Port of Singapore Authority, and also led an international consortium as CEO of the China-Singapore Suzhou Industrial Park located in China and was CEO of Jurong Town Corporation, which develops industrial facilities in Singapore and invests throughout the region. He also served on the National Computer Board and the Singapore Economic Development Board. Mr Lim entered politics in 1997 and served in a number of portfolios, most recently as Acting Minister for Information, Communications and the Arts.

Mr Lim graduated with a Bachelor of Engineering (Honours) from the University of Melbourne under the President and Colombo Plan scholarships awarded by the Government of Singapore. He also holds a Master of Business Administration from the National University of Singapore, and has completed a Programme for Management Development at Harvard University, USA.

Mr Lim Hock San

Mr Lim Hock San is an Independent and Non-Executive Director of the Board. Mr Lim is the President and CEO of United Industrial Corporation Ltd and Singapore Land Ltd. Mr Lim is also an Independent Director of Ascendas Pte Ltd and Keppel Corporation Ltd, and the Chairman of Mount Alvernia Hospital Board, and Chairman of the National Council Against Problem Gambling.

Mr Lim graduated with a Bachelor of Accountancy from the University of Singapore. He obtained a Master of Science in Management from the Massachusetts Institute of Technology, and attended the Advanced Management Program at Harvard Business School. He is a Fellow of the Chartered Institute of Management Accountants (UK) and a Fellow and past President of the Institute of Certified Public Accountants of Singapore.

Mr Sundaresh Menon

Mr Sundaresh Menon is an Independent and Non-Executive Director of the Board. He is the Senior Partner of Rajah & Tann. He is admitted to the Bar in Singapore and in the State of New York. He has recently served on the Supreme Court of Singapore as a Judicial Commissioner for one year, until April 2007. He is a member of the Main Panel of Arbitrators of the SIAC and of the Panel of Arbitrators of the Beijing Arbitration Commission. He is a Fellow of the Singapore Institute of Arbitrators. He also represented Singapore as a delegate at the UNCITRAL Working Group on International Arbitration from 2003 to 2005.

Mr Menon graduated with First Class Honours from the National University of Singapore and later took a Masters degree from Harvard Law School where he achieved academic distinction. He has been practising in the field of commercial arbitration and litigation for 20 years.

Mr Amal Ganguli

Mr Amal Ganguli is an Independent and Non-Executive Director of the Board. Mr Ganguli was the Chairman and Senior Partner of PricewaterhouseCoopers, India until his retirement on 31 March 2003. In a distinguished career spanning four decades, he was involved in a wide spectrum of fields, including audit, taxation, mergers and acquisitions, corporate restructuring, and cross border investments. Mr Ganguli is on the Board of various companies, including Maruti Udyog Limited, Videsh Sanchar Nigam Limited, Century Textiles and Industries Limited, Flextronics Software Systems Limited, Tube Investments of India Limited, HCL Technologies Limited and New Delhi Television Limited.

Mr Ganguli was trained in the UK to become a Chartered Accountant. He is a Fellow of the Institute of Chartered Accountants of England and Wales and the Institute of Accountants of India, and a member of the New Delhi chapter of the Institute of Internal Auditors, Florida, USA.

Ms Chong Siak Ching

Ms Chong Siak Ching is a Non-Executive Director of the Board and is currently the President and CEO of the Ascendas Group. She has been leading the Ascendas Group since January 2001.

Ms Chong was also appointed as one of Singapore's three representatives to the APEC Business Advisory Council. She is a Director on the boards of the Singapore Tourism Board and the Singapore-India Partnership Foundation.

Prior to joining Ascendas, Ms Chong was the Deputy CEO of Jurong Town Corporation, a statutory body of the Government of Singapore, which is Singapore's largest industrial developer.

Ms Chong studied Estate Management at the National University of Singapore where, in 1981, she graduated with honours and was awarded a Gold Medal by the Singapore Institute of Surveyors and Valuers. In 1991, Ms Chong obtained a Masters in Business Administration from the same university. Ms Chong was registered as a licensed valuer in 1983 and completed the Advanced Management Programme at Harvard Business School in 1998. She was conferred the National University of Singapore's Distinguished Alumni Award by the Faculty of Architecture and Building Management in 1999.

Mr Jonathan Yap Neng Tong

Mr Jonathan Yap Neng Tong is an Executive Director of the Board and the CEO of the Trustee-Manager. He has been with Ascendas since 2004 and is the CEO (India Funds) with effect from 1 June 2007. Mr Yap manages both a-iTrust and Ascendas India Development Trust, a private fund focusing on integrated real estate development in India. Mr Yap was previously CEO, India Operations while also managing a-iTrust (formerly known as Ascendas India IT Parks Trust) when it was a private fund.

Prior to this, he was with the Australian Stock Exchange-listed Lend Lease Corporation since 1997 and his last held position was Investment Director of its Asian real estate investment business and concurrently Deputy Fund Manager of Asia Pacific Investment Company I and II (private funds focusing on Asian real estate). From 1992 to 1997, Mr Yap was with Tan Chong Realty Pte Ltd (the real estate arm of the Hong Kong Stock Exchange-listed Tan Chong Group) and the Inland Revenue Authority of Singapore.

Over his 15-year real estate career, Mr Yap has held positions in fund management, investment management, asset management, development management, marketing, leasing, sale and valuation. He has worked in Singapore, India, Australia and Hong Kong.

Mr Yap holds a Bachelor of Science in Estate Management (Honours) degree and a Masters of Science degree in Project Management from the National University of Singapore.

A list of the present and past directorships of each Director of the Trustee-Manager over the last five years preceding the Latest Practicable Date is set out in Appendix G, "List of Present and Past Principal Directorships of Directors and Executive Officers".

The Key Roles of the Board

The key roles of the Board are to:

- guide the corporate strategy and directions of the Trustee-Manager;

- ensure that senior management discharges business leadership and demonstrates the highest quality of management skills with integrity and enterprise; and
- oversee the proper conduct of the Trustee-Manager.

The Board comprises seven Directors. Mr Jonathan Yap Neng Tong is the sole Executive Director.

The Board will meet to review the key activities and business strategies of the Trustee-Manager. The Board intends to meet regularly, at least once every three months, to deliberate the strategic policies of a-iTrust, including acquisitions and disposals, approval of the annual budget and review of the performance of a-iTrust.

Each Director has been appointed on the basis of his professional experience and his potential to contribute to the proper guidance of a-iTrust. The Directors will contribute in different ways, including using their personal networks to further the interest of a-iTrust.

The Board has approved a set of internal controls which sets out approval limits for capital expenditure, investments and divestments and bank borrowings as well as arrangements in relation to cheque signatories. In addition, sub-limits are also delegated to various management levels to facilitate operational efficiency.

Changes to regulations and accounting standards are monitored closely by the members of the Board's Audit Committee (see "Corporate Governance — Audit Committee"). To keep pace with regulatory changes, where these changes have an important bearing on the Trustee-Manager's or Directors' disclosure obligations, the Directors will be briefed either during Board meetings or at specially convened sessions involving the relevant professionals. The management also provides the Board with complete and adequate information in a timely manner through regular updates on financial results, market trends and business developments.

Five Directors out of the Board of seven Directors, which comprises the majority of the Board, are non-executive and independent of the management. This enables the management to benefit from their external, diverse and objective perspective on issues that are brought before the Board. It would also enable the Board to interact and work with the management through a robust exchange of ideas and views to help shape the strategic process. This, together with a clear separation of the roles of the Chairman and the Chief Executive Officer, provides a healthy professional relationship between the Board and the management, with clarity of roles and robust oversight as they deliberate on the business activities of the Trustee-Manager.

The positions of Chairman of the Board and Chief Executive Officer are separately held by two persons in order to maintain an effective check and balance. The Chairman of the Board, Mr Philip Yeo Liat Kok is an Independent Director, while the Chief Executive Officer, Mr Jonathan Yap Neng Tong is an Executive Director.

There is a clear separation of the roles and responsibilities between the Chairman and the Chief Executive Officer of the Trustee-Manager. The Chairman is responsible for the overall management of the Board as well as ensuring that the members of the Board and the management work together with integrity and competency, and that the Board engages the management in constructive debate on strategy, business operations, enterprise risk and other plans while the Chief Executive Officer has full executive responsibilities over the business directions and operational decisions in the day-to-day management of the Trustee-Manager.

The Board has separate and independent access to senior management and the Company Secretary at all times. The Company Secretary attends to corporate secretarial administration matters and attends all Board meetings. The Board also has access to independent professional advice where appropriate. As at the date of this Prospectus, the Company Secretary is Ms Mary Judith De Souza. Ms De Souza, an advocate and solicitor, graduated from the National University of Singapore in 1979 and was called to the Singapore bar in 1980.

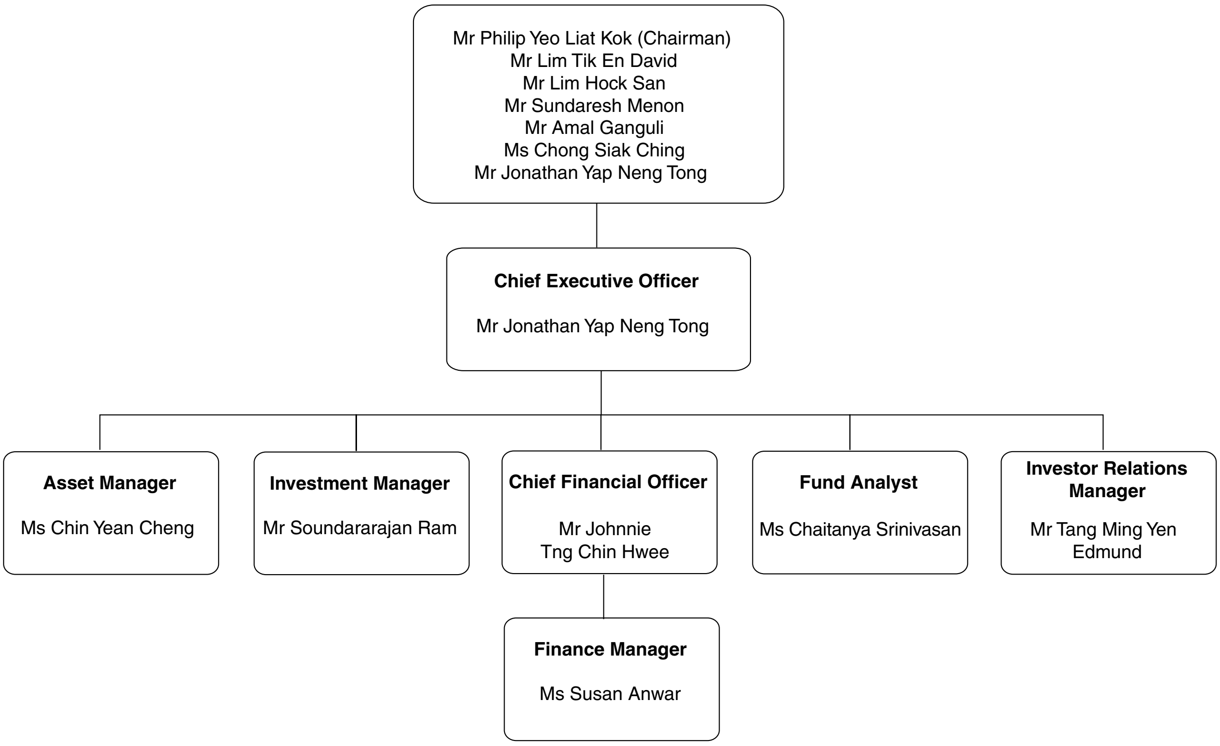
Independence of the Independent Directors

The Board will adhere to requirements of the BTA with regard to the independence of the Independent Directors of the Trustee-Manager. Under the Business Trusts Regulations,, Cap. 31A, Regulation 2 ("**BTR**"), an independent director (the "**Independent Directors**") is either:

(a) a person who is considered independent from management and business relationships with the trustee-manager as well as independent from a substantial shareholder of the trustee-manager pursuant to definitions used in the BTR; or

(b) a person whom, notwithstanding that he has the relationships described above, the board of directors of the trustee-manager is satisfied that his independent judgment and ability to act with regard to the interests of all the unitholders of the registered business trust as a whole will not be interfered with, despite such relationships.

Management Reporting Structure of the Trustee-Manager



Executive Officers of the Trustee-Manager

The Executive Officers of the Trustee-Manager are entrusted with the responsibility for the daily operations of the Trustee-Manager. The following table sets forth information regarding the Executive Officers:

Name	**Age**	**Address**	**Position**
Mr Jonathan Yap Neng Tong	40	17 Flora Road #02-10 Avila Gardens, Singapore 509735	Chief Executive Officer
Mr Johnnie Tng Chin Hwee	39	52, Prestige Ozone, Whitefield Road, Bangalore 560066, India	Chief Financial Officer
Mr Soundararajan Ram	30	20 Oxford Road, Kentish Green, #02-03, Singapore 218815	Investment Manager
Ms Chin Yean Cheng	36	Block 15, Eunos Crescent, #05-2825, Singapore 400015	Asset Manager

Name	Age	Address	Position
Ms Chaitanya Vellore Srinivasan . .	28	313 Shikaram Apartments Vathur Road Munnekolala Marathalli PO Bangalore 560037, India	Fund Analyst
Mr Tang Ming Yen Edmund	39	269B Sixth Avenue, Singapore 276561	Investor Relations Manager
Ms Susan Anwar	35	Block 103, Lengkong Tiga #06-375, Singapore 410103	Finance Manager

None of the Executive Officers is related to one another, to any Director, to any employee of the Trustee-Manager upon whose work a-iTrust is dependent, to any substantial shareholder of the Trustee-Manager or to any Substantial Unitholder.

Roles of the Executive Officers

The **Chief Executive Officer** of the Trustee-Manager will work with the Board to determine the strategy for a-iTrust. He will also work with the other members of the Trustee-Manager's management team, such as the investment, asset management, financial and compliance personnel, in meeting the stated strategic, investment, and operational objectives of a-iTrust. Additionally, the Chief Executive Officer will be responsible for planning the future strategic development and the day-to-day operations of a-iTrust.

The **Chief Financial Officer** of the Trustee-Manager will work with the Chief Executive Officer and other members of the Trustee-Manager's management team to formulate strategic plans for a-iTrust in accordance with the Trustee-Manager's stated investment strategy. The Chief Financial Officer will be responsible for applying the appropriate capital management strategy, overseeing implementation of a-iTrust's short-term and medium-term business plans and financial condition, as well as coordinating fund management activities.

The **Investment and Asset Management Team** is responsible for identifying, researching and evaluating potential acquisitions and development opportunities and related investments with a view to enhancing a-iTrust's portfolio or divestments where a property is no longer strategic, or fails to enhance the value of a-iTrust's portfolio or represents an excellent profit taking opportunity. The Investment and Asset Management Team will be responsible for analysing and evaluating development activities undertaken by a-iTrust, including related budgeting, scheduling and planning work. The Investment and Asset Management Team also recommends and analyses potential asset enhancement initiatives. In order to support these various initiatives, the team develops financial models to test the financial impact of different courses of action. These findings will be research-driven to help develop and implement the proposed initiatives both in Singapore and overseas. The Investment and Asset Management Team will also be responsible for formulating the business plans in relation to a-iTrust's properties with short-, medium- and long-term objectives, and with a view to maximising the rental income of a-iTrust via active asset management. The Team will ensure that the properties in a-iTrust's portfolio maximise their income generation potential and minimise their expense base without compromising their marketability. The Team will also focus on the operations of a-iTrust's properties and the implementation of a-iTrust's objectives and strategies.

The **Investor Relations Manager** is responsible for statutory reporting, such as producing annual reports to Unitholders, and reporting to the SGX-ST in compliance with the Listing Manual. The principal objective of this role is to provide exceptional service to Unitholders by maintaining continuous disclosure and transparent communications with Unitholders and the market. The Investor Relations Manager is also tasked with the responsibility of promoting and marketing a-iTrust to Unitholders, prospective investors and the media through regular communications, roadshows, events and a corporate website.

Experience and Expertise of the Executive Officers

Information on the working experience of the Executive Officers of the Trustee-Manager is set out below:

Mr Jonathan Yap Neng Tong

Mr Jonathan Yap Neng Tong is the Chief Executive Officer of the Trustee-Manager. Details of his working experience are set out in the section "Experience and Expertise of the Board of Directors".

Mr Johnnie Tng Chin Hwee

Mr Johnnie Tng Chin Hwee is concurrently the Chief Financial Officer of the Trustee-Manager and the Property Manager.

Prior to joining Ascendas in 2006, Mr Tng had held senior positions in various corporate finance and private equity investment activities. He was Vice-President — Corporate Finance at RGM International Pte Ltd., an Indonesian conglomerate involved in resource-based industries. At RGM International Pte Ltd., he led several multi-million dollar mergers and acquisitions activities, ranging from pulp and paper forestry and mill acquisitions to palm oil trading and plantation acquisitions. Whilst at RGM International Pte Ltd, he was seconded to Asian Agri, the second largest business unit within the group, and was responsible for the overall finance function. Asian Agri is the largest privately-held palm oil producer in Indonesia. Whilst supervising Asian Agri's merger and acquisition activities, Mr Tng was instrumental in re-organising the palm oil business into upstream-plantation and downstream-refining segments, putting in place relevant internal control measures and improving upon the financial reporting process.

Before RGM International Pte Ltd., Mr Tng advised a private investor in carrying out the takeover of a freight forwarding company listed on the SGX-ST, Freight Links Express Holdings Ltd. He held the position of Executive Vice President — Strategic Business Development, in Freight Links Express Holdings Ltd. after the takeover, and led its debt restructuring exercise and disposed of non-core assets which finally brought the group to profitability. He also led the acquisition of a speciality chemical logistics company in Singapore by Freight Links Express Holdings Ltd., in order to help diversify the business. Prior to Freight Links Express Holdings Ltd, Mr Tng joined a group of young Singaporean entrepreneurs to establish a private equity fund targeted for seed stage internet investments. He led the team in due diligence assignments and made several technology investments.

Mr Tng holds a Bachelor of Accountancy Honours degree from the Nanyang Technological University of Singapore.

Mr Soundararajan Ram

Mr Soundararajan Ram is the Investment Manager of the Trustee-Manager and joined Ascendas in 2005. Prior to his current position in the Trustee-Manager, he was Senior Manager (Asset Management) based out of India, responsible for monitoring and managing Ascendas' Indian portfolio including that of a-iTrust when it was a private fund. He was also responsible for evaluating acquisitions and implementing investment and financing strategies.

Prior to Ascendas, Mr Soundararajan Ram was with Ernst and Young India's Corporate Finance group from May 2002 to October 2005, where he was a Senior Associate in the Real Estate and Hospitality Industry Group. Prior to May 2002, Mr Soundararajan Ram was with Andersen India in the mergers and acquisitions practice for two years. He has six years of corporate finance and private equity experience spread over a range of industries including real estate and across product segments such as mergers and acquisitions, capital markets and restructuring.

Mr Soundararajan Ram holds a Bachelor's degree from Mumbai University majoring in Commerce and a Masters degree in Business Administration with a specialisation in Finance from the Bharatidasan Institute of Management.

Ms Chin Yean Cheng

Ms Chin Yean Cheng is the Asset Manager of the Trustee-Manager and joined Ascendas in 2006 as Assistant Vice-President — Portfolio, Asset and Risk Management. She was responsible for reviewing the group's portfolio asset performance and strategies, monitoring capital allocation and managing the investment approval and risk assessment process.

Prior to this, Ms Chin was with Mapletree Investments Pte Ltd as its Senior Property Manager, where she led the property services team to manage a portfolio of office and industrial properties.

In 1998, Ms Chin joined Pidemco Land Pte Ltd which later merged with DBS Land to become CapitaLand Limited. She was with the group for seven years, and her last held position was Assistant Director of PREMAS International Ltd, the wholly-owned services unit of CapitaLand Limited. During her tenure, she worked in Kuala Lumpur and Bangkok for over five years. She was seconded to both cities to set up the country operations, and carried out integrated asset management of commercial space, where she implemented HQ's asset management practices, formulated strategies to increase profitability of properties managed, and completed asset enhancement projects. She has managed prime office buildings, including Citibank Tower in Kuala Lumpur, Six Battery Road in Singapore and Siam Commercial Bank Park Plaza in Bangkok.

Ms Chin was a director of the Singapore-Thai Chamber of Commerce from 2004 to 2005.

Ms Chin holds a Bachelor of Business Administration from the National University of Singapore.

Ms Chaitanya Vellore Srinivasan

Ms Chaitanya Vellore Srinivasan joined Ascendas in 2006 and has been assisting in monitoring and managing Ascendas' Indian portfolio including that of a-iTrust (formerly known as Ascendas India IT Parks Trust) when it was a private fund.

Ms Chaitanya has also been assisting in evaluating acquisitions and implementing investment and financing strategies.

Prior to this, Ms Chaitanya was with Global Realty Outsourcing India Pvt. Ltd. ("**GRO**") in various capacities since joining their Capital Markets Group in 2003. Her last held position was Assistant Manager. During her tenure at GRO, Chaitanya was involved in analyzing and preparing reports on the performance of commercial mortgage-backed securities pools to investors, commercial mortgage underwriting and valuation of properties. Prior to this she was working with Greenback Forex Services Pvt. Ltd., a foreign exchange consultancy firm as a business development executive.

Ms Chaitanya holds a Bachelor of Commerce (First Class) degree specializing in commerce and a Master of Business Administration (First Class) with a specialization in Finance, both from University of Mysore.

Mr Tang Ming Yen Edmund

Mr Tang Ming Yen Edmund is currently the Assistant Vice President in Ascendas' Real Estate Fund Business department in Singapore. He works closely with the Ascendas China and India teams to create and launch new private funds for Ascendas.

Prior to joining the Ascendas Group, Mr Tang was with CapitaLand Financial Limited, the financial arm of CapitaLand Limited. While at CapitaLand, he was the investment manager for ARC-CapitaLand Residences Japan Fund.

Mr Tang has worked for more than seven years in the banking sector for banks such as Banque Nationale de Paris and HSBC Bank focusing on the area of Project Finance, and has gained more than four years of export credit financing experience while servicing the customers of Ericsson Telecommunications Ltd in the Asia Pacific region.

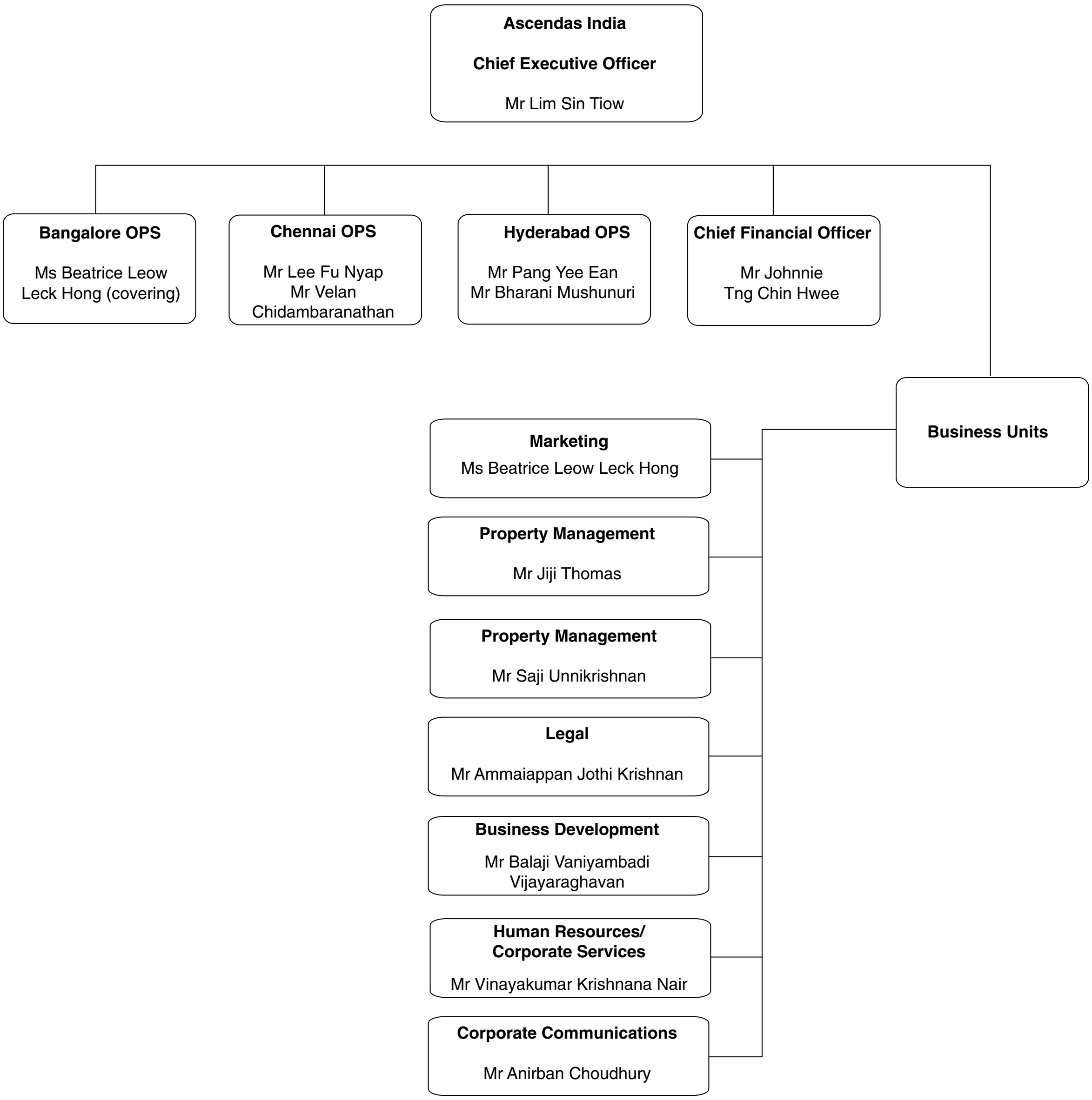
Mr Tang graduated from the University of Colorado at Boulder (USA) with a Bachelor of Science degree majoring in Electrical Engineering and Computer Science. He also holds a Masters of Business Administration degree from the Joseph M. Katz Graduate School of Business at the University of Pittsburgh (USA).

A list of the present and past directorships of each Executive Officer of the Trustee-Manager over the last five years preceding the Latest Practicable Date is set out in Appendix G, "List of Present and Past Principal Directorships of Directors and Executive Officers".

Ms Susan Anwar

Ms Susan Anwar joined Ascendas in 2007 as Manager, Group Finance and has been assisting in consolidation reporting. Prior to joining the Ascendas Group. Ms Anwar held the position of Finance Manager at PEC Tech Engineering and Construction Pte. Ltd., where she was responsible for managing project cash flow and daily operations. Prior to that, she worked at Reda Production Systems Pte Ltd as a tax accountant. Ms Anwar also has collectively more than 8 years of experience working as an auditor at the firms of KPMG, PricewaterhouseCoopers and Shanker Iyer.

Management Reporting Structure of the Property Manager



Directors and Executive Officers of the Property Manager

Ascendas Property Management Services (India) Private Limited has been appointed as the Property Manager of a-iTrust. Details of the working experience of the Key Executive Officers of the Property Manager are set out below:

Mr Lim Sin Tiow

Mr Lim Sin Tiow is Chief Executive Officer, India Operations and concurrently Executive Vice President (New Markets), responsible for the strategic planning and start-up operations of the Middle East and Russia markets, as well as Chairman, Ascendas Services Pte Ltd.

Mr Lim has been with Ascendas since 1997. His previous appointments with Ascendas include Executive Vice President (Real Estate Services and Marketing), General Manager (Overseas Operations) and senior appointments in various Thailand, Philippines and India projects.

Prior to joining Ascendas, Mr Lim held various senior positions with, in reverse chronological order, Singapore Technologies Group (Assistant General Manager, Batamindo Industrial Park), ST Aerospace Pte Ltd (Director, Business Development), Orchard Parade Pte Ltd (Senior Manager, Business Development), Civil Aviation Authority of Singapore (Assistant Director, Air Transport Division) and Ministry of Defence (Head, Personnel Planning and Land Management).

Over his 23-year career, Mr Lim has been involved in a wide spectrum of disciplines across a broad geographical coverage. He is a veteran and has been actively involved in the Indian property market since 1999.

Mr Lim holds a Bachelor of Science (Estate Management) Hons degree from the National University of Singapore.

Mr Johnnie Tng Chin Hwee

Mr Johnnie Tng Chin Hwee is concurrently the Chief Financial Officer of the Property Manager and the Trustee-Manager. Details of his working experience are set out in the section "Experience and Expertise of the Executive Officers".

Mr Lee Fu Nyap

Mr Lee Fu Nyap joined Ascendas in 2005 and heads up its Chennai operations, overseeing Ascendas' current investments in IT parks as well as its business development within the Tamil Nadu state. Prior to this, he was with the SGX-ST-listed Keppel Land International Ltd from 2003 and his last-held position was that of Senior Investment Manager based in Bangalore.

From 2001 to 2003, Mr Lee was the Assistant Vice President of the Portfolio and Asset Management Division of Ascendas Pte Ltd. From 1994 to 2001, he was with JTC International Pte Ltd ("**JTCI**"), the overseas investment arm of Jurong Town Corporation ("**JTC**"). His last held position in JTCI was that of Senior Business Development Manager responsible for securing investment opportunities in IT parks, science parks and industrial parks in markets such as India, China, Thailand, Indonesia and Philippines. From 1991 to 1994, Mr Lee was a valuer with the Inland Revenue Authority of Singapore.

Mr Lee holds a Bachelor of Science in Estate Management (Honours) National University of Singapore and a Masters degree in Business Administration from Leicester University. He is a member of the Singapore Institute of Surveyors and Valuers.

Mr Pang Yee Ean

Since December 2004, Mr Pang Yee Ean has been the Head of Ascendas' Hyderabad operations. He has been overseeing the operations and business development of Ascendas' IT parks in Hyderabad and is presently spearheading Ascendas India's SEZ initiatives.

Prior to Ascendas, Mr Pang was the Chief Executive Officer and co-founder of Abecha Pte Ltd, a former JTC subsidiary, which provides e-business synergies amongst JTC's tenant community of over 7,000 customers. Before Abecha, Mr Pang held several engineering, customer service and business positions during his seven-year service in JTC.

Mr Pang holds a degree in Electrical and Electronics Engineering from the National University of Singapore (NUS) under a JTC scholarship. He obtained his Masters degree in Business Administration from the National University of Singapore.

Mr Velan Chidambaranathan

Mr Velan Chidambaranathan has been with Ascendas since May 2003 and is currently the Deputy City Head of Ascendas' Chennai Operations.

Between 2000 and 2003, Mr Velan was with the international property consulting firm CB Richard Ellis South Asia Pvt Ltd as Senior Manager — Property Services. He was responsible for its Chennai property management and business development functions.

From 1995 to 2000, Mr Velan was with Eicher Ltd (a leading automobile corporation in India based in Delhi) as Head — Projects, where he handled various greenfield projects at Jaipur, Chennai, Bhopal and other Indian cities.

From 1986 to 1994, Mr Velan was with Vanavil Dyes & Chemicals Ltd (a Hoechst group company) and handled Projects and Property Management functions.

Mr Velan holds a Bachelor of Engineering (Civil and Structural) degree from Annamalai University, a Masters Degree in Ecology & Environment from Indian Institute of Ecology & Environment and a Masters degree in Management, from All India Management Association. He is a member of the Institute of Engineers (India) and a Fellowship member of the Institute of Valuers.

Mr Bharani Mushunuri

Mr Bharani Mushunuri is currently the Deputy Head of Hyderabad for Ascendas' India operations. He has been overseeing the operations of Ascendas' IT parks in Hyderabad since July 2006. Prior to this, Mr Bharani was the Vice President — Finance for Ascendas' operations in Hyderabad and the ex-Vanenburg IT Park, which was acquired by Ascendas in March 2005.

Prior to his stints at Vanenburg and Ascendas, Mr Bharani held several positions in finance in Tata Timken Ltd (a world leader in tapered roller bearings) since January 1994.

Mr Bharani graduated with a degree in Finance from Nagpur University and is a Management Accountant certified by The Institute of Cost and Works Accountants of India.

Ms Beatrice Leow Leck Hong

Ms Beatrice Leow Leck Hong is the Head of Marketing and Customer Services and is in charge of marketing and customer services for all Ascendas projects in India. Ms Leow presently also covers the duties of Head of Ascendas' Bangalore operations.

Ms Leow covered the Middle East, China and the Asia Pacific region in a previous role with Ascendas, managing the business development of Ascendas Real Estates Services. Ms Leow has spent over 12 years working with industrialists and corporate enterprises in the manufacturing, infocommunications, research and developments, IT, ITES and life sciences industries on their real estate requirements.

Prior to joining Ascendas, she was based in China from 1993 to 1997 and was responsible for marketing and customer services for the Wuxi Singapore Industrial Park.

Ms Leow was first seconded to Ascendas' flagship project in India — the International Tech Park Bangalore, as Head of Customer Services from 1998 to 1999. Her current posting as Head of Marketing and Customer Services of Ascendas India is her third posting to India.

Ms Leow holds a Bachelor of Business Management from Monash University, Australia. She also holds a Diploma in International Marketing from Singapore Ngee Ann Polytechnic and a Specialist Translator Diploma from Nanjing University, China.

Mr Saji Unnikrishnan

Mr Saji Unnikrishnan currently heads Ascendas India's Project Management Unit operating from the head office in Bangalore. He is responsible for leading various teams to ensure proper management across all projects undertaken by Ascendas in India. He is responsible for standardising the project management processes and procedures and their pan-India implementation. He is also responsible for establishing cost-effective procurement methods for Ascendas.

Before May 2005, he was with Information Technology Park Limited (before ITPB was injected into a-iTrust (formerly known as Ascendas India IT Parks Trust) whilst it was still a private fund) where he led a team of consultants, engineers and contractors in the execution of various projects, entailing planning, quality and safety control, cost and contract management.

From 1994 to 1996 he was an active member of the project execution team with Sterling Holiday Resorts (I) Limited. Mr Unnikrishnan also served as a maintenance engineer at Hotel Southern Star, Ooty from 1993 to 1994. He commenced his professional career in 1991 with Mahindra Days Hotels & Resorts.

Mr Unnikrishnan holds a Bachelor of Engineering (Mechanical) degree from Bangalore University and a post graduate certificate in Business Management from Xavier Labour Relations Institute, Jamshedpur.

Mr Ammaiappan Jothi Krishnan

Mr Ammaiappan Jothi Krishnan heads the Legal and Secretarial department of Ascendas India and has held this position since October 2005. From 1991 to 1999, Mr Ammaiappan worked in various positions with the Chennai-based Balaji Group and Chaitanya Group. From 2000 to 2005, he was with Fox Mandal & Associates, a 100-year old law firm, as a Senior Associate and was in charge of their branch office in Chennai.

Mr Ammaiappan enrolled as an Advocate in 1988 and has more than 18 years experience as an Advocate and Solicitor advising clients in civil, corporate and property laws. He has advised clients on mergers and acquisitions, related legal due diligence and reporting, legal documentation in property matters including verification of title deeds, arbitration, corporate work including the incorporation of companies and subsidiaries in India, the establishment of joint ventures, foreign direct investment laws, SEBI and related regulations and litigation matters. He has acquired considerable experience in liaising with various government authorities.

Mr Ammaiappan holds a Bachelor's degree in Physics and Law from the University of Madras and is a member of the Bar Council of Tamil Nadu.

Mr Jiji Thomas

Mr Jiji Thomas heads the property services team of Ascendas India and is responsible for managing the infrastructure facilities and other services at the park. He has 17 years of experience in diverse fields such as property management, project management and marketing.

His last assignment prior to joining Ascendas, was with Haden International Group of USA in the capacity of General Manager, managing business development activities at the country level and service delivery in the south west region. He contributed significantly to the growth of Haden in India.

Before which, he was with, in reverse chronological order, Batliboi & Company Limited (a 100-year old engineering company) and National Dairy Development Board and the last held positions were Assistant Executive (Purchase) and Senior Project Engineer respectively.

Mr Thomas holds a Bachelor's degree in Mechanical Engineering from Calicut University and a Masters degree in Business Administration from Bharatidasan University.

Mr Balaji Vaniyambadi Vijayaraghavan

Mr Balaji Vaniyambadi Vijayaraghavan joined Ascendas India in 2001 and has assumed his present role as Head, Business Development since January 2007. Prior to this, he was the finance head for Ascendas' operations in Chennai.

Before joining Ascendas, Mr Balaji headed the finance department of Avanti Kopp Ltd, an Indo-German switch manufacturing company. He previously worked in the Hyderabad-based Lamtuf group, where he was involved in managing its funding requirements. He also held various other finance and accounting positions over his 18-year career.

Mr Balaji is conversant with structured financing, working capital management, business due diligence, valuation of businesses, setting up joint ventures, auditing and accounting aspects, direct and indirect tax matters including those involving cross border taxation, foreign direct investment, Reserved Bank of India norms and company law matters.

Mr Balaji holds a Bachelor's Degree in Mathematics with Physics and Chemistry as ancillaries from the University of Madras. He has a professional qualification from the Institute of Chartered Accountants of India (ICAI) and is a fellow member of ICAI.

Mr Vinayakumar Krishnana Nair

Mr Vinayakumar Krishnana Nair joined Ascendas in April 2007 as Vice President, Human Resource and Corporate Services of its Indian operations.

Before joining Ascendas, Mr Vinayakumar was the Corporate HR Head for FCI Technologies, a French multinational manufacturing company dealing in connectors and interconnect systems. He previously worked with Binani Zinc Ltd, where he was involved in training and development, employee relations and community development. He also held other key human resource positions over his 17-year career.

Mr Vinayakumar is conversant with training and development, recruitment, organizational development, behavioral programmes, compensation and benefits, team building, trade union negotiations and retention strategy.

Mr Vinayakumar holds Post Graduate Masters degrees both in Sociology from University of Kerala and Labour Studies from Madurai Kamaraj University. He also holds Post Graduate Diplomas in Personnel Management from Bharathiya Vidya Bhavan, Labour Law from University Of Cochin and Computer Applications from Universal Institute of Information Technology.

Mr Anirban Choudhury

Mr Anirban Choudhury joined Ascendas in April 2006 as Senior Manager, Communications and manages its communications activities in India.

Before joining Ascendas, Mr Choudhury was a part of the global communications team in Goldshield, a UK based healthcare services company. He previously worked in Hathway Cable & Datacom, where he was heading their communications services. He also worked as media relations and sports management executive in his 9-year career.

Mr Choudhury is conversant with external and internal communications practices such as advertising, public relations, events, brand management, media planning and employee communications.

Mr Choudhury holds a Post Graduate Diploma in Mass Communications from Symbiosis Institute of Mass Communications, Pune and a Bachelor Degree in English Literature from Guwahati University.

Remuneration

The compensation paid or to be paid to the Directors of the Trustee-Manager and the Executive Officers of the Trustee-Manager and the a-iTrust Group for services rendered to the Trustee-Manager on an individual basis and in remuneration bands for FY2006 and FY2007 and the estimated compensation to be paid to them for FY2008 is as follows:

	Remuneration(1)(2)		
	FY2006	FY2007	FY2008 (Estimated)
Directors			
Mr Philip Yeo Liat Kok	—	—	A
Mr Lim Tik En David	—	—	A
Mr Lim Hock San	—	—	A
Mr Sundaresh Menon	—	—	A
Mr Amal Ganguli	—	—	A
Ms Chong Siak Ching	—	—	A
Mr Jonathan Yap Neng Tong(3)	—	—	A
Mr Thomas Teo Ah Lay(4)	A	A	A
Mr Chia Nam Toon(4)	A	A	A
Mr Goh Kok Huat(4)	A	—	—
Mr Ang Peng Seng(4)	A	—	—
Mr Lim Teow Beng(4)	A	—	—
Executive Officers			
Mr Jonathan Yap Neng Tong(3)	—	—	A
Mr Johnnie Tng Chin Hwee	—	—	A
Mr Soundararajan Ram	—	—	A
Ms Chin Yean Cheng	—	—	A
Ms Chaitanya Vellore Srinivasan	—	—	A
Mr Tang Ming Yen Edmund	—	—	A
Ms Susan Anwar	—	—	A

(1) Includes directors' fees and any benefits in kind.

(2) "A" refers to remuneration below the equivalent of S$250,000.
"B" refers to remuneration between S$250,000 and S$500,000.

(3) Indicates the remuneration received in both his capacities as Director and as Chief Executive Officer.

(4) Mr Thomas Teo Ah Lay, Mr Chia Nam Toon, Mr Goh Kok Huat, Mr Ang Peng Seng and Mr Lim Teow Beng have resigned as directors of the Trustee-Manager with effect from 12 June 2007, 12 June 2007, 1 January 2006, 28 August 2006 and 16 May 2006 respectively.

Other than as described above, no compensation has been paid or will be paid by the a-iTrust Group or the Trustee-Manager to their top five Executive Officers (in terms of the amount of compensation) for services rendered to a-iTrust Group and the Trustee-Manager) on an individual basis and in remuneration bands for FY2006, FY2007 and FY2008.

All remuneration and compensation payable to the Directors and the Executive Officers in respect of services rendered to the Trustee-Manager will be paid by the Trustee-Manager, and not out of the Trust

Property of a-iTrust. The Trustee-Manager has not set aside or accrued any amounts for its employees to provide for pension, retirement or similar benefits.

No compensation is payable to any Director or Executive Officer in the form of option in Units or pursuant to any bonus or profit-sharing plan or any other profit-linked agreement or arrangement under the service contracts.

Employees

In addition to the above-mentioned executive officers, the Trustee-Manager will tap onto the Ascendas Group and its related corporations for support from time to time, where needed. The Trustee-Manager will increase its management team as it sources for, and acquires additional properties and manages a larger portfolio.

For the financial year ended 31 March 2005, the a-iTrust Group had no employees and for the financial years ended 31 March 2006 and 31 March 2007, the a-iTrust Group had two and four employees respectively.

Service Agreements

None of the Directors has entered or proposes to enter into service agreements with the Trustee-Manager. Further there are no existing or proposed service contracts entered or to be entered into by the Directors with the Trustee-Manager or any subsidiary or subsidiary entity of a-iTrust which provides for benefits upon termination of employment.

Constituent Documents of the Trustee-Manager

Certain key provisions of the Memorandum and Articles of Association of the Trustee-Manager are set out below.

The power of a director of the trustee-manager to vote on a proposal, arrangement or contract in which he is interested

The Director has to, as soon as practicable after the relevant facts have come to his knowledge, declare the nature of his interest at a meeting of the directors of the Trustee-Manager. Subject to such disclosure, as well as Section 156 of the Companies Act and the BTA, the Director is entitled to vote on transactions in which he is interested and he shall be taken into account in ascertaining whether a quorum is present.

The borrowing powers exercisable by the trustee-manager (acting in its capacity as trustee-manager of the relevant business trust) and how such borrowing powers may be varied

Pursuant to the Memorandum of Association of the Trustee-Manager, the Trustee-Manager has all full rights, powers and privileges to carry on or undertake any business or activity, do any act or enter into any transaction subject to the provisions of the Companies Act, the BTA and any other written law, in this case, the business of acting as trustee-manager of a-iTrust.

Section 28(4) of the BTA prohibits the Trustee-Manager from borrowing on behalf of a-iTrust unless the power of borrowing is conferred upon it by the Trust Deed. Clause 8.10 of the Trust Deed empowers the Trustee-Manager to borrow moneys on behalf of a-iTrust for the purpose of enabling the Trustee-Manager to meet any liabilities under or in connection with the trusts of the Trust Deed or with any investment of a-iTrust or for the purpose of financing the conduct, carrying on or furtherance of any Authorised Business undertaken by a-iTrust or for any other purpose deemed desirable by the Trustee-Manager in connection with any Authorised Business undertaken by a-iTrust or any investment of a-iTrust or for the purpose of financing or facilitating any distributions to Unitholders, borrow or raise moneys (upon such terms and conditions as it thinks fit and, in particular, by charging, mortgaging or creating security over all or any of the investments, assets or rights of a-iTrust or by issuing debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Trustee-Manager, as trustee-manager of a-iTrust. However, in accordance with the Trust Deed, subject to the provisions therein, the Trustee-Manager shall not incur a borrowing if to do so would mean that a-iTrust's total borrowings and deferred payments exceed 35% of the value of its Trust Property of a-iTrust as determined by the latest valuation conducted by an approved valuer, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in Units), up to a maximum of 60% (only if a credit rating from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public) or such higher percentage limits as property funds may from time to time be permitted under the Property Funds Guidelines. (See "The Formation and Structure of Ascendas India Trust — Incorporation of Certain Key Provisions of the Property Funds Guidelines".)

Any variation of the borrowing powers as contained in the Trust Deed would require the approval of the Unitholders by way of an Extraordinary Resolution held at a Unitholders' general meeting convened in accordance with the Trust Deed and such other regulatory approvals as may be required to vary the terms of the Trust Deed.

The retirement or non-retirement of a director of the trustee-manager under an age limit requirement

The Memorandum and Articles of Association of the Trustee-Manager do not specify an age limit beyond which a director of the Trustee-Manager shall retire.

The number of units in the business trust, if any, required for the qualification of a director of the trustee-manager

A Director is not required to hold any Units in a-iTrust to qualify as a Director of the Trustee-Manager.

Retirement of directors

The appointment of the Directors will continue until such time as they resign, are required to vacant their office as directors, or are removed by way of an ordinary resolution of the shareholder(s) of the Trustee-Manager, in each case, in accordance with the Articles of Association of the Trustee-Manager.

Fees payable to the Trustee-Manager

Management Fees

The Trustee-Manager is entitled under the Trust Deed to the following management fees:

- a Base Fee at the rate of 0.5% per annum of the value of a-iTrust's Trust Property; and
- a Performance Fee at the rate of 4.0% per annum of the Net Property Income of a-iTrust

in the relevant financial year. Any increase in the rate or any change in the structure of the Trustee-Manager's management fees must be approved by an Extraordinary Resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The Base Fee and the Performance Fee is payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect).

Acquisition Fee/Divestment Fee

(i) The Trustee-Manager is also entitled to 1.0% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) in any Authorised Investment (as defined herein) being in the nature of real estate, purchased by the Trustee-Manager on behalf of a-iTrust, whether directly or indirectly through an SPV, or 1.0% of the acquisition price of any other Authorised Investments acquired by the Trustee-Manager on behalf of a-iTrust.

(ii) 0.5% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) in any Authorised Investment being in the nature of real estate, sold or divested by the Trustee-Manager on behalf of a-iTrust, whether directly or indirectly through an SPV, or 0.5% of the sale price of any other Authorised Investments sold or divested by the Trustee-Manager on behalf of a-iTrust.

The acquisition fee and the divestment fee is payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect) at the then prevailing price. In accordance with the Trust Deed, when a-iTrust acquires real estate from an interested person, or disposes of real estate to an interested person, the acquisition or, as the case may be, the divestment fee may be in the form of cash and/or Units issued at prevailing market prices.

No acquisition fee is payable for the acquisition of the Properties.

Any payment to third party agents or brokers in connection with the acquisition or divestment of any asset of a-iTrust shall be paid by the Trustee-Manager to such persons out of the Trust Property of a-iTrust or the assets of the relevant SPV, and not out of the acquisition fee or the divestment fee received or to be received by the Trustee-Manager.

Any increase in the maximum permitted level of the Trustee-Manager's acquisition fee or disposal fee must be approved by an Extraordinary Resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

Trustee Fee

Under 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 of a-iTrust.

Any increase in the maximum permitted amount or any change in the structure of the trustee fee must be passed by an Extraordinary Resolution at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

Annual Reports

An annual report will be issued by the Trustee-Manager to Unitholders within 120 days from the end of each accounting period of a-iTrust and at least 14 days before the annual general meeting of the Unitholders, containing, among others, the following key items:

(i) details of all real estate transactions entered into during the financial accounting period;

(ii) details of a-iTrust's real estate assets;

(iii) if applicable, with respect to investments other than real property:

- (a) a brief description of the business;
- (b) proportion of share capital owned;
- (c) cost;
- (d) (if relevant) Directors' valuation and in the case of listed investments, market value;
- (e) dividends received during the year (indicating any interim dividends);
- (f) dividend cover or underlying earnings;
- (g) any extraordinary items; and

(h) net assets attributable to investments;

(iv) cost of each property held by a-iTrust;

(v) annual valuation of each property of a-iTrust;

(vi) analysis of provision for diminution in value of each property of a-iTrust (to the extent possible);

(vii) annual rental income for each property of a-iTrust;

(viii) occupancy rates for each property of a-iTrust;

(ix) remaining term for each of a-iTrust's leasehold properties;

(x) amount of distributable income held pending distribution;

(xi) details of assets other than real estate;

(xii) details of a-iTrust's exposure to derivatives;

(xiii) details of a-iTrust's investments in other property funds;

(xiv) details of borrowings and other financial accommodation in relation to a-iTrust;

(xv) value of the Trust Property of a-iTrust and the net asset value of a-iTrust at the beginning and end of the financial year under review;

(xvi) the prices at which the Units were quoted at the beginning and end of the accounting period, and the highest and lowest prices at which the Units were traded on the SGX-ST during the financial accounting period;

(xvii) volume of trade in the Units during the accounting period;

(xviii) the aggregate value of all transactions entered into by the Trustee-Manager (for and on behalf of a-iTrust) with an "interested person" (as defined in the Listing Manual) during the financial year under review;

(xix) total operating expenses of a-iTrust in respect of the accounting period, including expenses paid to the Trustee-Manager and interested persons (if any), and taxation incurred in relation to a-iTrust's properties;

(xx) historical performance of a-iTrust, including rental income obtained and occupancy rates for each property in respect of the accounting period and other various periods of time (*e.g.* one-year, three-year, five-year or 10-year) and any distributions made;

(xxi) total amount of fees paid to the Trustee-Manager, including any Units issued in part payment thereof and the price(s) of the Units at which they were issued;

(xxii) an analysis of realised and unrealised surpluses or losses, stating separately profits and losses as between listed and unlisted investments, if applicable;

(xxiii) an update on the use of proceeds of the Offering by a-iTrust; and

(xxiv) any extraordinary items.

The Board is also required under Section 86 of the BTA to make a written statement, in accordance with a Board resolution and signed by not less than two Directors on behalf of the Board, certifying that:

- fees or charges paid or payable out of the Trust Property of a-iTrust to the Trustee-Manager are in accordance with the Trust Deed;
- interested person transactions are not detrimental to the interests of all the Unitholders as a whole based on the circumstances at the time of the transaction; and
- the Board is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of a-iTrust or on the interests of all the Unitholders as a whole.

Such statement must be attached to the profit and loss accounts of a-iTrust.

The first report will cover the period from 1 April 2007 to 31 March 2008.

Additionally, a-iTrust will announce its net asset value on a quarterly basis. Such announcements will be based on the latest available valuation of a-iTrust's real estate and real estate-related assets, which will be conducted at least once every Financial Year in accordance with the Trust Deed. The first such valuation will be conducted by 31 March 2008.

Retirement or removal of the Trustee-Manager

Under the BTA, the Trustee-Manager may be removed, as trustee-manager of a-iTrust, by the Unitholders only by an Extraordinary Resolution or it may resign as trustee-manager. Any removal or resignation of the Trustee-Manager must be made in accordance with the procedures as MAS may prescribe. Any purported change of the trustee-manager of a registered business trust is ineffective unless it is made in accordance with the BTA.

The Trustee-Manager will remain the trustee-manager of a-iTrust until another person is appointed by:

(a) the Unitholders to be the trustee-manager of a-iTrust; or

(b) by the court under Section 21(1) of the BTA to be the temporary trustee-manager of a-iTrust;

and such appointment shall be effective from the date stated in the resolution of the Unitholders or court order as the effective date of the appointment of the trustee-manager or temporary trustee-manager, as the case may be.

Pursuant to Section 21(1) of the BTA, on an application by MAS or the Trustee-Manager or a Unitholder, the court may, by order, appoint a company that has consented in writing to serve as a temporary trustee-manager to be the temporary trustee-manager of a-iTrust for a period of three months if the court is satisfied that the appointment is in the interest of the Unitholders.

The temporary trustee-manager of a-iTrust is required, within such time and in accordance with such requirements as may be prescribed by MAS, to take such steps to enable the Unitholders to appoint another person as the trustee-manager (not being a temporary trustee-manager) of a-iTrust.

CORPORATE GOVERNANCE

The regime under the BTA stipulates requirements and obligations in respect of corporate governance. For example, the BTR sets out the requirements for, among other things, board composition of a trustee-manager, audit committee composition of a trustee-manager and independence of directors of a trustee-manager. The following is a summary of the material provisions of the BTA insofar as they relate to the Board.

Composition of the Board

The Board of the Trustee-Manager must comprise[(1)]:

- at least a majority of Directors who are independent from management and business relationships with the Trustee-Manager;
- at least one-third of Directors who are independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
- at least a majority of Directors who are independent from any single substantial shareholder of the Trustee-Manager[(2)].

Independence of Directors[(3)]

Independence from management and business relationships

To be considered independent from management and business relationships with the Trustee-Manager (whether or not the Trustee-Manager is acting for or on behalf of a-iTrust), a Director must not have any:

- management relationships with the Trustee-Manager or with any of its subsidiaries; or
- business relationships with the Trustee-Manager or with any of its related corporations, or with any officer of the Trustee-Manager or any of its related corporations, that could interfere with the exercise of his independent judgment with regard to the interests of all the Unitholders of a-iTrust as a whole.

Independence from management relationships

A Director is not considered to be independent from management relationships with the Trustee-Manager if:

- he is employed by the Trustee-Manager or by any of its subsidiaries, or has been so employed, at any time during the current financial year or any of the preceding three financial years of the Trustee-Manager;
- any member of his immediate family:
  - is being employed by the Trustee-Manager or by any of its subsidiaries as an executive officer whose compensation is determined by the Board or the subsidiary, as the case may be; or
  - has been so employed at any time during the current financial year or any of the preceding three financial years of the Trustee-Manager; or

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(1) Section 14(2) of the BTA provides that contravention of the provision on board composition is an offence and renders the Trustee-Manager liable on conviction to a fine not exceeding S$100,000.

(2) Where a single substantial shareholder has an interest in 50% or more of the voting shares in the Trustee-Manager, this requirement shall not apply to the Trustee-Manager in respect of the independence of its directors from that substantial shareholder.

(3) Regulations 3 and 4 of the BTR.

- he is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the management of the Trustee-Manager or any of its subsidiaries.

Independence from business relationships

A Director is not considered to be independent from business relationships with the Trustee-Manager or with any of its related corporations, or with any officer of the Trustee-Manager or any of its related corporations, if:

- he is a substantial shareholder, a director or an executive officer of any corporation, or a sole proprietor or partner of any firm, where such corporation, sole proprietorship or firm carries on business for purposes of profit to which the Trustee-Manager or any of its related corporations has made, or from which the Trustee-Manager or any of its related corporations has received, payments (whether or not the Trustee-Manager is acting for or on behalf of a-iTrust) at any time during the current or immediately preceding financial year of the Trustee-Manager; or
- he is receiving or has received compensation from the Trustee-Manager or any of its related corporations, other than remuneration received for his service as a director or as an employee of the Trustee-Manager or any of its related corporations, at any time during the current or immediately preceding financial year of the Trustee-Manager.

Independence from substantial shareholder

A Director is considered to be independent from a substantial shareholder of the Trustee-Manager if he is not a substantial shareholder of the Trustee-Manager or is not connected to that substantial shareholder of the Trustee-Manager.

The Director is connected to the substantial shareholder if:

- in the case where the substantial shareholder is an individual, the Director is:
  - a member of the immediate family of the substantial shareholder;
  - a partner of a firm of which the substantial shareholder is also a partner; or
  - accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the substantial shareholder; or
- in the case where the substantial shareholder is a corporation, the Director is:
  - employed by the substantial shareholder;
  - employed by a subsidiary or an associated company of the substantial shareholder;
  - a director of the substantial shareholder;
  - an executive director of a subsidiary or an associated company of the substantial shareholder;
  - a non-executive director of a subsidiary or an associated company of the substantial shareholder, where the subsidiary or associated company is not the Trustee-Manager;
  - a partner of a firm of which the substantial shareholder is also a partner; or
  - accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the substantial shareholder.

Board of Directors of the Trustee-Manager

The following outlines the main corporate governance practices of the Trustee-Manager.

The Board is responsible for the overall corporate governance of the Trustee-Manager including establishing goals for management and monitoring the achievement of these goals. The Trustee-Manager is also responsible for the strategic business direction and risk management of a-iTrust. All Board members participate in matters relating to corporate governance, business operations and risks, financial performance and the nomination and review of Directors. The Board has established a framework for the management of the Trustee-Manager and a-iTrust, including a system of internal control and a business risk management process. The Board consists of seven members, five of whom are Independent Directors for the purposes of the BTA.

In addition to compliance with requirements under the BTA, the composition of the Board is determined using the following principles:

- the Chairman of the Board should be a non-executive Director; and
- the Board should comprise Directors with a broad range of commercial experience including expertise in funds management and the property industry.

The composition will be reviewed regularly to ensure that the Board has the appropriate mix of expertise and experience.

Audit Committee

The audit committee of the trustee-manager of a registered business trust is required to be composed of three or more members:

- all of whom are independent of management and business relationships with the trustee-manager; and
- at least a majority of whom, including the chairman of the audit committee, are independent of management and business relationships with the trustee-manager and independent from every substantial shareholder of the trustee-manager(4).

On 27 June 2007, the Board passed a resolution to approve the formation of an audit committee (the "**Audit Committee**") and the appointment of its members. As at the date of this Prospectus, the members of the Audit Committee are Messrs David Lim Tik En, Sundaresh Menon and Lim Hock San. Mr Lim Hock San has been appointed as the Chairman of the Audit Committee. The role of the Audit Committee is to monitor and evaluate the effectiveness of the Trustee-Manager's internal controls. The Audit Committee also reviews the quality and reliability of information prepared for inclusion in financial reports, and is responsible for the nomination of external auditors and reviewing the adequacy of external audits in respect of cost, scope and performance.

The Audit Committee's responsibilities also include:

- reviewing property acquisition opportunities offered to the Trustee-Manager by unlisted funds established in India in which ALI invests as a minority shareholder;
- monitoring the procedures established to regulate interested person transactions, including ensuring compliance with the provisions of the Listing Manual relating to "interested person transactions" (as defined therein);
- reviewing external audit reports to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by the management;

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(4) Section 14(2) of the BTA provides that contravention of the aforesaid requirements is an offence and renders the trustee-manager liable on conviction to a fine not exceeding S$100,000.

- reviewing the financial statement and the internal audit reports to ascertain that the guidelines and procedures established to monitor interested person transactions have been complied with;
- ensuring that the internal audit function is adequately resourced and has appropriate standing with a-iTrust;
- monitoring the procedures in place to ensure compliance with applicable legislation, the Listing Manual and the BTA;
- nominating external auditors;
- reviewing the nature and extent of non-audit services performed by external auditors;
- reviewing, on an annual basis, the independence and objectivity of the external auditors;
- meeting with external and internal auditors, without the presence of the Executive Officers, at least on an annual basis;
- examining the effectiveness of financial, operating and compliance controls;
- investigating any matters within the Audit Committee's terms of reference, whenever it deems necessary; and
- reporting to the Board on material matters, findings and recommendations.

Dealings in Units

The BTA requires each Director to give notice in writing to the Trustee-Manager of his acquisition of Units or of changes in the number of Units which he holds or in which he has an interest, within two Business Days after the date on which the Director became a Director of the Trustee-Manager or the date of such acquisition or the occurrence of the event giving rise to changes in the number of Units which he holds or in which he has an interest.

All dealings in Units by Directors will be announced via SGXNET, with the announcement to be posted on the internet at the SGX-ST website http://www.sgx.com.

The Directors and employees of the Trustee-Manager are encouraged, as a matter of internal policy, to hold Units but are prohibited from dealing in the Units:

- in the period commencing one month before the public announcement of a-iTrust's annual and semi-annual results and (where applicable) property valuations and two weeks before the public announcement of a-iTrust's quarterly results, and ending on the date of announcement of the relevant results or, as the case may be, property valuations; and
- at any time while in possession of price sensitive information.

In addition, the Trustee-Manager will announce to the SGX-ST the particulars of its holdings in the Units and any changes thereto within two Business Days after the date on which it acquires or, as the case may be, disposes of any Units. The Trustee-Manager has also undertaken that it will not deal in the Units in the period commencing one month before the public announcement of a-iTrust's annual and semi-annual results and (where applicable) property valuations and two weeks before the public announcement of a-iTrust's quarterly results, and ending on the date of announcement of the relevant results or, as the case may be, property valuations.

Where a-iTrust acquires or divests real estate assets from/to Interested Persons, and the Trustee-Manager receives acquisition fees or divestment fees or part thereof in the form of Units, the Trustee-Manager shall not transfer such Units within one year from its issuance.

Management of Business Risk

The Board will meet quarterly or more often if necessary and will review the financial performance of the Trustee-Manager and a-iTrust against a previously approved budget. The Board will also review the business risks of a-iTrust, examine liability management and will act upon any comments from the auditors of a-iTrust.

The Trustee-Manager has appointed experienced and well-qualified management personnel to handle the day-to-day operations of the Trustee-Manager and a-iTrust. In assessing business risk, the Board will consider the economic environment and risks relevant to the property industry. It reviews management reports and feasibility studies on individual development projects prior to approving major transactions. The management meets regularly to review the operations of the Trustee-Manager and a-iTrust and discuss any disclosure issues.

Potential Conflicts of Interest

The Trustee-Manager is an indirect wholly-owned subsidiary of the Sponsor. There may be potential conflicts of interest between a-iTrust, the Trustee-Manager and the Sponsor.

The Sponsor will, immediately after the completion of the Offering hold 127,638,388 Units constituting approximately 17% of the total number of Units expected to be in issue, based on the Offering Price and assuming that the Over-Allotment Option is exercised in full.

Although the Trustee-Manager is a related corporation of the Sponsor, the Board composition includes five Independent Directors who comprise the majority of the Board.

The Trustee-Manager has also instituted the following procedures to deal with conflicts of interest issues:

-
- Under the BTA, the Trustee-Manager is not allowed to carry on any other business other than the management and operation of a-iTrust as its trustee-manager.
- All executive officers will be employed by the Trustee-Manager.
- All resolutions in writing of the Directors in relation to matters concerning a-iTrust must be approved by a majority of the Independent Directors.
- In respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent its/their interests will abstain from voting. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude nominee Directors of the Sponsor and/or its subsidiaries.
- Where matters concerning a-iTrust relate to transactions entered into or to be entered into by the Trustee-Manager for and on behalf of a-iTrust with a related party of the Trustee-Manager (which would include relevant associates thereof) or a-iTrust, the Board is required to consider the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of a-iTrust and the Unitholders, and in accordance with all applicable requirements of the Listing Manual and the BTA relating to the transaction in question. If the Trustee-Manager is to sign any contract with a related party of the Trustee-Manager or a-iTrust, the Trustee-Manager will review the contract to ensure that it complies with the provisions of the Listing Manual and the BTA relating to interested person transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and SGX-ST to apply to business trusts.

Interested Person Transactions

Interested Person Transactions in Connection with the Establishment of a-iTrust

(i) CPITPPL Share Purchase Agreement

On 1 November 2006, L&T Infocity, AIPL and the Singapore SPV entered into a share purchase agreement (the "**CPITPPL Share Purchase Agreement**"), under which the Singapore SPV acquired from AIPL and L&T Infocity the entire issued and paid-up capital of CPITPPL, comprising 50,000 equity shares of Rs. 10 each and 1,976,000 redeemable cumulative preference shares of Rs. 100 each. The total consideration paid by the Singapore SPV was Rs. 790 million.

The sale and purchase was completed on 1 December 2006. This agreement is more particularly described in "Certain Agreements Relating to Ascendas India Trust and the Properties - CPITPPL Share Purchase Agreement".

The Trustee-Manager believes that the terms of the CPITPPL Share Purchase Agreement are made on normal commercial terms and are not prejudicial to the interests of a-iTrust and/or the Unitholders.

(ii) ITPL Share Purchase Agreement

On 31 May 2005, the Singapore SPV entered into a share purchase agreement (the "**ITPL Share Purchase Agreement**") with ALI under which the Singapore SPV agreed to purchase and ALI agreed to sell the entire issued and paid-up capital of ITPI, for a total consideration of S$43,040,940.

ITPI in turn owns 46.4% of the entire issued and paid-up capital of ITPL.

The Trustee-Manager believes that the terms of the ITPL Share Purchase Agreement are made on normal commercial terms and are not prejudicial to the interests of a-iTrust and/or the Unitholders.

(iii) Acquisition of AITPCL Shares

(a) On 30 March 2007, the Singapore SPV entered into a share purchase agreement with AIPL and the Property Manager (the "**First AITPCL SPA**"), under which the Singapore SPV agreed to purchase, and AIPL and the Property Manager agreed to sell 36,964,999 equity shares and 1,750,001 equity shares, respectively, in AITPCL to the Singapore SPV over two tranches for a total consideration of Rs. 1,009,466,792. The sale and purchase of the first tranche, comprising 21,315,000 equity shares (amounting to 49% of the share capital of AITPCL) was completed on 30 March 2007, for a total purchase consideration of Rs. 555,773,852. The sale and purchase of the second tranche, comprising 17,400,000 equity shares (amounting to a further 40% of the share capital of AITPCL) was completed on 11 May 2007, for a total purchase consideration of Rs. 453,692,940. This agreement is more particularly described in "Certain Agreements Relating to Ascendas India Trust and Properties - First AITPCL SPA".

(b) On 29 June 2007, AITPCL issued 52,109,500 equity shares to ALI for a consideration of Rs. 521,095,000.

(c) On 2 July 2007, the Singapore SPV entered into a share purchase agreement with ALI (the "**Second AITPCL SPA**"), under which the Singapore SPV agreed to purchase and ALI agreed to sell 21,805,000 equity shares in AITPCL for a total consideration of Rs. 578,500,000. The sale and purchase was completed on 12 July 2007. This agreement is more particularly described in "Certain Agreements Relating to Ascendas India Trust and the Properties - Second AITPCL SPA".

The Trustee-Manager believes that each of the foregoing acquisition of shares in AITPCL by the Singapore SPV are on normal commercial terms and not prejudicial to the interests of a-iTrust and/or the Unitholders.

Save as disclosed in this Prospectus, the Trustee-Manager has not entered into any other transactions with any related party of the Trustee-Manager in connection with the setting up of a-iTrust.

Present and Ongoing Interested Person Transactions

(i) Property Management Agreements

The Trustee-Manager, on behalf of a-iTrust, has entered into the Master Property Management Agreement with the Property Manager for the operation, maintenance, management and marketing of the properties from time to time and the Initial Properties Management Agreement for the operation, maintenance, management and marketing of the Properties. These agreements are more particularly described in "Certain Agreements Relating to Ascendas India Trust and the Properties — Property Management Agreements".

The Trustee-Manager considers that the Property Manager has the necessary expertise and resources to perform the property management, lease management and marketing services for the Properties and future properties to be acquired directly or indirectly by a-iTrust.

Based on its experience, expertise and knowledge of contracts, the Trustee-Manager believes that the terms of the Master Property Management Agreement and the Initial Properties Management Agreement are made on normal commercial terms and are not prejudicial to the interests of a-iTrust and the Unitholders.

(ii) AITPCL Share Purchase Agreement

On 2 July 2007, the Singapore SPV entered into a share purchase agreement with ALI (the "**AITPCL Share Purchase Agreement**"), under which the Singapore SPV agreed to purchase and ALI agreed to sell 30,304,500 equity shares in AITPCL for total consideration of S$63,000,000 determined on an arm's length basis and based on recent market comparables. (See "Use of Proceeds — Use of Proceeds — Note (1)".) The sale and purchase is targeted to be completed upon the Listing. Post-completion, the Singapore SPV and TIDCO will hold 89.0% and 11.0% of the share capital of AITPCL respectively. This agreement is more particularly described in "Certain Agreements Relating to Ascendas India Trust and the Properties - AITPCL Share Purchase Agreement".

The Trustee-Manager believes that the terms of the AITPCL Share Purchase Agreement are made on normal commercial terms and are not prejudicial to the interests of a-iTrust and/or the Unitholders.

(iii) Licence granted by Ascendas Pte Ltd to ITPL for the use of trademarks

In consideration for the payment of a nominal sum of S$1.00, Ascendas Pte Ltd granted a non-exclusive, non-transferable licence to the Trustee-Manager for the use of the "Ascendas" and "Ascendas India" names and related logos (including the infinity logo) for use in connection with the business of a-iTrust. The licence became effective from the date of this Offering and will terminate upon the date that the Trustee-Manager ceases to be the trustee-manager of a-iTrust for whatever reason. Ascendas Pte Ltd may terminate the licence (i) upon giving of at least three months' notice in writing to the Trustee-Manager, or (ii) if the Trustee-Manager commits any material breach the terms of the licence.

The Trustee-Manager believes that the terms of the Licence Agreement are made on normal commercial terms and are not prejudicial to the interests of a-iTrust and/or the Unitholders.

(iv) Deed of lease obtained by the Property Manager for premises on ITPC

Under a deed of lease (the "**Deed of Lease**") dated 23 February 2006 between the Property Manager and AITPCL, AITPCL leased 7,350 sq ft of SBA to the Property Manager for a period of 5 years from 16 September 2005 at an aggregate rental income of approximately Rs. 294,000 per month. The lease period is renewable by mutual agreement of both parties. The amount of rental income received by AITPCL from the Property Manager for the financial year ended 31 March 2007 was Rs. 3,528,000. The Trustee-Manager believes that the terms of the Deed of Lease are made on normal commercial terms and are not prejudicial to the interests of a-iTrust and the Unitholders.

Exempted Agreements

The fees and charges payable by a-iTrust to the Trustee-Manager under the Trust Deed and to the Property Manager under the Property Management Agreements, the purchase price payable by a-iTrust (through the Singapore SPV) to ALI under the AITPCL Share Purchase Agreement and the Deed of lease entered into between the Property Manager and AITPCL respectively (collectively, the "**Exempted Agreements**"), each of which constitutes an interested person transaction, are deemed to have been specifically approved by the Unitholders upon subscription for the Units and are therefore not subject to Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder or the terms thereof which will adversely affect a-iTrust. However, the renewal of such agreements will be subject to Rules 905 and 906 of the Listing Manual and any amendments thereto.

Future Interested Person Transactions

a-iTrust is regulated by the Listing Manual and the BTA. The Listing Manual and the BTA regulate all interested person transactions. Depending on the materiality of the transaction, a-iTrust may be required to make a public announcement of the transaction (Rule 905 of the Listing Manual), or to make a public announcement of and to obtain Unitholders' prior approval for the transaction (Rule 906 of the Listing Manual). Section 86 of the BTA further requires (a) the Board to make a written statement in accordance with the resolution of the Board and signed by not less than two Directors on behalf of the Board certifying that, *inter alia*, the interested person transaction is not detrimental to the interests of all the Unitholders of a-iTrust as a whole based on the circumstances at the time of the transaction, and (b) the Chief Executive Officer to, in his personal capacity, make a written statement certifying that he is not aware of any violation of duties of the Trustee-Manager which would have a material adverse effect on the business of a-iTrust and the interests of all the Unitholders as a whole. These statements must be annexed to the profit and loss accounts of a-iTrust in its annual financial statements.

In addition to these written statements, Section 87 of the BTA also requires the Board to attach to a-iTrust's profit and loss accounts, a statement of policies and practices in relation to management and governance of a-iTrust containing such information prescribed by Regulation 20 of the BTR which includes, *inter alia*, a description of measures put in place by the Trustee-Manager to review interested person transactions in relation to a-iTrust.

The Trust Deed requires the Trustee-Manager to comply with the provisions of the Listing Manual relating to interested person transactions as well as the BTA and such other guidelines relating to interested person transactions as may be prescribed by the MAS or the SGX-ST to apply to business trusts.

The Trustee-Manager may at any time in the future seek a general annual mandate from the Unitholders pursuant to Rule 920(1) of the Listing Manual for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations with interested persons, and all transactions conducted under such a general mandate for the relevant financial year will not be subject to the requirements under Rules 905 and 906 of the Listing Manual. In seeking such a general annual mandate, the Trustee-Manager will appoint an independent financial adviser pursuant to Rule

920(1)(b)(v) of the Listing Manual to render an opinion as to whether the methods or procedures for determining the transaction prices of the transactions contemplated under the annual general mandate are sufficient in an effort to ensure that such transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of a-iTrust and the Unitholders.

Both the BTA and the Listing Manual requirements would have to be complied with in respect of a proposed interested person transaction which is prima facie governed by both sets of rules. Where matters concerning a-iTrust relate to transactions entered or to be entered into by the Trustee-Manager for and on behalf of a-iTrust with an "interested person" under the Listing Manual and/or the BTA, the Trustee-Manager is required to ensure that such transactions are conducted in accordance with applicable requirements of the Listing Manual, the BTA and/or such other applicable guidelines relating to the transaction in question.

In particular, when a-iTrust acquires other assets from the Sponsor or parties related to the Sponsor in the future, the Trustee-Manager will obtain appraisals from independent parties and comply with all other requirements applicable to such transactions under the Listing Manual and the BTA. In any event, interested person transactions entered into by a-iTrust in the future (including acquisitions of properties from the Sponsor or parties related to the Sponsor), depending on the materiality of such transactions, may need to be publicly announced or, as the case may be, publicly announced and approved by Unitholders, and will, in addition to such other requirements under the Listing Manual and/or the BTA, be:

- decided by a majority vote of the Directors, including the vote of at least one Independent Director (provided that any resolutions in writing of the Directors passed for this purpose must be approved by a majority of the Independent Directors); and
- reviewed and approved by the Trustee-Manager's Audit Committee.

The Trustee-Manager's Internal Control System

The Trustee-Manager will establish an internal control system to ensure that all future interested party transactions will be undertaken on normal commercial terms and will not be prejudicial to the interests of a-iTrust and the Unitholders. As a general rule, the Trustee-Manager must demonstrate to its Audit Committee that such transactions satisfy the foregoing criteria, which may entail obtaining (where practicable) quotations from parties unrelated to the Trustee-Manager, or obtaining one or more valuations from independent professional valuers.

The Trustee-Manager will maintain a register to record all interested person transactions which are entered into by a-iTrust and the bases, including any quotations from unrelated parties and independent valuations obtained to support such bases, on which they are entered into. The Trustee-Manager will also incorporate into its internal audit plan a review of all interested party transactions entered into by a-iTrust. The Audit Committee shall review the internal audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor interested party transactions have been complied with.

The review will include the examination of the nature of the transaction and its supporting documents or such other data deemed necessary to the Audit Committee. If a member of the Audit Committee has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

Furthermore, the following procedures will be undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of a-iTrust's net tangible assets based on the latest audited accounts will be subject to review by the Audit Committee at regular intervals;

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of a-iTrust's net tangible assets based on the latest audited accounts will be subject to the review and prior approval of the Audit Committee. Such approval shall only be given if the transactions are on normal commercial terms and are consistent with similar types of transactions made by the Trustee-Manager with third parties which are unrelated to the Trustee-Manager; and
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 5.0% of the value of a-iTrust's net tangible assets based on the latest audited accounts will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the Audit Committee which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Furthermore, under the Listing Manual, such transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

Where matters concerning a-iTrust relate to transactions entered into or to be entered into by the Trustee-Manager for and on behalf of a-iTrust with a related party of the Trustee-Manager (which would include relevant associates thereof) or a-iTrust, the Trustee-Manager is required to consider the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of a-iTrust and the Unitholders, and in accordance with all applicable requirements of the Listing Manual and the BTA relating to the transaction in question. If the Trustee is to sign any contract with a related party of the Trustee-Manager or a-iTrust, the Trustee will review the contract to ensure that it complies with the provisions of the Listing Manual and the BTA relating to interested person transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to business trusts.

Save for the transactions described under "Interested Person Transactions in Connection with the Establishment of a-iTrust", "Present and Ongoing Interested Person Transactions" and "Exempted Agreements", a-iTrust will comply with Rule 905 of the Listing Manual by announcing any interested person transaction in accordance with the Listing Manual if such transaction, by itself or when aggregated with other interested person transactions entered into with the same interested person during the same financial year, is 3.0% or more of a-iTrust's latest audited net tangible assets.

The aggregate value of all interested person transactions which are subject to Rules 905 and 906 of the Listing Manual in a particular financial year will be disclosed in a-iTrust's annual report for the relevant financial year.

Role of the Audit Committee for Interested Person Transactions

The Audit Committee will periodically review all Interested Person Transactions to ensure compliance with the Trustee-Manager's internal control system and with the relevant provisions of the Listing Manual. The review will include the examination of the nature of the transaction and its supporting documents or such other data deemed necessary to the Audit Committee.

If a member of the Audit Committee has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

THE SPONSOR

The Sponsor is the wholly-owned subsidiary and asset holding vehicle of Ascendas Pte Ltd, which is one of Asia's leading providers of business space covering high-tech, science, business and industrial parks, and customised developments for a host of industries. It manages a portfolio of properties exceeding 34 million sq ft across Asia, with a significant presence in key regional markets like Singapore, China, India, Korea and the Philippines. It has one of the largest footprints across Asia with more than 20 years of experience serving a global clientele of more than 1,300 customers. As one of the few foreign investors who have successfully acquired and developed assets in India, the Sponsor and its related companies have a strong track record as a leading business space solutions provider with over 14 years of experience in property development and management in India.

As one of the few foreign investors who have successfully acquired and developed assets in India, the Sponsor has achieved an established presence in the Indian IT parks sector through landmark developments such as ITPB in Bangalore, ITPC in Chennai and CyberPearl and The V in Hyderabad. In particular, the Sponsor was instrumental in developing ITPB and ITPC in partnership with the Bangalore and Chennai state governments and governmental bodies. The Sponsor has also successfully acquired The V, and has enhanced the performance and value of the property through the completion of the fourth building and the initiation of the development of the fifth building on the park.

The Sponsor believes that it is capable of understanding and fulfilling customised tenant requirements while retaining the flexibility to accommodate other similar tenants with world class lifestyle environments and quality infrastructure.

The Trustee-Manager and the Sponsor have demonstrated a successful track record of phased development at ITPB to meet tenant demand for new business spaces. For instance, Discoverer, Innovator and Creator were delivered by November 1998, followed by Explorer (June 2002), Inventor (November 2004) and, more recently, Navigator (January 2007). Pioneer, a BTS facility, is scheduled to be completed in August 2007. TCS has committed to the acquisition of a 99-year leasehold interest in Pioneer, with 85% of the consideration having been received and the balance to be received in FY2008.

The Trustee-Manager has a proven track record of sourcing attractive acquisition opportunities from the market such as the successful acquisition and re-branding of The V. The Trustee-Manager has enhanced the performance and value of the Property through the completion of the fourth building and will soon complete the fifth building. The Trustee-Manager has also given the tenants of The V the benefits and amenities uniquely branded as the "Ascendas Advantage" (see "Key Investments Highlights — a-iTrust offers exposure to a portfolio of high quality investment properties built and managed to international standards within high-growth sectors and cities in India"). The Trustee-Manager believes that it is capable of understanding and fulfilling customised tenant requirements while retaining the flexibility to accommodate other similar tenants with world-class lifestyle environments and quality infrastructure.

The Sponsor has established close relationships with various state and local governments in its areas of operations. In particular, the Sponsor has developed relationships with KIADB (a Karnataka state government body) and TIDCO (a Tamil Nadu state government body), in the joint venture development of ITPB and ITPC, respectively. The local government partnership has benefited these IT park developments.

The Sponsor also believes that it has developed strong relationships with key tenants during the course of developing and managing IT parks. It has key client relationships with numerous MNCs such as Infineon Technologies, for which the Sponsor has also cultivated a long-standing relationship in Singapore and China. The Sponsor anticipates that as the outsourcing sector in India evolves, its key corporate clients will seek to expand across India into emerging IT destinations such as Pune and Nagpur which provide for ample acquisition and development growth opportunities.

The Sponsor has also demonstrated a consistent track record in managing a listed real estate trust through its subsidiary's management of A-REIT. A-REIT has implemented a successful acquisitions growth strategy which has yielded attractive returns to unitholders since its initial public offering in Singapore in November 2002. These acquisitions have increased A-REIT's portfolio from approximately S$600 million at its initial public offering to approximately S$3.2 billion, achieving an increase of more than 400% by 31 March 2007.

THE FORMATION AND STRUCTURE OF ASCENDAS INDIA TRUST

The Trust Deed is a complex document and the following is a summary only and is qualified in its entirety by, and is subject to, the contents of the Trust Deed. Investors should refer to the Trust Deed itself to confirm specific information or for a detailed understanding of a-iTrust (Registration Number 200412730D). The Trust Deed is available for inspection at the registered office of the Trustee-Manager at 75 Science Park Drive, #01-03, Cintech II Building, Singapore 118255.

Background

a-iTrust was constituted as a private trust on 7 December 2004 under the Trust Deed, which was originally entered into by Ascendas Property Fund Trustee Pte. Ltd. (as trustee-manager of the private trust). Ascendas Property Fund Trustee Pte. Ltd. is a related corporation of the Sponsor. The private trust was established with the intention to own and invest in real estate used primarily for IT or ITES located in India, with the intention that it would eventually be converted into a listed vehicle. The Trust Deed was amended by an amending and restating deed dated 28 June 2007 to comply with the requirements of, among others, the MAS and the SGX-ST for a listed business trust.

History

The following sets out the summary of the major events in the business development of a-iTrust since its establishment up to the Latest Practicable Date:

7 December 2004	a-iTrust was established as a private trust and the Original Investors were ALI, GE, Great Eastern, Lianhe Investments and Forum.
17 December 2004	a-iTrust acquired from Vanenburg Facilities BV a 100% shareholding in VITPPL, for a total purchase consideration of S$84,204,087.
24 February 2005	a-iTrust acquired a 46.4% shareholding in ITPL from Tata Industries Limited, THDC Limited and IBM Global Services India Private Limited, for a total purchase consideration of Rs. 2,248 million.
31 May 2005	a-iTrust acquired from ALI a 100% shareholding in ITPI, which in turn holds 46.4% shareholding in ITPL, for a total purchase consideration of S$43,040,940.
July 2005	The construction of Capella at The V was completed, for a total cost of Rs. 260 million.
1 November 2006	L&T Infocity, AIPL and the Singapore SPV entered into a share purchase agreement (the "**CPITPPL Share Purchase Agreement**"), under which the Singapore SPV acquired the entire issued and paid-up capital of CPITPPL, comprising 50,000 equity shares of Rs. 10 each and 1,976,000 redeemable cumulative preference shares of Rs. 100 each, for a total purchase consideration of Rs. 790 million.
January 2007	The construction of the Navigator building at ITPB was completed, along with expansion of the dedicated power plant and related infrastructure, for a total cost of Rs. 1.576 billion.
30 March 2007	a-iTrust acquired a total of 21,315,000 shares (49%) in the capital of AITPCL from AIPL and the Property Manager, for a total purchase consideration of Rs. 555,773,852.
11 May 2007	The Singapore SPV acquired an additional 16,613,483 shares and 786,517 shares in the issued and paid-up capital of AITPCL from AIPL and the Property Manager respectively, for a total purchase consideration of Rs. 453,692,940.

Since the date of the establishment of a-iTrust up to the Latest Practicable Date, the a-iTrust Group incurred material expenditure on the acquisition of various investments as well as on the completion of construction of various Properties as set out in the table above. As at the Latest Practicable Date, for development and capital expenditure, there was a total commitment of S$44.4 million, of which S$34.5 million was approved and contracted for, and S$9.9 million was approved but not contracted for. These commitments were substantially a result of ongoing building development at The V and the cost for buying back units at ITPB from TCS.

The following VCUs accounted for more than 10% of the net assets, net liabilities or profit or loss before tax of the absolute amount of the net assets, net liabilities or profit or loss before tax, respectively, of the a-iTrust Group for the following three financial years:

FY 2005 — VITPPL

FY 2006 — ITPL and VITPPL

FY2007 — ITPL, VITPPL and CPITPPL

Past changes in Equity

Details of the changes in the Unitholders' equity of a-iTrust for three years prior to the Latest Practicable Date are as follows:

Date of Issuance	Issue Price per Unit (S$)	Number of Units	Resultant Issued Unit Capital (S$)
ALI			
9 December 2004	1	1	1
29 June 2005	1	64,199,999	64,200,000
GE			
29 June 2005	1.23	86,102,764	86,102,764
Great Eastern			
29 June 2005	1.23	40,650,407	40,650,407
Lianhe Investments			
29 June 2005	1.23	14,141,138	14,141,138
Forum			
29 June 2005	1.23	10,162,602	10,162,602

Details of the changes in the share capital of the Singapore SPV for three years prior to the Latest Practicable Date are as follows:

Date	Issue price per ordinary share (S$)	Number of ordinary shares	Resultant issued share capital (S$)
26 August 2004	1	1	1

Details of the changes in the equity capital of the respective VCUs for three years prior to the Latest Practicable Date are as follows:

(A) ITPL

Date	Issue price per share (Rs.)	Number of shares	Resultant issued share capital (Rs.)
2003	10	319,000,000 equity shares	3,190,000,000

Date	Issue price per share (Rs.)	Number of shares	Resultant issued share capital (Rs.)
2003	100	2,500,000 (0.5% redeemable non-cumulative preference shares)	250,000,000

(B) <u>AITPCL</u>

Date	Issue price per share (Rs.)	Number of shares	Resultant issued share capital (Rs.)
18 March 2004	10	50,000 equity shares	500,000
16 February 2005	10	43,450,000 equity shares	434,500,000
29 June 2007	10	58,550,000 equity shares	585,500,000
FY 2007 to FY2008	10	102,050,000 equity shares	1,020,500,000

(C) <u>CPITPPL</u>

Date	Issue price per share (Rs.)	Number of shares	Resultant issued share capital (Rs.)
30 May 2002	10	10,000 equity shares	100,000
12 August 2002	10	40,000 equity shares	400,000
25 March 2003	100	1,276,000 cumulative redeemable preference shares	127,600,000
14 March 2005	100	700,000 cumulative redeemable preference shares	70,000,000

(D) <u>VITPPL</u>

Date	Issue price per share (Rs.)	Number of shares	Resultant issued share capital (Rs.)
1997	100	1,237,511 equity shares	123,751,100
1998	100	1,940,261 equity shares	194,026,100
1999	100	1,797,920 equity shares	179,792,000
2000	100	619,428 equity shares	61,942,800

Pursuant to an extraordinary general meeting of the Unitholders held on 12 June 2007, Unitholders have authorised the Board of the Trustee-Manager to:

(a) issue new Units pursuant to or in connection with the Offering (including upon the exercise of the Over-Allotment Option) and;

(b) following the Listing and the issuance of new Units pursuant to the exercise of the Over-Allotment Option, if any, issue new Units or grant options over or otherwise dispose of the same at any time to such persons and on such terms and conditions whether for cash or otherwise as the Trustee-Manager shall in its absolute discretion deem fit provided that:

(i) the aggregate number of Units to be issued pursuant to such authority shall not exceed 50% of the total number of Units in issue immediately after the close of the Offering; and

(ii) the aggregate number of Units to be issued other than on a *pro rata* basis to the then existing Unitholders shall not exceed 20% of the total number of Units in issue immediately after the close of the Offering,

and subject to the BTA and any other relevant applicable laws, regulations and guidelines, and unless revoked or varied by the Unitholders in general meeting, such authority shall continue in full force until the conclusion of the first annual general meeting of a-iTrust or the date by which the first annual general meeting is required by law to be held, whichever is the earlier.

The Trust Deed

a-iTrust is a registered business trust constituted by the Trust Deed and principally regulated by the SFA and the BTA.

The terms and conditions of the Trust Deed shall be binding on each Unitholder (and persons claiming through such Unitholder) as if such Unitholder had been a party to the Trust Deed and as if the Trust Deed contains covenants by such Unitholder to observe and be bound by the provisions of the Trust Deed and an authorisation by each Unitholder to do all such acts and things as the Trust Deed may require the Trustee-Manager to do.

The provisions of the BTA prescribe certain terms of the Trust Deed and certain rights, duties and obligations of the Trustee-Manager and the Unitholders under the Trust Deed Operational Structure

a-iTrust is a Singapore-based business trust registered by the MAS established with the principal objective of owning income-producing real estate used primarily as business space in India, and real estate-related assets in relation to the foregoing. a-iTrust may acquire, own and develop land to be used primarily as business space or acquire other uncompleted developments to be used primarily for business space, with the objective of holding the properties upon completion.

Incorporation of Certain Key Provisions of the Property Funds Guidelines

Without prejudice to the restrictions and requirements in the BTA and the Listing Manual, a-iTrust has voluntarily adopted certain key provisions of the Property Funds Guidelines. Accordingly, the Trust Deed imposes certain restrictions on the investments of a-iTrust such as:

- a-iTrust may not carry on any other principal activities other than the Authorised Businesses (as defined therein) and of which at least 35% of the Value (as defined therein) of the Trust Property of a-iTrust (or such other percentage which property funds are from time to time subject to under the Property Funds Guidelines) shall be invested in Real Estate (as defined therein) and at least 70% of the Value of the Trust Property of a-iTrust (or such other percentage which property funds are from time to time subject to under the Property Funds Guidelines) shall be invested in Real Estate and Real Estate-Related Assets (as defined therein);
- for so long as the Property Funds Guidelines impose a limit on the amount of property development activities property funds may undertake, the total contract value of property development activities undertaken and investments in uncompleted property developments by a-iTrust shall not exceed 20% of the Value of the Trust Property of a-iTrust. Such development limit is calculated based on the formula set out in the Trust Deed;
- subject to the provisions of the Trust Deed, for so long as property funds are subject to borrowing limits under the Property Funds Guidelines, the total borrowings and deferred payments (together the "**Aggregate Leverage**") of a-iTrust shall not exceed 35% (or such higher percentage limit as property funds may from time to time be permitted under the Property Funds Guidelines) (the

"**Primary Permitted Gearing Limit**") of the Value of the Trust Property of a-iTrust PROVIDED THAT the aggregate leverage of a-iTrust may exceed the Primary Permitted Gearing Limit (up to a maximum of 60% (or such higher percentage limit as property funds may from time to time be permitted under the Property Funds Guidelines)) 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. a-iTrust shall continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds the Primary Permitted Gearing Limit. In this respect, "deferred payments" include deferred payments for assets whether to be settled in cash or in Units.

Although the Trustee-Manager may use certain financial derivative instruments for hedging purposes or efficient portfolio management provided that such financial derivative instruments are not used to gear a-iTrust's overall investment portfolio or are intended to be borrowings of a-iTrust, the Trustee-Manager presently does not have any intention to invest in options, warrants, commodities, futures contracts, unlisted securities and precious metals.

For further details of the investment objectives and policies of the Trustee-Manager, see Clause 8 of the Trust Deed.

The Units and Unitholders

The rights and interests of Unitholders are contained in the Trust Deed. Under the Trust Deed, these rights and interests are safeguarded by the Trustee-Manager.

Each Unit represents an undivided interest in a-iTrust. A Unitholder has no equitable or proprietary interest in the underlying assets of a-iTrust and is not entitled to the transfer to it of any asset (or any part thereof) or of any real estate, any interest in any asset and real estate-related assets (or any part thereof) of a-iTrust. A Unitholder's right is limited to the right to require due administration of a-iTrust in accordance with the provisions of the Trust Deed, including, without limitation, by suit against the Trustee-Manager.

Under the Trust Deed, each Unitholder acknowledges and agrees that it will not commence or pursue any action against the Trustee-Manager seeking an order for specific performance or for injunctive relief in respect of the assets of a-iTrust (or any part thereof), including all its Authorised Investments (as defined herein and in the Trust Deed), and waives any rights it may otherwise have to such relief. If the Trustee-Manager breaches or threatens to breach its duties or obligations to the Unitholder under the Trust Deed, the Unitholder's recourse against the Trustee-Manager is limited to a right to recover damages or compensation from the Trustee-Manager in a court of competent jurisdiction, and each Unitholder acknowledges and agrees that damages or compensation is an adequate remedy for such breach or threatened breach.

Further, unless otherwise expressly provided in the Trust Deed, a Unitholder may not interfere or seek to interfere with the rights, powers, authority or discretion of the Trustee-Manager, exercise any right in respect of the assets of a-iTrust or any part thereof or lodge any caveat or other notice affecting the real estate or real estate-related assets of a-iTrust (or any part thereof), or require that any Authorised Investments forming part of the assets of a-iTrust be transferred to such Unitholder.

No certificate shall be issued to Unitholders by the Trustee-Manager in respect of Units issued to Unitholders. For so long as a-iTrust is listed, quoted and traded on the SGX-ST and/or any other Recognised Stock Exchange and the Units have not been suspended from such listing, quotation and trading for more than 60 consecutive calendar days or de-listed permanently, the Trustee-Manager shall pursuant to the Depository Services Agreement appoint CDP as the Unit depository for a-iTrust, and all Units issued will be represented by entries in the register of Unitholders kept by the Trustee-Manager or the agent appointed by the Trustee-Manager in the name of, and deposited with, CDP as the registered holder of such Units. The Trustee-Manager or the agent appointed by the Trustee-Manager shall issue to CDP not more than 10 Business Days after the issue of Units a confirmation note confirming the date of issue and the number of Units so issued and, if applicable, also stating that the Units are issued under a moratorium and the expiry date of such moratorium and for the purposes of the Trust Deed, such confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

There are no restrictions under the Trust Deed or Singapore law on a person's right to purchase (or subscribe for) Units and to own Units except in the case of a rights issue where the Trustee-Manager has the right under the Trust Deed to elect not to extend an offer of Units under a rights issue to Unitholders whose addresses are outside Singapore.

Changes in Unitholders' equity

The Trustee-Manager may at any time, on prior written notice (such notice period will be determined by the Trustee-Manager in its absolute discretion) to each Unitholder or, when the Units of a-iTrust are listed on the SGX-ST, by the Trustee-Manager delivering such notice in writing to CDP for onward delivery to the Unitholders), determine that each Unit shall be sub-divided into two or more Units or consolidated with one or more other Units and the Unitholders shall be bound to accept their new number of Units accordingly.

The Register shall be altered accordingly to reflect the new number of Units held by each Unitholder as a result of such sub-division or consolidation. To effect this, the Trustee-Manager shall cause CDP to alter the Depository Register accordingly in respect of each relevant Unitholder's Securities Account to reflect the new number of Units held by such Unitholder as a result of such sub-division or consolidation.

Distributions

Subject to applicable laws, regulations and guidelines, and the Trust Deed, the Trustee-Manager shall make regular distributions of at least 90% of its Distributable Income to Holders at semi-annual intervals or such other intervals as the Trustee-Manager shall decide in its absolute discretion. All distributions are paid *pro rata* among the Unitholders in proportion to the amount paid up on each Unitholder's Units, unless the rights attached to an issue of any Unit provide otherwise. Any moneys payable to Unitholders which remain unclaimed after a period of 12 months shall be accumulated in a special account (the "**Unclaimed Moneys Account**") from which the Trustee-Manager may, from time to time, make payments to Unitholders claiming any such moneys. Subject to the winding-up provisions in the Trust Deed, the Trustee-Manager may, at its discretion and if practicable, cause such sums which represent moneys remaining in the Unclaimed Moneys Account for five years after the date of payment of such moneys into the Unclaimed Moneys Account and interest, if any, earned thereon, to be paid into the courts of Singapore after deducting from such sums all fees, costs and expenses incurred in relation to such payment into the courts of Singapore.[(1)]

If the said moneys are insufficient to meet all such fees, costs and expenses, the Trustee-Manager shall be entitled to have recourse to the Trust Property of a-iTrust.

Rights, preferences and restrictions attaching to each class of Units

The Trust Deed provides that rights attached to the Units issued with special conditions have to be clearly defined in the Trust Deed and, if at any time, different classes of Units are issued, the rights attached to any class (unless otherwise provided by the terms of issue of the Units of that class) may, subject to the provisions of any applicable laws, regulations and guidelines, be varied or abrogated with the sanction of an Extraordinary Resolution passed at a separate meeting of Unitholders of that class.

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(1) The Trustees Act, Chapter 337 of Singapore, allows a trustee to discharge its liabilities towards unclaimed moneys by paying such moneys into Singapore courts, although it does not prescribe the period for which the moneys must be unclaimed before they may be paid into the courts. Although the Trustees Act is not applicable to a registered business trust, as a matter of prudence, the Trust Deed has provided that the Trustee-Manager may pay unclaimed moneys into the courts.

Currently, only one class of Units is contemplated and will be issued pursuant to this Offering and every Unit carries the same voting rights. Units held by the investors pursuant to the Offering will rank pari passu with those Units held by the Original Investors, and will also carry the same voting rights. Under the BTA, only the persons registered in the statutory register maintained by the Trustee-Manager are recognised as registered holders of the Units in issue. For so long as a-iTrust is listed, the CDP shall be the registered holder of all the Units in issue and the CDP shall, pursuant to the Depository Services Agreement, maintain a record in a depository register of the Unitholders having Units credited into their respective Securities Accounts and record in the depository register the following information in relation to each Unitholder:

(1) the names and addresses of the Unitholders;

(2) the number of Units held by each Unitholder;

(3) the date on which every such person entered in respect of the Units standing in his name became a Unitholder and, where he became a Unitholder by virtue of an instrument of transfer, a sufficient reference to enable the name and address of the transferor to be identified; and

(4) the date on which any transfer is registered and the name and address of the transferee.

Under the Trust Deed, each Unitholder named in the depository register shall for such period as the Units are entered against his name in the depository register, be deemed to be the owner in respect of the number of Units entered against such Unitholder's name in the depository register and would be entitled to attend and vote at general meetings of Unitholders. The Trustee-Manager shall be entitled to rely on any and all such information in the depository register.

The entries in the depository register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Unitholder and, in the event of any discrepancy between the entries in the depository register and the details appearing in any confirmation note or monthly statement issued by CDP, the entries in the depository register shall prevail unless the Unitholder proves to the satisfaction of the Trustee-Manager and CDP that the depository register is incorrect.

Voting Rights

A Unitholder is entitled to attend, speak and vote at any general meeting of the Unitholders in person or by proxy and a Unitholder may appoint not more than two proxies to attend and vote at the same general meeting as a Unitholder if his name appears on the Depository Register as at 48 hours before the time of the relevant general meeting as certified by the Depository to a-iTrust. Except as otherwise provided in the Trust Deed, not less than two Unitholders must be present in person or by proxy of one-tenth in value of all the Units for the time being in issue to constitute a quorum at any general meeting. Under the Trust Deed, on a show of hands every Unitholder present in person or by proxy shall have one vote, and on a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit which he holds or represents. A poll may be demanded in certain circumstances, including by the chairman of the general meeting or by five or more Unitholders (including their proxies) having the right to vote at the general meeting or by Unitholder(s) (including their proxies) representing not less than 10% of the total voting rights of all the Unitholders having the right to vote at the general meeting.

Variation of rights of respective classes of Units

If at any time different classes of Units are issued, the rights attached to any class (unless otherwise provided by the terms of issue of the Units of that class) may, subject to any applicable laws, regulations and guidelines, whether or not the Trust is being wound up, be varied or abrogated with the sanction of an Extraordinary Resolution passed at a separate meeting of Unitholders of that class. To every such separate meeting of Unitholders of that class the provisions of the Trust Deed relating to general meetings of the Unitholders shall *mutatis mutandis* apply; but so that the necessary quorum shall be two persons at least holding or representing by proxy or by attorney at least one-third of the issued Units of the class and that any Unitholder of that class present in person or by proxy or by attorney may demand a poll.

The rights conferred upon the Unitholders of any class of Units issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the Units of that class or by the Trust Deed as are in force at the time of such issue, be deemed to be varied by the creation or issue of further Units ranking equally therewith.

The Trust Deed does not impose more stringent conditions for variation of rights of various classes of Units than those required by applicable law.

Issue of Units

The Trustee-Manager has the exclusive right to issue Units for the account of a-iTrust. For so long as a-iTrust is listed on the SGX-ST, the Trustee-Manager may issue Units, subject to the provisions of the Listing Manual, the Trust Deed, the BTA and any other relevant laws, regulations and guidelines.

If in connection with an issue of a Unit, any requisite payment of the Issue Price for such Unit has not been received by the Trustee-Manager before the seventh Business Day after the Unit was agreed to be issued (or such other date as the Trustee-Manager may decide), the Trustee-Manager may cancel its agreement to issue such Unit, and such Unit will be deemed never to have been issued or agreed to be issued. In such an event, the Trustee-Manager may, at its discretion, charge the investor (and retain the same for its own account) a cancellation fee of such amount as the Trustee-Manager may from time to time determine to represent the administrative costs involved in processing the application for such Unit.

Suspension of Issue of Units

The Trustee-Manager may, subject to the Listing Manual, suspend the issue of Units during:

- any period when the SGX-ST or any other relevant Recognised Stock Exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;
- the existence of any state of affairs which, in the opinion of the Trustee-Manager, might seriously prejudice the interests of the Unitholders as a whole or the Trust Property of a-iTrust;
- any breakdown in the means of communication normally employed in determining the price of any assets of a-iTrust or the current price thereof on the SGX-ST or any other relevant Recognised Stock Exchange, or when for any reason the prices of any assets of a-iTrust cannot be promptly and accurately ascertained;
- any period when remittance of money which will or may be involved in the realisation of any asset of a-iTrust or in the payment for such asset of a-iTrust cannot, in the opinion of the Trustee-Manager, be carried out at normal rates of exchange;
- any period where the issuance of Units is suspended pursuant to any order or direction issued by the MAS;
- in relation to any general meeting of Unitholders, the 48-hour period before such general meeting or any adjournment thereof; or
- when the business operations of the Trustee-Manager in relation to a-iTrust are substantially interrupted or closed as a result of, or arising from, pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

Such suspension shall take effect forthwith upon the declaration in writing thereof by the Trustee-Manager and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension ceases to exist and no other conditions under which suspension is authorised (as set out above) exists, upon the declaration in writing thereof by the Trustee-Manager or the Trustee (as the case may be).

In the event of any suspension while a-iTrust is listed on the SGX-ST, the Trustee-Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST.

Rights and Liabilities of Unitholders

The key rights of Unitholders include rights to:

- receive income and other distributions attributable to the Units held;
- receive audited accounts and the annual reports of a-iTrust; and
- participate in the termination of a-iTrust by receiving a share of all net cash proceeds derived from the realisation of the assets of a-iTrust less any liabilities, in accordance with their proportionate interests in a-iTrust.

No Unitholder has a right to require that any asset of a-iTrust be transferred to him.

Further, Unitholders cannot give any directions to the Trustee-Manager (whether at a meeting of Unitholders or otherwise) if it would require the Trustee or the Trustee-Manager to do or omit doing anything which may result in:

- a-iTrust ceasing to comply with applicable laws and regulations; or
- the exercise of any discretion expressly conferred on the Trustee-Manager by the Trust Deed.

The Trust Deed contains provisions that are designed to limit the liability of a Unitholder to the amount paid or payable for any Unit. The provisions seek to ensure that if the Issue Price of the Units held by a Unitholder has been fully paid, no such Unitholder, by reason alone of being a Unitholder, will be personally liable to indemnify the Trustee-Manager or any creditor of a-iTrust in the event that the liabilities of a-iTrust exceed its assets.

Under the Trust Deed, every Unit carries the same voting rights.

Limitation on right to own Units — Units Issued to Persons Resident Outside Singapore

In relation to any rights issue, the Trustee-Manager may in its absolute discretion elect not to extend an offer of Units under the rights issue to those Unitholders whose addresses are outside Singapore. In such event, the rights or entitlements to the Units of such Unitholders will be offered for subscription by the Trustee-Manager as the nominee and authorised agent of each such relevant Unitholder in such manner and at such price as the Trustee-Manager may determine. Where necessary, the Trustee-Manager shall have the discretion to impose such other terms and conditions in connection with the sale. The proceeds of any such sale, if successful, will be paid to the relevant Unitholders whose rights or entitlements have been thus sold, provided that where such proceeds payable to the relevant Unitholders are less than S$10.00, the Trustee-Manager shall be entitled to retain such proceeds as part of the Trust Property of a-iTrust.

Amendments to the Trust Deed after the Units are Listed

After the Listing Date, the Trustee-Manager shall be entitled, by deed supplemental to the Trust Deed and with the prior approval of the relevant authorities if required, to modify, alter or add to the provisions of the Trust Deed in such manager and to such extent as it may consider expedient for any purpose subject to the provisions of the BTA.

Circumstances under which the Trustee-Manager may be indemnified out of the Trust Property of a-iTrust

In general, subject to any express provision under the Trust Deed and without prejudice to any right of indemnity at law given to the Trustee-Manager, the Trustee-Manager is entitled for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as a-iTrust's trustee-manager to have recourse to the Trust Property of a-iTrust or any part thereof, save where such action, cost, claim, damage, expense or demand is occasioned by the fraud, wilful default, breach of trust by the Trustee-Manager or where the Trustee-Manager fails to exercise Due Care.

Circumstances under which the Trustee-Manager may exclude liability in relation to carrying out of its duties with respect to a-iTrust

Subject to the duties and obligations of the Trustee-Manager under the Trust Deed, the Trustee-Manager shall not be liable for any act or omission in relation to a-iTrust save where there is, on the part of the Trustee-Manager, fraud, wilful default, breach of trust or where the Trustee-Manager fails to exercise Due Care.

In the absence of fraud, wilful default, breach of trust by the Trustee-Manager or where the Trustee-Manager fails to exercise Due Care, the Trustee-Manager shall not incur any liability to the Unitholders by reason of any error of law or any matter or thing done or suffered or omitted to be done by it in good faith under the Trust Deed.

Removal of the Trustee-Manager and appointment of new trustee-manager

The Trust Deed provides that appointment and removal of the Trustee-Manager shall only be in accordance with applicable laws, regulations and guidelines. (See "The Trustee-Manager — Retirement or removal of the Trustee-Manager".)

There is no termination fee payable to the Trustee-Manager prescribed under the Trust Deed for the removal or termination of the appointment of the Trustee-Manager. Upon the termination or removal, the Trustee-Manager is entitled to be paid from the Trust Property, the management fee, acquisition and divestment fees, trustee fee and indemnification claims (if any) payable to the Trustee-Manager as prescribed in the Trust Deed, that may be accrued and outstanding up to the date of termination/ removal. The Trustee-Manager is also entitled to reimbursement of all out-of-pocket expenses incurred in carrying out its duties under a-iTrust.

In the case of termination/removal, which requires the approval of the Unitholders by EGM, costs will be incurred in holding the EGM to obtain such approval and there may also be costs incurred in effecting the appointment of a new trustee-manager, depending on the fee structure applicable to the new trustee-manager.

The Trust Deed specifically provides that costs and expenses of removal or resignation of the Trustee-Manager to be met from the Trust Property shall not include costs and expenses incurred in connection with the winding up of the Trustee-Manager.

Furthermore, no termination fees are payable to any Director or managerial staff of the Trustee-Manager apart from payment for their services which may be outstanding.

Changes in the fees and charges payable to the Trustee-Manager

An Extraordinary Resolution is required to approve:

- any increase in the rate or any change in the structure of the Trustee-Manager's management fees;

- any increase in the permitted level of the Trustee-Manager's acquisition fee or disposal fee; and
- any change in the structure of the trustee fee payable to the Trustee-Manager.

Any changes in the fees and charges payable to the Trustee-Manager to the extent that they will adversely affect a-iTrust, will be subject to Rules 905 and 906 of the Listing Manual. In such instance, the Trustee-Manager will abstain from voting on such changes to the fees and charges at the unitholders' meeting.

Winding-up

Notwithstanding the time, circumstances or event specified in the Trust Deed, but subject otherwise to the BTA, the winding up of a-iTrust would still be subject to approval by not less than a majority of the voting rights of all Unitholders present and voting in general meeting.

CERTAIN AGREEMENTS RELATING TO ASCENDAS INDIA TRUST AND THE PROPERTIES

The agreements discussed in this section are complex documents and the following is a summary only. Investors should refer to the agreements themselves to confirm specific information or for a detailed understanding of a-iTrust. The agreements are available for inspection at the registered office of the Trustee-Manager at 75 Science Park Drive, #01-03, Cintech II Building, Singapore 118255 for a period of six months from the date of this Prospectus.

Licence Agreement

Pursuant to a licence agreement entered into between Ascendas Pte Ltd and the Trustee-Manager on 2 July 2007, in consideration for the payment of a nominal sum of S$1.00, Ascendas Pte Ltd has granted a non-exclusive, non-transferable licence to the Trustee-Manager for the use of the "Ascendas" and "Ascendas India" names and related logos (including the infinity logo) for use in connection with the business of a-iTrust. The licence became effective from the date of the agreement and will terminate upon the date that the Trustee-Manager ceases to be the trustee-manager of a-iTrust for whatever reason. Ascendas Pte Ltd may terminate the licence (i) upon giving of at least three months' notice in writing to the Trustee-Manager, or (ii) if the Trustee-Manager commits any material breach the terms of the licence. Under the Licence Agreement, the Trustee-Manager as licensee shall ensure that their use of the trade marks conform to and comply with the standards, instructions and directions prescribed by the Licensor in writing from time to time and use the trade marks for purposes of the business of a-iTrust.

Property Management Agreements

(i) Master Property Management Agreement

The Master Property Management Agreement was entered into on 2 July 2007 by the Trustee-Manager and the Property Manager pursuant to which the Trustee-Manager agreed to procure that each of the VCUs appoint the Property Manager as property manager for the respective Properties (as defined therein) on the terms as set out in the Initial Properties Management Agreement appended thereto, for the purposes of operating, maintaining, managing and marketing the Properties by signing the Initial Properties Management Agreement, subject to the overall management and supervision of the Trustee-Manager. Pursuant to the terms of the Master Property Management Agreement, the Property Manager agreed to accept such appointment. (See below for the terms of the Initial Properties Management Agreement).

In respect of properties subsequently acquired by the Trustee-Manager as trustee-manager of a-iTrust, whether such properties are directly held by the Trustee-Manager or indirectly held by the Trustee-Manager through a special purpose vehicle, or are wholly or partly owned by a-iTrust, for as long as a-iTrust has a right of appointment of the Property Manager thereof, the Trustee-Manager or the relevant special purpose vehicle (as the case may be) and the Property Manager will enter into a separate property management agreement substantially in the form set of the Individual Property Management Agreement described below (with such modifications as may be required by the Trustee-Manager).

The initial term of the Master Property Management Agreement is 10 years from the Listing Date, but may be, *inter alia*, terminated by the Trustee-Manager upon written notice to the Property Manager if:

- the Property Manager is voluntarily or involuntarily dissolved or declared bankrupt, insolvent, or commits an act of bankruptcy;
- if an order is made or resolution is passed or a notice is issued convening a meeting for the purpose of passing a resolution or any analogous proceedings are taken for the appointment

of an administrator or judicial manager of or the winding up of the Property Manager, other than a members' voluntary liquidation solely for the purpose of a bona fide amalgamation or reconstruction;

- the Property Manager compounds with its creditors or has a receiver appointed over all or any part of its assets or a judicial manager is appointed in respect of the Property Manager;
- the Property Manager ceases to carry on business; or
- either party is in breach of any of its obligations under the Property Management Agreement and, if the breach is capable of remedy, fails to cure the breach within 60 days of its receipt of a notice in writing from a party (not in breach) to remedy the said breach.

Under the Property Management Agreement, one of the obligations of the Property Manager is to exercise skill in performing its services. Any breach of the obligations of the Property Manager, including a breach of its warranty as to skill under the terms of this agreement, if not cured within 60 days of its receipt of a notice in writing from the Owner or the Trustee-Manager to remedy the said breach, may entitle the Owner or the Trustee-Manager to terminate the Property Management Agreement. No termination fees are payable to the Property Manager in the event of a termination of the Property Management Agreement save that the Property Manager may be entitled to, *inter alia*, claim for damages, if the termination is due to a breach of the Owner or the Trustee-Manager.

On or before the date falling six months before the expiry of the initial term of the Master Property Management Agreement, and subject to there being no outstanding or unremedied breach by the Property Manager of its obligations and duties, the Property Manager may request an extension of its appointment for a further term of five years on the same terms and conditions as are contained in the Master Property Management Agreement, except for the provisions relating to the extension of the appointment term. The Trustee-Manager will extend the appointment of the Property Manager for the extension term, provided that such extension shall be subject to the approval of the Unitholders of a-iTrust if such approval is required pursuant to any applicable legislation or regulations including regulatory requirements and the Listing Manual, relating to interested person/party transactions. The Trustee-Manager is not obliged to extend the appointment of the Property Manager if the above conditions are not fulfilled.

(ii) Individual Property Management Agreement

The Individual Property Management Agreement which will be entered into from time to time between the owner of the property, the Trustee-Manager and the Property Manager sets out, inter alia, the following terms and conditions for the services which the Property Manager will provide and the remuneration payable to the Property Manager:

Property Manager's Services

The services to be provided by the Property Manager for each property under its management include the following:

- property management services, including recommending third party contractors for provision of property maintenance services, supervising the performance of contractors, arranging for adequate insurances and security and ensuring compliance with building and safety regulations;
- lease management services, including coordinating the handing over of premises to tenants, administration of rental collection and management of rental arrears;
- marketing services, including identifying prospective tenants and negotiation of terms;
- general management services, including overseeing the finance, accounting, contract management and corporate secretarial aspects; and

- project management services in relation to the development, re-development, refurbishment, retrofitting, addition, alteration and renovation works carried out in respect of a property, including recommendation of project budget and project consultants, and supervision and implementation of the project.

Fees

Under the Property Management Agreement, the Property Manager is entitled to the following fees for each property under its management:

The Property Manager is entitled to the following fees and commissions:

- ***Project management fee:*** 2.0% of the total construction cost (inclusive of all construction-related fees), being any development, re-development, refurbishment, retrofitting, addition to, alteration of or renovation carried out in respect the properties;
- ***Property management fee***: a monthly fee of 2.0% of the monthly PMA Gross Revenue of each of the properties plus reimbursement of remuneration costs (as approved by the owner of each of the properties) of the personnel employed by the Property Manager who are deployed on-site at the properties to provide property management services;
- ***Lease management fee***: a monthly fee of 1.0% of the monthly Gross Revenue of each of the Properties;
- ***General management cost****:* reimbursement of an apportioned amount of the remuneration cost (as may be agreed by each owner of the properties) of the centralised staff employed by the Property Manager for the purposes of providing general management services, plus an administrative fee of 20% of such cost; and
- ***Marketing services commission***: commission for securing new tenancies, leasing of additional space by existing tenants, renewals and the sale of the properties shall be calculated as follows:
  - 1 month's rent (including property and fit-out rental) for every lease with a duration of less than one year;
  - 1.5 months' rent (including property and fit-out rental) for every lease with a duration of between one and three years (inclusive);
  - 2 months' rent for every lease with a duration of more than three but not exceeding 10 years;
  - 2.0% of the total lease payment for the entire lease period for every lease with a duration exceeding 10 years;
  - Renewal of an existing lease will be calculated at half of the above Commission otherwise payable for a new tenancy; and
  - Commissions of 2.0% of the total sale consideration, in the case of a sale of any property.

  Where external property agents are involved in securing a lease, renewal or sale of a property, a 20% mark-up applies to the abovementioned commissions.

Project Management Services

The Property Manager shall be paid a fee of 2.0% of the total construction cost (inclusive of all construction-related fees), being any development, re-development, refurbishment, retrofitting, addition to, alteration of or renovation carried out in respect the relevant properties.

For purpose of calculating the fees payable to the Property Manager, "**construction cost**" means all construction costs (inclusive of all construction-related fees) and expenditure valued by the quantity surveyor engaged by the owners of the properties (the "**Owners**" and each an "**Owner**") for the project, but excluding:

- all payments made to quantity surveyors, the principal project consultant, the Property Manager, mechanical and electrical engineers, civil and structural engineers, accredited checkers, other specialist consultant/sub-consultants, the owner of the Properties' agents, employees and other consultants;
- all administration expenses incurred by the relevant Owner;
- interest on capital cost incurred during construction and the cost of money required for carrying out the construction works;
- cost of land and wayleaves;
- provision for contingencies; and
- cost of fees, permits, licences and finance and development charges.

Operating Account

The Property Manager is authorised to utilise funds deposited in operating accounts maintained in the name of each of the Owners, to pay all costs and expenses incurred in the operation, maintenance, management and marketing of the relevant properties belonging to the relevant Owners, within the budget approved in the annual business plan and budget for such properties.

Provision of office space

The Owners shall provide the employees of the Property Manager who are engaged to provide property management services for the properties, with reasonable space at each of the properties, with adequate furnishings at the cost of the relevant Owners, including computers and other office equipment, to enable and facilitate the Property Manager's employees in the discharge of their duties, without the Property Manager having to pay rent, service charge or any other sums.

Warranty as to Skill

The Property Manager warrants to each Owner that in the performance of its duties as Property Manager and in the exercise of its rights, powers and authorities under the Property Management Agreement, the Property Manager shall at all times during the continuance of the Property Management Agreement:

(a) exercise all due diligence and vigilance; and

(b) exercise the standard of care, skill and judgment that would be expected of a reputable professional property manager in the jurisdictions where the properties are located, having regard to the provisions of the Property Management Agreement providing similar management services for the comparable buildings with substantially the same usage(s) for the respective properties.

Termination of the Property Manager

The Owner of each of the properties may terminate the appointment of the Property Manager under the Property Management Agreement in relation to any or all of the Owner's properties under the management of the Property Manager on the occurrence of specific events, which include the liquidation and cessation of business of the Property Manager.

In the event of the sale of any of the properties, the relevant Owner shall be entitled to terminate the appointment of the Property Manager under this Agreement, only in respect of the properties sold.

In addition, if the Property Manager within 90 days of receipt of written notice fails to remedy any breach (which is capable of remedy) of its obligations in relation to any of the properties, the relevant Owner may terminate the appointment of the Property Manager in relation to the properties in respect of which breach relates, upon giving 30 days' notice in writing to the Property Manager.

In the event that the defaulting party is the Property Manager, the Property Manager shall be liable to the Owner and the Trustee-Manager for breach of contract, and the Owner and the Trustee-Manager shall be entitled to exercise all rights and remedies available to them at law, in equity, by statute or otherwise, including, without limitation, the right to claim damages. In the event that the termination is due to a breach of contract by the Owner, the Owner shall be liable to the Property Manager and the Trustee-Manager for breach of contract and the Property Manager and the Trustee-Manager shall be entitled to exercise all rights and remedies available to them at law, in equity, by statute or otherwise, including, without limitation, the right to claim damages.

Novation

No party to the Individual Property Management Agreement may assign or transfer any of its rights, benefits or obligations except with the prior written consent of the other parties, provided that such written consent shall not be required where an Owner assigns or charges all of its rights and benefits to any lender extending credit facilities on the security of, inter alia, the properties and/or the assignment of this Agreement.

With the prior written consent of the relevant Owner and the Trustee-Manager, the Property Manager may novate all its rights, benefits and obligations under the Individual Property Management Agreement to any firm, company or other entity in which Ascendas Pte Ltd and its related corporations have the right to exercise, directly or indirectly, more than 50% of the voting rights attributable to the shares or other interest in any such firm, company or other entity.

Limitation of Liability and Indemnities

The Property Manager may act upon any advice of, or information obtained from, any bankers, accountants, brokers, lawyers, agents or other persons acting as agents or advisers of the Owners or the Property Manager (whether as consultants or otherwise) and in doing so, the Property Manager shall not be:

(a) liable for anything done or omitted or suffered in reliance upon such advice or information; or

(b) responsible for any misconduct, mistake, oversight, error of judgement, forgetfulness or want of prudence on the part of such banker, accountant, broker, lawyer, agent or other person as aforesaid,

provided that the Property Manager has acted in good faith and with due care and diligence in the appointment and instruction thereof.

Each of the Owners shall indemnify the Property Manager from and against any and all actions, proceedings, liabilities, claims, demands, losses, damages, charges, costs and expenses that the Property Manager suffers or incurs, to the extent that they arise out of any breach, negligence, fraud or misconduct of the Owners, its employees or agents, in the performance of the Owners' obligations and duties under this Agreement.

In the absence of fraud, negligence, wilful default or breach of the Individual Property Management Agreement by the Property Manager, it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done by it in good faith hereunder.

No restriction on Property Manager

The Owners agree that the Property Manager may provide services similar to the services provided to the Owners under the Individual Property Management Agreement, to other parties operating in the same or similar businesses. The Owners further agree that the Property Manager shall be entitled to act with respect to such businesses in the same manner as if the Individual Property Management Agreement has not been entered into.

(iii) Initial Properties Management Agreement

The Initial Properties Management Agreement was entered into on 2 July 2007 by ITPL, CPITPPL, AITPCL and VITPPL as owners of the respective Properties, the Trustee-Manager and the Property Manager, pursuant to which ITPL, CPITPPL, AITPCL and VITPPL agreed to appoint the Property Manager as property manager for the respective Properties (as defined therein) on the terms as set out in the Individual Properties Management Agreement.

(See "- Individual Property Management Agreement" above for the terms of the Initial Properties Management Agreement).

Share Purchase Agreements

(i) CPITPPL Share Purchase Agreement

On 1 November 2006, L&T Infocity, AIPL and the Singapore SPV entered into a share purchase agreement (the "**CPITPPL Share Purchase Agreement**"), under which the Singapore SPV acquired from AIPL and L&T Infocity the entire issued and paid-up capital of CPITPPL, comprising 50,000 equity shares of Rs. 10 each and 1,976,000 redeemable cumulative preference shares of Rs. 100 each. The total consideration paid by the Singapore SPV was Rs. 790 million.

The shares are acquired on a spot delivery basis, free of any and all claims or other encumbrances whatsoever and with all rights attached thereto, with all accrued benefits and rights including dividends accrued but unpaid prior to the date of transfer, pursuant to the provisions of the CPITPPL Share Purchase Agreement. L&T Infocity has undertaken to ensure that its nominees sold their shareholding to the Singapore SPV and that no further claims are made on the Singapore SPV thereafter.

(ii) First AITPCL SPA

On 30 March 2007, the Singapore SPV entered into a share purchase agreement with AIPL and the Property Manager (the "**First AITPCL SPA**"), under which the Singapore SPV agreed to purchase, and AIPL and the Property Manager agreed to sell 36,964,999 equity shares and 1,750,001 equity shares, respectively, in AITPCL to the Singapore SPV over two tranches for a total consideration of Rs.1,009,466,792. The acquisition of the said equity shares was subject, *inter alia*, to the consent of TIDCO being obtained for the transfer of the shares to the Singapore SPV. The consent of TIDCO has been obtained. The sale and purchase of the first tranche, comprising 21,315,000 equity shares (amounting to 49% of the share capital of AITPCL) was completed on 30 March 2007, for a total purchase consideration of Rs. 555,773,852. The sale and purchase of the second tranche, comprising 17,400,000 equity shares (amounting to a further 40% of the share capital of AITPCL) was completed on 11 May 2007, for a total purchase consideration of Rs. 453,692,940.

(iii) Second AITPCL SPA

On 2 July 2007, the Singapore SPV entered into the Second AITPCL SPA, under which the Singapore SPV agreed to purchase and ALI agreed to sell 21,805,000 equity shares in AITPCL for a total consideration of Rs.578,500,000.

The obligations of the Singapore SPV was conditional upon the satisfaction (or, where permissible under applicable laws, waiver by the Singapore SPV at its sole discretion subject to conditions as the Singapore SPV may impose for granting such waiver) of, *inter alia*, the following conditions precedents:

(a) the receipt by ALI of all required contractual, corporate, shareholder, regulatory and other consents, approvals, orders, licenses, bonds, or authorisations under relevant applicable laws, for the consummation of the transactions contemplated by the Second AITPCL SPA;

(b) ALI shall have received the requisite approval(s) from applicable governmental authorities for selling the sale shares, without any conditions of any nature whatsoever being attached thereto, for the consummation of the transactions contemplated by the Second AITPCL SPA; and

(c) a no objection certificate being issued by TIDCO and received by ALI for the proposed transfer of the sale shares pursuant to this Second AITPCL SPA.

The consent of TIDCO has been obtained, and the sale and purchase was completed on 12 July 2007. Post-completion of this transaction, the Singapore SPV, ALI and TIDCO will hold 59.3%, 29.7% and 11.0% of the share capital of AITPCL respectively.

(iv) AITPCL Share Purchase Agreement

On 2 July 2007, the Singapore SPV entered into the AITPCL Share Purchase Agreement, under which the Singapore SPV agreed to purchase and ALI agreed to sell 30,304,500 equity shares in AITPCL for total consideration of S$63,000,000 determined on an arm's length basis and based on recent market comparables. (See "Use of Proceeds — Use of Proceeds — Note (1)".) The sale and purchase is targeted to be completed upon the Listing. Post-completion, the Singapore SPV and TIDCO will hold 89.0% and 11.0% of the share capital of AITPCL respectively.

The obligations of the Singapore SPV shall be conditional upon the satisfaction (or, where permissible under applicable laws, waiver by the Singapore SPV at its sole discretion subject to conditions as the Singapore SPV may impose for granting such waiver) of, *inter alia*, the following conditions precedents:

(a) the receipt by ALI of all required contractual, corporate, shareholder, regulatory and other consents, approvals, orders, licenses, bonds, or authorisations under relevant applicable laws, for the consummation of the transactions contemplated by the AITPCL Share Purchase Agreement;

(b) ALI shall have received the requisite approval(s) from applicable governmental authorities for selling the sale shares, without any conditions of any nature whatsoever being attached thereto, for the consummation of the transactions contemplated by the AITPCL Share Purchase Agreement;

(c) a no objection certificate being issued by TIDCO and received by the ALI for the proposed transfer of the sale shares pursuant to this AITPCL Share Purchase Agreement; and

(d) completion of the Offering and the admission of a-iTrust to the Official List of the SGX-ST and the Singapore SPV having obtained funds from the proceeds of the Offering which in its opinion, is adequate for the purposes of performing its obligations under the AITPCL Share Purchase Agreement.

As at the date of this Prospectus, other than item (d) above, all the conditions precedent have been fulfilled.

Right of First Refusal

(i) Sponsor Right of First Refusal

On 2 July 2007, an agreement was entered into between the Trustee-Manager and the Sponsor pursuant to which the Sponsor granted to the Trustee-Manager (for so long as (i) the Trustee-Manager remains the trustee-manager of a-iTrust, (ii) the Sponsor and/or any of its associates (as defined herein) remains a related corporation of the Trustee Manager and (iii) Ascendas Pte Ltd and/or any of its associates (as defined herein) remains the controlling shareholder (as defined in the Listing Manual) and the single largest shareholder of the Trustee-Manager) a right of first refusal (the "**Sponsor Right of First Refusal**") over any:

(i) proposed offer of sale to the Sponsor or any of its subsidiaries (each a "**Relevant Entity**") of any Relevant Asset (as defined herein) by its owner(s) (the "**Vendor**") (excluding any sale of any such Relevant Asset by a related corporation of such Relevant Entity to a Relevant Entity pursuant to a reconstruction, amalgamation, restructuring, merger and/or any analogous event or transfer of shares of the related corporation of such Relevant Entity between the existing shareholders as may be provided in any shareholders agreement); or

(ii) proposed offer of sale of a Relevant Asset which is owned by a Relevant Entity (excluding any sale of any such Relevant Asset by a Relevant Entity to a related corporation of such Relevant Entity pursuant to a reconstruction, amalgamation, restructuring, merger and/or any analogous event or transfer of shares of the Relevant Entity between the existing shareholders as may be provided in any shareholders agreement). The grant by any Relevant Entity of a lease (including a long term lease) over any such Relevant Asset for a rent shall not constitute a sale or disposal that is subject to the Sponsor Right of First Refusal.

Subject to the applicable laws, regulations and government policies (including those in other countries relating to property ownership by foreign persons) as well as prior or overriding contractual obligations of the Relevant Entity, the Relevant Entity shall, give written notice (the "**Sponsor's Written Notice**") to the Trustee-Manager of any such proposed offer.

A "**Relevant Asset**" means an income-producing property located in India of which less than 20% (in terms of value) is under development or is not developed and which is primarily used for business space (space used for IT, ITES, office, high-tech, science, industrial, logistics and/or warehousing purposes) and, if applicable, the shares or equity interests in a single purpose company or entity which wholly owns such property.

An "**associate**", in relation to the Sponsor or, as the case may be, Ascendas Pte Ltd, means any entity in which the Sponsor or, as the case may be, Ascendas Pte Ltd, has directly or indirectly through its subsidiaries at least 30% of the total voting rights of the entity and in respect of which the Sponsor or, as the case may be, Ascendas Pte Ltd, is able to control the entity. "**Control**" means the practical influence which the Sponsor or, as the case may be, Ascendas Pte Ltd, is able to exert over the outcome of decisions on the financial and operating policies of that entity but excludes any capacity to influence decisions on the financial and operating policies of that entity where such influence is required to be exercised for the benefit of other persons pursuant to an obligation imposed under any written law, rule of law, contract or order of court, and "**controlled**" shall be construed accordingly.

The Sponsor Right of First Refusal will come into effect from the Listing Date.

In the event that:

(a) the Vendor notifies in writing to the Relevant Entity or the Trustee-Manager that it does not wish to sell the Relevant Asset to the Trustee-Manager;

(b) the Trustee-Manager does not enter into a binding commitment (in the form of a sale and purchase agreement or a put and call option agreement, whether conditional or unconditional) for the purchase of the Relevant Asset within 30 days (or such longer period as may be mutually agreed) from the date of the Trustee-Manager's receipt of the Sponsor's Written Notice;

(c) the Trustee-Manager indicates in writing to the Relevant Entity that it shall not be purchasing the Relevant Asset; or

(d) the proposed purchase of the Relevant Asset is aborted by the Trustee-Manager,

the Trustee-Manager shall be deemed to be unable to, or not to have, exercised the Sponsor Right of First Refusal and the Relevant Entity shall be entitled to, as the case may be:

(a) sell its Relevant Asset to a third party on terms and conditions no more favourable to the third party than those offered by the Relevant Entity to the Trustee-Manager; or

(b) purchase the Relevant Asset on such terms and conditions as it may deem fit, without any accountability, liability or obligation whatsoever to the Trustee-Manager.

The Sponsor Right of First Refusal shall not apply to any asset owned directly or indirectly by an unlisted fund (i) which is managed by a Relevant Entity or (ii) in which a Relevant Entity invests, but which is not controlled by the Relevant Entity.

If, by the expiry of a period of 60 days commencing from (and including) the date on which the Trustee-Manager is deemed not to have exercised the Sponsor Right of First Refusal:

(1) no binding commitment for the sale of the Relevant Asset is entered into with any other party as contemplated by the Sponsor Right of First Refusal; or

(2) there is a failure to complete the sale and purchase of the Relevant Asset,

the Relevant Entity shall be entitled to sell its Relevant Asset to a third party on such terms and conditions as it may deem fit, without any accountability, liability or obligation whatsoever to the Trustee-Manager.

(ii) Development Trust Right of First Refusal

On 2 July 2007, an agreement was entered into between the Trustee-Manager and Ascendas India Development Fund Management Pte. Ltd. (the "**Fund Trustee-Manager**"), the trustee-manager of the Development Trust, pursuant to which the Development Trust granted to the Trustee-Manager, for so long as (i) the Trustee-Manager remains the trustee-manager of a-iTrust, (ii) Ascendas Pte Ltd and/or any of its associates (as defined herein) remains a controlling shareholder (as defined in the Listing Manual) and the single largest shareholder of the Trustee-Manager, and (iii) the Fund Trustee-Manager remains the trustee-manager of the Development Trust and is a subsidiary of the Sponsor, a first right of refusal (the "**Development Trust Right of First Refusal**") over any:

(a) proposed offer of sale to the Fund Trustee-Manager by the Vendor; or

(b) proposed offer of sale of any Relevant Asset which is owned by the Fund Trustee-Manager. The grant by the Fund Trustee-Manager of a lease (including a long term lease) over any such Relevant Asset for a rent shall not constitute a sale or disposal that is subject to the Development Trust Right of First Refusal.

Subject to the applicable laws, regulations and government policies (including those in other countries relating to property ownership by foreign persons) as well as prior or overriding contractual obligations of the Fund Trustee-Manager, the Fund Trustee-Manager shall, give written notice (the "**Fund's Written Notice**") to the Trustee-Manager of any such proposed offer.

An "**associate**", in relation to Ascendas Pte Ltd, means any entity in which Ascendas Pte Ltd has directly or indirectly through its subsidiaries at least 30% of the total voting rights of the entity and in respect of which Ascendas Pte Ltd is able to control the entity. "**Control**" means the practical influence which Ascendas Pte Ltd is able to exert over the outcome of decisions on the financial and operating policies of that entity but excludes any capacity to influence decisions on the financial and operating policies of that entity where such influence is required to be exercised for the benefit of other persons pursuant to an obligation imposed under any written law, rule of law, contract or order of court, and "**controlled**" shall be construed accordingly.

The Development Trust Right of First Refusal will come into effect from the Listing Date.

In the event that:

(a) the Vendor notifies in writing to the Fund Trustee-Manager or the Trustee-Manager that it does not wish to sell the Relevant Asset to the Trustee-Manager;

(b) the Trustee-Manager does not enter into a binding commitment (in the form of a sale and purchase agreement or a put and call option agreement, whether conditional or unconditional) for the purchase of the Relevant Asset within 30 days (or such longer period as may be mutually agreed) from the date of the Trustee-Manager's receipt of the Fund's Written Notice;

(c) the Trustee-Manager indicates in writing to the Fund Trustee-Manager that it shall not be purchasing the Relevant Asset; or

(d) the proposed purchase of the Relevant Asset is aborted by the Trustee-Manager,

the Trustee-Manager shall be deemed to be unable to, or not to have, exercised the Development Trust Right of First Refusal and the Fund Trustee-Manager shall be entitled to, as the case may be:

(a) sell its Relevant Asset to a third party on terms and conditions no more favourable to the third party than those offered by the Fund Trustee-Manager to the Trustee-Manager; or

(b) purchase the Relevant Asset on such terms and conditions as it may deem fit, without any accountability, liability or obligation whatsoever to the Trustee-Manager.

If, by the expiry of a period of 60 days commencing from (and including) the date on which the Trustee-Manager is deemed not to have exercised the Development Trust Right of First Refusal:

(a) no binding commitment for the sale of the Relevant Asset is entered into with any other party as contemplated by the Development Trust Right of First Refusal; or

(b) there is a failure to complete the sale and purchase of the Relevant Asset,

the Fund Trustee-Manager shall be entitled to sell its Relevant Asset to a third party on such terms and conditions as it may deem fit, without any accountability, liability or obligation whatsoever to the Trustee-Manager.

Under the Sponsor Right of First Refusal Agreement and Development Trust Right of First Refusal Agreement, Unitholders' approval is not required for the Trustee-Manager to exercise the Right of First Refusal and enter into a binding agreement. However, while the exercise of the right by the Trustee-Manager and the entry into the agreement by the Trustee-Manager and the vendor itself does not require unitholders' approval, such agreement will be conditional or unconditional depending on, *inter alia*, whether or not unitholders' approval is required under the prevailing laws, rules and regulations, including the Listing Manual. If Unitholders' approval is required, the binding agreement will be made conditional upon the approval being obtained and it is only upon such approval being obtained that completion of such acquisition can take place.

Agreements For The Sale And Buy-Back Of The TCS BTS Facility

A memorandum of understanding (the "**TCS MoU**") was entered into on 31 March 2007 between ITPL and TCS pursuant to which the parties agreed to the following:

(i) within 15 days from the execution of the TCS MoU, to execute a cancellation deed (the "**Cancellation Deed**") to effect the cancellation of certain sale and construction agreements entered into between the parties on 10 August 2005; and

(ii) ITPL shall construct and complete a BTS facility measuring about 473,000 sq ft of SBA (the "**TCS BTS Facility**") on a parcel of land measuring 4.13 acres in size, in the industrial area of Sadarmangala and Pattandur Agrahara Villages, Krishnarajpuram Hobli, Bangalore Urban (the "**TCS BTS Land**"), as per the design and civil specifications described within the TCS MoU.

Pursuant to the terms of the MoU, and simultaneous with the execution of the Cancellation Deed:

(i) ITPL shall sell the entire TCS BTS Facility with all facilities, amenities, infrastructure and other rights to TCS for a consideration of Rs. 1.37 billion;

(ii) ITPL shall lease the BTS Land to TCS for a period of 99 years for Rs. 100 per annum, with an option to TCS to renew the term of the lease for further terms of 99 years each on the same terms and conditions as set out in an agreement for lease; and

(iii) TCS agreed to sell and ITPL agreed to purchase, free from all encumbrances, certain office units in aggregate occupying 96,051 sq ft in the TCS BTS Facility for an aggregate consideration of Rs. 278.6 million, within six months of receipt of the 'Occupancy Certificate' for the TCS BTS Facility or receipt of the SEZ approval, whichever is later.

The transactions were negotiated between the parties as a package deal, and the prices were determined based on market comparables.

OVERVIEW OF RELEVANT LAWS AND REGULATIONS IN INDIA

The Indian legal system is essentially based on the British common law system and most of the prevalent laws in the country, including the real estate laws, have their parentage in corresponding British laws. India, like the UK and other Commonwealth countries, follows the deeds system where registration of title to immovable property is mandatory. The principal statute governing real estate transactions is the Transfer of Property Act, 1882 (the "**TP Act**") which deals with transfer, conveyance, gifts, mortgage, leases, etc. of property. However, under the Constitution of India, states have the legislative and administrative jurisdiction in respect of lands falling within their jurisdictions. State legislation varies from state to state and there are differing laws relating to such matters as land ceiling, land use, stamp duties, land revenue and consolidation of holdings. For example, the acquisition of land is regulated by state land reform laws which prescribe limits up to which an entity may acquire agricultural land and the transfer of agricultural land is subject to laws enacted by the appropriate state legislature. Municipal authorities, town planning and zoning regulatory authorities also have jurisdiction over land issues and these authorities also prescribe and control development norms, building plans and by-laws and the provision of infrastructure facilities for developments. Lately, environmental issues have become extremely important in large-scale developments.

Indian property law is well defined and the judicial system, apart from the inherent delays, is robust enough to provide redress in case a relevant authority is not performing its statutory duty. Further, local expertise exists to tackle issues such as planning consents.

Provided below is a brief overview of the principal modes of acquiring rights in respect of immovable property in India and the significant laws and regulations which govern real estate development in India.

To the best knowledge of the Trustee-Manager, it is not aware of any non-compliance with any revelant laws and regulations in India as at the date of this Prospectus.

Law relating to Transfer of Property

Indian laws classify property into movable and immovable property. Immovable property is normally understood to include, among other things, land, buildings and benefits arising out of land and things attached to the earth or permanently fastened to anything attached to the earth. Unless stated otherwise, references below to property are references to "immovable property".

The transfer of immovable property, except agricultural land, is governed by the provisions of the Transfer of Property Act 1882.

Transfer of Property Act 1882

The TP Act details general principles of realty, such as sale, exchange, mortgage, lease and gift of property, part-performance and *lis pendens*. A person who has invested in immovable property or has any share or interest in the property is presumed to have notice of the title above any other person in residence.

The TP Act recognises, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: the transfer of ownership in property for a price, paid or promised to be paid.
- Mortgage: the transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The TP Act recognises several forms of mortgages over a property.

- Charges: transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by an operation of law, for example, a decree of the court attaching to specified immovable property, or by acts of the parties.
- Leases: the transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions. A detailed discussion on leases is provided below.

In addition to the above, the owner of property is entitled to enjoy or transfer the right to use or derive benefit from that property (the "**usufruct**"). A lessee of property may also enjoy the benefits arising out of land. The owner of immovable property may also create a right over the usufruct of that property by creation of a usufructory mortgage.

Further, it may be noted that with regards to transfer of any interest in the property, the transferor transfers such interest, including any incidents, in the property, which he is capable of passing and under law, he cannot transfer a better title than that which he possesses.

Co-Ownership & Joint Ownership

The TP Act recognises co-ownership and joint ownership of property. One of the co-owners of a property may transfer its interest in the property and the transferee in such a case acquires the transferor's right to joint possession or other common or part enjoyment of the property. The transferee in such a case also acquires the right to enforce the partition of the property. If a co-owner's share in the property is ascertainable, it would be termed as co-ownership, in absence of which it will be termed as joint ownership. Further, the law also recognises joint possession by lessors.

Leasehold Rights

As noted above, a lease creates a tenancy right in favour of the lessee to enjoy property that is subject to a lease. The term of the lease and the mode of termination of the lease can be determined by the parties.

Under the lease of a property, the lessee has a right of enjoyment of the property without interruption, provided that the lessee continues to pay the rent reserved by the lease agreement and performs other terms and conditions that are binding on the lessee.

Sub-leases or transfers of the interests held by a lessee to another person are usually regulated by the terms of the underlying lease. Further, the TP Act stipulates that a lessee shall not erect any permanent structures on leased property without the consent of the lessor, except where such fixture is for an agricultural purpose. However, the TP Act does not prohibit the assignment of lease agreements, though this may be restricted by the terms of the lease.

Easements

The law relating to easements and licences in property is governed by the Indian Easements Act, 1882 (the "**Easements Act**"). An easement is a right which the owner or occupier of land possesses over the land of another for beneficial enjoyment of his land. Such a right may allow the owner of the land to do and continue to do something or to prevent and continue to prevent something being done, in or upon land which is not his own.

Easementary rights may be acquired or created by (a) an express grant; or (b) a grant or reservation implied from a certain transfer of property; or (c) by prescription, on account of long use for a period of twenty years; or (d) local custom.

Licences

Licences over property are governed principally by the Easements Act. Under the Easements Act, a licence is defined as a right to use property without any interest created in favour of the licencee as opposed to a lease, which creates an interest in favour of the lessee. Therefore, a licencee does not have any juridical possession of the property but only an occupation. Unlike a lessee, a licencee does not have any interest in the property. The period and incident upon which a licence may be revoked may be provided in the licence agreement entered into between the licensor and the licencee.

Registration Act 1908

The Indian Registration Act, 1908 (the "**Registration Act**") has been enacted with the object of providing public notice of the execution of documents affecting a transfer of interest in property. The purpose of the Registration Act is the conservation of evidence, assurances and title, as well as the publication of documents and prevention of fraud. It details formalities to register documents. The Registration Act identifies documents for which registration is compulsory and includes, among others, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in property of the value of one hundred Indian Rupees or more, and a lease of property for any term exceeding one year or reserving a yearly rent.

A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered. The process of registration of a document involves submission of the document to be registered at the office of the Registrar or Sub-Registrar in the relevant district where the property is situated along with payment of appropriate amount of stamp duty. Evidence of the registration is normally available through an inspection of the relevant land records, which usually contain details of the registered property.

Indian Stamp Act 1899

There is a direct relationship between the Registration Act and the Indian Stamp Act, 1899 (the "**Stamp Act**"). Stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the said Act. However, states also have the power to prescribe the stamp duty rates for various instruments (leases, sale deed, mortgage deed, etc.). Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all. Unduly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

Urban Land (Ceiling and Regulation) Act 1976

This social legislation fixed ceilings on vacant and urban land. Under this legislation, excess vacant land is required to be surrendered to a "Competent Authority" for a minimum level of compensation. Alternatively, the "Competent Authority" was empowered to allow the land to be developed for permitted purposes. The Government of India repealed this Act in relation to most areas with effect from 11 January 1999 by enacting the Urban Land (Ceiling and Regulation) Repeal Act 1999. However, it is still in force in certain states including Andhra Pradesh, Assam, Bihar, Orissa, Maharashtra and West Bengal.

In states where the urban land ceiling law is still operative, there are restrictions on the purchase of large areas of land.

Land Acquisition Act 1894

The Government of India is empowered to acquire and seize any property. However, the courts in India have through numerous decisions, stipulated that any property acquired by the government must satisfy the due process of law. The key legislation relating to the expropriation of property is the Land Acquisition Act, 1894 (the "**Land Acquisition Act**").

Under the provisions of the Land Acquisition Act, land in any locality can be acquired compulsorily by the government whenever it appears to the government that it is needed or is likely to be needed for any public purpose or for use by a corporate body. Under the Land Acquisition Act, the term "public purpose" has been defined to include, among other things, the provision of village sites, or the extension, planned development or improvement of existing village sites; provision of land for town or rural planning; provision of land for its planned development from public funds in pursuance of any scheme or policy of government and subsequent disposal thereof in whole or in part by lease, assignment or outright sale with the object of securing further development as planned; the provision of land for any other scheme of development sponsored by government, or, with the prior approval of the appropriate government, by a local authority; and the provision of any premises or building for locating a public office, but does not include acquisition of land for companies.

Any person having an interest in such land has the right to object and the right to compensation. The value of compensation for the property acquired depends on several factors, which, among other things, include the market value of the land and damage sustained by the person in terms of loss of profits.

Laws for Classification of Land User

Usually, land is publicly classified under one or more categories, such as residential, commercial, agricultural, etc. Land classified under a specified category is permitted to be used only for such purpose. In order to use land for any other purpose, the classification of the land may need to be changed in the appropriate land records by making an application to the relevant municipal or land revenue authorities.

In addition, some states in India have imposed various restrictions, which vary from state to state, on the transfer of property within such states. Such restrictions provide for restrictions on the transfer of property, including among others, a prohibition on the transfer of agricultural land to non-agriculturalists, a prohibition on the transfer of land to a person not domiciled in the concerned state and restrictions on the transfer of land in favour of a person not belonging to a certain tribe.

Development of Agricultural Land

The acquisition of land is regulated by state land reform laws which prescribe limits up to which an entity may acquire agricultural land. Any transfer of land which results in the aggregate land holdings of the acquirer in the state to exceed this ceiling is void, and the surplus land is deemed, from the date of the transfer, to have been vested in the state government free of all encumbrances.

When local authorities declare certain agricultural areas as earmarked for non-agricultural use namely, townships, commercial complexes etc., agricultural lands may be acquired by different entities for development. After obtaining a conversion certificate from the appropriate authority with respect to a change in use of the land from agricultural to non-agricultural, the ceilings referred to above will not be applicable.

While granting licences for development of townships, the authorities generally levy development or other external charges for the provision of peripheral services. Such licences require approvals of layout plans for development and building plans for construction activities. The transfer of agricultural land is subject to laws enacted by the appropriate state legislature. The licences are transferable on permission of the appropriate authority. Similar to urban development laws, approvals of the layout plans and building plans, if applicable, need to be obtained.

Environment (Protection) Act 1986

The real estate sector is subject to many central, state and local regulations designed to protect the environment. Among other things, these laws regulate the environmental impact of construction and development activities, emission of air pollutants and discharge of chemicals into surrounding water bodies. These various environmental laws give primary environmental oversight authority to the Ministry of Environment and Forest ("**MoEF**"), the Central Pollution Control Board ("CPCB") and the State Pollution Control Board. The MoEF is the key national regulatory agency responsible for policy formulation, planning and co-ordination of all issues related to environmental protection. The CPCB is the law enforcing body at the national level. It enforces environmental legislation, coordinates the activities of 'State Pollution Control Committees', establishes environmental standards and plans, and executes a nationwide programme for the prevention, control and abatement of pollution.

The Environment Impact Assessment Notification S.O.60 (E), issued on 27 January 1994 under the provisions of Environment (Protection) Act 1986, as amended from time to time, prescribes that new construction projects having an investment of more than Rs. 500 million require prior environmental clearance of the MoEF. The environmental clearance must be obtained from the MoEF according to the procedure specified in the EIA Notification. No construction work, preliminary or otherwise, relating to the setting up of a project can be undertaken until such clearance is obtained.

The application to the MoEF is required to be accompanied by a project report which should include an Environmental Impact Assessment Report and an Environment Management Plan. The Indian Impact Assessment Authority ("**IAA**") evaluates the report and plan submitted. Such assessment is required to be completed within a period of ninety days from receipt of the requisite documents from the project developer/manager. Thereafter, a public hearing has to be completed and a decision conveyed within thirty days.

The clearance granted is valid for a period of five years from commencement of the construction or operation of the project and has to be renewed thereafter in the event the project lasts longer than five years. The project developer/manager concerned is required to submit a half yearly report to the IAA to enable it to monitor effectively the implementation of the recommendations and conditions subject to which the environmental clearance has been given.

If no comments from the IAA are received within the time limits outlined above, the project would be deemed to have been approved as proposed by the project developer/manager.

Land Use Planning

Land use planning and its regulation, including the formulation of regulations for building construction, form a vital part of the urban planning process. There are several authorities having jurisdiction to regulate land use planning and real estate development activities in each Indian state. This often causes confusion and sometimes conflict between various authorities and can result in delays in approvals.

Various enactments, rules and regulations have been made by the central government, concerned state governments and other authorised agencies and bodies such as the Ministry of Urban Development, State Land Development and/or Planning Boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning, management and taxation of land and real estate. All relevant applicable laws, rules and regulations have to be taken into consideration by any person or entity proposing to enter into any real estate development or construction activity in this sector in India.

Building Consents

Each state and city has its own set of laws which govern planned development and rules for construction (such as limits in relation to floor area ratio or floor space index. The various authorities that govern building activities in states are the Town and Country Planning Department, municipal corporations and the Urban Arts Commission. Any application for undertaking any construction or development activity has to be made to such authorities, which is a state level department engaged in the physical planning of urban centres and rural areas in the state. Authorities such as the Town and Country Planning Department prepare the schemes and projects of various different agencies so as to improve living and working environments and to provide planned and developed sites for residential, commercial and industrial purposes.

The municipal corporations regulate building development and construction norms. For example, building plans are required to be approved by the relevant municipal authority. The Urban Arts Commission advises the central government in the matter of preserving, developing and maintaining the aesthetic quality of urban and environmental design in some states and also provides advice and guidance to any local body with respect to building or engineering operations or any development proposal which affects or is likely to affect the skyline or the aesthetic quality of the surroundings or any public amenity provided therein. Under certain state laws, the local body, before it accords its approval for building operations, engineering operations or development proposals, is obliged to refer all such operations to the Urban Arts Commission and seek its approval for the project.

Besides the above, certain approvals and consents may also be required from various other departments, such as the Fire Department, the Airport Authority of India and the Archaeological Survey of India. Obtaining all these approvals can be time consuming. However, experienced developers well versed with local laws and building regulations are, more often than not, able to get the consents. Sometimes there can be intervention by third parties through court action against land use change.

Special Economic Zones Act 2005

The Special Economic Zones Act 2005 (the "**SEZ Act**"), which came into force on 10 February 2006, provides for the establishment, development and management of SEZs for the generation of additional economic activity, promotion of exports of goods and services, promotion of domestic and foreign investment, development of infrastructure facilities and matters connected therewith or incidental thereto. The provisions of the SEZ Act prevail in the case of a conflict between provisions of the SEZ Act and provisions of any other law in force.

The Special Economic Zones Rules 2006, which effectively implement the provisions of the SEZ Act and came into force on 10 February 2006, provide for the simplification of procedures relating to the development, operation and maintenance of SEZs and the establishment of and conduct of business in SEZs. Certain states, such as Haryana (in which Gurgaon is located) have also introduced specific legislation in order to facilitate the establishment of SEZs within such states.

The SEZ Act provides that the Government of India, any state government or any person may, either jointly or severally, establish an SEZ in accordance with the procedure under the SEZ Act. An SEZ is a demarcated area of land of which the occupants are entitled to special privileges. In addition to certain other benefits, these are specifically delineated duty free enclaves and deemed to be a foreign territory for the purposes of trade operations as well as duties and tariffs.

The developer of an SEZ is eligible for certain fiscal benefits, including the following:

- Deduction from the computation of income of 100 % of profits derived from the business of developing an SEZ for a period of any 10 consecutive years out of 15 years from the beginning of the year in which the SEZ is finally approved pursuant to a notice in the Indian Official Gazette.

- No dividend distribution tax is payable on dividends declared, distributed or paid on or after 1 April 2005 by a developer out of income in a particular year, attributable to developing, or developing and operating, or developing, operating and maintaining an SEZ;
- Exemption from minimum alternate tax imposed by the Income Tax Act, 1961 on income accruing or arising on or after 1 April 2005 from business carried on or services rendered in an SEZ;
- No custom duty will be levied for any goods imported into, or service provided in, the SEZ for the purposes of its authorised operations;
- Drawback or such other benefits on goods brought or services provided from the 'domestic tariff area' into an SEZ or services provided in the SEZ by the service providers located outside India to carry on the authorised operations by a developer;
- Exemption from service tax on taxable services provided to a developer to carry on its authorised operations in the SEZ;
- Exemption from the levy of taxes on the sale of goods, if such goods are used to carry on the authorised operations of a developer; and
- Exemption from various other duties and taxes under the enactments specified in Schedule I of the SEZ Act.

The functioning of SEZs is governed by a three-tier administrative structure:

- the board of approval constituted under the SEZ Act (the "**SEZ Board**"), a body at the level of central government consisting of 19 members, which performs the function of promoting and ensuring orderly development of SEZs. The SEZ Board has the power to grant approval, among other things, for (a) a proposal to set up an SEZ; or for (b) providing infrastructural facilities in an SEZ;
- the Unit Approval Committee, the zonal level committee, which deals with the function of approving units in SEZs and other related issues; and
- the Development Commissioner, who is overall in-charge of an SEZ in relation to each SEZ, who exercises administrative control and supervision over other officers and employees appointed pursuant to the provisions of the SEZ Act and whose functions among other things, include rendering guidance in relation to setting up units in an SEZ, monitoring the performance of the developer and the units in an SEZ and ensuring proper co-ordination with the central government or state government departments concerned.

Procedure for establishing an SEZ

Any person who intends to set up an SEZ, after identification of the area, is required to make an application to the concerned state government or to the SEZ Board for approval. If the application is made to the state government, it may forward the application together with its recommendations to the SEZ Board. In the event the application is made directly to the SEZ Board, it may grant the approval which shall be subject to the approval of the concerned state government.

The developer in its application is required, among other things, to state (i) whether the applicant is the owner of the land which is proposed to be converted into a SEZ; (ii) whether the land is in his possession; (iii) details of lease if the land is taken on lease; (iv) if the land is either not under the ownership or possession of the developer, then the steps that he is taking to acquire the land; (v) whether the area is contiguous or not; (vi) cost of the land, proposed infrastructure and total investments; (vii) means of financing; (viii) details of equity, including foreign investment; and (ix) information regarding past applications.

Once the SEZ Board has approved the proposal, it is required to communicate the same to the Government of India, which shall grant a letter of approval upon such terms, conditions and entitlements as may be approved by the SEZ Board or the proposal may be approved in a modified form. Such approval is valid for 3 years, within which the developer is required to take effective steps to implement the project. Extension is usually not granted, but may be considered on merits.

The Government of India may grant an in-principle approval, which indicates in-principle agreement with the proposal submitted by the SEZ developer, subject to satisfaction of certain conditions, which are required to be satisfied before the Government accords its final approval. The in-principle approval is usually valid for a limited period of time, within which the recommendation of the concerned state government on the proposal should be obtained and a detailed proposal for seeking formal approval should be submitted to the central government. The validity of the in-principle approval may be extended by the central government on merits.

After the grant of the letter of approval, the developer has to submit (i) the exact particulars of the identified area to the central government, along with (ii) proof of legal rights and possession of the relevant property and (iii) a certificate from the state government to the effect that the area is free from all encumbrances (a lease is permissible, if the period is at least 20 years). The land has to be contiguous and vacant and shall have no public thoroughfare. Thereafter the central government provides a notice that the identified area is designated as an SEZ, if the area is found to be of sufficient size.

Minimum area requirements for SEZs

Minimum area requirements stipulated for various categories of SEZs are:

- Multi-product SEZs: 1,000 hectares or more;
- Services-sector SEZs: 100 hectares or more;
- Sector-specific SEZs such as gems and jewellery, information technology and bio-technology: 10 hectares or more; and
- All other sectors: 100 hectares or more.

A sector-specific SEZ is defined as a zone meant exclusively for one or more products or services in a sector.

The area requirement for multi-product SEZs has been relaxed to 200 hectares and for sector-specific SEZs to 50 hectares for certain states (such as those of Assam, Meghalaya, Nagaland, Arunachal Pradesh, Mizoram, Manipur, Tripura Himachal Pradesh, Uttaranchal, Sikkim, Jammu & Kashmir and Goa) and Union Territories, in view of the lack of large tracts of contiguous land in such states and Union Territories.

Additionally, for electronics hardware and software SEZs, including those in relation to the IT and ITES sectors, the area shall be 10 hectares (approximately 24.7 acres or 100,000 square meters) or more with a minimum built-up processing area of 100,000 square meters.

The area within SEZ may be demarcated by the central government or any authority specified by it (such as the Development Commissioner) as:

- Processing area for establishment of units for carrying on activities for the purpose of which the SEZ is proposed, being the manufacture of certain goods, or rendering services; or
- Area exclusively for trading or warehousing purposes; or
- Non-Processing Areas for activities other than the ones specified above.

A sector-specific SEZ is required to have a minimum processing area of 50 % of the total area of the SEZ.

Restrictions on Transfer and Outsourcing in relation to SEZs

The developer or co-developer is required to hold a minimum equity stake of 26 per cent. in an entity (ie special purpose vehicle or separate entity) proposing to create business, residential or recreational facilities in an SEZ. Under the SEZ Act, a developer may not sell the actual land which is located in SEZ. The land may, however, be allotted on lease in processing area for development of infrastructure facilities for exclusive use by the lessees, on a lease basis.

In non-processing areas, no vacant land in the non-processing area can be leased for business and social purposes such as educational institutions, hospitals, hotels, recreation and entertainment facilities, residential and business complexes, to any person except a co-developer approved by the SEZ Board. However, the developer or co-developer may lease the completed infrastructure along with the vacant land appurtenant thereto for such purposes. The infrastructure for business or social purposes in the SEZ, as may be approved by the SEZ Board, will be eligible for exemptions, concessions and drawback. Any such transfer of land is valid only if it is made to a person with a valid letter of approval from the Development Commissioner.

IT SEZs

The following additional facilities are required in order to qualify as an IT related SEZ:

- 24-hour uninterrupted power supply at stable frequency in the SEZ;
- reliable connectivity for uninterrupted and secure data transmission;
- provision for central air-conditioning system; and
- a ready to use, furnished plug and play facility for end users.

Further, the Government of India, through a Notification dated 27 October, 2006 (S.O. 1846 (E)), has prescribed a list of authorised operations in the non-processing area of the SEZs, which would be used by the SEZ Board for authorising operations and any infrastructure created in excess thereof shall not be eligible for any duty and tax concessions to the developer or co-developer as provided in the SEZ Act. The list of authorised operations for IT/ITES SEZs includes among other things, the following:

- Roads with street lighting, signals and signage;
- Water treatment plant, water supply lines (dedicated lines up to source), sewage lines, storm water drains and water channels of appropriate capacity;
- Sewage and garbage disposal plant, pipelines and other necessary infrastructure for sewage and garbage disposal, sewage treatment plants;
- Electrical, gas and liquefied natural gas distribution network including necessary sub-stations of appropriate capacity, pipeline network etc;
- Security offices, police posts, etc, at entry, exit and other points within and along the periphery of the site;
- Effluent treatment plant and pipelines and other infrastructure for effluent treatment;
- Office space;
- Parking including multi-level car parking;
- Telecommunications and other communication facilities including internet connectivity;
- Rain water harvesting plant;
- Power (including power back up facilities);
- Air conditioning;
- Swimming pools;

- Fire protection system with sprinklers, fire and smoke detectors;
- Recreational facilities;
- Employee welfare facilities like ATMs, crèches, medical centres and other such facilities;
- Shopping arcades/retail space;
- Business/convention centres;
- Common data centre with inter-connectivity;
- Housing/service apartments;
- Playgrounds;
- Bus bays;
- Food services including cafeterias, food courts, restaurants, coffee delis, canteens and catering facilities;
- Landscaping and water bodies;
- Clinic and medical centres;
- WiFi services;
- Drip and micro irrigation systems, and
- Such other operation(s) specified above which the SEZ Board may authorise from time to time.

Industrial Parks

"Industrial parks" are industrial model towns/industrial parks (including common facilities, such as roads, power, water, drainage and telecommunications within its precincts) for carrying out integrated manufacturing activities, and research and development. A tax holiday is available for undertakings (housed within legal entities such as the VCUs) which develop, develop and operate or maintain and operate an industrial park notified by the Indian government for this purpose for the period beginning on 1 April 1997 and ending on 31 March 2009. This holiday is available for a continuous 10-year period (out of the first 15 years) in relation to profits and gains derived by the undertakings from the activities specified above, subject to satisfaction of certain conditions.

An industrial park project is required to establish (a) an industrial model town for development of industrial infrastructure for carrying out integrated manufacturing activities (including research and development) by providing plots or sheds and common facilities within its precincts; or (b) an industrial park for the development of infrastructural facilities or built-up space with common facilities in any area allotted or earmarked for the purposes of specified industrial uses; or (c) a growth centre under the growth centre scheme of the Government of India.

Proposals to establish industrial parks which meet the criteria set out in the IP Scheme (such as minimum land area to be developed, minimum percentage of area to be allocated for industrial use etc.) are accorded automatic government approval by the Secretariat of Industrial Approvals. Proposals not meeting such parameters require the prior sanction of the 'Empowered Committee' set up by the DIPP.

Benefits afforded by state governments in respect of the IT and ITES sectors

The states in which the Properties are located typically provide certain benefits to developers and occupants of property constructed for or occupied by companies in the IT or ITES industries under their respective IT policies. The benefits include a simplified approval system, the preferential allotment of land, continuous and uninterrupted power supply and incentives for the provision of on-site power generation, assistance in obtaining the relevant approvals from the various government departments and exemption from certain labour laws and legislation relating to pollution control.

Modes of Acquisition of Interest and Development Rights in Property

Due to the constraints under the laws prescribing a ceiling on the acquisition of land, a real estate development company may enter into a range of agreements in order to acquire interests in land. Brief details of the most common arrangements are provided herein below:

Agreements for Acquisition of Land

REDCs usually enter into agreements with third parties, which may be in the form of an agreement to sell or a memorandum of understanding, for the acquisition of land and pooling of land resources, for the purpose of the development of specified projects such as integrated townships. Under such agreements, the contracting parties agree to acquire land in certain areas selected by the REDC, which agrees to provide an interest-free fund to such contracting parties for meeting the costs of the acquisitions. Further, the contracting parties are required to pool the acquired land with the land owned by the REDC and deliver possession of the same to the REDC, for the purpose of developing the project. Typically, an REDC is free to develop the land at its absolute discretion and is also authorised to develop, market and sell the project at its own cost, risk and expense.

Joint Development Agreements

Another mode of acquiring land used by REDCs is to enter into JDAs with the title holders of land (on which the real estate projects have been envisaged) for joint development or development by the REDCs, of the real estate projects. The JDAs may be in the form of a memorandum of understanding or a joint venture agreement (wherein the parties agree to undertake joint development of the project and their rights inter-se will be determined by the JDA). Under the terms of a JDA, REDCs may be authorised to develop, construct, finance and market the project on the relevant land. For the purpose of development and construction of the project, REDCs are required to comply with approved building plans in relation to the project.

Public Auctions and Government Allotment

The governments in various states undertake large real estate development projects, for the purposes of which bids satisfying certain eligibility criteria (such as technical and financial criteria) are invited. After evaluation of the bids submitted by the REDCs, the government through the various regional bodies and local development authorities, selects the most eligible REDC for the development of the project and undertakes to grant, certain rights for the purposes of a project such as a perpetual lease of the project land in favour of the REDC, subject to satisfaction of certain conditions. In the ordinary course, the governmental authority may grant such an undertaking in the form of a reservation-cum-allotment letter, the salient terms of which usually include among other things, the nature of allotment (lease, conveyance, etc.), the period of grant, the consideration for allotment and the payment schedule.

Foreign Investment in Indian Property

With the intention of sourcing the requisite capital for growth of the real estate sector, the Government of India has introduced reforms and liberalised foreign investment policies for this sector. This can be regarded as the first step towards radically changing and reorganising the real estate sector in the country.

FDI in an Indian company is governed by the provisions of the FEMA, the FEMA Regulations and the FDI Policy issued in April 2006 by the DIPP.

Prior to 2 March 2005, FDI in the real estate sector was prohibited. However, now, the real estate sector in India is open to FDI to a limited extent. FDI in townships, housing, built-up infrastructure and construction development projects including, among others, commercial premises, hotels, resorts, hospitals and city and regional level infrastructure, is permitted under the automatic route, where no approval of the FIPB is required, subject to certain conditions and policy guidelines notified through Press Note 2 (2005 Series) dated 2 March 2005 issued by the DIPP, which in summary are:

- A minimum area of 10 hectares to be developed in the case of serviced housing plots or 50,000 square metres in the case of construction development projects. Where the development is a combination of the two, the minimum area can be either 10 hectares or 50,000 square metres.
- A minimum capitalisation of US$10 million for wholly-owned subsidiaries and US$5 million for a joint venture has been specified, such capitalisation to be effected within six months of commencement of business of the company.
- The investment is not permitted to be repatriated before three years from completion of the minimum capitalisation except with prior approval from the Foreign Investment Promotion Board, Ministry of Finance, Government of India.
- At least 50% of the project is required to be developed within five years of obtaining all statutory clearances and the responsibility for obtaining such clearances rests with the foreign investor.
- The sale of undeveloped plots is prohibited. "Undeveloped plots" is defined as those plots where roads, water supply, street lighting, drainage, sewerage, and other conveniences, as applicable under prescribed regulations, have not been made available. It is necessary that the investor provides this infrastructure and obtains the completion certificate from the concerned local body or service agency before he is allowed to dispose of serviced housing plots.
- Compliance with the rules, regulations and by-laws of state government, municipal and local body.

Press Note 2 (2006 Series) dated 16 January 2006 issued by the DIPP, clarifies that the above policy guidelines shall not be applicable to SEZs and the establishment and operation of hotels and hospitals. FDI in SEZs is regulated separately under the provisions of the SEZ Act.

Domestic lending to real estate developers

Although there are no restrictions on the real estate companies ability to undertake debt obligations from domestic institutions, the Reserve Bank of India has, in its circular dated 1 March 2006 (RBI/2005-06/310 DBOD.BP.BC. 65 /08.12.01/2005-06) cautioned all scheduled commercial banks to curb excessively risky lending by exercising selectivity and strengthening the loan approval process. In view of the above, the RBI has advised SCBs that while appraising loan proposals involving real estate, SCBs should ensure that the borrowers have obtained prior permission from government, local governments or other statutory authorities for the relevant project, wherever required.

Further, the RBI has, in its circular dated 20 September 2006 (RBI/2006-07/131 DBOD.BP.BC. 30 /21.01.002/2006-2007) stated that the exposure of banks to developing SEZs or acquiring units in SEZs which include real estate would be treated as exposure to the commercial real estate sector and therefore banks would have to assign appropriate risk weights for such exposures as per the existing guidelines.

Overseas lending to real estate developers

With regard to loans or other debt finance from overseas banks or lending institutions, however, there are certain restrictions. External commercial borrowings are governed by the guidelines issued by the RBI from time to time. RBI issued the current ECB guidelines on 1 July 2006 (RBI/2006-07/25 Master Circular No. /07/2006-07). The ECB Guidelines refer to "commercial loans, in the form of bank loans, buyers' credit, suppliers' credit, securitised instruments (e.g. floating rate notes and fixed rate bonds) availed from non-resident lenders with a minimum average maturity of 3 years". In terms of the ECB Guidelines, utilisation of ECB proceeds is not permitted in real estate sector.

Investment by a FVCI in VCUs engaged in Real Estate Development

An overseas fund may explore investment in India as a FVCI. A FVCI may either invest 100% of its funds in a domestic VCF or may invest directly in VCUs. Foreign funds are regulated by the SEBI under the FVCI Regulations, which were amended on April 5, 2004 vide SEBI Notification No. SO 469(E) to permit investment by FVCIs in the real estate sector.

A FVCI has been defined under the FVCI Regulations as an investor incorporated and established outside India, which proposes to make investments in VCFs or VCUs, and is registered under the FVCI Regulations. The FVCI Regulations define VCUs as domestic companies, which are not engaged in activities which have been classified under the negative list of the FVCI Regulations and whose shares are not listed on a recognised stock exchange. The prohibited items under the 'negative list' of the FVCI Regulations include 'Non Banking Financial Services', 'Gold Financing', 'Activities not permitted under the Industrial Policy' and any other activity as specified by the SEBI.

It is pertinent to note that although it is not mandatory for the foreign fund to register with SEBI as a FVCI under the FVCI Regulations, certain benefits have been extended by SEBI and the RBI to registered FVCIs. While earlier, FVCIs were eligible under the Indian income tax law for a pass-through status, the Indian Finance Act 2007 restricts the pass-through benefits to investments made in unlisted Indian companies operation certain specified sectors only (for example, nanotechnology, information technology relating to hardware and software development, bio-technology, building and operating composite hotel-cum-convention centre, with a seating capacity of more than 3,000) which illustratively, do not include the development, establishment and operation of infrastructure parks or SEZs. Therefore, the income tax pass-through benefit is no longer available to FVCI entities engaged in, among other things, the business of development, establishment and operation of infrastructure parks or SEZs. FVCIs registered with SEBI would be entitled *inter alia* to the following benefits:

- **No FIPB approval required in relation to FDI:** FVCIs would be eligible to freely remit monies into India for making investments in VCUs, subject to compliance with sector specific caps. Under the FDI route, while fresh issue of shares by an Indian company to a non-resident as well as acquisition of existing shares of an Indian company by a non-resident has been made 'automatic' for most sectors, certain sectors continue to be regulated and would require approval from the FIPB or the RBI. Further, in case the non-resident person has any existing investment or technical collaboration in the same field, prior approval from FIPB would be required. However, FVCIs are exempt from such restrictions.

- **Exemption from Pricing Norms:** Generally, on the purchase of shares of an unlisted company by a non-resident, the minimum price to be paid would be linked to the net asset value of the shares. Similarly, for exits involving transfer from a non-resident to a resident, the exit price is capped at the price of the shares on the stock exchange (in the case of a listed company) or to the net asset value (in the case of an unlisted company).

  However, a special exemption has been carved out for FVCIs (as per the RBI Notification No. FEMA 32 /2000-RB dated 26 December 2000) in as much that a FVCI may acquire or sell its Indian shares/convertible debentures/units or any other investment at a price that is mutually acceptable to both the parties. Thus, there are no entry or exit pricing restrictions applicable to a FVCI.

- **Exemption from Takeover Code:** The transfer of shares from FVCIs to promoters is exempted from the public offer provisions under the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeover) Regulations, 1997 ("**Takeover Code**"), if the portfolio company gets listed on a stock exchange post the investment. This ensures that if the promoters have to buy back the shares from the FVCIs, they will not be burdened with the public offer requirement, which would otherwise require an offer to the other shareholders of the company to buy up to 20% of the paid-up capital of the company.

Investment Conditions and Restrictions for a FVCI

Investments made by the FVCI shall be subject to the following conditions:

(i) It shall disclose the cycle of the fund, if any, to SEBI;

(ii) It shall disclose its investment strategy to SEBI;

(iii) It can invest its total funds in one domestic VCF; or

(iv) It can make investments in VCUs as follows:

(a) At least 66.67% of the investible funds shall be invested in unlisted equity shares or equity linked instruments of VCUs; and

The term "equity linked instruments" includes instruments convertible into equity shares or share warrants, preference shares or debentures compulsorily or optionally convertible into equity.

(b) Not more than 33.33% of the investible funds can be invested by way of:

- subscription to the initial public offer of a VCU whose shares are proposed to be listed;
- debt or debt instrument of a VCU in which the VCF has already made an investment by way of equity;
- Preferential allotment of equity shares of a listed company subject to a lock-in period of one year;
- The equity shares or equity-linked instruments of a financially weak company or a sick industrial company whose shares are listed; and
- Special purpose vehicles, which are created by a VCF for the purpose of facilitating or promoting investment in accordance with the FVCI Regulations.

Provisions relating to buy-back of shares by VCU

Subject to provisions of Section 77A and other applicable provisions of the Indian Companies Act, a VCU may purchase its own shares ("**Buy-Back**"), in case the Buy-Back is authorised by its articles of association, out of (i) free reserves including securities premium account or (ii) the proceeds of any shares or other specified securities. The Buy-Back has to be approved by:

(a) a special resolution passed in a general meeting of the shareholders, in which case the Buy-Back is limited to (i) twenty-five per cent of the total paid-up capital and free reserves of the VCU or (ii) in case of Buy-Back of equity shares in a financial year, twenty five per cent of the total paid-up equity capital of the VCU in that financial year;

(b) a board resolution passed in a meeting of the board of directors of the VCU, in which case the Buy-Back is limited to ten per cent of the total paid-up equity capital and free reserves of the VCU.

The ratio of the debt owed by the VCU should not be more than twice the capital and its free reserves after the Buy-Back. The Central Government of India may, however, prescribe a higher ratio.

TAXATION

The following summary of certain Singapore and Indian tax consequences of the subscription, ownership and disposition of the Units is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect). The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to subscribe for, own or dispose of the Units and does not purport to apply to all investors, some of whom may be subject to special rules either in Singapore or in the tax jurisdiction where they are resident. Investors should consult their own tax advisers concerning the application of Singapore and Indian income tax laws to their particular situations as well as any consequences of the subscription, ownership and disposition of the Units arising under the laws of any other taxing jurisdiction.

Where Indian tax laws are discussed, these are merely to outline the implications of such laws on the investments by a-iTrust (directly or indirectly) and the taxes payable by the companies in which such investments have been/are proposed to be made.

Where the Indian Finance Act 2007 has been discussed, the amendment in tax rates or other amendments in tax law shall be applicable in respect of the tax year ending 31 March 2008 and subsequent years. The Indian tax rates as referred herein include surcharges and education cess where these are applicable. In considering the impact of all the proposals below, it is assumed that the total taxable income of the recipient in India is greater than Rs. 10 million. Where comments have been provided on any tax implication, they are not binding on the revenue authorities and there can be no assurance that they will not take a position contrary to such comment.

SINGAPORE TAX IMPLICATIONS

Taxation of a-iTrust

a-iTrust is liable to Singapore income tax on:

(a) income accruing in or derived from Singapore; and

(a) unless otherwise exempt, income derived from outside Singapore which is received in Singapore or deemed to have been received in Singapore by the operation of law.

Dividends from the Singapore SPV

The receipt of one-tier tax exempt dividend from the Singapore SPV is exempt from Singapore income tax in the hands of a-iTrust.

Taxation of the Singapore SPV

The Singapore SPV is liable to Singapore income tax on:

(a) income accruing in or derived from Singapore; and

(b) unless otherwise exempt, income derived from outside Singapore which is received in Singapore or deemed to have been received in Singapore by the operation of law.

Dividends from the VCUs

Foreign-sourced dividends received or deemed to have been received by a company that is a tax resident of Singapore are tax-exempt in Singapore provided certain prescribed conditions are met, including the condition that the foreign-sourced dividends have been subject to tax in a jurisdiction with a headline rate of tax of at least 15% prevailing at the time when the dividends are received in Singapore.

Provided that the Singapore SPV is a tax resident of Singapore and the prescribed conditions are met, it will be entitled to claim foreign income exemption on the dividends distributed by the VCUs.

The Singapore SPV will be regarded as a tax resident of Singapore if its business is controlled and managed in Singapore (for example, if the board of directors meets and conducts the company's business in Singapore).

Interest from ITPL

a-iTrust has obtained an approval from the MoF for any interest received by the Singapore SPV from ITPL to qualify for tax remission under Section 92(2) of the Income Tax Act. This tax remission is subject to the condition that a-iTrust incorporates the salient features of a REIT in its Trust Deed, and it will update the Trust Deed from time to time following revisions of similar terms found in the Property Funds Guidelines.

Gains on disposal of the VCUs

Singapore does not currently impose tax on capital gains. In the event the Singapore SPV disposes of its shares in any of the VCUs, gains realised from the disposal will not be liable to Singapore income tax unless the gains are considered income of a trade or business. Such gains may also be liable to tax if the VCU's shares were sold with the intent or purpose of making a profit and were not acquired for long-term investment purposes.

Dividend distributions

Provided that the Singapore SPV is a tax resident of Singapore, dividend distributions by it are tax-exempt in the hands of its shareholder, namely a-iTrust.

Taxation of Unitholders

Distributions by a-iTrust

Distributions by a-iTrust are exempt from Singapore income tax and are also not subject to Singapore withholding tax. This exemption is given to all the Unitholders, regardless of their nationality, corporate identity or tax residence status. The Unitholders are not entitled to tax credits of any taxes paid by the Trustee-Manager.

Disposal of Units

Singapore does not impose tax on capital gains. Therefore, gains on disposal of the Units that are capital in nature will not be subject to tax. However, such gains may be considered income in nature and subject to Singapore income tax if they arise from or are otherwise connected with the activities of a trade or business carried on in Singapore. Such gains may also be considered income in nature, even if they do not arise from an activity in the ordinary course of trade or business or an ordinary incident of some other business activity, if the Unitholder had no intention to hold the Units as long-term investments.

Stamp duty

Stamp duty will not be imposed on transfers relating to listed Units. In the event of a change of the trustee-manager of a-iTrust, stamp duty on any document effecting the appointment of a new trustee-manager and the transfer of the trust assets from the incumbent trustee-manager to the new trustee-manager will be charged at a nominal rate not exceeding S$10 as specified under Article 3(g)(ii) of the First Schedule to the Stamp Duties Act, Chapter 312 of Singapore.

INDIA TAX IMPLICATIONS

Taxation of a-iTrust

With the enactment of the Finance Act 2007, the income tax pass-through benefit is no longer available to SEBI registered FVCI entities engaged in, among other things, the business of development, establishment and operation of infrastructure parks or SEZs. Consequently, a-iTrust is not taxed in India in respect of income received from Singapore SPV, given that the Singapore SPV is subject to tax in India on income from investment in the VCUs.

Taxation of the Singapore SPV

Following the enactment of the Finance Act 2007, the Singapore SPV, even though it is registered as a FVCI with the SEBI will be taxed in India on income from investments in the VCUs as follows:

- Dividends distributed by the VCUs will not be taxable in the hands of the Singapore SPV provided the same have been subject to DDT (see "Taxation of the VCUs — *Dividend Distribution Tax*").
- Interest income earned from the VCUs will be taxable at the rate of 21.115%, if the borrowing has been incurred by the VCUs in foreign currency. A lower withholding tax rate of 15% is provided under the India-Singapore tax treaty.
- Capital gains arising from sale of shares in the VCUs will be taxable at the rate of 21.115% in the case of long-term gains (ie when the shares have been held for more than 12 months) and 42.23% in the case of short-term gains (ie when the shares have been held for 12 months or less). If the shares are treated by the Indian revenue authorities as possessing the character of the principal asset (real property) owned by the issuing company, the applicable rate of 21.115% or 42.23% as the case may be, will be made by reference to a 36-month holding period instead of the 12-month holding period.

  Relief could be claimed by the Singapore SPV under the India-Singapore tax treaty, wherein no tax is payable in India on any capital gains arising from a sale of shares in a VCU if the Singapore SPV is a tax resident of Singapore, does not have a permanent establishment in India and certain other prescribed conditions are met.

Taxation of the VCUs

Corporate income tax

The VCUs, being companies incorporated in India and hence tax resident in India, are liable to tax at a rate of 33.99% on taxable profits generated from projects undertaken in India and other income, if any, whether or not this arises from India or elsewhere. The taxable profits (which are determined at an entity level) are computed after adjusting for all allowable expenses, including depreciation, tax losses/unabsorbed depreciation and after allowing for tax holidays as applicable and provided under the Indian income tax law.

Under the Indian income tax law, MAT shall be payable only where tax liability, as computed under the normal provisions as stated above, is lesser than 11.33% of book profits in the profit and loss account and after making certain specified adjustments.

Provided that the rental income of the VCUs is taxed as business income, the VCUs will be eligible for the following income-tax exemption/deduction:

- Tax holiday for undertakings (housed within legal entities such as the VCUs) which develop, develop and operate or maintain and operate an industrial park notified by the Indian government for this purpose for the period beginning on 1 April 1997 and ending on 31 March 2009. This holiday is available for continuous 10-year period (out of the first 15 years) in relation to the profits and gains derived by the undertakings from the activities specified above, subject to satisfaction of certain conditions.

  MAT will however continue to apply in relation to the aforesaid profits.

- Tax holiday for developers of SEZs in relation to profits and gains derived from the business of developing SEZs, notified on or after 1 April 2005 under the SEZ Act, 2005. This holiday is available for continuous 10-year period (out of first 15 years) in relation to the profits and gains derived by the undertaking from the business of developing SEZs, subject to satisfaction of certain conditions.

  MAT will not be applicable in respect of eligible profits.

Gain on Disposal of assets

Where the properties are held as "capital assets", gains arising to the VCUs from disposal thereof will be taxable as capital gains. The rate of taxation of capital gains will depend upon whether the asset is long-term or short-term. Capital gains derived from the sale of real estate assets will be taxable as follows:

- if assets are non-depreciable and short-term (ie held for a period of 36 months or less), at the rate of 33.99%;
- if assets are non-depreciable and long-term (ie held for a period of more than 36 months), at the rate of 22.66%; or
- if assets are depreciable assets grouped together as a specific block of assets and the entire block of assets has been wiped out on account of the sale, at the rate of 33.99% on the excess of sale value over the tax written down value of the block of assets.

Dividend Distribution Tax

Each of the VCUs will be subject to DDT at 16.995% on any dividends it pays to the Singapore SPV. Where the VCU is engaged in the development of SEZs, dividends distributed from current year profits are exempted from DDT.

Fringe Benefit Tax ("FBT")

In addition to corporate income tax, Indian companies and foreign companies having "employee(s) based in India" would be liable to FBT. FBT is a tax levied on the prescribed value of certain benefits given/expenses incurred by a company. FBT is chargeable on Indian companies at the rate of 33.99% on the taxable value of benefits/expenses.

Withholding Tax

Interest Payment on Foreign Currency Borrowings

Interest payable by the VCUs on foreign currency borrowings attracts a withholding tax of 21.115% under the Indian income tax law. A lower rate (15%) by way of relief under the India-Singapore tax treaty can be claimed by the Singapore SPV, if it qualifies as a tax resident of Singapore and subject to satisfaction of the conditions for treaty relief.

Dividend Payment

Dividends payable by the VCUs to their shareholders are currently not subject to tax withholding in the hands of shareholders under Indian income tax laws, provided the same have been subject to DDT.

Wealth Tax

In addition to regular corporate taxes payable in India, an Indian company is required to pay wealth tax in respect of its net wealth in excess of Rs. 1.5 million at the rate of 1.0%. Net wealth is computed as an aggregate value of all taxable assets less the aggregate value of all debts (assets and debts outside India are excluded).

Sales Tax/VAT

Sales tax/VAT is levied on the sale or lease of movable property in India. Immovable property is not subject to sales tax/VAT in India. Rate of taxation depends upon whether the sale of movable property is an intra-state sale or an inter-state sale.

Service Tax

Service tax is levied on identified services provided by specified service providers at the rate of 12.36%. The tax is levied on the gross value of taxable services.

This will be only an input cost charged to the VCUs by their service providers, unless the VCUs are themselves appointed for projects as service providers.

Input taxes paid on services procured are creditable against output service tax liability. However, such credit is not available where there is no taxable output service.

With the enactment of Finance Act 2007, service tax is leviable in respect of services relating to leasing of immovable property for use in the course of business or commerce, other than residential properties and vacant land. Accordingly, credit for service tax paid on input services is now available against the output service tax liability in relation to renting. Property tax paid is available as a deduction in computing the value of taxable service.

Stamp Duty

Stamp duty will be levied at the time of registration of the purchase transaction. Stamp duty, being a state levy, varies across States in India.

Immovable property

Transfer of immovable property either by way of sale, lease or development rights is typically subject to stamp duty. Rates for stamp duty vary between 5% and 15% on real estate transactions, depending upon the state (and in certain cases, the city) in which the instrument for transfer is executed.

Financial instruments

Some financial transactions attracting stamp duty are the issue of shares by an Indian company (Rs. 1 per share certificate) and the transfer of shares of an Indian company, at a rate of 0.25% (not applicable where shares are held in electronic form). Special provisions could however apply in certain situations, like amalgamation, demerger, etc.

Registration Fees

Registration of documents recording the transfer of real estate assets in the name of an Indian company would attract registration fee. Registration fee is typically levied at 1.0% of the value to be registered on a sale or purchase of immovable properties.

PLAN OF DISTRIBUTION

Assuming the Over-Allotment Option is exercised in full, the Trustee-Manager is making an offering of 465,714,974 Units (representing 62% of the total number of Units in issue after the Offering) for subscription at the Offering Price under the Placement Tranche and the Public Offer. Units may be re-allocated between the Placement Tranche and the Public Offer at the discretion of the Joint Underwriters and Bookrunners (in consultation with the Trustee-Manager).

The Public Offer is open to members of the public in Singapore. Under the Placement Tranche, the Trustee-Manager intends to offer the Units by way of an international placement through the Joint Underwriters and Bookrunners to investors, including institutional and other investors in Singapore. Subject to the terms and conditions set forth in the Underwriting Agreement, the Trustee-Manager is expected to effect for the account of a-iTrust the issue of, and the Joint Underwriters and Bookrunners are expected to subscribe for, or procure subscribers for, the 423,377,249 Units in the amounts set forth opposite their respective names below:–

Underwriter	Number of Units
J.P. Morgan (S.E.A) Limited	169,350,899
Citigroup Global Markets Singapore Pte. Ltd. . . .	127,013,175
DBS Bank Ltd	127,013,175

The Units will be offered at the Offering Price. The Offering Price per Unit in the Placement Tranche and the Public Offer will be identical. The Joint Underwriters and Bookrunners have agreed to subscribe, and pay for, or procure the subscription and payment for 423,377,249 Units (excluding the Over-Allotment Option) at the Offering Price.

The Offering Price of S$1.18 has been determined, following a book-building process, by agreement between the Joint Underwriters and Bookrunners and the Trustee-Manager. Among the factors that have been considered in determining the Offering Price are the level of investor demand for the Units and the prevailing market conditions in the securities markets.

The Trustee-Manager and the Sponsor have agreed in the Underwriting Agreement to indemnify the Joint Underwriters and Bookrunners against certain liabilities.

The Underwriting Agreement also provides that the obligation of the Joint Underwriters and Bookrunners to subscribe and pay for or procure the subscription and payment for the Units in the Offering are subject to certain conditions contained in the Underwriting Agreement.

The Underwriting Agreement may be terminated at any time prior to the payment being made for the Units pursuant to the terms of the Underwriting Agreement upon the occurence of certain events including, amongst other things, certain force majeure events. Subscribers of the units may be required to pay brokerage (and if so required, such brokerage will be up to 1.0% of the Offering Price) and applicable stamp duties, taxes and other similar charges (if any) in accordance with the laws and practices of the country of subscription, in addition to the Offering Price.

The Joint Underwriters and Bookrunners and their associates may engage in transactions with, and perform services for, the Trustee-Manager, the Sponsor and a-iTrust in the ordinary course of business and have engaged, and may in the future engage, in commercial banking and/or investment banking transactions with the Trustee-Manager, the Sponsor and a-iTrust, for which they have received, or may in the future receive, customary fees.

Over-Allotment and Stabilisation

The Trustee-Manager has granted the Over-Allotment Option to the Stabilising Manager for the subscription of up to an aggregate of 42,337,725 Units at the Offering Price per Unit. The 42,337,725 Units subject to the Over-Allotment Option represents approximately 10% of the initial 423,377,249 Units under the Placement Tranche and the Public Offer (excluding the Over-Allotment Option). The Stabilising Manager may exercise the Over-Allotment Option in full or in part, on one or more occasions, from the date of commencement of trading of the Units on the SGX-ST until the earlier of (i) the date falling 30 days from the date of commencement of trading of the Units on the SGX-ST, (ii) the date when the over-allotment of the Units which are the subject of the Over-Allotment Option has been fully covered (through the purchase of the Units on the SGX-ST and/or the exercise of the Over-Allotment Option by the Stabilising Manager) or (iii) the date falling 30 days after the date of adequate public disclosure of the Offering Price. The total number of outstanding Units immediately after completion of the Offering will be 750,810,362 Units at the Offering Price, assuming that the Over-Allotment Option is exercised in full. In the event of the Over-Allotment Option being exercised, it is agreed between the Trustee-Manager and the Original Investors (except ALI) that up to 42,337,725 Units held by them will be redeemed in the proportion as agreed between them so that the outstanding Units after the exercise of the Over-Allotment Option remains as 750,810,362 Units at the Offering Price.

In connection with the Over-Allotment Option, the Stabilising Manager and the Unit Lender, have entered into a unit lending agreement ("the "**Unit Lending Agreement**") dated 24 July 2007 pursuant to which the Stabilising Manager may borrow up to an aggregate of 42,337,725 Units from the Unit Lender for the purpose of facilitating settlement of the over-allotment of Units in connection with the Offering, if any. The Stabilising Manager will re-deliver to the Unit Lender all of the Units borrowed from the Unit Lender through the purchase of Units in the open market by the Stabilising Manager in the conduct of stabilisation activities and/or the exercise of the Over-Allotment Option by the Stabilising Manager.

In connection with the Offering, the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) may, in consultation with the other Joint Underwriters and Bookrunners, over-allot or effect transactions which stabilise or maintain the market price of the Units at levels which might not otherwise prevail in the open market. Such transactions may be effected on the SGX-ST and in other jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulations, including the SFA and any regulations thereunder. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilising action. Such transactions may commence on or after the date of commencement of trading of the Units on the SGX-ST and, if commenced, may be discontinued at any time without notice to you and shall not be effected after the earliest of (i) the date falling 30 days from the date of commencement of trading of the Units on the SGX-ST, (ii) the date when the over-allotment of the Units which are the subject of the Over-Allotment Option has been fully covered (through the purchase of the Units on the SGX-ST and/or the exercise of the Over-Allotment Option by the Stabilising Manager) or (iii) the date falling 30 days after the date of adequate public disclosure of the Offering Price. Any profit after expenses derived, or any loss sustained, as a consequence of the Over-Allotment Option or stabilising activities shall be for the account of the Stabilising Manager.

None of the Trustee-Manager, the Sponsor, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners or the Stabilising Manager makes any representation or prediction as to the magnitude of any effect that the transactions described above may have on the price of the Units. In addition, none of the Trustee-Manager, the Sponsor, the Sole Financial Adviser to the Offering, the Joint Underwriters and Bookrunners and the Stabilising Manager makes any representation that the Stabilising Manager will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice (unless such notice is required by law). The Stabilising Manager will be required to make a public announcement via SGXNET in relation to the total number of Units purchased by the Stabilising Manager, not later than 12 noon on the next trading day of the SGX-ST after the transactions are effected. The Stabilising Manager will also be required to make a public announcement through the SGX-ST in relation to the cessation of stabilising action and the number of Units in respect of which the Over-Allotment Option has been exercised not later than 8.30 a.m. on the next trading day of the SGX-ST after the cessation of stabilising action.

Lock-up Arrangements

The Sponsor

Subject to the exceptions described below, the Sponsor has agreed with the Joint Underwriters and Bookrunners that it will not, nor cause or permit any other entity (which is wholly-owned by the Sponsor) from the date on which such entity legally or beneficially owns the Lock-up Units (each, a "**Relevant Entity**") to, without the prior written consent of the Joint Underwriters and Bookrunners (such consent not to be unreasonably withheld or delayed) directly or indirectly offer, conditionally or unconditionally offer, sell or contract to sell, grant any option to purchase, charge or otherwise grant security over, create any encumbrance over or otherwise sell or dispose of or enter into any transaction or arrangement which is designed to, or might reasonably be expected to, result in such sale or disposition (whether by actual sale or disposition or effective economic sale or disposition due to cash settlement or otherwise) of (a) all or any of the Lock-up Units held by such Relevant Entity (or any interest therein or in respect thereof) or any other securities convertible into or exchangeable for Lock-up Units or which carry rights to subscribe for or purchase Lock-up Units or deposit any Lock-up Units (or any securities convertible into or exchangeable for Lock-up Units or which carry rights to subscribe for or purchase Lock-up Units) in any depository receipt facilities during the First Lock-up Period; and (b) more than 50% of the Lock-up Units held by such Relevant Entity (or any interest therein or in respect thereof) or any other securities convertible into or exchangeable for more than 50% of the Lock-up Units or which carry rights to subscribe for or purchase Lock-up Units or deposit more than 50% of the Lock-up Units (or any securities convertible into or exchangeable for more than 50% of the Lock-up Units or which carry rights to subscribe for or purchase more than 50% of the Lock-up Units) in any depository receipt facilities during the Second Lock-up Period, or agree to do, or announce any intention to do, any of the foregoing, other than as required by applicable laws or regulations. For the avoidance of doubt, any Loan Units that are returned to the Unit Lender pursuant to the Unit Lending Agreement will be subject to the foregoing lock-up restrictions for the remaining lock-up periods.

The restriction described in the preceding paragraph does not apply to:

- the transfer of Lock-up Units to and between the affiliates and wholly-owned subsidiaries of the Sponsor provided that each such transferee has executed and delivered to the Joint Underwriters and Bookrunners a similar undertaking to the reasonable satisfaction of the Joint Underwriters and Bookrunners to the effect of the restrictions described in the preceding paragraph, and which is to remain in effect for the remainder of the relevant lock-up periods; or
- any securities lending arrangement between the Unit Lender and the Stabilising Manager or any sale or transfer of the Loan Units pursuant to the over-allotment of Units (if any).

  If, for any reason, the Offering is not completed by 31 August 2007, the lock-up arrangements described above will be terminated.

Ascendas Pte Ltd

Subject to the exceptions described below, Ascendas Pte Ltd, as the direct holding company of the Sponsor as at the date of this Prospectus, has agreed with the Joint Underwriters and Bookrunners that it will not, nor cause or permit any Relevant Entity to, without the prior written consent of the Joint Underwriters and Bookrunners (such consent not to be unreasonably withheld or delayed) directly or indirectly offer, conditionally or unconditionally offer, sell or contract to sell, grant any option to purchase, charge or otherwise grant security over, create any encumbrance over or otherwise sell or dispose of or enter into any transaction or arrangement which is designed to, or might reasonably be expected to, result in such sale or disposition (whether by actual sale or disposition or effective economic sale or disposition due to cash settlement or otherwise) of (a) all or any of the Lock-up Units held by such Relevant Entity (or any interest therein or in respect thereof through the holding of shares of the Sponsor or otherwise) or any other securities convertible into or exchangeable for Lock-up Units or which carry rights to subscribe for or purchase Lock-up Units or deposit any Lock-up Units (or any securities convertible into or exchangeable for Lock-up Units or which carry rights to subscribe for or purchase Lock-up Units) in any depository receipt facilities during the First Lock-up Period; and (b) more than 50% of the Lock-up Units held by such Relevant Entity (or any interest therein or in respect thereof through the holding of shares of the Sponsor or otherwise) or any other securities convertible into or exchangeable for more than 50% of the Lock-up Units or which carry rights to subscribe for or purchase Lock-up Units or deposit more than 50% of the Lock-up Units (or any securities convertible into or exchangeable for more than 50% of the Lock-up Units or which carry rights to subscribe for or purchase more than 50% of the Lock-up Units) in any depository receipt facilities during the Second Lock-up Period, or agree to do, or announce any intention to do, any of the foregoing, other than as required by applicable laws or regulations.

The restrictions described in the preceding paragraph does not apply to the transfer of Lock-up Units to and between affiliates and wholly-owned subsidiaries of Ascendas Pte Ltd, provided that each such transferee has executed and delivered to the Joint Underwriters and Bookrunners a similar undertaking to the reasonable satisfaction of the Joint Underwriters and Bookrunners to the effect of the restrictions described in the preceding paragraph, and which is to remain in effect for the remainder of the relevant lock-up periods.

If, for any reason, the Offering is not completed by 31 August 2007, the lock-up arrangements described above will be terminated.

The Trustee-Manager

Subject to the exceptions described below, the Trustee-Manager has agreed with the Joint Underwriters and Bookrunners that it will not (and will not cause or permit a-iTrust to), without the prior written consent of the Joint Underwriters and Bookrunners (such consent not to be unreasonably withheld or delayed) directly or indirectly, conditionally or unconditionally, offer, issue, sell, contract to issue or sell, grant any option to purchase, charge or otherwise grant security over, create any encumbrance over or otherwise sell or dispose of, or enter into any transaction or arrangement (excluding commitments or arrangements for the sale and purchase of additional properties, whether in the form of a sale and purchase agreement or a put and call option agreement) which is designed to, or might reasonably be expected to, result in such issuance, sale or disposition (whether by actual issuance, sale or disposition or effective economic issuance, sale or disposition due to cash settlement or otherwise) of any Units (or any other interest therein or in respect thereof) or any other securities convertible into or exchangeable for Units or which carry rights to subscribe for or purchase Units or deposit any Units (or any securities convertible into or exchangeable for Units or which carry rights to subscribe for or purchase Units) in any depository receipt facilities, or agree to do, or announce any intention to do, any of the foregoing, other than as required by applicable laws or regulations, until the date falling 180 days from the Listing Date.

The restrictions described in the preceding paragraph do not apply to the issuance of Units to the Trustee-Manager in payment of any fees payable to the Trustee-Manager under the Trust Deed.

If, for any reason, the Offering is not completed by 31 August 2007, the lock-up arrangements described above will be terminated.

The Original Investors

Subject to the exceptions described below, each of the Original Investors has agreed with the Joint Underwriters and Bookrunners that it will not, nor cause or permit any other entity (which is wholly-owned by the Original Investors) from the date on which such entity legally or beneficially owns the Original Investors Lock-up Units (each, a "**Relevant Holding Entity**") to, without the prior written consent of the Joint Underwriters and Bookrunners (such consent not to be unreasonably withheld or delayed) directly or indirectly offer, conditionally or unconditionally offer, sell or contract to sell, grant any option to purchase, charge or otherwise grant security over, create any encumbrance over or otherwise sell or dispose of or enter into any transaction or arrangement which is designed to, or might reasonably be expected to, result in such sale or disposition (whether by actual sale or disposition or effective economic sale or disposition due to cash settlement or otherwise) of (a) all or any of the Original Investors Lock-up Units held by such Relevant Holding Entity (or any interest therein or in respect thereof) or any other securities convertible into or exchangeable for the Original Investors Lock-up Units or which carry rights to subscribe for or purchase Lock-up Units or deposit the Original Investors Lock-up Units (or any securities convertible into or exchangeable for the Original Investors Lock-up Units or which carry rights to subscribe for or purchase the Original Investors Lock-up Units) in any depository receipt facilities during the First Lock-up Period; and (b) (in the case of ALI only) more than 50% of the Original Investors Lock-up Units held by such Relevant Holding Entity (or any interest therein or in respect thereof) or any other securities convertible into or exchangeable for more than 50% of the Original Investors Lock-up Units or which carry rights to subscribe for or purchase Original Investors Lock-up Units or deposit more than 50% of the Original Investors Lock-up Units (or any securities convertible into or exchangeable for more than 50% of the Original Investors Lock-up Units or which carry rights to subscribe for or purchase more than 50% of the Original Investors Lock-up Units) in any depository receipt facilities during the Second Lock-up Period, or agree to do, or announce any intention to do, any of the foregoing, other than as required by applicable laws or regulations.

The restriction described in the preceding paragraph does not apply to the transfer of Original Investors Lock-up Units to and between the wholly-owned subsidiaries of the Original Investors provided that each such subsidiary has executed and delivered to the Joint Underwriters and Bookrunners a similar undertaking to the reasonable satisfaction of the Joint Underwriters and Bookrunners to the effect of the restrictions described in the preceding paragraph, to remain in effect for the remainder of the relevant lock-up periods.

If, for any reason, the Offering is not completed by 31 August 2007, the lock-up arrangements described above will be terminated.

SGX-ST Listing

a-iTrust received a letter of eligibility from the SGX-ST for the listing and quotation of the Units on the Main Board of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Prospectus. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Offering, a-iTrust, the Trustee-Manager or the Units. It is expected that the Units will commence trading on the SGX-ST on a "ready" basis on or about 1 August 2007.

Prior to this Offering, there has been no trading market for the Units. There can be no assurance that an active trading market will develop for the Units, or that the Units will trade in the public market subsequent to this Offering at or above the Offering Price.

Distribution and Selling Restrictions

No action has been or will be taken in any jurisdiction that would permit a public offering of the Units or the possession, circulation or distribution of this Prospectus or any other offering or publicity material relating to a-iTrust or the Units in any country or jurisdiction (other than Singapore, where action for the purpose is required). Accordingly, the Units may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material, circular, form of application or advertisement in connection with the Units may be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with all applicable laws and regulations of any such country or jurisdiction.

Australia

This Prospectus is not an offer to retail investors in Australia. As no formal disclosure document (such as a product disclosure statement) will be lodged with ASIC, any offer of Units in Australia is made on the condition that the recipient is a "wholesale client" within the meaning of section 761G of the Corporations Act 2001 (the "**Act**"). If any recipient does not satisfy the criteria for these exemptions, no applications for Units will be accepted from that recipient. Any offer to a recipient in Australia, and any agreement arising from acceptance of the offer, is personal and may only be accepted by the recipient.

If a recipient (called an "**Investor**") on-sells their Units within 12 months of their issue, that person will be required to lodge a disclosure document with Australian Securities and Investments Commission ("**ASIC**") unless either:

(a) the sale is pursuant to an offer received outside Australia; or

(b) the sale is made to a "wholesale client" within the meaning of 761G of the Act.

Each Investor acknowledges the above and, by applying for Units, gives an undertaking not to sell in any circumstances other than those described in paragraphs (a) and (b) above for 12 months after the date of issue.

This Prospectus does not purport to contain all information that an Investor or its professional advisers would expect to find in a product disclosure statement for the purposes of Part 7.9 of the Act in relation to the Units or a-iTrust.

An Investor must have received this Prospectus only from the holder of an Australian financial services licence who is authorised to deal in financial products and provide financial product advice in connection with the offer of Shares. Nothing in this Prospectus takes into account the investment objectives, financial situation and particular needs of any individual Investor and any general financial advice in this Prospectus is taken to be provided to you only by the Australian financial services licensee from whom you received this Prospectus.

a-iTrust is not licensed in Australia to provide financial product advice in relation to the Units and recommends that you read the Prospectus before making a decision to acquire the Units. There is no cooling-off period that applies in respect of the acquisition of the Units.

Austria

The information contained in this Prospectus does not constitute an offer to the public or an invitation to the public to make an offer for the acquisition of Units by Austrian investors nor are such Units available, except for qualified investors, to Austrian investors.

The Units are exclusively offered to a limited number of qualified investors and are therefore, pursuant to the Austrian Capital Market Act (section 3 (1) (11), not subject to public offering requirements. Qualified investors are inter alia legal entities which are authorised or regulated to operate in the financial markets, national or regional governments, central banks, or international and supranational institutions as well as, under certain conditions, natural persons who are resident in Austria or small or medium-sized enterprises registered as qualified investors.

Furthermore, the Units can only be purchased by a single investor for a total consideration of at least EUR 450,000 or the same value in another currency and are therefore not subject to the public offering requirements of the Austrian Capital Market Act (section 3(1)(9)).

As the Units are exclusively addressed to qualified investors, and as they can only be purchased by a single investor for a total consideration of at least EUR 450,000 or the same value in another currency, the offering of the Units will not require the prior publication of a prospectus.

Belgium

This Prospectus relates to a private placement and does not constitute an offer or solicitation to the public in Belgium to subscribe for or acquire the Units. The offer has not been notified to the Belgian Banking, Finance and Insurance Commission (*Commissie voor het Bank-, Financie- en Assurantiewezen/Commission bancaire, financière et des assurances*). Accordingly the offer may not be advertised, the Units may not be offered or sold, and this Prospectus or any other information circular, brochure or similar document may not be distributed, directly or indirectly, to any person in Belgium other than (i) eligible qualified investors referred to in Article 3.2(a) of Directive 2003/71/EC of November 4, 2003 (the "**Prospectus Directive**") or (ii) investors wishing to acquire Units for a total consideration of at least EUR 50,000 (or its equivalent in foreign currencies) per transaction, as specified in Article 3.2(c) of the Prospectus Directive.

Denmark

This Prospectus has not been filed with or approved by the Danish Financial Supervisory Authority or any other regulatory authority in the Kingdom of Denmark.

The Units have not been offered or sold and may not be offered, sold or delivered directly or indirectly in Denmark, unless in compliance with Chapter 6 or Chapter 12 of the Danish Act on Trading in Securities and executive orders issued pursuant thereto as amended from time to time.

Finland

This Prospectus does not constitute an offer to the public in Finland. The Units cannot be offered or sold in Finland by means of any document to any persons other than "Qualified Investors" as defined by the Finnish Securities Markets Act (*Arvopaperimarkkinalaki*, 26.5.1989/495), as amended. No action has been taken to authorise an offering of the Units to the public in Finland and the distribution of this Prospectus is not authorised by the Financial Supervision Authority in Finland. This Prospectus is strictly for private use by its holder and may not be passed on to third parties or otherwise publicly distributed. Subscriptions will not be accepted from any persons other than the person to whom this Prospectus has been delivered by the a-iTrust or its representative. This Prospectus may not include all the information that is required to be included in a prospectus in connection with an offering to the public.

France

This Prospectus has not been submitted to the *Autorite Des Marches Financiers* in France. Accordingly, neither this Prospectus nor any other offering material relating to the Units may be available to the public or used in connection with any other offer for subscription or sale of the Units in France, and the Units may not be issued, offered or otherwise sold in France.

Germany

This Prospectus has not been submitted to, nor has it been approved by, the *Bundesanstalt für Finanzdienstleistungsaufsicht*, the German financial services supervisory authority. The Units not be distributed within Germany by way of a public offer, public advertisement or in any similar manner and this Prospectus and any other document relating to the Units, as well as information contained therein, may not be supplied to the public in Germany or used in connection with any offer for subscription of Units to the public in Germany. This Prospectus and other offering materials relating to the offer of Units are strictly confidential and may not be distributed to any person or entity other than the recipients hereof.

Hong Kong

The Units may not be offered or sold in Hong Kong, by means of any document, other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**Securities and Futures Ordinance**") and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the Units may be issued whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Units which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

India

This Prospectus has not been and will not be registered as a prospectus with the Registrar of Companies in India and does not constitute a public offer to sell any securities in India. This Document is not and should not be construed as a prospectus and will not be circulated or distributed, directly or indirectly, to the public or any members of the public in India. Prospective investors must seek legal advice as to whether they are entitled to subscribe to the securities and must comply with all relevant Indian laws, if applicable, in this respect.

Ireland

This Prospectus and the information contained herein are private and confidential and are for the use solely of the person to whom this Prospectus is addressed. If a prospective investor is not interested in making an investment, this Prospectus should be promptly returned. The a-iTrust is established in Singapore, is not supervised and has not been approved to market its Units by the Irish Financial Regulator either pursuant to Section 9 of the Unit Trusts Act 1990 or otherwise.

Consequently, Units may not be offered or sold by any person in a manner that constitutes an offer for sale to the public under Irish law.

If the reader is in any doubt about the contents of the document then they should consult an independent financial advisor authorised or exempted under the Investment Intermediaries Act 1995-2000 (as amended).

Isle of Man

The Units may not be promoted in the Isle of Man except pursuant to the exceptions contained in: (a) section 1(2) of the Isle of Man Financial Supervision Act 1988 (the "**FSA**"); or (b) the Financial Supervision (Promotion of Unregulated Schemes) (Exemption) Regulations 1992 made under section 1(3) of the FSA.

Jersey

This Prospectus is being made available in Jersey on a confidential basis to an identifiable, restricted circle of persons not exceeding a total of 500 persons in Jersey and is not to be circulated by the recipient to any other person.

Luxembourg

The Units may not be offered or sold in the Grand-Duchy of Luxembourg, except for Units which are offered in circumstances that do not require the approval of a prospectus by the Luxembourg financial regulatory authority in accordance with the Law of July 12, 2005 on prospectuses for securities. The Units are offered to a limited number of investors or to sophisticated investors, in all cases under circumstances designed to preclude a distribution that would be other than a private placement. This Prospectus may not be reproduced or used for any purpose, or provided to any person other than those to whom copies have been sent.

Netherlands

The Units may only be offered, sold, transferred or delivered, directly or indirectly, in the Netherlands to qualified investors (*gekwalificeerde beleggers*) within the meaning of section 1:1 of the Dutch Act on the Financial Supervision (*Wet op het financieel toezicht*). As a consequence, a-iTrust is not obliged to have an approved prospectus made generally available to obtain a license as an investment scheme within the meaning of the Dutch Act on the Financial Supervision from the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*).

For your information, a qualified investor is defined in the Dutch Act on the Financial Supervision as:

(a) a legal entity or company which has obtained a license or is regulated to be active on the financial markets in another way;

(b) a legal entity or company which neither has a license nor is regulated in another way to be active on the financial markets and which corporate purpose is solely to invest in securities;

(c) a national or regional public body, central bank, international or supranational financial organization or other similar international institution;

(d) a legal entity or company with its registered seat in the Netherlands which,

    (i) will be considered as a small company, which is defined as a legal entity or company which, according to its most recent annual accounts or consolidated annual accounts meets at least two of the following three criteria:

        (1) an average number of employees of less than 250 during the financial year;

        (2) a balance sheet total with a maximum of € 43,000,000;

        (3) an annual net turnover with a maximum of € 50,000,000; and

    (ii) has been registered as a qualified investor at its own request,

(e) a legal entity or company, not being a legal entity or company as meant in (d) under (i);

(f) a natural person having its residence in the Netherlands who meets certain rules issued by governmental decree and who has been registered by the Netherlands Authority Financial Markets (*Autoriteit Financiële Markten*) as a qualified investor at his own request; or

(g) a natural person or company that is considered a qualified investor in another member state, as meant in section 2(1)(e) under (iv) or (v) of the Prospectus Directive (2003/71/EC).

Norway

No prospectus (including any amendment, supplement or replacement thereto) has been prepared in connection with the Offering of the Units that has been approved or disapproved by or registered with any authority in accordance with the Norwegian Securities Trading Act 1997 Chapter 5 or in accordance with the Prospectus Directive. No Units have been offered or sold nor will be offered or sold, directly or indirectly, to the public in Norway. This Prospectus or any other offering material relating to the Units have not been distributed or caused to be distributed and will not be distributed or caused to be distributed to the public in Norway. This Offering of the Units is only and exclusively made on a Private

Placement basis in Norway and only to potential Norwegian investors qualifying as professional investors under the Securities Trading Act 1997 Section 5–4 first sub-paragraph No 8 and applicable regulations thereunder. No other offering of the Units are made directly or indirectly in Norway.

Spain

The sale of the Units in the a-iTrust to which this Prospectus refers has not been registered with the Spanish National Securities Market Commission ("**Comisión Nacional del Mercado de Valores**") pursuant to Spanish laws and regulations and is not a public offer of such Units in the Kingdom of Spain within the meaning of article 30bis of the Spanish Securities Market Act 24/1988 of July 28, 1988 (*Ley 24/1988, de 28 de julio, del Mercado de Valores*), as amended and restated, and Royal Decree 1310/2005, of November 4, developing Act 24/1988 on the Securities Markets, on listing of transferable securities in official secondary markets, offers for public sales or public subscriptions. Accordingly, no Units may be, and/or are intended to be publicly offered, marketed or promoted, nor any public offer in respect thereof made, in the Kingdom of Spain, nor may this Prospectus or any other offering materials relating to the offer of Units be distributed, in the Kingdom of Spain, by any person, except in circumstances which do not constitute a public offering and marketing in Spain within the meaning of Spanish laws or without complying with all legal and regulatory requirements in relation thereto. This Prospectus and any other materials relating to the Units are strictly confidential and may not be distributed to any person or entity other than its recipients.

Switzerland

The Units will not be distributed and offered, directly or indirectly, to the public in Switzerland and this Prospectus may not be publicly distributed or otherwise made publicly available in Switzerland. This Prospectus does not constitute a public offering prospectus as that term is understood pursuant to art. 652a or art. 1156 of the Swiss Code of Obligations. The Units being offered pursuant to this Prospectus have not been approved by the Swiss Federal Banking Commission under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). Therefore, investors do not benefit from protection under the CISA or supervision by the Swiss Federal Banking Commission.

The Units will be distributed and offered in Switzerland, and this Prospectus will be made available in Switzerland, only to certain qualified investors within the meaning of art. 10 para 3 and 4 CISA and art. 6 of the Ordinance on Collective Investment Schemes and only by means of marketing usual for such specific markets and solely on a private placement basis, without any public distribution, offering or marketing in or from Switzerland.

United Arab Emirates

This Prospectus is not intended to constitute an offer, sale or delivery of Units or other securities under the laws of the United Arab Emirates ("**UAE**"). The Units have not been and will not be registered under Federal Law No. 4 of 2000 Concerning the Emirates Securities and Commodities Authority and the Emirates Security and Commodity Exchange, or with the UAE Central Bank, the Dubai Financial Services Authority ("**DFSA**"), the Dubai Financial Market, the Abu Dhabi Securities market, the Dubai International Financial Exchange or with any other UAE exchange.

The Offering, the Units and interests therein have not been approved or licensed by the UAE Central Bank, the DFSA or any other relevant licensing authorities in the UAE, and do not constitute a public offer of securities in the UAE in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended), the Offered Securities Rules of the DFSA Rulebook, the Dubai International Financial Centre Markets Law 2004 or otherwise. Neither a-iTrust nor any of the Joint Underwriters and Bookrunners has received any authorisation or licensing from the UAE Central Bank or any other relevant authority in the UAE to market, offer or sell the Units within the UAE.

No marketing of the Units has been or will be made from within the UAE and no subscription to any Units may or will be consummated within the UAE. Neither a-iTrust nor any of the Joint Underwriters and Bookrunners is a licensed broker or dealer or investment adviser under the laws applicable in the UAE, and do not advise residents in the UAE as to the appropriateness of investing in or purchasing or selling securities or transacting in other financial products. Nothing contained in this Prospectus is intended to constitute UAE investment, legal, tax, accounting or other professional advice. This Prospectus is for information only and nothing in this Prospectus is intended to endorse or recommend a particular course of action. Prospective investors should consult with an appropriate professional for specific advice rendered on the basis of their situation.

This Prospectus is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the Units may not be offered or sold directly or indirectly to the public in the UAE.

United Kingdom

The a-iTrust is an unregulated collective investment scheme for the purposes of the Financial Services and Markets Act 2000 ("**FSMA**"), the promotion of which in the UK is restricted by the FSMA. If made by a person who is not an authorised person under FSMA, the issue or distribution of this document in the United Kingdom may only be made to and directed at persons who (i) are investment professionals falling within article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005; or (ii) are persons to whom the promotion may otherwise be lawfully made. If made by a person who is an authorised person under FSMA, the issue or distribution of this document in the United Kingdom may only be made to and directed at persons who (i) are investment professionals within article 14 of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001;(ii) are persons to whom the promotion may be made under Annex 5R, Chapter 3 of the FSA's Conduct of Business Rules, or (iii) are persons to whom the promotion may otherwise be lawfully made. Transmission of this document to any other person in the United Kingdom is unauthorised and may contravene the FSMA. Participation in the a-iTrust is available only to such persons (all such persons together being referred to as "qualified persons") with professional experience in matters relating to investments and persons of any other description should not rely on this document. This communication must not be acted on or relied on by persons who are not qualified persons. Any investment or investment activity to which this communication relates is available only to qualified persons and will be engaged in only with qualified persons.

United States

The Units have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States, except in certain transactions exempt from the registration requirements of the Securities Act. The Units are being offered and sold outside the United States in reliance on Regulation S. Each purchaser of the Units will be deemed to have represented and agreed as follows:

(1) The purchaser is purchasing the Units in an offshore transaction pursuant to Regulation S;

(2) The purchaser agrees that the Units have not been and will not be registered under the Securities Act and may not be offered or sold except as described below; and

(3) The purchaser acknowledges that a-iTrust, the Joint Underwriters and Bookrunners and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If any purchaser is acquiring Units as a fiduciary or agent for one or more investor accounts, such purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreement on behalf of each such account.

Terms used in this section have the meanings given to them by Regulation S.

CLEARANCE AND SETTLEMENT

Introduction

A letter of eligibility has been obtained from the SGX-ST for the listing and quotation of the Units. For the purpose of trading on the SGX-ST, a board lot for the Units will comprise 1,000 Units.

Upon listing and quotation on the SGX-ST, the Units will be traded under the electronic book-entry clearance and settlement system of CDP. All dealings in and transactions of the Units through the SGX-ST will be effected in accordance with the terms and conditions for the operation of Securities Accounts, as amended from time to time.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its account-holders and facilitates the clearance and settlement of securities transactions between account-holders through electronic book-entry changes in the Securities Accounts maintained by such account holders with CDP.

It is expected that the Units will be credited into the Securities Accounts of applicants for the Units within four Market Days after the closing date for applications for the Units.

Clearance and Settlement under the Depository System

The Units will be registered in the name of CDP or its nominee and held by CDP for and on behalf of persons who maintain, either directly or through depository agents, Securities Accounts with CDP. Persons named as direct Securities Account holders and depository agents in the depository register maintained by CDP will be treated as Unitholders in respect of the number of Units credited to their respective Securities Accounts.

Transactions in the Units under the book-entry settlement system will be reflected by the seller's Securities Account being debited with the number of Units sold and the buyer's Securities Account being credited with the number of Units acquired and no transfer stamp duty is currently payable for the transfer of Units that are settled on a book-entry basis.

Units credited to a Securities Account may be traded on the SGX-ST on the basis of a price between a willing buyer and a willing seller. Units credited into a Securities Account may be transferred to any other Securities Account with CDP, subject to the terms and conditions for the operation of Securities Accounts and a S$10.00 transfer fee payable to CDP. All persons trading in the Units through the SGX-ST should ensure that the relevant Units have been credited into their Securities Account, prior to trading in such Units, since no assurance can be given that the Units can be credited into the Securities Account in time for settlement following a dealing. If the Units have not been credited into the Securities Account by the due date for the settlement of the trade, the buy-in procedures of the SGX-ST will be implemented.

Clearing Fee

A clearing fee for the trading of Units on the SGX-ST is payable at the rate of 0.04% of the transaction value, subject to a maximum of S$600.00 per transaction. The clearing fee, deposit fee and unit withdrawal fee may be subject to the prevailing GST.

Dealings in the Units will be carried out in Singapore dollars and will be effected for settlement in CDP on a scripless basis. Settlement of trades on a normal "ready" basis on the SGX-ST generally takes place on the third Market Day following the transaction date. CDP holds securities on behalf of investors in Securities Accounts. An investor may open a direct account with CDP or a sub-account with any CDP depository agent. A CDP depository agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

EXPERTS

Ernst and Young, the Independent Tax Adviser, was responsible for preparing the Independent Taxation Report found in Appendix C of this Prospectus.

C&W, the Independent Valuer, was responsible for preparing the Independent Property Valuation Summary Report found in Appendix D of this Prospectus.

JLL, the Independent Market Research Consultant, was responsible for preparing the Independent Indian Market Research Report found in Appendix E of this Prospectus.

Luthra & Luthra Law Offices, the Legal Adviser to the Trustee-Manager and the Sponsor as to Indian Law, was responsible for giving a legal opinion referred to in “Business and Properties” under each subsection therein entitled “Property Title Status”.

The Independent Valuer, the Independent Market Research Consultant, the Independent Tax Adviser and the Legal Adviser to the Trustee-Manager and the Sponsor as to Indian Law have each given and have not withdrawn their written consents to the issue of this Prospectus with the inclusion herein of their names and their respective write-ups and reports and all references thereto in the form and context in which they respectively appear in this Prospectus, and to act in such capacity in relation to this Prospectus.

Save for Luthra & Luthra Law Offices, none of Allen & Gledhill LLP, WongPartnership, or AZB & Partners, to the maximum extent permitted by law, makes, or purports to make, any statement in this Prospectus and save for Luthra & Luthra Law Offices, none of them is aware of any statement in this Prospectus which purports to be based on a statement made by it and it makes no representation, express or implied, regarding, and takes no responsibility for, any statement in or omission from this Prospectus.

REPORTING AUDITORS

PricewaterhouseCoopers, the Reporting Auditors, have given and have not withdrawn their consent to the issuer of this Prospectus for the inclusion herein of:

- their name;
- the Reporting Auditor's Report on Examination of the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007; and
- the Reporting Auditor's Report on the Profit Forecast and Profit Projection,

in the form and context in which they appear in this Prospectus, and references to their name and such reports in the form and context which they appear in this Prospectus and to act in such capacity in relation to this Prospectus.

GENERAL INFORMATION

RESPONSIBILITY STATEMENT BY THE DIRECTORS

1. This Prospectus has been seen and approved by the Directors and they individually and collectively accept full responsibility for the accuracy of the information given herein and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and the opinions expressed herein are fair and accurate in all material respects as at the date hereof and there are no material facts the omission of which would make any statement in this Prospectus misleading, and that this Prospectus constitutes full and true disclosure of all material facts about the Offering and a-iTrust.

MATERIAL BACKGROUND INFORMATION

2. None of the directors, key executives or controlling shareholders of the Trustee-Manager, or the controlling Unitholder, was or is involved in any of the following events:

   (a) at any time during the last 10 years, an application or a petition under any bankruptcy laws of any jurisdiction filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within two years from the date he ceased to be a partner;

   (b) at any time during the last 10 years, an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive or at any time within two years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency, save as disclosed in Appendix G, "List of Present and Past Principal Directorships of Directors and Executive Officers";

   (c) any unsatisfied judgment against him;

   (d) a conviction of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose;

   (e) a conviction of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach;

   (f) at any time during the last 10 years, judgment been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part;

   (g) a conviction in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;

   (h) disqualification from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust;

   (i) any order, judgment or ruling of any court, tribunal or governmental body permanently or temporarily enjoining him from engaging in any type of business practice or activity;

(j) to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:

  (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;

  (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;

  (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

  (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,

  in connection with any matter occurring or arising during the period when he was so concerned with the entity or business trust; or

(k) the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Authority or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere.

LITIGATION

3. Save as set out below, none of the members of a-iTrust Group is engaged in any legal or arbitration proceedings as plaintiff or defendant in the past 12 months before the date of lodgement of this Prospectus in respect of any amounts or claims which are material in the context of the Offering and to the best of the Directors' knowledge and belief, having made all due enquiries, there are no proceedings pending or threatened against any member of the a-iTrust Group or any facts likely to give rise to any litigation, claims or proceedings which might have a material effect on the financial position or the profitability of the a-iTrust Group.

   Three VCUs, namely, CPITPPL, VITPPL and ITPL are currently involved in certain litigation proceedings:

   CPITPPL disputes

   CPITPPL has been involved in two disputes with its occupants, Ethno Fitness Centre and Pearl Hotels Private Limited. The dispute with Ethno Fitness Centre has since been resolved while the dispute with Pearl Hotels Private Limited is currently pending resolution. Such disputes involve claims of approximately Rs. 27.5 million (S$0.96 million).

   Dispute between Pearl Hotels Private Limited ("Pearl") and CPITPPL (Arbitration Application No. 77 and 78 of 2005)

   In the 12 months before the date of this Prospectus, certain disputes arose between Pearl and CPITPPL pursuant to a lease deed dated 18 March 2005 executed between them. Pearl is claiming that the exclusivity with regard to the running of the hotel and cafeteria on the property was not being fulfilled and for damages of Rs. 27 million (S$0.93 million) and recurring damages at the rate of Rs. 2.5 million (S$0.09 million) per month. It further requested for directions against CPITPPL stopping it from claiming O&M charges and further declaring the O&M agreement dated 23 July 2004 entered into between the CPITPPL and Pearl as enforceable. Further, it has sought that the CPITPPL be directed to remit an amount of Rs. 2 million (S$0.07 million) per month from October 2004, till the date of the award, towards compensation for loss of business due to prevention from display of the sign board. CPITPPL has filed its counter claim asking Pearl to pay Rs. 7.13 million (S$0.25 million) under the lease deed and the O&M agreement and all other dues with interest at the rate of 18% per annum.

The arbitrator has ordered Pearl on 1 March 2007 to pay all the lease rentals, with interest at the rate of 18% per annum in case of a delay. A consent order was also passed wherein, Pearl has been asked to clear 50% of the dues outstanding in monthly installments of Rs. 1.05 million (S$0.04 million) and Rs. 0.15 million (S$0.01 million). CPITPPL is filing a petition for executing the order of the arbitrator.

Dispute between Ethno Fitness Centre ("Ethno") and CPITPPL (OP No. 367 of 2006)

Ethno has filled an application under Section 9 of the Arbitration and Conciliation Act, 1996 before the District Judge for grant of an injunction pending the appointment of arbitrator and settlement of disputes.

A lease deed was entered between parties on 5 August 2004. Ethno has claimed inter alia that outside customers were not allowed as per the lease deed and certain non-payments of rent had arisen only due to inaction of CPITPPL. The relief sought for by Ethno in the aforesaid petition before the district judge was to grant an injunction restraining CPITPPL from interfering with possession of Ethno, including permission to Ethno, to access the common facilities of the complex and provide water electricity to Ethno.

Ethno has defaulted in payments towards lease, rent and other charges. An immediate payment of Rs 0.5 million (S$0.02 million) was made in September 2006. In negotiations, it was agreed that all outstanding bills would be cleared in 12 equal instalments apart from the current rentals. A fresh agreement has been entered into between both the parties.

In addition, CPITPPL is also presently involved in a dispute with Commercial Taxes Department, Government of Andhra Pradesh, India for a disputed claim of Rs. 2.3 million (S$0.08 million).

Disputes under APVAT Act

The Commercial Taxes Department, Government of Andhra Pradesh vide its provisional assessment order under APVAT Act (for the period from 1 April 2005 till 31 October 2005) dated 20 January 2006 stated that the Department found that the fit out lease with G.E. Power Controls, Cyber Pearls, Madhapur was on a monthly lease rent of Rs. 0.23 million (S$0.01 million). Therefore, tax was payable by CPITPPL at the rate of 12.5 % on the annual rent of Rs. 2.3 million (S$0.08 million). CPITPPL has filed an appeal before the Appellate Deputy Commissioner (CT), Hyderabad Rural Division on 20 May 2006 after a delay of 28 days and the matter is currently pending.

VITPPL disputes

Sales Tax: Assessment year 2002-03

The Commercial Taxes Officer, Hyderabad, had issued a notice for assessment year 2002-03, demanding a payment of Rs. 11.06 million (S$0.38 million) from VITPPL towards sales tax. This has been reduced by the order of the Deputy Commissioner, Hyderabad to Rs. 9.68 million (S$0.33 million).

However, upon a writ petition by VITPPL, the High Court had applied to stay the collection of the full amount but had ordered VITPPL to deposit 50% of the disputed amount till the matter is decided by the Deputy Commissioner (CT), Hyderabad, to which VITPPL had appealed. The appeal had been partly allowed against which VITPPL has appealed before the Sales Tax Appellate Tribunal, Andhra Pradesh, which is currently pending.

Sales Tax: Assessment year 2003-04

The Deputy Commissioner (CIT), Hyderabad had issued a show cause notice dated 7 August 2006, bearing number RR. No. 49/06-07, for the assessment year 2003-04, demanding a payment of Rs. 18.68 million (S$0.64 million) towards sales tax. VITPPL has filed writ petition (WP No. 23205 of 2006) before the High Court of Judicature of Andhra Pradesh, at Hyderabad for quashing of the aforementioned show cause notice and has prayed for grant of stay of all further proceedings in pursuance of the said show cause notice. The matter is currently pending.

Income Tax dispute

There is also one income tax proceeding which was filed by VITPPL before the High Court of Judicature of Andhra Pradesh at Hyderabad, which is pending. The Assistant Commissioner of Income Tax, Hyderabad had issued a notice dated 31 March 2006 demanding payment of Rs. 5,265,029 (S$0.18 million) towards income tax for the assessment year 2003-2004. VITPPL had filed an appeal before the Commissioner (Appeals), Hyderabad against the said order on 16 May 2006 and while the appeal was pending, it is alleged that the disputed amount was collected from the banks of VITPPL. VITPPL had then filed a writ petition (W.P. no. 16891 of 2006) before the High Court of Judicature of Andhra Pradesh, at Hyderabad for quashing of the aforementioned show cause notice and declaring all the action taken by the income tax department in furtherance of the notice as arbitrary and illegal.

All disputes against VITPPL collectively involve a claim of approximately Rs. 33.6 million (S$1.18 million).

ITPL disputes

AS 40 of 2003

ITPL is involved in a dispute with VAP Corporation Limited ("**VAP**"), which was operating a restaurant within ITPB premises. VAP had defaulted in payment of rent and certain other charges. An arbitration proceeding was initiated against VAP and an award was passed on 11 May 2003 in favour of ITPL involving a sum of Rs. 11.9 million (S$0.42 million). VAP filed an appeal (being AS 40 of 2003) against the said award, which was decided in favour of ITPL. The matter is currently posted for arguments on 24 August 2007.

OS 2152 of 2003

ITPL filed a civil suit on 24 March 2003 against an ex-employee, Aravind Kumar, and several banks, namely, Canara Bank, HDFC Bank and Union Bank of India, for committing an embezzlement of Rs. 15.5 million (S$0.54 million). The case is currently still pending.

CC.11701 of 2005

A criminal case was filed against Aravind Kumar for committing embezzlement. The superintendent of police has recorded the statements of ITPL's officers and the investigation officer has filed charge sheet and the forensic report confirming the forgery of cheques in the court. The charges have been framed and the summons issued. The accused were present at the hearing on 30 March 2007 and the matter is currently posted to 31 July 2007.

ID 238 of 2004

An ex-employee, Mr. Dhayalan, has brought a claim against ITPL for his termination of employment as a driver to its chief executive officer of ITPL. Mr. Dhayalan had been discovered to be absent from his duties and was given a show cause notice, and after an enquiry was conducted, the enquiry officer found that his absence was unauthorised. The management of ITPL then terminated his services. Mr Dayalan has however applied to the labour court to set aside this termination and to seek reinstatement with back-wages. An out-of-court settlement was tried but failed and the matter is posted for cross-examination on 25 August 2007.

The Trustee-Manager believes that it has put in place sufficient internal controls and processes which include control through financial regulations (which prescribe signing limits for each cheque) and regular internal audit.

The Trustee-Manager does not anticipate any material adverse impact of the pending litigations on distributions to Unitholders.

EXCHANGE CONTROLS

4. Other than as described below, as at the date of this Prospectus, there is no governmental law, decree or regulatory requirement or any other requirement which may affect the repatriation of capital and the remittance of profits by or to the Trustee-Manager.

   There are certain restrictions on the conversion of Rupees into foreign currency and the FEMA regulates transactions involving foreign exchange and provides that certain transactions cannot be carried out without the general or special permission of the RBI. FEMA has eased restrictions on most current account transactions although the RBI continues to exercise significant control over capital account transactions (ie, those which alter the assets or liabilities, including contingent liabilities, of persons). The RBI has issued regulations under the FEMA to regulate various kinds of capital account transactions, including certain aspects of the purchase and issuance of shares of Indian companies. The RBI has also permitted authorised dealers to freely allow remittances by Indian resident individuals of up to US$100,000 per calendar year for any permissible current or capital account transactions or a combination of both. There is nothing in the FVCI rules that prevent any share buybacks. FEMA applies only to investments, not the payment of dividends on equity shares. However, the FEMA prescribes that the payment of dividend on preference shares or convertible preference shares issued to a non-resident should not exceed 300 basis points over the Prime Lending Rate of State Bank of India prevailing as on the date of the meeting of the board of directors of the company, in which issue of such shares is recommended. It may be noted that the rate of dividend is based on the par value of the preference share and not on the subscription price.

MATERIAL CONTRACTS

5. The dates of, parties to, and general nature of every material contract which the Trustee-Manager has entered into within the two years preceding the date of this Prospectus (not being contracts entered into in the ordinary course of the business of a-iTrust) are as follows:

   (a) the Trust Deed;

   (b) the Licence Agreement;

   (c) the AITPCL Share Purchase Agreement;

   (d) the First AITPCL SPA;

   (e) the Second AITPCL SPA;

   (f) the CPITPPL Share Purchase Agreement;

   (g) the Master Property Management Agreement;

   (h) the Initial Properties Management Agreement;

   (i) the Sponsor Right of First Refusal and the Development Trust Right of First Refusal;

   (j) the TCS MoU and the agreements for the sale and buy-back of the TCS BTS Facility; and

   (k) the Undertaking by the Singapore SPV to TIDCO.

   The agreements listed in sub-paragraphs (b) to (k) above are as described in "Certain Agreements Relating to Ascendas India Trust and the Properties".

DOCUMENTS FOR INSPECTION

6. Copies of the following documents are available for inspection at the registered office of the Trustee-Manager at 75 Science Park Drive, #01-03, Cintech II Building, Singapore 118255, for a period of six months from the date of this Prospectus:

   (a) the Trust Deed (which will be available for inspection for so long as a-iTrust is in existence and listed on the SGX-ST);

   (b) the material contracts referred to in paragraph 5 above;

   (c) the Underwriting Agreement;

   (d) the Reporting Auditor's Report on the Profit Forecast and Profit Projection as set out in Appendix B of this Prospectus;

   (e) the Reporting Auditor's Report on Examination of the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007 as set out in Appendix A of this Prospectus;

   (f) the Independent Property Valuation Summary Report as set out in Appendix D of this Prospectus as well as the full valuation reports for each of the Properties;

   (g) the Independent Indian Market Research Report set out in Appendix E of this Prospectus;

   (h) the Independent Taxation Report as set out in Appendix C of this Prospectus;

   (i) the written consents of the Reporting Auditor, the Independent Valuers, the Independent Property Consultant and the Independent Tax Adviser (see "Experts");

   (j) the Depository Services Agreement;

   (k) audited consolidated financial statements of a-iTrust and its subsidiary for the financial year ended 31 March 2007; and

   (l) audited financial statements of each of AITPCL and CPITPPL for the financial year ended 31 March 2007 prepared in accordance with Indian Accounting Standards and audited by PricewaterhouseCoopers India, Chartered Accountants, in accordance with Indian Auditing and Assurance Standards.

MISCELLANEOUS

7. The financial year-end of a-iTrust is 31 March. The annual audited financial statements of a-iTrust will be prepared and sent to Unitholders within three months of the financial year-end.

8. A full valuation of each of the real estate assets held by a-iTrust will be carried out at least once a year in accordance with the Trust Deed. Generally, where the Trustee-Manager proposes to issue new Units or to redeem existing Units, a valuation of the real properties held by a-iTrust must be carried out in accordance with the Trust Deed. The Trustee-Manager may at any other time arrange for the valuation of any of the real properties held by a-iTrust if it is of the opinion that it is in the best interest of Unitholders to do so.

9. While a-iTrust is listed on the SGX-ST, investors may check the SGX-ST website http://www.sgx.com for the prices at which Units are being traded on the SGX-ST. Investors may also check one or more major Singapore newspapers such as The Straits Times, The Business Times and Lianhe Zaobao, for the price range within which Units were traded on the SGX-ST on the preceding day.

10. There have been no public takeover offers by third-parties in respect of the Units or by us in respect of other companies' shares which have occurred between the beginning of the most recent completed financial year and the Latest Practicable Date.

11. No expert is interested, directly or indirectly, in promotion of or in any property or assets which have, within the two years preceding the date of this Prospectus, been acquired or disposed of by or leased to a-iTrust are proposed to be acquired or disposed of by or leased to a-iTrust.

12. Save as disclosed elsewhere in this Prospectus, there is no arrangement or understanding with a substantial shareholder of the Trustee-Manager, substantial Unitholder, customer or supplier of the Trustee-Manager, pursuant to which any Director or any Executive Officer was selected as a Director or Executive Officer.

13. There is no arrangement the operation of which may at a subsequent date, result in a change of control in the Trustee-Manager.

14. For the period from the establishment of a-iTrust to 31 March 2005, Messrs Ernst & Young, certified public accountants, were the auditors of a-iTrust and Mr Christopher Wong, a Certified Public Accountant, was the partner-in-charge. From 1 April 2005 to the date of this Prospectus, PwC are the auditors of a-iTrust. Ms Quek Bin Hwee and Mr Choo Eng Beng, both Certified Public Accountants, were the partners-in-charge for FY2006 and FY2007 respectively.

TREND INFORMATION AND PROFIT FORECAST

15. Save as disclosed under the sections "Risk Factors', "Capitalisation and Indebtedness", "Profit Forecast and Profit Projection", "Strategy" and "Business and Properties" of this Prospectus, the financial condition and operations of a-iTrust are not likely to be affected by any of the following:

    (a) known trends or demands, commitments, events or uncertainties that will result in or are reasonably likely to result in a-iTrust's liquidity increasing or decreasing in any material way;

    (b) material commitments for capital expenditure;

    (c) unusual or infrequent events or transactions or any insignificant economic changes that materially affect the amount of reported income from operations; and

    (d) known trends or uncertainties that have had or that a-iTrust reasonably expects will have a material favourable or unfavourable impact on revenues or operating income.

16. The concept of the order book is not applicable to the business of a-iTrust.

CONSENTS OF THE SOLE FINANCIAL ADVISER TO THE OFFERING AND JOINT UNDERWRITERS AND BOOKRUNNERS

17. JPMorgan has given and has not withdrawn its written consent to being named in this Prospectus as the Sole Financial Adviser to the Offering. Citi, DBS and JPMorgan have given and have not withdrawn their written consent to being named as Joint Underwriters and Bookrunners in relation to the Offering.

CHANGES IN ACCOUNTING POLICIES

18. There were material changes in accounting policies of a-iTrust for the financial years ended 31 March 2006 and 31 March 2007 as summarised below.

    Financial year ended 31 March 2007

    Prior to the financial year ended 31 March 2007, the a-iTrust Group had prepared the financial statements based on the reporting framework under Recommended Accounting Practice 7 *Reporting Framework for Unit Trusts.* In the financial year ended 31 March 2007, the a-iTrust Group adopted Financial Reporting Standards ("**FRS**"). Accordingly, the following changes in accounting policies were made upon first-time adoption of FRS:

(a) *Functional currency*

Prior to the financial year ended 31 March 2007, the functional currency of certain companies in the a-iTrust Group was determined to be Singapore Dollars. Upon first-time adoption of FRS, in accordance with the provisions of FRS 21 *The Effects of Changes in Foreign Exchange Rates,* the functional currency is determined to be Indian Rupees.

(b) *Revaluation of investment properties*

Prior to the financial year ended 31 March 2007, the investment properties were measured at cost less depreciation and classified as part of equipment. Upon first-time adoption of FRS, investment properties and construction work-in-progress are classified separately. Investment properties are stated at revalued amounts in accordance with FRS 25 *Accounting for Investments.* None of the exemptions applicable to first-time adoption of FRS given in FRS 101 *first-time adoption of Financial Reporting Standards* have been adopted.

Financial year ended 31 March 2006

During the financial year, the a-iTrust Group adopted the new or revised FRS that are applicable in that financial year. The effects on adoption of the new FRS in 2006 are set below.

(a) FRS 27 (revised 2004) Consolidated and Separate Financial Statements

Previously, there was no requirement for the presentation of minority interests within equity. FRS 27 (revised 2004) requires minority interests to be presented with equity of the Group retrospectively.

(b) FRS 39 (revised 2004) Financial Instruments: Recognition and Measurement and FRS 32 (revised 2004) Financial Instruments: Disclosure and Presentation

(i) *Classification and consequential accounting for financial liabilities*

Previously, the a-iTrust Group's trade and other payables and bank borrowings were stated at cost. Bank borrowings were stated at the proceeds received and transaction costs on borrowings were either expensed off or classified as deferred charges and amortised on a straight-line basis over the period of the borrowings. These financial liabilities are not held for trading and have not been designated as fair value through profit or loss at inception on adoption of FRS 39 (revised 2004). In accordance with FRS 39 (revised 2004), they are initially recognised at fair value less transaction costs and subsequently accounted for at amortised cost using the effective interest method.

This change did not materially affect the financial statements for the financial year ended 31 March 2006.

(ii) *Impairment and uncollectibility of financial assets*

Prior to the financial year ended 31 March 2006, receivables were reviewed for impairment whenever events of changes in circumstances indicate that the carrying amount may not be recoverable. On adoption of FRS 39 (revised 2004), the a-iTrust Group was required to assess at each balance sheet date if there is any objective evidence that a financial asset or group of financial assets is impaired. Impairment of trade receivables is established when there is objective evidence that the a-iTrust Group will not be able to collect all amounts due according to the original terms of receivables.

This change did not materially affect the financial statements for the financial year ended 31 March 2006.

(c) FRS 103 Business Combinations, FRS 36 (revised 2004) Impairment of Assets and FRS 38 (revised 2004) Intangible Assets

(i) Negative goodwill

Until 31 March 2005, the excess of fair value of the a-iTrust Group's share of net identifiable assets acquired over the cost of acquisition ("**negative goodwill**") for acquisitions between 1 April 2001 and 31 March 2005, was capitalised on the balance sheet and recognised in the Statement of Total Return as follows:

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the a-iTrust Group's plan for the acquisition and can be measured reliably, but which do not represent identifiable liabilities, that portion of negative goodwill is taken to the Statement of Total Return when the future losses and expenses are recognised. Any remaining negative goodwill, not exceeding the fair values of the non-monetary depreciable assets acquired, is taken to the Statement of Total Return over the remaining useful life of those assets; negative goodwill in excess of the fair values of those assets is taken to the Statement of Total Return immediately.

In accordance with the transitional provision of FRS 103, unamortised negative goodwill as at 31 March 2005 was adjusted against revenue reserve as at 1 April 2005. Any negative goodwill arising on business combinations post 1 April 2005 is taken immediately to the Statement of Total Return.

(ii) Accounting for acquisitions in 2005

FRS 22 (that had been superseded by FRS 103) did not require the recognition of contingent liabilities assumed in a business combination but this is required in FRS 103. In addition, FRS 22 allowed the recognition of liabilities for terminating or reducing the activities of the acquiree if certain conditions are met but FRS 103 allows these liabilities to be recognised only if the acquiree, at the acquisition date, had an existing obligation in accordance with FRS 37. Previously, FRS 38 (superceded by FRS 38 (revised 2004)) did not include the presumption that future economic benefit is always satisfied for an intangible asset acquired as part of a business combination. This presumption is included in FRS 38 (revised 2004).

The change did not materially affect the financial statements for the financial year ended 31 March 2006.

GLOSSARY

%	Per centum or percentage
Aggregate Leverage	The total borrowings and deferred payments for assets of a-iTrust
ALI	Ascendas Land International Pte Ltd
Application Forms	The printed application forms to be used for the purpose of the Offering and which form part of this Prospectus
a-iTrust	Ascendas India Trust, a business trust established in Singapore and constituted by the Trust Deed
a-iTrust Group	Means a-iTrust and its subsidiaries
AIPL	Ascendas (India) Private Limited
AITPCL	Ascendas IT Park (Chennai) Limited
Application List	The list of applicants subscribing for Units which are the subject of the Public Offer
Appraised Value	In relation to a Property, the value for that Property as at 31 March 2007 as appraised by the Independent Valuers appointed by the Trustee-Manager
A-REIT	Ascendas Real Estate Investment Trust
Associate	Has the meaning ascribed to it in the Listing Manual
ATMs	Automated teller machine
Authorised Investments	Has the meaning ascribed to it in the Trust Deed which includes real estate, whether freehold or leasehold, in or outside India, held singly or jointly and/or by way of direct ownership or by a shareholding in a SPV
Audit Committee	The audit committee of the Trustee-Manager
Base Fee	0.5% per annum of the value of a-iTrust's Trust Property payable to the Trustee-Manager
Base Rent	Comprises base rental income (after rent rebates, refunds, discounts and rebates for rent-free periods, and certain other excluded items, where applicable) earned from the leasing of the Owned SBA of the Operating Buildings and the Completing Buildings (where applicable)
Board	The board of Directors of the Trustee-Manager
BPO	Business process outsourcing
BT	Singapore-based business trust registered by the MAS
BTA	Business Trusts Act, Chapter 31A of Singapore
BTR	Business Trusts Regulations Cap. 31A, Regulation 2
BTS	Built-to-suit

Business Day	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading
Business space	Includes, but is not limited to, space used for IT, ITES, high-tech, science, business, industrial, logistics, warehousing and office purposes and such other supporting amenities
C&W	Cushman & Wakefield VHS Pte. Ltd.
CBD	Central business district
CDP	The Central Depository (Pte) Limited
CIS Code	The Code on Collective Investment Schemes issued by the MAS
Citi	Citigroup Global Markets Singapore Pte. Ltd.
Citibank	Citibank N.A., Singapore Branch, 3 Temasek Avenue, #17-00 Centennial Tower, Singapore 039190
Committed Leases	All signed lease agreements and letters of intent in respect of Properties as at 31 March 2007
Companies Act	Companies Act, Chapter 50 of Singapore
Compulsorily Convertible Preference Shares	Compulsorily convertible preference shares in the share capital of the relevant VCU
CPCB	The Indian Central Pollution Control Board
CPITPPL	Cyber Pearl Information Technology Park Private Limited
CPITPPL Share Purchase Agreement	The share purchase agreement dated 1 November 2006 entered into between L&T Infocity, AIPL and the Singapore SPV, under which the Singapore SPV acquired the entire issued and paid-up capital of CPITPPL
Current Unit Value	At any time, the net asset value of the Trust Property of a-iTrust divided by the number of Units in issue and deemed to be in issue at that time
CyberPearl	CyberPearl, Hyderabad, located at Hitec City Layout, Madhapur, Hyderabad 500081
DBS	DBS Bank Ltd
DDT	Dividend distribution tax
Deed of Lease	A deed of lease dated 23 February 2006 between the Property Manager and AITPCL
Depository Services Agreement	The depository services agreement dated 21 July 2007 entered into between CDP and the Trustee-Manager relating to the deposit of the Units in CDP
Development Trust ROFR	The rights of first refusal granted by Ascendas India Development Trust

DIPP	The Indian Department of Industrial Policy and Promotion Ministry of Commerce and Industry, Government of India
Director	Director of the Trustee-Manager
Distributable Income	Has the meaning ascribed to it in "Distributions" of this Prospectus
DPU	Distribution per Unit
Easements Act	The Indian Easements Act, 1882
ECB Guidelines	The ECB guidelines issued by the RBI on 1 July 2006 (RBI/2006-07/25 Master Circular No./07/2006-07)
EIA Notification	The Indian Environment Impact Assessment Notification S.O.60(E), issued on 27 January 1994 under the provisions of the Environment (Protection) Act 1986, as amended from time to time
Executive Officers	(a) in relation to a-iTrust, means an individual who is employed in an executive capacity by the Trustee-Manager and who – (i) makes or participates in making decisions that affect the whole or a substantial part of a-iTrust; or (ii) has the capacity to make decisions which affect significantly the financial standing of the Trustee-Manager (acting in its capacity as trustee-manager of a-iTrust); and (b) in relation to a-iTrust Group, means an individual who is employed in an executive capacity by the Trustee-Manager or any other entity in the a-iTrust Group and who – (i) makes or participates in making decisions that affect the whole or a substantial part of business of the group; or (ii) has the capacity to make decisions which affect significantly the group's financial standing
Exempted Agreements	The Trust Deed, the Deed of Lease, the Master Property Management Agreement, the Initial Properties Management Agreement and the AITPCL Share Purchase Agreement
Extended warm shell	Premises consisting of power-backup, high side A.C., common area fit outs and fitted out toilets with 2 levels of sprinklers and false ceiling.
Extraordinary Resolution	A resolution proposed and passed as such by a majority consisting of 75% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed
FBT	Fringe Benefit Tax
FCD	Fully Convertible Debenture
FDI	Foreign Direct Investment

FDI Policy	The Indian Foreign Direct Investment Policy issued in April 2006 by the DIPP
FDI Regulations	The regulations governing foreign direct investment in India, including the FDI Policy
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer of Issue of Security by a person Resident Outside India) Regulations, 2000 (as amended from time to time)
Finance Act 2007	Indian Finance Act 2007
Financial Advisory Fee	The financial advisory fee payable to the Sole Financial Adviser to the Offering for its services in connection with the Offering
FIPB	The Foreign Investment Promotion Board (Ministry of Finance, Government of India)
First Lock-up Period	The period commencing from the Listing Date until the date falling 180 days thereafter (both dates inclusive)
Forecast and Projection Years	Forecast Year 2008 and Projection Year 2009
Forecast Year 2008 or Forecast	1 April 2007 to 31 March 2008
Forum	Forum Asian Realty Income L.P.
FRS	Financial Reporting Standards
FVCI	Foreign Venture Capital Investor as defined under the FVCI Regulations
FVCI Regulations	the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time
FY	Financial year ended or, as the case may be, ending 31 March
GDP	Gross Domestic Product
GE	General Electric Capital Corporation
Great Eastern	The Great Eastern Life Assurance Company Limited
GST	Goods and Services Tax
IAA	The Indian Impact Assessment Authority
IP Scheme	The scheme pursuant to Notification S.O.354(E) dated 1 April 2002 by the DIPP in respect of industrial parks
Income Tax Act	The Income Tax Act, Chapter 134 of Singapore
Independent Directors	Has the meaning ascribed to it in "Independence of the Independent Directors" of this Prospectus
Independent Tax Adviser	Ernst & Young

Independent Valuer	C&W
Indian Companies Act	The Indian Companies Act 1956
Individual Property Management Agreement	The individual property management agreement entered into between the Trustee-Manager, all of the VCUs and the Property Manager for the management of the operations of and maintenance of all of the Properties
Initial Properties Management Agreement	an initial properties management agreement entered into between ITPL, AITPCL, CPITPPL, VITPPL, the Trustee-Manager and the Property Manager for the management of the operations and maintenance of all of the Properties
Interested Person	Has the meaning ascribed to it in the Listing Manual
Interested Person Transaction	Has the meaning ascribed to it in the Listing Manual
IRAS	Inland Revenue Authority of Singapore
Issue Price	Issue price of each Unit
IT	Information technology
IT Act	The Indian Income Tax Act, 1961 along with the rules, notifications and circulars promulgated thereunder
ITES	IT enabled services (includes various services ranging from call centres, claims processing, medical transcription, e-CRM, SCM to back-office operations such as accounting, data processing, and data mining)
ITPB	International Tech Park, Bangalore, located at Whitefield Road, Bangalore 560066
ITPC	International Tech Park, Chennai, located at Tharamani Road, Chennai 600013
ITPI	Information Technology Park Investments Pte Ltd
ITPL	Information Technology Park Limited
ITPL Share Purchase Agreement	The share purchase agreement dated 31 May 2005 entered into between the Singapore SPV and ALI, under which the Singapore SPV acquired 100% of the entire issued and paid-up capital of ITPI
JDA	Joint development agreement
JLL	Jones Lang LaSalle
Joint Underwriters and Bookrunners	JPMorgan, Citi and DBS
JPMorgan	J.P. Morgan (S.E.A.) Limited
JPY or ¥	The lawful currency of Japan
km	Kilometre

Land Acquisition Act	The Indian Land Acquisition Act, 1894
Latest Practicable Date	20 June 2007, being the latest practicable date prior to the lodgement of this Prospectus with the MAS
Lender	JPMorgan Chase Bank, N.A. of 17/F, Capital Tower, 168 Robinson Road, Singapore 068912
Lianhe Investments	Lianhe Investments Pte Ltd
Licence Agreement	A licence agreement entered into between the Trustee-Manager and Ascendas Pte Ltd dated 2 July 2007
Listing Date	The date of admission of a-iTrust to the Official List of the SGX-ST
Listing Manual	The Listing Manual of the SGX-ST
Loan Units	42,337,725 Units to be lent by the Unit Lender to the Stabilising Manager to cover the over-allotment of Units (if any)
Lock-up Units	The Units which will be held by ALI on the Listing Date and the Loan Units (to the extent that any of them are returned to it)
Market Day	A day on which the SGX-ST is open for trading in securities
Market Rent	The rent which the Trustee-Manager believes could be achieved if each lease was renegotiated as at 31 March 2007 and is estimated with reference to the rental payable pursuant to comparable leases that have recently been renegotiated, the effect of competing business space properties, assumed tenant retention rates on lease expiry, likely market conditions, inflation levels and tenant demand levels
MAS or Authority	The Monetary Authority of Singapore
Master Property Management Agreement	The master property agreement entered into on 2 July 2007 between the Trustee-Manager and the Property Manager
MAT	Minimum Alternate Tax
MindTree	MindTree Consulting Limited
MNCs	Multinational corporations
MoEF	The Indian Ministry of Environment and Forests
MoF	Singapore Ministry of Finance
NAV	Net asset value
Net Property Income	Consists of Property Income less direct operating expenses
Offering	The offering of 465,714,974 Units by the Trustee-Manager for subscription at the Offering Price under the Placement Tranche and the Public Offer
Offering Price	The subscription price of each Unit under the Offering of S$1.18

Ordinary Resolution	A resolution proposed and passed as such by a majority being 50% of the total number of votes cast for and against such resolution at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed
Original Investors	ALI, GE, Great Eastern, Lianhe Investments and Forum, and each an "**Original Investor**"
Original Units	An aggregate of 215,256,911 units held by the Original Investors as at the date of this Prospectus
Original Investors Lock-up Units	The Units which will be held by the Original Investors on the Listing Date after redemption
Over-Allotment Option	An option granted by the Trustee-Manager to the Stabilising Manager to subscribe up to an aggregate of 42,337,725 Units at the Offering Price, solely to cover the over-allotment of Units (if any)
Owned SBA	SBA owned by a-iTrust
Participating Banks	DBS Bank (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited
PE	Permanent establishment
Performance Fee	4.0% per annum of the Net Property Income in the relevant financial year
Placement Tranche	The international placement of Units to investors, including institutional and other investors in Singapore, pursuant to the Offering
PMA Gross Revenue	Refers to "Gross Revenue" as defined in the Property Management Agreements
PPP	Purchasing Power Parity
Pre-IPO Facility	The S$120,000,000 loan facility obtained from JPMorgan Chase Bank, N.A. to finance the acquisition by a-iTrust of interest in CPITPPL and AITPCL.
Projection Year 2009 or Projection	1 April 2008 to 31 March 2009
Properties	The properties comprising a-iTrust's initial asset portfolio as at the Listing Date, namely ITPB, ITPC, The V and CyberPearl, and each a Property
Property Funds Guidelines	The guidelines to real estate investment trusts issued by the MAS as Appendix 2 of the CIS Code
Property Income	Comprises Base Rent, amenities income, fit-out rental income, operation and maintenance income, car park income and other income derived from the Properties
Property Manager	Ascendas Property Management Services (India) Private Limited

Property Management Agreements	The Master Property Management Agreement, the Initial Properties Management Agreement and the Individual Property Management Agreement
Property Expenses	Comprises (a) operating maintenance and security charges, (b) service and property taxes, (c) property management fees, (d) utilities expenses, (e) other property operating expenses
Public Offer	The offering to the public in Singapore
RBI	The Reserve Bank of India
Recognised Stock Exchange	Any stock exchange of repute in any part of the world
REDC	Real estate development company
Registration Act	The Indian Registration Act, 1908
Regulation S	Regulation S under the Securities Act
REIT	A real estate investment trust
Related Party	Refers to an interested person
Relevant Entity	Refers to the Sponsor or its subsidiaries
Rental Revenue	Comprises Base Rent and fit-out rental income
Reporting Auditor	PricewaterhouseCoopers
Reserved Tranche	The portion of the Units under the Public Offer which are Reserved Units
Reserved Units	11,281,000 Units reserved for subscription by the directors, management, employees and business associates of the Sponsor and its related corporations
Rs., INR or Indian Rupee	The lawful currency of the Republic of India
S$, SGD or Singapore dollars and cents	Singapore dollars and cents, the lawful currency of the Republic of Singapore
SBA or Super Built-up Area	In relation to a property, means the sum of the floor area enclosed within the walls, the area occupied by the walls, and the common areas such as the lobbies, lift shafts, toilets and staircases of that property, and in respect of which rent is payable
SCB	Scheduled commercial bank
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
Second Lock Up Period	The period commencing from the day immediately following the First Lock-up Period until the date falling 360 days after the Listing Date
Securities Account	Securities account or sub-account maintained by a Depositor (as defined in Section 130A of the Companies Act) with CDP
Securities Act	U.S. Securities Act of 1933, as amended

Settlement Date	The date and time on which the Units are issued as settlement under the Offering
SEZ	Special Economic Zone
SEZ Act	The Indian Special Economic Zone Act 2005
SEZ Board	The board of approval constituted under the SEZ Act
SEZ Rules	The rules governing SEZs as provided for in the SEZ Act
SFA or Securities and Futures Act	Securities and Futures Act, Chapter 289 of Singapore
SFRS	Singapore Financial Reporting Standards
SGX-ST	Singapore Exchange Securities Trading Limited
Singapore SPV	Ascendas Property Fund (India) Pte. Ltd.
Sole Financial Adviser to the Offering	JPMorgan
Sponsor	Ascendas Land International Pte Ltd
Sponsor ROFR	The right of first refusal agreement entered into between the Trustee-Manager and the Sponsor dated 2 July 2007
SPV	An unlisted entity whether incorporated or otherwise constituted in Singapore, India or elsewhere, whose primary purpose is to hold or own real estate used primarily for IT, ITES and business spaces and located in India, or to hold or own shares in such unlisted entity whose primary purpose is to hold or own real estate used primarily for IT, ITES and business spaces and located in India or elsewhere
SPV Property Management Agreement	The property management agreement to be entered between the Trustee-Manager, an SPV and the Property Manager for the management of the relevant property from time to time
sq ft	Square feet
sq m	Square metres
SRS	Supplementary Retirement Scheme
Stabilising Manager	JPMorgan
Stamp Act	The Indian Stamp Act, 1899
STPI	Software Technology Park of India
Substantial Unitholder	Any Unitholder with an interest in one or more Units constituting not less than 5.0% of all Units in issue
TCS	Tata Consultancy Services Limited
The V	The V, Hyderabad, located at IT Park, Software Units Layout, Madhapur, Hyderabad 500081

TP Act	The Transfer of Property Act, 1882
Trust Deed	The trust deed dated 7 December 2004 constituting a-iTrust, as amended and restated
Trust Property	Has the meaning ascribed to it in the BTA
Trustee-Manager	Ascendas Property Fund Trustee Pte. Ltd., as trustee-manager of a-iTrust
Underwriting Agreement	The underwriting agreement dated 24 July 2007 entered into between the Sponsor, the Trustee-Manager and the Joint Underwriters and Bookrunners
Underwriting, Selling and Management Commission	The underwriting, selling and management commission payable to the Joint Underwriters and Bookrunners for their services in connection with the Offering
UNDP	United Nations Development Programme
Unit	An undivided interest in a-iTrust as provided for in the Trust Deed
Unit Issue Mandate	The general mandate to be given in a general meeting of the Unitholders pursuant to Rule 887 of the Listing Manual in relation to the issue of Units
Unit Lender	ALI
Unit Lending Agreement	The unit lending agreement entered into between the Stabilising Manager and the Unit Lender dated 24 July 2007 in connection with the Over-Allotment Option
Unitholder(s)	The registered holder for the time being of a Unit including persons so registered as joint holders, except that where the registered holder is CDP, the term "Unitholder" shall, in relation to Units registered in the name of CDP, mean, where the context requires, the depositor whose Securities Account with CDP is credited with Units
Unit Registrar	Lim Associates (Pte) Ltd
USD, US$ or US dollars	The lawful currency of the United States of America
VAT	Value added Tax
VCF	Venture Capital Fund
VCU	Venture Capital Undertakings
VITPPL	VITP Private Limited
WiFi	Wireless fidelity

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Prospectus to any enactment is a reference to that enactment for the time being amended or re-acted.

Any reference to a time of day in this Prospectus is made by reference to Singapore time unless otherwise stated.

The exchange rates used in this Prospectus are for reference only. No representation is made that any Indian Rupees amounts were, could have been, will be or could be converted into Singapore dollar amounts at any of the exchange rates used in this Prospectus, at any other rate or at all.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding.

Information contained in the Trustee-Manager's website and the Sponsor's website does not constitute part of this Prospectus.

REPORTING AUDITOR'S REPORT ON EXAMINATION OF THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

The Board of Directors
Ascendas Property Fund Trustee Pte. Ltd.
(as trustee-manager of Ascendas India Trust)
75 Science Park Drive
#01-03 CINTECH II
Singapore Science Park I
Singapore 118255

2 July 2007

Dear Sirs

ASCENDAS INDIA TRUST ("A-ITRUST")

This Report has been prepared for inclusion in the prospectus (the "**Prospectus**") to be issued in connection with the initial public offering of the units in Ascendas India Trust ("**a-iTrust**") (the "**Offering**").

We report on the Unaudited Pro Forma Consolidated Financial Statements of a-iTrust and its subsidiaries (the "**Group**") for the year ended 31 March 2007, which comprise the pro forma consolidated income statement, pro forma consolidated balance sheet, the pro forma consolidated statement of changes in unitholders' funds and pro forma consolidated cash flow statement of the Group, and which have been prepared for illustrative purposes only, and are based on certain assumptions after making certain adjustments to show what:

(a) the financial results of the Group for the financial year ended 31 March 2007, would have been if the acquisition of Cyber Pearl Information Technology Park Private Limited ("**CPITPPL**") (formerly known as L&T Infocity Ascendas Limited) during the year, and the acquisitions of additional interest in Ascendas IT Park Chennai Ltd ("**AITPCL**") by a-iTrust (the "**Acquisitions**"), as set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Statements, had occurred on 1 April 2006.

(b) the financial position of the Group as at 31 March 2007, would have been if the acquisition of CPITPPL during the year, and the Acquisitions of AITPCL by a-iTrust, as set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Statements, had occurred on 31 March 2007.

(c) the changes in unitholders' funds, and the cash flows of the Group for the financial year ended 31 March 2007, would have been if the acquisition of CPITPPL during the year, and the Acquisitions of AITPCL by a-iTrust, as set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Statements, had occurred on 1 April 2006.

The Unaudited Pro Forma Consolidated Financial Statements of the Group, because of their nature, may not give a true picture of the Group's actual financial results, financial position, changes in unitholders' funds and cash flows.

The Unaudited Pro Forma Consolidated Financial Statements are the responsibility of the directors of Ascendas Property Fund Trustee Pte. Ltd. (the "**Directors**"). Our responsibility is to express an opinion on the Unaudited Pro Forma Consolidated Financial Statements based on our work.

We carried out procedures in accordance with Singapore Statement of Auditing Practice SAP 24: "Auditors and Public Offering Documents". Our work, which involved no independent examination of the underlying financial statements, consisted primarily of:

(a) comparing the Unaudited Pro Forma Consolidated Financial Statements to the financial statements of the Group, CPITPPL and AITPCL (or where information is not available in these financial statements, to accounting records); and

(b) considering the evidence supporting the pro forma adjustments and discussing the Unaudited Pro Forma Consolidated Financial Statements with the Directors.

In our opinion:

(a) the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007 has been properly prepared:

    (i) on the basis set out in Note 3 to the Unaudited Pro Forma Consolidated Financial Statements of the Group; and

    (ii) in a manner consistent with both the format of the financial statements and the relevant accounting policies of the Group; and

(b) each material adjustment set out in Note 4 made to the information used in the preparation of the Unaudited Pro Forma Consolidated Financial Statements is appropriate for the purpose of preparing such financial statements.

Yours faithfully,

PricewaterhouseCoopers
Certified Public Accountants
Singapore

Partner-in-charge: Choo Eng Beng

(A) UNAUDITED PRO FORMA CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2007

	Notes	2007 $'000
Property Income		
Base rent		50,584
Amenities income		2,212
Fit-out rental income		3,932
Operations and maintenance income		25,851
Car park income		1,645
Other income		366
Total property income		84,590
Property Expenses		
Operating, maintenance and security		(6,410)
Business tax		(22)
Property tax		(675)
Property management fees		(2,990)
Utilities expenses		(15,880)
Employee benefits	8	(355)
Other property operating expenses	9	(7,066)
Total property expenses		(33,398)
Net Property Income		51,192
Net Property Development Income		
Property development income		38,347
Property development cost	10	(29,841)
Net Property Development Income		8,506
Trustee-Manager's fees		(7,742)
Other trust operating expense		(695)
Fair value losses on derivatives		(2,693)
Finance cost	11	(9,075)
Interest income	7	1,111
Excess of interest of the Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company		25,216
Loss on dilution of interest in a subsidiary company		(26,963)
		(20,841)
Profit before tax		38,857
Income tax expense	12	(6,246)
Net Profit		32,611
Attributable to:		
Unitholders of the Trust		30,220
Minority interests		2,391
		32,611
Basic and diluted earnings per unit attributable to unitholders of the Trust (cents)	13	14

(B) UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2007

	Notes	The Group 2007 $'000
ASSETS		
Non-current assets		
Equipment	14	4,852
Development properties	15	104,367
Investment properties	16	782,264
Goodwill	17	41,216
Finance lease receivables	18	14
		932,713
Current assets		
Inventories	19	1,076
Other current assets	20	15,874
Trade and other receivables	21	33,533
Current income tax recoverable	12	3,889
Cash and cash equivalents	22	48,434
		102,806
Total assets		1,035,519
LIABILITIES		
Current liabilities		
Trade and other payables	23	144,992
Borrowings	24	127,039
Derivative financial instruments	25	890
		272,921
Non-current liabilities		
Other payables	26	9,952
Borrowings	24	123,034
Deferred income tax liabilities	12	132,102
		265,088
Total liabilities		538,009
NET ASSETS		497,510
UNITHOLDERS' FUNDS		
Units on issue	27	250,000
Other reserves	28	135,462
Revenue reserve		77,625
Net assets attributable to unitholders		463,087
Minority interests		34,423
		497,510

(C) UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS FOR THE YEAR ENDED 31 MARCH 2007

	Attributable to unitholders $'000	Minority interests $'000	Total $'000
2007			
Balance at beginning of financial year	301,327	24,230	325,557
Currency translation differences	(12,882)	(770)	(13,652)
Revaluation gain on investment properties	144,422	8,572	152,994
Net gains recognised directly in unitholders' funds	131,540	7,802	139,342
Net profit	30,220	2,391	32,611
Total recognised gains	161,760	10,193	171,953
Balance at end of financial year	463,087	34,423	497,510

(D) UNAUDITED PRO FORMA CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2007

	Notes	2007 $'000
Cash flows from operating activities		
Net profit		32,611
Adjustments for:		
Income tax		6,246
Depreciation of equipment		1,383
Loss on disposal of equipment		30
Interest income		(1,111)
Interest expense		9,010
Investment properties written off		408
Fair value loss on derivatives		2,693
Loss on dilution of interest in a subsidiary company		26,963
Excess of the interest of the Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company		(25,216)
Operating cash flow before working capital changes		53,017
Changes in operating assets and liabilities, net of effects from acquisitions and disposals of subsidiary companies		
Inventories		18
Trade and other receivables		(14,152)
Trade and other payables		7,304
Cash generated from operations		46,187
Interest paid		(7,688)
Interest received		663
Income tax paid		(3,734)
Net cash generated from operating activities		35,428
Cash flows from investing activities		
Purchase of equipment		(796)
Construction of development properties		(16,862)
Additions to investment properties		(19,069)
Cash settlement for cross-currency interest rate swaps		(1,803)
Proceeds from disposal of equipment		23
Proceeds from disposal of investment properties		43
Acquisition of subsidiary companies, net of cash acquired	29	(68,956)
Net cash used in investing activities		(107,420)
Cash flows from financing activities		
Repayment of borrowings		(2,628)
Proceeds from borrowings		122,643
Fixed deposits pledged with financial institutions		1,764
Net cash generated from financing activities		121,779
Net increase in cash and cash equivalents		49,787
Cash and cash equivalents at beginning of financial year		3,579
Effects of exchange rate changes on cash and cash equivalents		70
Pro Forma adjustments		(7,860)
Cash and cash equivalents at end of financial year	22	45,576

(E) NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

These notes form an integral part of and should be read in conjunction with the accompanying Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007.

1. General information

The Unaudited Pro Forma Consolidated Financial Statements have been prepared for inclusion in the Prospectus to be issued in connection with the proposed listing of Ascendas India Trust ("**a-iTrust**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Listing**").

a-iTrust is a Singapore-domiciled private trust constituted as a private trust pursuant to the Trust Deed dated 7 December 2004 (the "**Trust Deed**"), with Ascendas Property Fund Trustee Pte. Ltd. acting as its Trustee-Manager. The Trust Deed was amended by an amending and restating deed dated 28 June 2007 to comply with the requirements of, among others, the Monetary Authority of Singapore (the "**MAS**") and the SGX-ST, for a listed business trust. a-iTrust is a registered business trust constituted by the Trust Deed and principally regulated by the Securities and Futures Act (the "**SFA**") and the Business Trust Act (the "**BTA**"). The Trust Deed is governed by the laws of the Republic of Singapore.

The registered office of Ascendas Property Fund Trustee Pte. Ltd. is located at 75 Science Park Drive, #01-03, CINTECH II, Singapore Science Park I, Singapore 118255.

The principal activity of a-iTrust is to achieve long term gains by investing in information technology parks and IT related properties in India through the acquisition, development, re-development, management maintenance operation, and leasing of such IT Parks or IT related properties in India. The principal activities of the subsidiaries are disclosed in Note 34 to the Unaudited Pro Forma Consolidated Financial Statements.

2. Acquisition of additional interest in Ascendas IT Park (Chennai) Limited ("AITPCL") (the "Acquisition")

(a) As at 31 March 2007, the Group holds a 49.0% interest in AITPCL. On 11 May 2007, the Group acquired an additional 38.19% from Ascendas India Pte Ltd ("**AIPL**") and 1.81% from Ascendas Property Management Services (India) Private Limited for a total purchase consideration of Rs. 453,692,940.

(b) On 29 June 2007, AITPCL issued a total of 52,109,500 shares to Ascendas Land International Pte Ltd ("**ALI**") for a consideration of Rs. 521,095,000.

In addition, on 29 June 2007, AITPCL issued 6,440,500 new shares to Tamil Nadu Industrial Development Corporation Limited ("**TIDCO**") for a consideration of Rs. 64,405,000. As at 29 June 2007, AITPCL had received 5% of the consideration from TIDCO with the remaining 95% subject to the approval of the Cabinet of Tamil Nadu. As a result of the issuance of the new shares on 29 June 2007, the Group's interest in AITPCL decreased to 37.94%.

On 2 July 2007, the Group then acquired from ALI a 21.36% interest in AITPCL for a consideration of Rs. 578,500,000. Following this acquisition, the Group would hold 59.30% of AITPCL and ALI would hold 29.70% of AITPCL.

(c) On 2 July 2007, the Group, through Ascendas Property Fund (India) Pte. Ltd. ("**APFI**"), entered into another agreement with ALI to purchase an additional interest of 29.70% in AITPCL from ALI (the "**Share Purchase Agreement**") for a purchase consideration of S$63,000,000.

2. Acquisition of additional interest in Ascendas IT Park (Chennai) Limited ("AITPCL") (the "Acquisition") *(continued)*

The acquisition of the 29.70% interest would be effected after the Listing and subject to the following conditions:

(i) the receipt by ALI of all required contractual, corporate, shareholder, regulatory and other consents, approvals, orders, licenses, bonds, or authorisations under relevant applicable laws, for the consummation of the transactions contemplated by the Share Purchase Agreement;

(ii) there shall not have occurred at any time, in the reasonable opinion of APFI, any material breach of the warranties or of the covenants contained in the Share Purchase Agreement;

(iii) no change or material development including prospective change, change in nation or international monetary, financial, economic or political conditions or currency rates that would have a material adverse effect on APFI, or on the business, operations (or the results of operations), assets, liabilities, profits, financial condition or prospects of AITPCL and/or any of its subsidiaries, or on ALI's ability to consummate the transactions contemplated in the Share Purchase Agreement, shall in the reasonable opinion of APFI, have occurred since the date of the Share Purchase Agreement up to the closing date as defined in the Share Purchase Agreement;

(iv) APFI shall have also obtained all necessary contractual, corporate and regulatory consents, approvals, orders, licenses, bonds, or authorisations under relevant applicable laws, for the consummation of the transactions contemplated by the Share Purchase Agreement;

(v) ALI shall have received the requisite approval(s) from applicable governmental authorities for selling the sale shares, without any conditions of any nature whatsoever being attached thereto, for the consummation of the transactions contemplated by the Share Purchase Agreement;

(vi) completion of all due diligence investigations which may be required by APFI (including without limitation, legal, engineering and environmental due diligence on AITPCL and the International Tech Park, Chennai ("**ITPC**")) to the reasonable satisfaction of APFI;

(vii) no objection certificate issued by TIDCO and received by ALI for the proposed transfer of the sale shares pursuant to the Share Purchase Agreement; and

(viii) completion of the initial public offering of a-iTrust and the Listing and APFI having obtained funds from the proceeds of the Listing which in its opinion, is adequate for the purposes of performing its obligation hereunder.

3. Basis of presentation and compilation of the Unaudited Pro Forma Consolidated Financial Statements

3.1 The Unaudited Pro Forma Consolidated Financial Statements of the Group have been prepared for illustrative purposes only and are based on certain assumptions after making certain adjustments to show what:

(i) the financial results of the Group for the financial year ended 31 March 2007, would have been if the acquisition of Cyber Pearl Information Technology park Private Limited ("CPITPPL") (formerly known as L&T Infocity Ascendas Limited) during the year, and the acquisitions of additional interest in AITPCL by a-iTrust (the "**Acquisitions**"), as set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Statements, had occurred on 1 April 2006.

(ii) the financial position of the Group as at 31 March 2007, would have been if the acquisition of CPITPPL during the year, and the Acquisitions of AITPCL by a-iTrust, as set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Statements, had occurred on 31 March 2007.

(iii) the changes in unitholders' fund, and the cash flows of the Group for the financial year ended 31 March 2007, would have been if the acquisition of CPITPPL during the year, and the Acquisitions of AITPCL by a-iTrust, as set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Statements, had occurred on 1 April 2006.

The Unaudited Pro Forma Consolidated Financial Statements, because of their nature, may not give a true picture of the Group's actual financial results, financial position, changes in unitholders' fund and cash flows.

3.2 The Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007 have been compiled based on the following:

(a) The audited consolidated financial statements of a-iTrust and its subsidiaries for the financial year ended 31 March 2007 which were prepared in accordance with Singapore Financial Reporting Standards and audited by PricewaterhouseCoopers Singapore, Certified Public Accountants, in accordance with Singapore Standards on Auditing; and

(b) The audited financial statements of AITPCL for the financial year ended 31 March 2007 which were prepared in accordance with Indian Accounting Standards and audited by PricewaterhouseCoopers India, Chartered Accountants, in accordance with Indian Auditing and Assurance Standards.

(c) The audited financial statements of CPITPPL for the financial year ended 31 March 2007 which were prepared in accordance with Indian Accounting Standards and audited by PricewaterhouseCoopers India, Chartered Accountants, in accordance with Indian Auditing and Assurance Standards.

The auditors' reports on the financial statements described above do not contain any qualification.

For the purpose of preparing the Unaudited Pro Forma Consolidated Financial Statements, the audited financial statements of AITPCL and CPITPPL have been restated in accordance with Singapore Financial Reporting Standards.

3. Basis of presentation and compilation of the Unaudited Pro Forma Consolidated Financial Statements *(continued)*

3.3 In arriving at the Unaudited Pro Forma Consolidated Financial Statements, certain adjustments and assumptions, as set out in Note 3.4, have been made. The Unaudited Pro Forma Consolidated Financial Statements have been compiled from those financial statements stated in Note 3.2 and are based on accounting policies adopted by the Group, which are in accordance with Singapore Financial Reporting Standards.

3.4 In arriving at the Unaudited Pro Forma Consolidated Financial Statements of the Group for the financial year ended 31 March 2007, the following key adjustments and assumptions were made:

(a) The proceeds and the change in capital structure arising from the Offering, which will occur after the registration date of the Prospectus, have not been taken into consideration in the preparation of the Unaudited Pro Forma Consolidated Financial Statements.

(b) The 40.0% interest in AITPCL is acquired at a purchase price of Rs. 453,692,940 (approx S$15,879,000). The acquisition shall be funded by cash balances.

(c) A total of 52,109,500 new shares were issued on 29 June 2007 to ALI for a consideration of Rs. 521,095,000 (approximately S$18,235,000). As at 31 March 2007, Rs. 245,000,000 (S$8,575,000) of the consideration had been received. In addition, new shares of AITPCL are issued to TIDCO for a consideration of Rs. 64,405,000 (approx S$2,254,000) which resulted in a dilution of interest held by the Group. For the purpose of the preparation of the Unaudited Pro Forma Consolidated Financial Statements, it was assumed that approval from the Cabinet of Tamil Nadu had been obtained by TIDCO and the full consideration had been received.

(d) The 21.36% interest in AITPCL is acquired at a purchase price of Rs. 578,500,000 (approximately S$20,247,000). The acquisition shall be funded by cash balances.

(e) The 29.70% interest in AITPCL is acquired at a purchase price of S$63,000,000. As the acquisition of the interest will be funded from the proceeds from the offerings, the purchase consideration is reflected as an amount payable to ALI.

(f) The fair values of the identifiable assets and liabilities of AITPCL acquired are based on the fair values of the identifiable assets and liabilities of AITPCL as at 31 March 2007, which may be different from the fair values of the identifiable assets and liabilities as at the actual date of acquisition.

(g) For the purpose of the preparation of the pro forma consolidated cash flow statement, the fair values of the identifiable assets and liabilities of CPITPPL acquired are based on the fair values of the identifiable assets and liabilities of CPITPPL as at the actual date of acquisition, and the fair values of the identifiable assets and liabilities of AITPCL acquired are based on the fair values of the identifiable assets and liabilities of AITPCL as at 31 March 2007.

(E) NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 *(continued)*

4. Statement of adjustments

4.1 Unaudited pro forma consolidated income statement for the year ended 31 March 2007

	Per Audited 31 March 2007 $'000	Pro Forma adjustments (a) $'000	(b) $'000	(c) $'000	(d) $'000	(e) $'000	Adjusted Unaudited 31 March 2007 $'000
Property Income							
Base rent	38,713	8,152	—	—	—	3,719	50,584
Amenities income	2,197	—	—	—	—	15	2,212
Fit-out rental income	2,585	527	—	—	—	820	3,932
Operations and maintenance income	23,583	1,353	—	—	—	915	25,851
Car park income	1,284	233	—	—	—	128	1,645
Other income	18	194	—	—	—	154	366
Total property income	68,380	10,459	—	—	—	5,751	84,590
Property Expenses							
Operating, maintenance and security	(5,068)	(1,015)	—	—	—	(327)	(6,410)
Business tax	(22)	—	—	—	—	—	(22)
Property tax	(403)	(206)	—	—	—	(66)	(675)
Property management fees	(2,694)	(296)	—	—	—	—	(2,990)
Utilities expenses	(15,303)	(362)	—	—	—	(215)	(15,880)
Employee benefits	(209)	(51)	—	—	—	(95)	(355)
Other property operating expenses	(4,514)	(1,298)	—	—	—	(1,254)	(7,066)
Total property expenses	(28,213)	(3,228)	—	—	—	(1,957)	(33,398)
Net Property Income	40,167	7,231	—	—	—	3,794	51,192
Net Property Development Income							
Property development income	38,347	—	—	—	—	—	38,347
Property development cost	(29,841)	—	—	—	—	—	(29,841)
Net Property Development Income	8,506	—	—	—	—	—	8,506

(E) NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 *(continued)*

4. Statement of adjustments *(continued)*

4.1 Unaudited pro forma consolidated income statement for the year ended 31 March 2007 *(continued)*

	Per Audited 31 March 2007	Pro Forma adjustments (a)	(b)	(c)	(d)	(e)	Adjusted Unaudited 31 March 2007
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Trustee-Manager's fees	(7,742)	—	—	—	—	—	(7,742)
Other trust operating expense	(695)	—	—	—	—	—	(695)
Fair value losses on derivatives	(2,693)	—	—	—	—	—	(2,693)
Finance cost	(5,236)	(2,648)	—	—	—	(1,191)	(9,075)
Interest income	879	192	—	—	—	40	1,111
Excess of the interest of the Group in the fair value of the identifiable assets, liabilities and contigent liabilities over the cost of acquisition of a subsidiary company	—	—	—	25,216	—	—	25,216
Loss on dilution of interest in a subsidiary company	—	—	—	—	(26,963)	—	(26,963)
Excess of the interest of the Group in the fair value of the identifiable assets, liabilities and contigent liabilities over the cost of acquisition of an associated company	13,883	—	(13,883)	—	—	—	—
	(1,604)	(2,456)	(13,883)	25,216	(26,963)	(1,151)	(20,841)
Profit before tax	47,069	4,775	(13,883)	25,216	(26,963)	2,643	38,857
Income tax expense	(4,591)	(821)	—	—	—	(834)	(6,246)
Net Profit	42,478	3,954	(13,883)	25,216	(26,963)	1,809	32,611
Attributable to:							
Unitholders of the Trust	40,521	3,520	(13,883)	25,216	(26,963)	1,809	30,220
Minority interests	1,957	434	—	—	—	—	2,391
	42,478	3,954	(13,883)	25,216	(26,963)	1,809	32,611

Pro Forma adjustments:

(a) To account for the financial results of AITPCL.

(b) To reverse the equity accounting of 49.0% interest in AITPCL.

(c) To account for the excess of the interest of the Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company in relation to the acquisition of 40.0% interest in AITPCL, as set out in note 2(a).

(d) To account for the loss on dilution arising from the issuance of new shares by AITPCL and the acquisition of the 21.36% interest, as set out in note 2(b).

(e) To account for the income statement contribution of CPITPPL from 1 April 2006 to 30 November 2006 (date of completion of acquisition) to reflect the full year impact.

(E) NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 *(continued)*

4. Statement of adjustments *(continued)*

4.2 Unaudited pro forma consolidated balance sheet as at 31 March 2007

	Per Audited 31 March 2007 $'000	Pro Forma adjustments (a) $'000	(b) $'000	(c) $'000	(d) $'000	Adjusted Unaudiated 31 March 2007 $'000
ASSETS						
Non-current assets						
Equipment	4,784	—	68	—	—	4,852
Development properties	29,651	—	74,716	—	—	104,367
Investment properties	709,399	—	72,865	—	—	782,264
Goodwill	3,166	—	—	1,331	36,719	41,216
Investment in an associated company	33,335	(33,335)	—	—	—	—
Finance lease receivables	14	—	—	—	—	14
	780,349	(33,335)	147,649	1,331	36,719	932,713
Current assets						
Inventories	1,043	—	33	—	—	1,076
Other current assets	3,524	—	12,350	—	—	15,874
Trade and other receivables	31,853	—	1,680	—	—	33,533
Current income tax recoverable	2,043	—	1,846	—	—	3,889
Cash and cash equivalents	72,378	19,452	(35,063)	(8,333)	—	48,434
	110,841	19,452	(19,154)	(8,333)	—	102,806
Total assets	891,190	(13,883)	128,495	(7,002)	36,719	1,035,519
LIABILITIES						
Current liabilities						
Trade and other payables	75,282	—	15,285	(8,575)	63,000	144,992
Borrowings	116,510	—	10,529	—	—	127,039
Derivative financial instruments	890	—	—	—	—	890
	192,682	—	25,814	(8,575)	63,000	272,921

4. Statement of adjustments *(continued)*

4.2 Unaudited pro forma consolidated balance sheet as at 31 March 2007 *(continued)*

	Per Audited 31 March 2007 $'000	Pro Forma adjustments (a) $'000	(b) $'000	(c) $'000	(d) $'000	Adjusted 31 March 2007 $'000
Non-current liabilities						
Other payables	3,319	—	6,633	—	—	9,952
Borrowings	78,118	—	44,916	—	—	123,034
Deferred income tax liabilities	113,670	—	18,432	—	—	132,102
	195,107	—	69,981	—	—	265,088
Total liabilities	387,789	—	95,795	(8,575)	63,000	538,009
NET ASSETS/(LIABILITIES)	503,401	(13,883)	32,700	1,573	(26,281)	497,510
UNITHOLDERS' FUNDS						
Units on issue	250,000	—	—	—	—	250,000
Other reserves	135,462	—	—	—	—	135,462
Revenue reserve	93,255	(13,883)	25,216	(26,963)	—	77,625
Net assets attributable to unitholders	478,717	(13,883)	25,216	(26,963)	—	463,087
Minority interests	24,684	—	7,484	28,536	(26,281)	34,423
	503,401	(13,883)	32,700	1,573	(26,281)	497,510

Pro Forma adjustments:

(a) To reverse the equity accounting of 49.0% interest in AITPCL.

(b) To account for the acquisition of 40.0% interest in AITPCL, as set out in note 2(a).

(c) To account for the issuance of new shares by AITPCL and the acquisition of the 21.36% interest, as set out in note 2(b).

(d) To account for the acquisition of 29.70% interest in AITPCL as set out in note 2(c).

5. Significant accounting policies

5.1 Basis of preparation

The Unaudited Pro Forma Consolidated Financial Statements are prepared in accordance with the bases set out in Note 3 and are drawn up in accordance with Singapore Financial Reporting Standards. The Unaudited Pro Forma Consolidated Financial Statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of Unaudited Pro Forma Consolidated Financial Statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Unaudited Pro Forma Consolidated Financial Statements are disclosed in Note 6.

5.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Revenue is presented, net of goods and services tax, rebates and discounts, and after eliminating sales within the Group. Revenue is recognised as follows:

(a) *Base rent, amenities income, fit-out rental income*

Base rent, amenities income and fit-out rental income, net of incentives received, is recognised in the income statement on a straight-line basis over the term of the lease.

Base rent comprises rental income earned from the leasing of the owned built-up area of the properties.

Amenities income is rental revenue earned from the letting of space at the properties for amenities (including canteen space and business centre).

Fit-out rental income is rental revenue earned from the fit-out provisions made to the tenants at the properties. Fit-out rents typically arise from the higher costs related to tenant-specific fit-out requirements, which are in turn passed through to those tenants via fit-out provisions in their lease agreements.

(b) *Operations and maintenance income*

Operations and maintenance income is recognised based on the services performed to date as a percentage of the total services to be performed.

Operations and maintenance income is revenue earned from the operations and maintenance of the properties.

(c) *Property development income*

Property development income is revenue earned from the development of office space for customers.

Please refer to the paragraph "Construction Contracts" for the accounting policy for property development income.

5. Significant accounting policies *(continued)*

5.2 Revenue recognition *(continued)*

(d) *Interest income*

Interest income, including income arising from finance leases and other financial instruments, is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues amortising the discount as interest income on the recoverable amount.

5.3 Group accounting

(a) *Subsidiary companies*

Subsidiary companies are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies, generally accompanied by a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The purchase method of accounting is used to account for the acquisition of subsidiary companies by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on the date of acquisition, irrespective of the extent of any minority interest.

If the initial accounting for a business combination can be determined only provisionally by the end of the period in which the combination is effected because either the fair values to be assigned to the acquiree's identifiable assets, liabilities or contingent liabilities or the cost of the combination can be determined only provisionally, the Group shall account for the combination using those provisional values. The Group shall recognise any adjustments to those provisional values as a result of completing the initial accounting within 12 months of the acquisition date.

Please refer to the paragraph "Goodwill" for the accounting policy on goodwill on acquisition of subsidiaries. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Subsidiary companies are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiary companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

5. Significant accounting policies *(continued)*

5.3 Group accounting *(continued)*

(a) *Subsidiary companies (continued)*

Minority interests are that part of the net results of operations and of net assets of a subsidiary company attributable to interests which are not owned directly or indirectly by the Group. It is measured at the minorities' share of the fair value of the subsidiary companies' identifiable assets and liabilities at the date of acquisition by the Group and the minorities' share of changes in unitholders' funds since the date of acquisition, except when the losses applicable to the minority interests in a subsidiary company exceed the minority interest in the unitholders' funds of that subsidiary company. In such cases, the excess and further losses applicable to the minority interests are attributed to the unitholders of a-iTrust, unless the minority interests have a binding obligation to, and are able to, make good the losses. When that subsidiary company subsequently reports profits, the profits applicable to the minority interests are attributed to the unitholders of a-iTrust until the minority interests' share of losses previously absorbed by the unitholders of the a-iTrust have been recovered.

(b) *Transactions with minority interests*

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests, which result in gains and losses for the Group, are recorded in the income statement. The difference between any consideration paid to minority interests for purchases of additional equity interest in a subsidiary company and the incremental share of the carrying value of the net assets of the subsidiary company is recognised as goodwill.

(c) *Associated companies*

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding of between and including 20% and 50% of the voting rights. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting. Investments in associated companies in the consolidated balance sheet include goodwill (net of accumulated impairment loss) identified on acquisition. Please refer to the paragraph "Goodwill" for the Group's accounting policy on goodwill.

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses is recognised in the income statement and its share of post-acquisition movements in reserves is recognised in unitholders' funds directly. These post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company.

5. Significant accounting policies *(continued)*

5.3 Group accounting *(continued)*

(c) *Associated companies (continued)*

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associated companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

5.4 Equipment

(a) *Measurement*

Equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) *Depreciation*

Depreciation on of equipment is calculated using the straight line method to allocate the depreciable amounts over the estimated useful lives as follows:

		Useful lives
Computers, furniture and equipment	—	3 to 5 years
Motor vehicles	—	4 to 5 years

The residual values and useful lives of equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision of the residual values and useful lives are included in the income statement for the financial year in which the changes arise.

(c) *Subsequent expenditure*

Subsequent expenditure relating to equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as an expense in the income statement during the financial year in which it is incurred.

(d) *Disposal*

On disposal of an item of equipment, the difference between the net disposal proceeds and its carrying amount is taken to the income statement.

5. Significant accounting policies *(continued)*

5.5 Development properties

Development properties are properties being constructed or developed for future rental. They are carried at cost less accumulated impairment losses until construction or development is completed, at which time they are accounted for as investment properties. Cost capitalised include cost of land and other directly related development expenditure, including borrowing costs incurred in developing the properties.

5.6 Investment properties

Investment properties of the Group, principally comprising completed office buildings and freehold land that is held for a currently undetermined future use, are held for long-term rental yields and capital appreciation and are not occupied by the Group. Investment properties are classified as non-current investments and are stated at revalued amounts, representing the open market value determined on an annual basis by an independent professional valuer. Investment properties are not subject to depreciation.

Increase in carrying amounts arising from revaluation are credited to the revaluation reserve, unless they offset previous decrease in the carrying amount of the same investment, in which case, they are credited to the income statement. Decreases in carrying amounts that offset previous increases of the same investment asset are charged against the revaluation reserve. All other decreases in carrying amounts are charged to the income statement.

A property that is being constructed or developed for future use as an investment property is classified as "development properties" until construction or development is completed, at which time it is accounted for as investment properties.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount is taken to the income statement; any amount outstanding in the revaluation reserve relating to the investment properties is also transferred to the income statement.

5.7 Goodwill

Goodwill represents the excess of the cost of an acquisition of subsidiary companies or associated companies over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary companies or associated companies at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

If the cost of acquisition is less than the fair values of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Goodwill on acquisition of associated companies is included in the carrying amounts of investments in associated companies.

Goodwill is determined after deducting the Group's share of their identifiable net assets and contingent liabilities.

Goodwill recognised separately as intangible assets is tested at least annually for impairment and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of the subsidiary companies and associated companies include the carrying amount of goodwill relating to the entity sold.

5. Significant accounting policies *(continued)*

5.8 Borrowing costs

Borrowing costs incurred to finance the development of properties are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised on a time-proportion basis in the income statement using the effective interest method.

The cost capitalised is the actual borrowing costs incurred during the period less any investment income on the temporary investment of those borrowings.

5.9 Impairment of assets

(a) *Goodwill*

Goodwill on acquisitions of associates is tested for impairment as part of the overall balance. Separately-recognised goodwill is tested annually for impairment, as well as when there is any indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units (CGU) expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. Recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised in the income statement and is not reversed in a subsequent period.

(b) *Equipment*
Development properties

Equipment and development properties are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (*i.e.* the higher of the fair value less cost to sell and value-in-use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the income statement.

5. Significant accounting policies *(continued)*

5.9 Impairment of assets *(continued)*

(b) *Equipment*
Development properties (continued)

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset on prior years. A reversal of impairment loss for an asset other than goodwill is recognised in the income statement.

5.10 Construction contract work-in-progress

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

Contract costs are recognised when incurred.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date (percentage-of-completion method). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is only included in contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

The stage of completion is measured by reference to the contract costs incurred to date to the estimated total costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from costs incurred to date when determining the stage of completion of a contract.

At the balance sheet date, the aggregated costs incurred plus recognised profit (less recognised loss) on each contract is compared against the progress billings. Where costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as due from customers on construction contracts, within "trade and other receivables". Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is presented as due to customers on construction contracts within "trade and other payables".

Progress billings not yet paid by customers and retentions are included within "trade and other receivables".

5. Significant accounting policies *(continued)*

5.11 Inventories

Cost is determined on weighted average basis and includes all costs in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

5.12 Financial assets — loans and receivables

(a) *Classification*

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those maturing later than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in "trade and other receivables", "other current assets" and "cash and cash equivalents" on the balance sheet.

(b) *Recognition and derecognition*

Loans and receivables are recognised when the Group has established the rights to receive cash flows from the financial assets and are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On sale of a financial asset, the difference between the net disposal proceeds and its carrying amount is taken to the income statement.

(c) *Initial measurement*

Loans and receivables are initially recognised at fair value plus transaction costs, and are subsequently carried at amortised cost using the effective interest method.

(d) *Impairment*

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

An allowance for impairment of loans and receivables, including trade and other receivables, is recognised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the income statement within "other property operating expenses".

5. Significant accounting policies *(continued)*

5.13 Derivative financial instruments

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The Group's derivative instruments do not qualify for hedge accounting, and the fair value changes are included in the income statement in the financial year when the changes arise. Fair values of trading derivatives are presented as current assets or liabilities.

5.14 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within 12 months after the balance sheet date are presented as current borrowings in the balance sheet even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the balance sheet date and before the financial statements are authorised for issue. Other borrowings due to be settled more than 12 months after the balance sheet date are presented as non-current borrowings in the balance sheet.

5.15 Trade payables and other payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

5.16 Fair value estimation

The carrying amounts of current financial assets and liabilities, carried at amortised costs, are assumed to approximate their fair values.

The fair values of financial liabilities carried at amortised costs are estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial liabilities.

5.17 Leases

(a) *When the group is the lessee:*

The Group leases certain equipment from third parties.

Operating leases

Leases of equipment where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the income statement on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessee by way of penalty is recognised as an expense in the financial year in which termination takes place.

5. Significant accounting policies *(continued)*

5.17 Leases *(continued)*

(b) *When the group is the lessor:*

The Group leases out investment properties to third parties.

Operating leases

Assets leased out under operating leases are included in investment properties. Rental income from operating leases (net of any incentives given to lessees) is recognised in the income statement on a straight-line basis over the lease term.

Initial indirect costs incurred by the Group in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense in the income statement over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in the income statement in the financial year in which they are earned.

Finance leases

Leases of investment properties where substantially all the risks and rewards incidental to legal ownership of the assets are transferred by the Group to the lessees are classified as finance leases.

The leased asset is derecognised and the present value of the lease receivable (net of initial direct costs for negotiating and arranging the lease) is included in the trade and other receivables on the balance sheet. The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in the income statement on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Contingent rents are recognised as income in the income statement in the financial year in which they are earned.

5.18 Income taxes

Current income tax liabilities (and assets) for current and prior periods are recognised at the amounts expected to be paid to (or recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date.

Deferred income tax assets/liabilities are recognised for all deductible taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax assets/liabilities arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss.

5. Significant accounting policies *(continued)*

5.18 Income taxes *(continued)*

Deferred income tax liability is recognised on temporary differences arising on investments in subsidiary companies and associated companies, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are measured at:

(i) the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date; and

(ii) the tax consequence that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in the income statement for the period, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in unitholders' funds. Deferred tax on temporary differences arising from the revaluation gains and losses on equipment and investment property are charged or credited directly to unitholders' funds in the same period the temporary differences arise. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

5.19 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is most likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the income statement as interest expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in the income statement for the period the changes in estimates arise.

5.20 Employee compensation

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

5. Significant accounting policies *(continued)*

5.20 Employee compensation *(continued)*

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

5.21 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("**the functional currency**"). The functional currency of the a-iTrust is Indian Rupees. The presentation currency is the Singapore Dollar as the financial statements are meant primarily for users in Singapore.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("**foreign currency**") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in the income statement.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Currency translation differences on non-monetary items whereby the gains or losses are recognised directly in unitholders' funds, such as investment properties, are included in the revaluation reserve.

(c) *Translation of Group entities' financial statements*

The results and financial position of all the 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 as follows:

(i) Assets and liabilities are translated at the closing rates at the date of the balance sheet;

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting exchange differences are taken to the foreign currency translation reserve within unitholders' funds.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 April 2005 are treated as assets and liabilities of the foreign entity and translated at the closing rates at the date of the balance sheet. For acquisitions prior to 1 April 2005, the exchange rates at the dates of acquisition are used.

5. Significant accounting policies *(continued)*

5.22 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and fixed deposits with financial institutions.

6. Critical accounting estimates and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. These are based on management's best estimates of the most likely outcome of the tax liability. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

7. Interest income

Interest income comprises the following:

	The Group 2007 $'000
Interest income	
— financial institutions	969
— others	142
	1,111

8. Employee benefits

	The Group 2007 $'000
Salaries, wages and employee benefits	342
Employer's contributions to defined contribution plans including Central Provident Fund	13
	355

9. Other property operating expenses

Other property operating expenses comprises:

	The Group 2007 $'000
Advertising and publication	383
Depreciation	1,383
Insurance	663
General management fee	2,548
Travel and hotel accommodation	255
Professional fee	544
Other direct costs	1,290
	7,066

10. Property development cost

Property development cost comprises of:

	The Group 2007 $'000
Land cost	5,516
Sub-contractor cost	24,325
	29,841

11. Finance costs

	The Group 2007 $'000
Interest expense	
— financial institutions	8,639
— unitholder	323
— others	218
	9,180
Interest expense capitalised in development property	(170)
	9,010
Foreign exchange loss	65
	9,075

12. Income taxes

(a) *Income tax expense*

	The Group 2007 $'000
Tax expense attributable to profit is made up of:	
Current income tax expense	
— Based on current year's results	4,639
— Overprovision in respect of prior years	(472)
	4,167
Deferred income tax expense	
— Based on current year's results	313
— Underprovision in respect of prior years	1,766
	2,079
	6,246

The tax expense on profit differs from the amount that would arise using the Singapore standard rate of income tax is as explained below:

	The Group 2007 $'000
Profit before income tax	38,857
Income tax using the statutory tax rate of 18.0%	6,994
Tax effect on non-deductible expenses	3,335
Income not subject to tax	(3,549)
Effect of different tax rates arising from foreign jurisdiction	4,470
Utilisation of tax losses previously not recognised	(4,519)
Utilisation of capital allowances previously not recognised	(3,566)
Underprovision in respect of prior years	1,294
Effect of tax losses not allowed to carry forward	1,487
Others	300
	6,246

12. Income taxes *(continued)*

(b) *Movements in current income tax recoverable/(liabilities)*

	The Group 2007 $'000
Balance at beginning of financial year	2,386
Tax charge for the year	(4,639)
Overprovision in respect of prior years	472
Tax paid during the year	3,734
Arising from acquisition of subsidiary companies	1,407
Translation differences	60
Pro Forma adjustments	469
Balance at end of financial year	3,889

Included in the income tax balances are $10,607,000 of tax deducted at source relating to rental income from investment properties.

(c) *Deferred income tax liabilities and assets*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the balance sheets as follows:

	The Group 2007 $'000
Deferred income tax liabilities	
— to be settled after one year	132,102

The movements in the deferred tax account are as follows:

	The Group 2007 $'000
Balance at beginning of financial year	36,379
Arising from acquisition of subsidiary companies	25,537
Tax charged to:	
— Income statement	2,079
— Revaluation reserve	69,376
Translation differences	(83)
Pro Forma adjustments	(1,186)
Balance at end of financial year	132,102

12. Income taxes *(continued)*

(c) *Deferred income tax liabilities and assets (continued)*

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group had unrecognised tax losses of $71,468,000 at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. These tax losses have no expiry date.

The movement in the deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the financial year is as follows:

Deferred income tax liabilities

	Accelerated tax depreciation $'000	Revaluation gains $'000	Total $'000
2007			
Balance at beginning of financial year	2,073	34,306	36,379
Arising from acquisition of subsidiary companies	2,418	23,426	25,844
Tax charged to:			
— Income statement	2,401	—	2,401
— Revaluation reserve	—	69,376	69,376
Translation differences	(83)	—	(83)
Pro Forma adjustments	(621)	—	(621)
Balance at end of financial year	6,188	127,108	133,296

Deferred income tax assets

	Unutilised capital allowance $'000
2007	
Balance at beginning of financial year	—
Arising from acquisition of subsidiary companies	(307)
Tax credited to income statement	(322)
Pro Forma adjustments	(565)
Balance at end of financial year	(1,194)

13. Earnings per unit

The calculation of basic earnings per unit is based on:

	2007
Total profit attributable to Unitholders ($'000)	30,220
Weighted average number of units outstanding during the year ('000)	215,257
Earnings per unit (cents)	14

Diluted earnings per unit is the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial period.

14. Equipment

Computers, furniture and equipment	**The Group 2007 $'000**
Cost	
Balance at beginning of financial year	4,356
Translation differences	(256)
Additions	796
Disposals/write offs	(162)
Arising from acquisition of subsidiary companies	3,828
Transfers from development properties	158
Balance at end of financial year	8,720
Accumulated depreciation	
Balance at beginning of financial year	3,030
Translation differences	7
Depreciation charge	1,383
Disposals/write-offs	(109)
Pro Forma adjustment	(443)
Balance at end of financial year	3,868
Net book value	
Balance at end of financial year	4,852

Equipment with the following net book values were pledged as security against bank loans (Note 24).

	The Group 2007 $'000
Computers, furniture and equipment	3,511

15. Development properties

	The Group 2007 $'000
Land and other related costs	58,798
Development costs	45,569
	104,367

Development properties amounting to $77,021,000 are mortaged to secure bank loans (Note 24).

16. Investment properties

	The Group 2007 $'000
Balance at beginning of financial year	395,042
Revaluation surplus taken to unitholders' funds (Note 28 (b))	222,370
Additions	19,069
Disposals	(451)
Arising from acquisition of subsidiary companies	126,364
Transfer from development properties	34,335
Translation differences	(14,465)
Balance at end of financial year	782,264

Investment properties were valued annually at balance sheet date by independent professional valuers. Valuations were made on the basis of open market value. It is the intention of the Trustee-Manager of a-iTrust to hold the investment properties for the long term.

Investment properties amounting to $644,209,000 are mortgaged to secure bank loans (Note 24)

17. Goodwill

Goodwill arising on consolidation

	The Group 2007 $'000
Cost	
Beginning of financial year	—
Acquisition of subsidiary companies (Note 29)	41,216
End of financial year	41,216

17. Goodwill *(continued)*

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating unit (CGUs) identified according to countries of operation and business segment. The above goodwill has been allocated to the Group's real estate investment CGU in India.

The recoverable amount of a CGU, including goodwill allocated to the CGU, was determined based on the fair value less costs to sell of the CGU. Fair value less costs to sell of the CGU has been determined by applying the yield rate of comparable market transactions to the Group as at the balance sheet date.

18. Finance lease receivables

	The Group 2007 $'000
Gross receivables due:	
— Not later than one year	167
— Later than one year and not later than five years	14
	181
Less: Unearned finance income	(16)
Net finance lease receivables	165

The net finance lease receivables may be analysed as follows:

	The Group 2007 $'000
Not later than one year (Note 21)	151
Later than one year and not later than five years	14
	165

The exposure of non-current finance lease receivables to interest rate risks and currency risks is disclosed in note 31.

The finance lease receivables were receivable over 28 months commencing April 2006. Interest is charged at 18.24% per annum.

The carrying amounts of non-current finance lease receivables approximated their fair values.

19. Inventories

	The Group 2007 $'000
Operational supplies	1,076

The cost of inventories recognised as expense and included in 'operating, maintenance and security expense' amounted to $12,881,000.

As at 31 March 2007, inventories amounting to $1,043,000 are mortaged to secure bank loans (Note 24).

20. Other current assets

	The Group 2007 $'000
Deposits	3,273
Prepayments	12,601
	15,874

The carrying amounts of deposits and prepayments, denominated in Indian Rupees, approximated their fair values.

21. Trade and other receivables — current

	The Group 2007 $'000
Trade receivables	5,363
Less: Allowance for impairment of receivables	(348)
Trade receivables — net	5,015
Due from customers on construction contracts	21,051
Other receivables	
— finance lease receivables (Note 18)	151
— companies under common control with a unitholder that has significant influence over the Group	79
— non-related parties	
— advance to suppliers	2,028
— interest receivable	448
— others	4,761
	33,533

21. Trade and other receivables — current *(continued)*

The amounts owing by the companies under common control with a unitholder that has significant influence over the Group are unsecured, interest-free,and repayable on demand.

The carrying amounts of current trade and other receivables approximated their fair values.

The exposure of current trade and other receivables to interest rate risks and currency risks is disclosed in Note 31.

Impairment loss on trade receivables amounted to $191,000 was recognised as an expense and included in "other property operating expense".

Trade and other receivables amounting to $24,595,000 are mortgaged to secure bank loans (Note 24).

Amount due from customers on construction contracts comprise of:

	The Group 2007 $'000
Aggregate contract costs recognised and recognised profits (less recognised losses) to date	39,321
Less: Progress billings	(18,270)
Due from customers on construction contracts	21,051

22. Cash and cash equivalents

	The Group 2007 $'000
Fixed deposits	48,434

At the balance sheet date, the carrying amounts of cash and cash equivalents approximated their fair values.

The exposure of cash and cash equivalents to interest rate risks and currency risks is disclosed in Note 31.

Fixed deposits at the balance sheet date had an average maturity within 6 months. Fixed deposits with maturities in excess of 3 months, upon pre-termination, will earn interest at the stipulated rate up to the actual period of deposit and are subject to an insignificant risk of changes in value.

22. Cash and cash equivalents *(continued)*

For the purposes of the consolidated cash flow statement, the consolidated cash and cash equivalents comprised the following:

	2007 $'000
Cash and bank balances (as above)	48,434
Less: Fixed deposits pledged	(61)
Less: Bank escrow accounts	(2,797)
Cash and cash equivalents in the consolidated cash flow statement	45,576

The bank balances in the Escrow Accounts are placed with a financial institution in accordance with the Sale and Purchase agreement for the acquisition of a subsidiary company.

23. Trade and other payables

	The Group 2007 $'000
Trade payables	
— non-related parties	5,817
Other payables	
— non-related parties	
— Interest payable	1,322
— construction costs payable	4,423
— others	2,448
— unitholder with significant influence over the Group (note (a))	64,767
— companies under common control with a unitholder that has significant influence over the Group	8,872
Advances from	
— unitholder with significant influence over the Group	845
Accruals	15,606
Rental deposits	40,218
Others	674
	144,992

(a) Included in amount due to unitholder with significant influence over the Group is the amount payable to ALI amounting to $63,000,000 for the purchase consideration of AITPCL.

The amounts owing to unitholder with significant influence over the Group, and the companies under common control with that unitholder, are non-trade, unsecured, interest-free and repayable on demand.

The carrying amounts of trade and other payables approximated their fair values.

The exposure of trade and other payables to interest rate risks and currency risks is disclosed in Note 31.

24. Borrowings

	The Group 2007 $'000
Current	
Secured bank loans	127,039
Non-current	
Secured bank loans	123,034
	250,073

Terms and debt repayment schedule

The Group	Total $'000	Within 1 year $'000	After 1 year but within 5 years $'000
2007			
Secured bank loans			
Variable rate loans			
— SGD term loan	94,891	94,891	—
— INR term loans	70,262	18,555	51,707
— USD term loan	17,500	2,189	15,311
— JPY term loan	24,500	—	24,500
Fixed rate loans			
— INR term loans	42,920	11,404	31,516
	250,073	127,039	123,034

Security granted

The INR, USD and JPY term loans are secured by the mortgage over trade receivables, inventories, investment properties, equipment and development properties.

The SGD term loan is secured by a pledge over the total issued share capital of APFI and a negative pledge over the shares of the subsidiaries.

Interest rate risks

The weighted average effective interest rates of total borrowings at the balance sheet date were as follows:

	2007
Secured bank loans	
— SGD	3.88%
— INR	7.19%
— USD	6.32%
— JPY	1.1%

24. Borrowings *(continued)*

Carrying amounts and fair values

The carrying amounts of non-current borrowings with variable interest rates and all current borrowings approximated their fair values. The carrying amounts and fair value of non-current borrowings with fixed interest rates were as follows:

	Carrying amounts 2007 $'000	Fair value 2007 $'000
Bank borrowings	31,516	24,724

The fair values were determined from cash flow analyses, discounted at the borrowing rate of 12.0% which the directors expected to be available to the Group at the balance sheet date.

25. Derivative financial instruments

	The Group 2007 $'000
Balance at beginning of financial year	—
Fair value losses included in income statement	(2,693)
Settlement	1,803
Balance at end of financial year	(890)

Analysed as:

	2007		
	Contract/ Notional Amount	Fair Values	
		Assets	Liabilities
	$'000	$'000	$'000
Non-hedging instruments			
— cross-currency interest rate swaps	42,000	—	(890)

At 31 March 2007, the Group held cross-currency interest rate swaps to exchange floating-rate USD and JPY obligations for fixed rate INR obligations. The fixed interest rates on interest rate swaps vary from 7.22% to 8.75% and the floating rates vary from 1.1%and 6.32%, based on the 6 months JPY-LIBOR-BBA plus 0.55% spread and USD 6 months LIBOR plus 1.0%.

26. Other payables — non current

	The Group 2007 $'000
Rental deposits	6,633
Deferred consideration on acquisition of subsidiary company	2,797
Others	522
	9,952

Deferred consideration on acquisition of subsidiary company represents the deferred payment of the balance purchase price for the acquisition of a subsidiary company in prior years and shall be repaid upon the fulfilment of certain conditions as stipulated in the Sale and Purchase agreement.

The carrying amounts of non-current other payables approximated their fair values.

The exposure of non-current other payables to interest rate risks and currency risks is disclosed in Note 31.

27. Units on issue

	The Group 2007 '000
Number of units on issue	215,257

The holders of units are entitled to receive trust distribution as and when declared by a-iTrust. At any time, all the units in a class are of equal value and shall have equal rights and obligations.

(E) NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 *(continued)*

28. Other reserves

	The Group 2007 $'000
Foreign currency translation reserve (Note 28(a))	(21,839)
Revaluation reserve (Note 28 (b))	157,301
	135,462

(a) Foreign currency translation reserve

	The Group 2007 $'000
Balance at beginning of financial year	(8,957)
Exchange differences arising on consolidation of foreign subsidiary companies	(13,652)
Minority interests	770
Balance at end of financial year	(21,839)

(b) Revaluation reserve

	The Group 2007 $'000
Balance at beginning of financial year	12,879
Revaluation gain on investment properties	222,370
Tax on revaluation gain	(69,376)
Minority interests	(8,572)
Balance at end of financial year	157,301

29. Acquisition of subsidiary companies

In 2007, the Trust acquired 100.0% interest in CPITPPL for a cash consideration of $27,650,000 and 89.0% interest in AITPCL for a cash consideration of $118,578,000. The aggregate effects of the acquisition of subsidiaries on the cash flows of the Group were as follows:

	Carrying amount 2007 $'000	Fair value 2007 $'000
Equipment	3,828	3,828
Development properties	33,435	74,716
Investment properties	76,316	126,364
Current assets	33,176	33,176
Current liabilities	(24,135)	(24,135)
Non-current liabilities	(77,519)	(100,945)
Net assets acquired	45,101	113,004
Less: Minority interests		(9,739)
Goodwill on consolidation		41,216
Excess of interest of the Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company		(25,216)
Loss on dilution		26,963
Total consideration		146,228
Less: consideration unpaid		(63,000)
Cash consideration paid		83,228
Less: Cash of subsidiary company acquired		(14,272)
Net cash outflow on acquisition		68,956

Goodwill on acquisition is attributable to synergies expected to arise after the acquisition.

30. Significant related party transactions

a-iTrust has entered into several service agreements in relation to the management of a-iTrust and its property operations. These agreements are entered into with the Trustee-Manager and Ascendas Property Management Services (India) Private Limited (the "Property Manager"), which are companies that are under common control with a unitholder that has significant influence over the Group. The fee structures of these services are as follows:

(a) *Trustee-Manager's fees*

The Trustee-Manager's fees comprise four components:

(i) *Management and trustee fees*

From the Commencement Date until the Trust Fund is distributed under clause 28 of the Trust Deed, the Trustee shall be entitled to fees for managing the Trust and for acting as trustee at the rate of one per cent (1%) per annum of the aggregate market value of the properties of the Trust at the end of its financial year. The fee under clause 29.1 of the Trust Deed is payable to the Trustee within 21 days of the end of each financial year (or such later time as the Trustee determines).

(ii) *Postponement, reduction of fees*

The Trustee may postpone the receipt of any fee (or any part of a fee) or charge a lesser fee than it is entitled to receive under the Trust Deed.

(iii) *Performance fees*

The Trustee is entitled to receive a performance fee on such terms and conditions as it may determine and disclose to Unitholders.

(iv) *Acquisition/divestment fees*

The Trustee is entitled to a fee upon the acquisition or disposal of an asset by any subsidiary calculated as 1% of the acquisition or disposal value of the asset concerned.

(b) *Property Manager's management fees*

(i) *Property Management Services*

For the property management services, the Property Owner will pay Ascendas Property Management Services (India) Private Limited (the "**Property Manager**") a fee calculated based on 2% of the gross revenue of each property.

(ii) *Lease Management Services*

For the lease management services, the Property Owner will pay the Property Manager a fee calculated based on 1% of the gross revenue of each property.

(iii) *General Management Services*

For the general management services, the Property Owner will pay the Property Manager the overall costs incurred plus 20% over and above the cost incurred. This fee is exclusive of the costs which shall be directly attributable to the Property Owner.

30. Significant related party transactions *(continued)*

(b) *Property Manager's management fees (continued)*

(iv) *Marketing Services*

For the marketing services, the Property Owner will pay the Property Manager the following commissions:

(i) One month's rent (including property and fit-out rental) for every lease with a duration of less than one year;

(ii) One and a half months' rent (including property and fit-out rental) for every lease with a duration of between one and three years;

(iii) Two months' rent for every lease with a duration of between three and ten years;

(iv) Three quarter month's rental for securing renewal of tenancy; and

(v) 2% of the total sale consideration for the sale of property.

(v) *Project Management Services*

For the project management services, the Property Owner will pay the Property Manager a fee of 2% of the construction cost for development, re-development, refurbishment, retrofitting, addition and alteration and renovation works to the property.

In addition to the transactions disclosed elsewhere in the financial statements, these were the following significant related party transactions during the financial year based on agreed terms:

	2007
	$'000
Companies under common control with a unitholder that has significant influence over the Group:	
Trustee-Manager's fees paid/payable	7,742
Property manager's fees paid/payable	
— Property management fee	1,648
— Lease management fee	1,058
— General management fee	1,911
— Marketing services	1,385
— Project management service capitalised	959
Office rental income received/receivable	446
Other operating expenses paid/payable	
— Professional fee	24
Purchase/(disposal) of equipment and development properties	3
Holding Companies of a unitholder with significant influence over the Group:	
Purchase of equipment and development properties	385
Unitholder with significant influence over the Group:	
Interest expense	323

31. Financial risk management

Financial risk management objectives and policies

The risk management objective of the Group is to focus on minimising interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group set policies, strategies and mechanisms, which aim at effective management of these risks within their unique operating environment. The policies for managing each of these risks are discussed below:–

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from borrowings in United States Dollars, Japanese Yen and Singapore Dollars. Natural hedging is preferred as far as possible by matching assets and liabilities of the same currency. Derivative financial instruments are only used when necessary to reduce exposure to fluctuations in foreign exchange rates.

Financial investments are subject to fluctuations in market prices and conditions. Market risk exposure is managed through diversification of issuers and/or countries.

Credit risk

The Group's key credit risk relates to customers' inability to meet payment obligations. In managing credit risk exposure, credit review and approval processes as well as monitoring mechanisms are applied. To mitigate risk exposure, bankers' guarantees, cash deposits and advanced payments are sought from customers.

The cash balances placed with financial institutions are subject to credit limits which are reviewed periodically.

As at balance sheet date, there is no significant concentration of credit risk as there is no over-reliance on any single customer. The maximum credit risk exposure is represented by the carrying amount of each financial asset in the balance sheet.

Liquidity risk

In the management of liquidity risk, the Trustee-manager monitors and maintains a level of cash and cash equivalents deemed adequate to meet payment obligations in a timely manner. The Trustee-manager ensures the availability of funding through an adequate amount of banking credit lines.

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's assets and debt obligations in Indian Rupees, United States Dollars, Singapore Dollars and Japanese Yen. To mitigate the interest rate risk, the debt obligations were contracted with varying maturities and at fixed interest rates or floating interest rates. To manage this mix in a cost-efficient manner, the Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional principal amount. These swaps are held to hedge underlying debt obligations. Reviews are conducted on the interest rate strategies to minimise interest rate risk by taking into account the cash flow forecasts, terms of debt obligations and market outlook.

31. Financial risk management *(continued)*

The tables below set out the Group's exposure to interest rate risks. Included in the tables are the assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

The Group

			Variable rates			Fixed rates			
	Notes	**Effective interest rate %**	**Less than 3 months $'000**	**3 to 6 months $'000**	**6 to 12 months $'000**	**Within 1 year $'000**	**After 1 year but within 5 years $'000**	**Non-interest bearing $'000**	**Total $'000**
2007									
Assets									
Finance lease receivables — non-current	18								
— INR		18.24	—	—	—	—	14	—	14
Trade and other receivables — current	21								
— S$			—	—	—	—	—	50	50
— INR		18.24	—	—	—	151	—	33,332	33,483
Other current assets — INR	20		—	—	—	—	—	13,750	13,750
Cash and cash equivalents (excluding fixed deposit pledged)	22								
— S$		1.62	28,246	—	—	—	—	—	28,246
— US$		4.18	2,797	—	—	—	—	—	2,797
— INR		7.32	3,620	—	5,503	—	—	8,207	17,330
Fixed deposits pledged	22	6.75	—	—	—	—	61	—	61
Non-financial assets			—	—	—	—	—	939,788	939,788
Total			34,663	—	5,503	151	75	995,127	1,035,519

31. Financial risk management *(continued)*

The Group			Variable rates			Fixed rates			
	Notes	Effective interest rate %	Less than 3 months $'000	3 to 6 months $'000	6 to 12 months $'000	Within 1 year $'000	After 1 year but within 5 years $'000	Non-interest bearing $'000	Total $'000
Liabilities									
Trade and other payables	23								
— S$			—	—	—	—	—	74,097	74,097
— US$			—	—	—	—	—	42	42
— INR			—	—	—	—	—	70,853	70,853
Borrowings	24	5.28	161,653	45,500	—	11,404	31,516	—	250,073
Other financial liabilities		4.18	2,797	—	—	—	—	890	3,687
Non-financial liabilities			—	—	—	—	—	139,257	139,257
Total			164,450	45,500	—	11,404	31,516	285,139	538,009

32. Commitments

As at the end of the financial year, the Group had the following commitments:

Development and capital expenditure:

	The Group 2007 $'000
Amounts approved and contracted for	41,720
Amounts approved but not contracted for	11,375
	53,095

Commitments in respect of investments are as follows:

	The Group 2007 $'000
Investment in a subsidiary company	15,879

Operating lease commitments — where a group company is a lessor

The Group leases out investment properties under non-cancellable operating leases with varying terms, escalation clauses and renewal rights.

The future minimum lease receivable under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables is analysed as follows:

	The Group 2007 $'000
Lease receivables:	
— within 1 year	43,066
— after 1 year but within 5 years	42,702
	85,768

33. Contingent liabilities

(i) During the year, a subsidiary company in India, VITP Pte Ltd, received assessments from the local tax authorities in respect of additional sales tax on rental income from 2002 to 2005 amounting to Rs. 28,355,545 (approximately $992,000). The subsidiary company has disputed the assessments, however, the outcome is still uncertain at the balance sheet date. Management is of the view that no provisions should be made in the Unaudited Pro Forma Consolidated Financial Statements as at the balance sheet date.

33. Contingent liabilities *(continued)*

(ii) During the year, VITP Pte Ltd received additional tax assessments from the local income tax authorities amounting to Rs. 5,265,029 (approximately $184,000). A petition against this assessment has been filed, however, the outcome is uncertain. Management is of the view that no provisions should be made in the Unaudited Pro Forma Consolidated Financial Statements as at the balance sheet date.

(iii) During the year, a subsidiary company in India, Cyber Pearl Information Technology Park Private Limited (formerly known as L&T Infocity Ascendas Limited), was involved in two disputes with its occupants, Ethno Fitness Centre and Pearl Hotels Private Limited, currently pending before arbitral tribunals. Such disputes involve claims of Rs. 27,500,000 (approximately $963,000). In addition, the subsidiary is also presently involved in a dispute with Commercial Taxes Department, Government of Andhra Pradesh, India for a disputed claim of Rs. 2,300,000 (approximately $81,000).

34. Subsidiary companies

The details of the a-iTrust's subsidiary companies are as follows:

Subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Percentage of equity held by the a-iTrust 2007 %	Cost of investment 2007 $'000
Direct subsidiary company					
Ascendas Property Fund (India) Pte. Ltd.*	Investment vehicle of private trust	Singapore	Ordinary	100	#
Indirect subsidiary companies					
VITP Private Limited**	Development, owning and management of information technology parks in Hyderabad	India	Ordinary	100	
Information Technology Park Investments Pte Ltd*	Investment holding	Singapore	Ordinary	100	

34. Subsidiary companies *(continued)*

Subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Percentage of equity held by the a-iTrust 2007 %	Cost of investment 2007 $'000
Information Technology Park Limited**	Development, owning and management of information technology parks in Bangalore	India	Ordinary	92.8	
Cyber Pearl Information Technology Park Private Limited (formerly known as L&T Infocity Ascendas Limited)**	Development, owning and management of information technology parks in Hyderabad	India	Ordinary	100	
Ascendas IT Park (Chennai) Limited**	Development, owning and management of information technology parks in Chennai	India	Ordinary	89[1]	

Less than $1,000

* Audited by PricewaterhouseCoopers, Singapore

** Audited by member firm of PricewaterhouseCoopers

(1) taking into account the additional 40.0% interest acquired subsequent to year end as noted in note 3.

(E) NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 *(continued)*

35. Segment information

Primary reporting format — business segments

	Property rental $'000	Property development $'000	Total $'000
Financial year ended 31 March 2007			
Revenue	84,590	38,347	122,937
Segment result	51,192	8,506	59,698
Finance cost			(9,075)
Fair value losses on derivatives			(2,693)
Interest income			1,111
Excess of the interests of the Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company			25,216
Loss on dilution of interest in a subsidiary company			(26,963)
Unallocated costs			(8,437)
Profit before tax			38,857
Income tax expense			(6,246)
Net Profit			32,611
Other segment items			
Capital expenditure			
— equipment	796	—	796
— development properties	16,862	—	16,862
— investment properties	19,069	—	19,069
— goodwill	41,216	—	41,216
Segment assets	1,010,579	21,051	1,031,630
Current income tax recoverable			3,889
Consolidated total assets			1,035,519
Segment liabilities	154,944	—	154,944
Unallocated liabilities			383,065
Consolidated total liabilities			538,009

At 31 March 2007, the Group is organised into two main business segments:

- Property rental
- Property development

Inter-segment transactions are recorded at their transacted price which is generally at fair value. Unallocated costs represent corporate expenses. Segment assets include all assets except for current income tax recoverable. Segment liabilities comprise operating liabilities and exclude borrowings, derivative financial liabilities, and deferred income tax liabilities.

Secondary reporting format — geographical segments

The Group has only one geographical segment as it operates primarily in India.

36. Events occurring after balance sheet date

(a) On 11 May 2007, the Group acquired an additional 38.19% and 1.81% interest in its associated company, AITPCL, from AIPL and Ascendas Property Management Services (India) Private Limited respectively, for a total purchase consideration of Rs. 453,692,940 (approx S$15,879,000). As a result of this acquisition, the associated company became a subsidiary company of the Group.

(b) On 29 June 2007, AITPCL issued a total of 52,109,500 shares to Ascendas Land International Pte Ltd ("**ALI**") for a consideration of Rs. 521,095,000.

In addition, on 29 June 2007, AITPCL issued 6,440,500 new shares to Tamil Nadu Industrial Development Corporation Limited ("TIDCO") for a consideration of Rs. 64,405,000. As at 29 June 2007, AITPCL had received 5% of the consideration from TIDCO with the remaining 95% subject to the approval of the Cabinet of Tamil Nadu. As a result of the issuance of the new shares on 29 June 2007, the Group's interest in AITPCL decreased to 37.94%.

On 2 July 2007, the Group then acquired from ALI a 21.36% interest in AITPCL for a consideration of Rs. 578,500,000. Following this acquisition, the Group would hold 59.30% of AITPCL and ALI would hold 29.70% of AITPCL.

(c) On 2 July 2007, the Group, through Ascendas Property Fund (India) Pte Ltd ("**APFI**"), entered into another agreement with ALI to purchase an additional interest of 29.70% in AITPCL from ALI (the "**Share Purchase Agreement**") for a purchase consideration of S$63,000,000.

For the purposes of preparing the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007, the subsequent events as set out above are assumed to be completed by the respective dates as set out in note 3.1.

(d) On 28 June 2007, a-iTrust revised the terms of its trust deed and became a Business Trust under the Business Trusts Act. Under the revised trust deed, the fee structure for the trustee-manager fees are as follows:

(i) *Manager's Management fees*

The Trustee-Manager's Base Fee is 0.50% per annum of the value of the Trust Property. In addition, there is a Trustee-Manager's Performance Fee of 4.0% per annum of the Net Property Income in the relevant financial year (calculated before accounting for the Performance Fee). The Trustee-Manager may elect to receive the Base Fee and Performance Fee in the form of cash and/or Units (as it may in its sole discretion determine).

(ii) *Acquisition/Divestment fees*

The Trustee-Manager is entitled to a fee upon the acquisition or disposal of an asset by the Group calculated as 1% of the acquisition value and 0.5% of the disposal value of the asset concerned.

(iii) *Trustee's fees*

The Trustee's fees is charged based on a maximum of 0.02% per annum of the value of the Trust Property.

36. Events occurring after balance sheet date *(continued)*

(e) On 2 July 2007, the Master Property Management Agreement was entered into by the Trustee-Manager and the Property Manager pursuant to which the Trustee-Manager agreed to procure that each of the subsidiaries appoint the Property Manager as property manager for the purpose of operating, maintaining, managing and marketing the properties. Under the revised property management agreement, the fee structures of these services are as follows:

(i) *Property Management Services*

For the property management services, the Property Owner will pay the Property Manager a fee calculated based on 2% of the gross revenue of each property.

(ii) *Lease Management Services*

For the lease management services, the Property Owner will pay the Property Manager a fee calculated based on 1% of the gross revenue of each property.

(iii) *General Management Services*

For the general management services, the Property Owner will reimburse an apportioned amount of the remuneration cost (as may be agreed by each owner of the properties) of the centralised staff employed by the Property Manager for the purposes of providing general management service, plus an administrative fee of 20% of such cost.

(iv) *Marketing Services*

For the marketing services, the Property Owner will pay the Property Manager the following commissions:

1. One month's rent (including property and fit-out rental) for every lease with a duration of less than one year;
2. One and a half months' rent (including property and fit-out rental) for every lease with a duration of between one and three years;
3. Two months' rent for every lease with a duration of more than three but not exceeding ten years;
4. 2% of the total lease payment for the entire lease period for every lease with a duration exceeding ten years;
5. renewal of an existing lease will be calculated at half of the above commissions otherwise payable for a new tenancy; and
6. Marketing services commission will be charged based on the duration of the lease. Where tenants are secured by external property agents, a 20% marked up applies to the abovementioned commissions.

(v) *Project Management Services*

For the project management services, the Property Owner will pay the Property Manager a fee of 2% of the construction cost for development, re-development, refurbishment, retrofitting, addition and alteration and renovation works to the property.

37. New accounting standards and FRS interpretations

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 April 2007 or later periods which the Group will early adopt is set out below:

(a) FRS 40 *Investment Property*

The Group has adopted FRS 40 on 1 April 2007, which is the effective date of the Standard. The Group had accounted for its investment properties under FRS 25 Investments as set out in Note 5.6 in these financial statements. Under FRS 40, changes in fair values of investment properties are required to be included in the income statement for the period in which the changes arise.

On transition to FRS 40 on 1 April 2007, the effects on the Unaudited Pro Forma Consolidated Balance Sheet as at 31 March 2007 and the Unaudited Pro Forma Consolidated Income Statement for the year ended 31 March 2007 are as follows:

	Increase/(decrease) $'000
Unaudited Pro Forma Consolidated Balance sheet as at 31 March 2007	
Revenue reserve	157,301
Asset revaluation reserve	(157,301)
Unaudited Pro Forma Consolidated Income statement for year ended 31 March 2007	
Fair value gains on investment properties	222,370
Deferred income tax expenses	69,376

(b) FRS 107, *Financial Instruments: Disclosures, and a complementary Amendment to FRS 1, Presentation of Financial Statements — Capital Disclosures*

The Group has adopted FRS 107 on 1 April 2007, which is the effective date of the Standard.

FRS 107 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including minimum disclosures about credit risk, liquidity risk and market risk (including sensitivity analysis to market risk). It replaces the disclosure requirements in FRS 32, *Financial Instruments: Disclosure and Presentation.*

The amendment to FRS 1 introduces disclosures about the level of an entity's capital and how it manages capital. The Group has assessed the impact of FRS 107 and the amendment to FRS 1 and concluded that the main additional disclosures will be the sensitivity analysis to market risk and the capital disclosures required by the amendment of FRS 1.

38. Authorisation of Unaudited Pro Forma Consolidated Financial Statements

The Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007 were authorised for issue in accordance with a resolution of the directors of the Trustee-Manager on 2 July 2007.

REPORTING AUDITOR'S REPORT ON THE PROFIT FORECAST AND PROFIT PROJECTION

The Board of Directors
Ascendas Property Fund Trustee Pte. Ltd.
(as Trustee-Manager of Ascendas India Trust)
75 Science Park Drive
#01-03 CINTECH II
Singapore Science Park I
Singapore 118255

24 July 2007

Dear Sirs

Letter from the Reporting Auditor on the Profit Forecast for the year ending 31 March 2008 and the Profit Projection for the year ending 31 March 2009

This letter has been prepared for inclusion in the prospectus (the "**Prospectus**") to be issued in connection with the initial public offering of the units in Ascendas India Trust ("**a-iTrust**") (the "**Offering**").

The directors of Ascendas Property Fund Trustee Pte. Ltd. (the "**Directors**"), in its capacity as trustee-manager of a-iTrust, are responsible for the preparation and presentation of the forecast consolidated income statement of a-iTrust and its subsidiaries (the "**Group**") for the year ending 31 March 2008 (the "**Profit Forecast**") and the projected consolidated income statement of the Group for the year ending 31 March 2009 (the "**Profit Projection**"), as set out on pages 103 and 104 of the Prospectus, which have been prepared on the basis of the assumptions as set out on pages 104 to 115 of the Prospectus.

We have examined the Profit Forecast for the year ending 31 March 2008 and the Profit Projection for the year ending 31 March 2009 as set out on pages 103 and 104 of the Prospectus in accordance with Singapore Standard on Assurance Engagements applicable to the examination of prospective financial information. The Directors are solely responsible for the Profit Forecast and Profit Projection including the assumptions set out on pages 104 to 115 of the Prospectus on which they are based.

Profit Forecast

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Profit Forecast. Further, in our opinion, the Profit Forecast is properly prepared on the basis of the assumptions, is consistent with the accounting policies set out in Appendix A "Reporting Auditor's Report on Examination of the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007" of the Prospectus, and is presented in accordance with Singapore Financial Reporting Standards (but not all the required disclosures), which is the accounting framework to be adopted by a-iTrust in the preparation of the consolidated financial statements of the Group and the financial statements of a-iTrust.

Profit Projection

The Profit Projection is intended to show a possible outcome based on the stated assumptions. As the length of the period covered by the Profit Projection extends beyond the period covered by the Profit Forecast, the assumptions used in the Profit Projection (which included hypothetical assumptions about future events which may not necessarily occur) are more subjective than would be appropriate for the profit forecast. The Profit Projection does not therefore constitute a profit forecast.

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Profit Projection. Further, in our opinion, the Profit Projection is properly prepared on the basis of the assumptions, is consistent with the accounting policies set out in Appendix A "Reporting Auditor's Report on Examination of the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007" of the Prospectus, and is presented in accordance with Singapore Financial Reporting Standards (but not all the required disclosures), which is the accounting framework to be adopted by a-iTrust in the preparation of the consolidated financial statements of the Group and the financial statements of a-iTrust.

We draw attention to the accounting policies set out in Appendix A "Reporting Auditor's Report on Examination of the Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007" of the Prospectus which state that any adjustment on revaluation of the investment properties would need to be reflected in the income statement. Hence, any movements on the revaluation of the investment properties would have the effect of increasing or reducing the consolidated income statement for the years ending 31 March 2008 and 31 March 2009 by the amount of such surplus or deficit. We note that the trustee-manager has stated in the assumptions set out on pages 104 to 115 of the Prospectus that in preparing the Profit Forecast and Profit Projection, the valuation of the investment property remains unchanged for the forecast year ending 31 March 2008 and the projection year ending 31 March 2009.

Events and circumstances frequently do not occur as expected. Even if the events anticipated under the hypothetical assumptions described above occur, actual results are still likely to be different from the Profit Forecast and Profit Projection since other anticipated events frequently do not occur as expected and the variation may be material. The actual results may therefore differ materially from those forecast and projected. For these reasons, we do not express any opinion as to the possibility of achievement of the Profit Forecast and Profit Projection.

Attention is drawn, in particular, to the risk factors set out on pages 47 to 69 of the Prospectus which describe the principal risks associated with the Offering, to which the Profit Forecast and Profit Projection relate and the sensitivity analysis of the Directors' Profit Forecast and Profit Projection as set out on pages 115 to 117 of the Prospectus.

Yours faithfully

PricewaterhouseCoopers
Certified Public Accountants
Singapore

Partner in charge: Choo Eng Beng

SUMMARY FINANCIAL INFORMATION

The Summary Financial Information set out contains only a summary of the information in a-iTrust Group's financial statements for the year ended 31 March 2007. The Summary Financial Information does not contain sufficient information to allow for a full understanding of the results of a-iTrust Group and the state of affairs of a-iTrust Group. For further information, the full financial statements for the year ended 31 March 2007, the Directors' Report and the Auditor's Report on those statements should be read.

These statements do not purport to reflect the trust structure, operating results and the financial position of a-iTrust Group subsequent to 31 March 2007 and as at the Listing Date. Investors should refer to the pro forma financial statements for the year ended 31 March 2007 set out in "Unaudited Pro Forma Consolidated Financial Statements for the year ended 31 March 2007".

Consolidated Income Statements for the years ended 31 March 2006 and 2007

	2007 $'000	2006 $'000
Property Income		
Base rent	38,713	32,602
Amenities income	2,197	3,117
Fit-out rental income	2,585	2,511
Operations and maintenance income	23,583	18,333
Car park income	1,284	829
Other income	18	—
Total property income	68,380	57,392
Property Expenses		
Operating, maintenance and security	(5,068)	(1,405)
Business tax	(22)	(22)
Property tax	(403)	(168)
Property management fees	(2,694)	(2,081)
Utilities expenses	(15,303)	(13,554)
Employee benefits	(209)	(198)
Other property operating expenses	(4,514)	(3,898)
Total property expenses	(28,213)	(21,326)
Net Property Income	40,167	36,066
Net Property Development Income		
Property development income	38,347	—
Property development cost	(29,841)	—
Net Property Development Income	8,506	—
Trustee-Manager's fees	(7,742)	(3,188)
Other trust operating expense	(695)	(559)
Fair value losses on derivatives	(2,693)	—
Finance cost	(5,236)	(6,566)
Interest income	879	588
Excess of the interest of the Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of a subsidiary company	—	29,668
Excess of the interest of the Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of an associated company	13,883	—
	(1,604)	19,943
Profit before tax	47,069	56,009
Income tax expense	(4,591)	(2,014)
Net Profit	42,478	53,995
Attributable to:		
Unitholders of the Trust	40,521	52,480
Minority interests	1,957	1,515
	42,478	53,995
Earnings per unit attributable to unitholders of the Trust		
— basic (cents)	19	33
— diluted (cents)	19	33

Consolidated Balance Sheet as at 31 March 2007

	2007 $'000
ASSETS	
Non-current assets	
Equipment	4,784
Development properties	29,651
Investment properties	709,399
Goodwill	3,166
Investment in an associated company	33,335
Finance lease receivables	14
	780,349
Current assets	
Inventories	1,043
Other current assets	3,524
Trade and other receivables	31,853
Current income tax recoverable	2,043
Cash and cash equivalents	72,378
	110,841
Total assets	891,190
LIABILITIES	
Current liabilities	
Trade and other payables	75,282
Borrowings	116,510
Derivative financial instruments	890
	192,682
Non-current liabilities	
Other payables	3,319
Borrowings	78,118
Deferred income tax liabilities	113,670
	195,107
Total liabilities	387,789
NET ASSETS	503,401
UNITHOLDERS' FUNDS	
Units on issue	250,000
Other reserves	135,462
Revenue reserve	93,255
Net assets attributable to unitholders	478,717
Minority interests	24,684
	503,401

Consolidated Cash Flow Statement for the year ended 31 March 2007

	2007 $'000
Cash flows from operating activities	
Net profit	42,478
Adjustments for:	
Income tax	4,591
Depreciation of equipment	940
Loss on disposal of equipment	30
Interest income	(879)
Interest expense	5,176
Investment properties written off	408
Fair value loss on derivatives	2,693
Excess of the interest of the Group in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition of an associated company	(13,883)
Operating cash flow before working capital changes	41,554
Changes in operating assets and liabilities, net of effects from acquisitions and disposals of subsidiary companies	
Inventories	18
Trade and other receivables	(14,274)
Trade and other payables	7,305
Cash generated from operations	34,603
Interest paid	(3,854)
Interest received	553
Income tax paid	(3,734)
Net cash generated from operating activities	27,568
Cash flows from investing activities	
Purchase of equipment	(796)
Construction of development properties	(16,862)
Additions to investment properties	(19,069)
Cash settlement for cross-currency interest rate swaps	(1,803)
Proceeds from disposal of equipment	23
Proceeds from disposal of investment properties	43
Acquisition of subsidiary companies, net of cash acquired	(25,560)
Acquisition of an associated company	(19,452)
Net cash used in investing activities	(83,476)
Cash flows from financing activities	
Repayment of borrowings	(2,628)
Repayment of loan from unitholder	—
Proceeds from issue of new units	—
Loan from unitholder	—
Proceeds from borrowings	122,643
Fixed deposits pledged with financial institutions	1,764
Net cash generated from financing activities	121,779
Net increase in cash and cash equivalents	65,871
Cash and cash equivalents at beginning of financial year	3,579
Effects of exchange rate changes on cash and cash equivalents	70
Cash and cash equivalents at end of financial year	69,520

INDEPENDENT TAXATION REPORT

The Board of Directors
Ascendas Property Fund Trustee Pte. Ltd.
as Trustee-Manager of Ascendas India Trust
75 Science Park Drive
#01-03 Cintech II Building
Singapore 118255

24 July 2007

Dear Sirs

INDEPENDENT TAXATION REPORT

This letter has been prepared at the request of Ascendas Property Fund Trustee Pte. Ltd. (as Trustee-Manager of Ascendas India Trust) for inclusion in the Prospectus to be issued in relation to the initial public offering of units ("**Units**") in Ascendas India Trust ("**a-iTrust**") on the Singapore Exchange Securities Trading Limited.

The purpose of this letter is to provide prospective purchasers of the Units with an overview of the Singapore income tax consequences of the purchase, ownership and disposition of the Units. This letter addresses principally purchasers who hold the Units as investment assets. Purchasers who acquire the Units for dealing purposes should consult their own tax advisers concerning the tax consequences of their particular situations.

This letter also provides an overview of the Indian tax consequences applicable to a-iTrust, the Singapore SPV and the Indian property owning companies ("**VCUs**"). The Indian tax rates as referred herein include surcharge and education cess, where these are applicable.

This letter is not a tax advice and does not attempt to describe comprehensively all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Units. Prospective purchasers of the Units should consult their own tax advisers to take into account the tax law applicable to their particular situations. In particular, prospective purchasers who are not Singapore tax residents are advised to consult their own tax advisers to take into account the tax laws of their respective countries of tax residence and the existence of any tax treaty which their countries of tax residence may have with Singapore.

This letter is based on Singapore and Indian income tax laws and relevant interpretations thereof current as at the date of this letter and relevant tax changes announced in the 2007 Singapore Budget, all of which are subject to change, possibly with retroactive effect. The 2007 Singapore Budget tax changes are subject to enactment of the relevant provisions in the Income Tax Act.

Words and expressions defined in the Prospectus have the same meaning in this letter. In addition, unless the context requires otherwise, words in the singular include the plural and the other way around and words of one gender include the other gender.

A. SINGAPORE TAXATION

Singapore taxation of trusts registered under the Business Trusts Act, Chapter 31A of Singapore ("Business Trusts Act")

A trust registered under the Business Trusts Act is treated like a company under the one-tier system for income tax purposes. Accordingly, all those provisions in the income tax laws that apply to a company apply also to a registered business trust. This tax treatment is effective from the first year such a trust commences operation as a registered business trust.

The income of a registered business trust is taxed at the trust level. Taxable income comprises income accruing in or derived from Singapore as well as income derived from outside Singapore which is received in Singapore or deemed to have been received in Singapore unless otherwise exempted. There is no capital gains tax in Singapore. However, gains from the sale of investments are chargeable to tax if such gains arise from or are otherwise connected with the activities of a trade or business carried on in Singapore. Such gains may also be considered gains or profits of an income nature if at the time the transaction was entered into, the seller has the intention or purpose of making a profit from that transaction and the investments were not acquired with the intention to be held as long-term investments.

Singapore income tax is imposed on the chargeable income of a registered business trust after deduction of allowable expenses and any allowances permitted under the law. The tax is assessed on, and collected from, the trustee-manager of the registered business trust.

The first S$300,000 of chargeable income of a registered business trust is exempt from tax as follows:

(a) 75% of up to the first S$10,000 of chargeable income; and

(b) 50% of up to the next S$290,000 of chargeable income.

The remaining chargeable income (after the above tax exemption) will be taxed at the prevailing corporate tax rate, currently 18.0%.

The distributions made by a registered business trust to its Unitholders are exempt from Singapore income tax in the hands of the Unitholders, regardless of their nationality, corporate identity or tax residence status. No credit will be allowed to the Unitholders for the tax paid by the trustee-manager of the registered business trust.

For tax purposes, a registered business trust is considered a tax resident of Singapore if:

(a) the trustee-manager of the registered business trust in his capacity as such carries on a trade or business in Singapore; and

(b) the control and management of the business is in Singapore.

Taxation of a-iTrust

a-iTrust is liable to Singapore income tax on:

(a) income accruing in or derived from Singapore; and

(b) unless otherwise exempt, income derived from outside Singapore which is received in Singapore or deemed to have been received in Singapore by the operation of law.

Dividends from the Singapore SPV

Dividends from the Singapore SPV, being one-tier tax exempt dividends, are exempt from tax in the hands of the trustee-manager of a-iTrust.

Repayment of loan by the Singapore SPV

The amount received by a-iTrust from the repayment of the principal amount of the loan owing by the Singapore SPV is not taxable on the trustee-manager of a-iTrust.

Gains on disposal of ordinary shares in the Singapore SPV

Singapore does not impose tax on capital gains. Gains derived by a-iTrust from the disposal of its shares in the Singapore SPV will not be liable to Singapore income tax unless the gains are considered income of a trade or business. Such gains may also be liable to tax if the shares in the Singapore SPV were sold with the intent or purpose of making a profit and were not acquired for long-term investment purposes.

Taxation of the Singapore SPV

The Singapore taxation of the income of the Singapore SPV and any gains derived by it from the disposal of its investments in the VCUs is described below.

Dividends from the VCUs

Provided the Singapore SPV is tax resident in Singapore for Singapore income tax purposes, the dividends it receives from the VCUs will be exempt from Singapore income tax under Section 13(8) of the Income Tax Act. This exemption applies if all of the following conditions are met:

(a) in the year the dividends are received in Singapore, the headline corporate tax rate in India is at least 15.0%;

(b) the dividends have been subject to tax in India; and

(c) the Singapore Comptroller of Income Tax is satisfied that the tax exemption would be beneficial to the Singapore SPV.

Based on the current tax laws in India, the dividends from the VCUs will meet the aforesaid conditions.

A company is considered to be a tax resident of Singapore if its business is controlled and managed in Singapore, for example, if its board of directors meets and conducts the company's business in Singapore.

Interest income from ITPL

The Singapore SPV will be able to claim tax remission on the interest income it receives from ITPL. This tax remission is granted by the Ministry of Finance under Section 92(2) of the Income Tax Act. The tax remission is subject to the condition that a-iTrust incorporates the salient features of a REIT in its Trust Deed, and it will update the Trust Deed from time to time following revisions of similar terms found in the Property Funds Guidelines.

Gains on disposal of ordinary shares/redeemable preference shares/cumulative convertible preference shares in the VCUs

Singapore does not impose tax on capital gains. Gains derived by the Singapore SPV from the disposal of its shares in the VCUs, including repurchase of shares by the VCUs, will not be liable to Singapore income tax unless the gains are considered income of a trade or business. Such gains may also be liable to tax if the shares in the VCUs were sold with the intent or purpose of making a profit and were not acquired for long-term investment purposes.

Repayment of loans by ITPL

ITPL may use surplus cash that cannot be distributed as dividends to repay partially the principal amount of the loans from the Singapore SPV. The amounts received by the Singapore SPV from the repayment of the principal amount of the loans are not taxable.

Singapore Taxation of Unitholders

Distributions

Distributions from a-iTrust are exempt from Singapore income tax and are also not subject to Singapore withholding tax. This exemption is given to all the Unitholders, regardless of their nationality, corporate identity or tax residence status. The Unitholders are not entitled to tax credits of any taxes paid by the trustee-manager of a-iTrust.

Gain on disposal of Units

Singapore does not impose tax on capital gains. However, gains from the sale of investments are chargeable to tax if such gains arise from or are otherwise connected with the activities of a trade or business carried on in Singapore.

If a Unitholder has held the Units as investment assets on capital account, any gains arising from subsequent sales of the Units should generally be considered capital gains not subject to Singapore income tax. However, if the Units have been held on trading account, the gains arising from a subsequent sale may be taxed as income. Because the precise tax status will vary from Unitholder to Unitholder, Unitholders should consult their own professional adviser on the Singapore tax consequences that may apply to their individual circumstances.

B. INDIA TAXATION

Taxation of a-iTrust

With the enactment of the Finance Act 2007, the income tax pass-through benefit is no longer available to SEBI registered FVCI entities engaged in, among other things, the business of development, establishment and operation of infrastructure parks or SEZs. Consequently, a-iTrust is not taxed in India in respect of income received from the Singapore SPV, given that the Singapore SPV is subject to tax in India on income from investment in the VCUs.

Taxation of the Singapore SPV

Following the enactment of the Finance Act 2007, the Singapore SPV, even though it is registered as a FVCI with the SEBI, will be taxed in India in respect of the income from investments in the VCUs as follows:

Dividends

Dividends distributed by the VCUs will not be taxable in the hands of the Singapore SPV provided the same have been subject to Dividend Distribution Tax ("**DDT**") in India (see "Taxation of the VCUs — *DDT*").

Interest

Interest income earned from the VCUs will be subject to tax on a gross basis at the rate of 21.115% if the borrowing has been incurred by the VCUs in foreign currency.

The India-Singapore tax treaty provides for a lower withholding tax rate of 15.0%. This is given only if the conditions prescribed there are satisfied. Principally, the Singapore SPV must qualify as a taxable unit under Singapore tax laws and is a tax resident of Singapore for the purposes of the tax treaty.

The above rates apply only if the Singapore SPV does not have a permanent establishment ("**PE**") in India to which the interest may be attributed.

Capital gains

Capital gains arising from the sale of shares in the unlisted VCUs will be taxable at the rate of:

- 21.115% in the case of long-term capital gains (i.e. when the shares have been held for more than 12 months); and
- 42.23% in the case of short-term capital gains (i.e. when the shares have been held for 12 months or less).

If the shares are treated by the Indian revenue authorities as possessing the character of the principal asset (real property) owned by the issuing company, the applicable rate of 21.115% or 42.23%, as the case may be, will be made by reference to a 36-month holding period instead of the 12-month holding period stated above.

Any capital gains from the sale of shares in the VCUs may qualify for exemption from tax in India, under the India-Singapore tax treaty, if the Singapore SPV is a tax resident of Singapore, does not have a PE in India and certain other prescribed conditions are met. These conditions are as follows:

- the affairs of the Singapore SPV are not arranged with the primary purpose of taking advantage of the capital gains exemption; and
- the Singapore SPV is not a shell/conduit company.

A shell/conduit company has been defined to mean any legal entity falling within the definition of resident with negligible or nil business operations or with no real and continuous business activities in Singapore. Further, an entity is deemed to be a shell/conduit company if its total annual expenditure on operations in Singapore is less than S$200,000 for the period of 24 months prior to the date on which the capital gains arise. The term "annual expenditure" means expenditure incurred during a period of 12 months. The period of 24 months shall be calculated by referring to two blocks of 12 months immediately preceding the date on which the gains arise.

An entity is deemed not to be a shell/conduit company if it is listed on a recognised stock exchange in Singapore or its total annual expenditure on operations in Singapore is not less than S$200,000 for the period of 24 months prior to the date on which the capital gains arise.

Taxation of the VCUs

Corporate Income Tax

The VCUs, being companies incorporated in India and hence tax resident in India, are liable to tax at a rate of 33.99% on taxable profits generated from projects undertaken in India and other income, if any, whether or not this arises from India or elsewhere. The taxable profits (which are determined at an entity level) are computed after adjusting for all allowable expenses, including depreciation, tax losses/unabsorbed depreciation and after allowing for tax holidays as applicable and provided under the Indian income tax law.

Minimum Alternate Tax ("MAT")

Under the Indian income tax law, MAT will be payable only where tax liability, as computed under the normal provisions as stated above, is lesser than 11.33% of the book profits in the Profit & Loss Account and after making certain specified adjustments.

Further, in computing the book profits, the lower of the brought forward losses or the unabsorbed depreciation based on the books of accounts will be deducted. However, as the manner in which brought forward losses or unabsorbed depreciation are to be computed is not specifically provided for, the amount allowable as a deduction is subject to differing interpretations.

MAT paid (on or after 1 April 2005) in excess of tax payable under other provisions of Indian income tax law will be allowed for carry forward and set-off for a period of 7 years. Set-off of credit is allowed in a particular tax year on the difference between the tax liability under normal provisions and the tax liability under MAT provisions for such tax year.

Income tax exemption/deduction

The classification of rental income is relevant given that the tax holidays in the subsequent paragraphs are applicable to business profits and not income from house property both of which are distinct heads of income under Indian income tax law.

Provided that the rental income of the VCUs is taxed as business income, the VCUs will be eligible for the income tax exemption/deduction described in the following paragraphs. Interest income of the VCUs, however, does not qualify for any such tax exemption/deduction.

Tax holidays for Industrial Parks

A tax holiday is available for undertakings (housed within legal entities such as the VCUs) which develop, develop and operate or maintain and operate an industrial park notified by the Indian government for this purpose for the period beginning on 1 April 1997 and ending on 31 March 2009.

This holiday is available for continuous 10-year period (out of the first 15 years) in relation to the profits and gains derived by the undertakings from the activities specified above, subject to satisfaction of the following conditions:

- the undertaking is not formed by splitting up, or the reconstruction, of a business already in existence;
- it is not formed by the transfer to a new business of machinery or plant previously used for any purpose, subject to prescribed relaxations in this regard; and
- anti-avoidance provisions apply to a limited extent in ensuring that the intra-entity transfers and transactions with associated persons, of goods/services are undertaken at arm's length basis.

MAT will however continue to apply in relation to the aforesaid profits.

Tax holidays for SEZs

A tax holiday is available for developers of SEZs in relation to profits and gains derived from the business of developing SEZs, notified on or after 1 April 2005 under the SEZ Act, 2005. This holiday is available for continuous 10-year period (to be elected by the taxpayer out of the first 15 years) in relation to the profits and gains derived by the undertaking from the business of developing SEZs, subject to satisfaction of certain conditions.

MAT will not be applicable in respect of eligible profits.

Gains on disposal of assets

Where the properties are held as "capital assets", gains arising to the VCUs from disposal thereof will be taxable as capital gains. The rate of taxation of capital gains will depend on whether the asset is long-term or short-term. Capital gains derived from the sale of real estate assets will be taxable as follows:

- if assets are non-depreciable and short-term (i.e. held for a period of 36 months or less), at the rate of 33.99%;
- if assets are non-depreciable and long-term (i.e. held for a period of more than 36 months), at the rate of 22.66%; or
- if assets are depreciable assets grouped together as a specific block of assets and the entire block of assets has been wiped out on account of the sale, at the rate of 33.99% on the excess of sale value over the tax written down value of the block of assets.

DDT

The VCUs will be subject to DDT at 16.995% on any dividends it pays to the Singapore SPV. Where the VCU is engaged in the development of SEZs, dividends distributed from current year profits are exempted from DDT.

Fringe Benefit Tax ("FBT")

In addition to corporate income tax, Indian companies and foreign companies having "employee(s) based in India" will be liable to FBT. FBT is a tax levied on the prescribed value of certain benefits given/expenses incurred by a company.

FBT is chargeable on Indian companies at the rate of 33.99% on the taxable value of benefits/expenses. The taxable value of each benefit/expenditure is calculated on the basis of the percentage prescribed, which typically ranges from 5.0% to 100.0% of the cost incurred. The effective rate of tax for FBT (as a percentage of the expenditure) typically falls in the range of 1.6995% to 33.99%.

Withholding Tax

Interest payment on foreign currency borrowings

Interest payable by the VCUs on foreign currency borrowings attracts a withholding tax of 21.115% under the Indian income tax law. A lower rate of 15.0% by way of relief under India-Singapore tax treaty can be claimed by the Singapore SPV, if it qualifies as a tax resident of Singapore and subject to satisfaction of the conditions for treaty relief discussed earlier.

Dividend payment

Dividends payable by the VCUs to their shareholders are currently not subject to tax withholding in the hands of shareholders under Indian income tax law, provided the same have been subject to DDT.

Wealth tax

In addition to regular corporate taxes payable in India, an Indian company is required to pay wealth tax in respect of its net wealth in excess of Rs. 1.5 million at the rate of 1.0%. Net wealth is computed as an aggregate value of all taxable assets less the aggregate value of all debts (assets and debts outside India are excluded).

Sales Tax/Value-Added Tax ("VAT")

Sales tax/VAT is levied on the sale or lease of movable property in India. Immovable property is not subject to sales tax/VAT in India. Rate of taxation depends upon whether the sale of movable property is an intra-state sale or an inter-state sale.

Service Tax

Service tax is levied on identified services provided by specified service providers at the rate of 12.36%. Taxable services include business support services, management, maintenance or repair services. The tax is levied on the gross value of taxable services. This will be only an input cost charged to the VCUs by their service providers, unless the VCUs are themselves appointed for projects as service providers.

Input taxes paid on services procured are creditable against output service tax liability. However, such credit is not available where there is no taxable output service.

With the enactment of the Finance Act 2007, service tax is leviable in respect of services relating to leasing of immovable property for use in the course of business or commerce, other than residential properties and vacant land. Accordingly, credit for service tax paid on input services is now available against the output service tax liability in relation to renting. Property tax paid is available as a deduction on computing the value of taxable service.

Stamp Duty

Stamp duty will be levied at the time of registration of the purchase transaction. Stamp duty, being a state levy, varies across states in India.

Immovable property

Transfer of immovable property either by way of sale, lease or development rights is typically subject to stamp duty. Rates for stamp duty vary between 5.0% and 15.0% on real estate transactions, depending upon the state (and in certain cases, the city) in which the instrument for transfer is executed.

Financial instruments

Some financial transactions attracting stamp duty are the issue of shares by an Indian company (Rs. 1 per share certificate) and the transfer of shares of an Indian company, at a rate of 0.25% (not applicable where shares are held in electronic form). Special provisions could however apply in certain situations, like amalgamation, demerger, etc.

Registration Fees

Registration of documents recording the transfer of real estate assets in the name of an Indian company would attract registration fee. Registration fee is typically levied at 1.0% of the value to be registered on a sale or purchase of immovable properties.

Yours faithfully

Ernst & Young
Singapore
Lim Gek Khim
Tax Partner

INDEPENDENT PROPERTY VALUATION SUMMARY REPORT

Cushman & Wakefield VHS Pte. Ltd.
Company Registration No. 200709839D

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27 June 2007

Ascendas Property Fund Trustee Pte Ltd
– as Trustee-Manager for Ascendas India IT Parks Trust
(to be renamed "Ascendas India Trust") ("a-iTrust")
75 Science Park Drive #01-03
Cintech II Building
Singapore 118255

Dear Sirs

1. International Tech Park Bangalore, Whitefield Road, Bangalore;
2. International Tech Park Chennai, Taramani Road, Taramani, Chennai, Tamil Nadu;
3. The V, Madhapur, Hyderabad, Andhra Pradesh; and
4. Cyber Pearl, Madhapur, Hyderabad, Andhra Pradesh;
All within India (all known as "The Properties")

Cushman & Wakefield VHS Pte Ltd ("C&W") have been instructed by Ascendas Property Fund Trustee Pte Ltd (the **"Trustee-Manager"**) to provide the opinion of value as at 31 March 2007 and to provide formal opinion of value reports in respect of the above mentioned properties ("the Properties"), subject to the existing tenancies and proposed lease arrangements as disclosed.

C&W have prepared comprehensive formal Opinion of value reports (the "Reports") in accordance with the requirements of the instructions and the following international definition of Opinion of Value:

"Opinion of value is the estimated amount for which an asset should exchange on the date of opinion of value between a willing buyer and a willing seller in an arm's length transaction, after property marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion".

The Opinion of value have been made on the assumption that the owner sells the property on the open market in its existing state taking into account the terms of sale but without the benefit of other joint venture, management agreement or any similar arrangement which would affect the value of the property.

For the specific purposes of the initial public offering of the units in a-iTrust ("IPO"), C&W provide a Summary of the Reports with a brief description of the Properties together with the key factors that have been considered in arriving at the opinion of value for inclusion into the prospectus to be registered with the Monetary Authority of Singapore and to be issued in connection with the IPO (the **"Prospectus"**). The value conclusions reflect all information known by the valuers of C&W who worked on the valuations in respect to the Properties, market conditions and available data.

Reliance on This Letter

This letter is a summary of the Reports that C&W, have carried out and it does not contain all the necessary information and assumptions that are included in the Reports. Further reference may be made to these Opinion of Value Reports, copies of which are held by the Trustee-Manager.

The opinion of value contained in the Reports are not guarantees or predictions but are based on the information obtained from reliable and reputatable agencies and sources, the Trustee-Manager and other related parties. Whilst C&W has endeavoured to obtain accurate information, it has not independently verified all the information provided by the Trustee-Manager or other reliable and reputable agencies.

Where applicable, information as to title particulars, ownership, site area, zoning, has been provided by the Trustee-Manager. C&W have also relied on the information provided by the Trustee-Manager on matters such as floor areas, tenancy details, occupancy status, land use rights, building plans and all other relevant matters. The Trustee-Manager has provided tenancy details as at 31 March 2007 where we have assumed that the tenancies as at the date of valuation are the same as those on 31 March 2007.

Also, in the course of the opinion of value, we have assumed that all the leases are legally valid and enforceable and the Properties have proper legal titles that can be freely transferable, leased and sub-leased in the market without being subject to any land premium or any extra charges. C&W have no reason to doubt the truth and accuracy of the information provided to us by the Trustee-Manager which is material to the opinion of value.

No allowance has been made in the opinion of value for any charges, mortgages or amounts owing on the Properties. C&W have assumed that the Properties are free from encumbrances, restrictions or other outgoings of an onerous nature which would affect their opinion of value, other than those which have been made known to C&W.

The methodologies used in valuing the Properties, namely, the Discounted Cash Flow Approach and Market Comparison Approach, are based on our professional opinion and estimates of the future results and are not guarantees or predictions. These opinion of value methodologies are summarized in this letter. Each methodology is based on a set of assumptions as to the income and expenses taking into considerations the changes in economic conditions and other relevant factors affecting the Properties. The resultant value is, in our opinion, the best estimate but it is not to be construed as a guarantee or prediction and it is fully dependent upon the accuracy of the assumptions made. C&W believes that every investor, before making an investment in a-iTrust, should review the Reports to understand the complexity of the methodologies and the variables involved in order to appreciate the context in which the values are arrived at.

We have inspected the exterior and, where possible, the interior of the Properties. No structural survey has been made, but in the course of our inspection, we did not note any serious defect to the completed buildings. We are not, however, able to report that the Properties are free from rot, infestation or any structural defect. No tests were carried out to any of the services.

We have also not carried out investigations on site in order to determine the suitability of ground conditions, nor have we undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

Property Descriptions

1. International Tech Park, Bangalore, Karnataka

The property comprises of a six building portfolio - namely Discoverer, Innovator, Creator, Explorer, Inventor and Navigator. The total built up area of the property is currently 2,327,125 square feet of which 1,709,702 square feet are self-owned. The total property site area is 68.50 acres with, 2.52 acres on a 30-year hospitality lease and 4.13 acres on a 99-year built-to-suite lease.

The property is situated 12 km from Bangalore Airport and 18 km from city centre, within the IT corridor of the city. Developments in the vicinity mainly comprise of campuses of IT/ITES companies. Prominent landmarks include Oracle, GE's John F. Welch Technology Centre, iGate headquarters, Perot Systems, Tata Consultancy Services and SAP Labs etc.

The buildings are leased out to multiple-tenants and have a total tenanted area on date of 1,553,985 square feet. The current total contracted rent is INR 856.93 million (SGD 29.99 million) per annum. The land lord bears all outgoing expenses including property tax and service charge including insurance. The property management fees and maintenance are recovered from tenants.

2. International Tech Park, Chennai, Tamil Nadu

The property comprises of two phases. The first phase is an 11-storey building with a floor plate of about 65,000 sq ft and built up area of 545,354 square feet. The second phase, which is under construction, is expected to offer a built up area of 730,000 square feet. The total site area of the property comprises of 15.00 acres.

The property is situated 12 km to Chennai International airport and 9 km to the city centre, at the beginning of IT corridor of the city. Developments in the vicinity are mostly campuses by IT/ITES Companies. Prominent landmarks in the vicinity include the TidelPark, TICEL Bio Park etc.

The building is leased out to multiple-tenants and has a total tenanted area on date of 545,354 square feet. The current total contracted rent is INR 246.24 million (SGD 8.62 million) per annum. The land lord bears all outgoing expenses including property tax and service charge including insurance. The property management fees and maintenance are recovered from tenants.

3. The V, Madhapur, Hyderabad, Andhra Pradesh

The tech park currently comprises of four phases- Mariner, Auriga, Orion and Capella with a total built up area of 881,067 square feet. The fifth phase of the property is under construction and is expected to offer a built up area of around 377,000 square feet. The total site area of the property is 19.40 acres.

The property is situated in Hitech City which is the IT growth centre of the city. Developments in the vicinity are mostly campuses of IT/ITES companies. Prominent landmarks in the vicinity are Wipro, Oracle, Tata Consultancy Services, Convergys, Mind Space, Deloitte etc.

The buildings are leased out to multiple-tenants and have a total tenanted area on date of 850,029 square feet with 31,038 square feet currently utilized as a cafeteria. The current total contracted rent is INR 377.61 million (SGD 13.22 million) per annum. The land lord bears all outgoing expenses including property tax and service charge including insurance. The property management fees and maintenance are recovered from tenants.

4. Cyber Pearl, Madhapur, Hyderabad, Andhra Pradesh

The property, located in Hitech City, comprises of two phases offering a total built up area of 518,293 square feet of which 430,964 square feet is self-owned.

The property is situated in Hitech City which is the IT growth centre of the city. Developments in the vicinity are mostly campuses of IT/ITES companies. Prominent landmarks in the vicinity are Wipro, Oracle, Tata Consultancy Services, Convergys, K.Raheja Mind Space, Deloitte etc.

The building is leased out to multiple-tenants and has a total tenanted area on date of 422,371 square feet. The current total contracted rent is INR 170.76 million (SGD 5.98 million) per annum. The land lord bears all outgoing expenses including property tax and service charge including insurance. The property management fees and maintenance are recovered from tenants.

Summary of Property Details

The following table summarizes other key property details for each property:

Subject Property	Land (Acres)	Net Lettable Area (Square Feet)
ITPB	68.50	1,709,702
ITPC	15.00	1,275,354[1]
The 'V'	19.40	1,247,467[2]
Cyber Pearl	6.05	430,964

[1] Includes Phase 2 area of 730,000 square feet expected to be completed by August, 2007.
[2] Includes Phase 5 area of 366,400 square feet expected to be completed by September, 2007.

Valuation Rationale

In arriving at our opinion of value, we have considered relevant general and economic factors and in particular have investigated recent sales and leasing transactions of comparable properties that have occurred in the regional property market. We have utilized the Discounted Cash Flow Approach, Capitalisation Approach and Direct Comparison Method in undertaking our assessment for each of the Properties.

Discounted Cash Flow Approach

We have carried out a discounted cash flow analysis over a 10-year investment horizon in which we have assumed that the property is sold at the commencement of the eleventh year of the cashflow. This form of analysis allows an investor to make an assessment of the long term return that is likely to be derived from a property with a combination of both rental and capital growth over an assumed investment horizon in undertaking this analysis, a wide range of assumptions are made including a target or pre-selected internal rate of return, rental growth, sale price of the property at the end of the investment horizon, costs associated with the initial purchase of the property and also its disposal at the end of the investment period.

We have investigated the current market requirements for an investment return over a 10-year period from IT / ITES commercial office market. As per the current market practice, the return is currently of the order of 9.5-10.5%.

Our selected terminal capitalization rates, used to estimate the terminal sale price, takes into consideration perceived market conditions in the future, estimated tenancy and cash flow profile and the overall physical condition of the building in 10 years' time. The adopted terminal capitalization rate additionally has regard to the duration of the remaining tenure of properties at the end of the cash flow period.

Direct Comparison Method

The Direct Comparison Method takes into account the prevalent ongoing rental rates in the market for properties comparable to the subject property in terms of: -

- Location – proximity to the property, view facets, distance from benchmark development in the vicinity etc
- Size of the property – area in acres , super-built up area
- Status – the physical condition of the property in the studied time frame.

Built-up properties vary in property dynamics and hence we have attempted to add discounts or premiums to comparative properties to arrive at the achievable rentals for the subject property.

Based on the above, the following table summarizes the salient valuation assumptions adopted in undertaking our assessment:

Summary of Property Values

The following table outlines the salient valuation assumptions adopted in undertaking our assessment: -

Subject Property	Target Discount rate (10-year)	Terminal Yield	Operating properties		Work-In-Progress		Land available for development[2]		Total	
			INR (millions)	SGD[1] (millions)	INR (millions)	SGD[1] (millions)	INR (millions)	SGD[1] (millions)	INR (millions)	SGD[1] (millions)
ITPB	13.50%	10%	8,796	307.86	-	-	4,874	170.59	13,670	478.45
ITPC	13.50%	10%	2,399	83.97	1,984	69.44	1,150	40.25	5,533	193.66
The V	13.50%	10%	4,488	157.08	951	33.29	-	-	5,439	190.37
Cyber Pearl	13.50%	10%	2,001	70.04	-	-	-	-	2,001	70.04
Total			**17,684**	**618.94**	**2,935**	**102.73**	**6,024**	**210.84**	**26,643**	**932.51**

[1] Exchange Rate adopted as on 30th March 2007: SGD 1 = INR 28.5714
[2] Land available for development is inclusive of Taj hotel development at ITPB

Disclaimer

We have prepared this Opinion of Value summary for inclusion in the Prospectus and specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Prospectus, other than in respect of the information provided within the opinion of value reports and summary. We do not make any warranty or representation as to the accuracy of the information in any part of the Prospectus other than as expressly made or given in this opinion of value summary.

All information provided to us by the Trustee-Manager is treated as correct and true and we accept no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any information provided were to materially change.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the subject properties and are not a related corporation of nor do we have a relationship with the Trustee-Manager, advisor or other party/parties whom the property trust is contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Lastly, this summary Opinion of Value report should be read in conjunction with the respective full valuation reports which detailed the basis under which the valuation has been prepared.

Yours faithfully
For and on behalf of
Cushman & Wakefield VHS Pte. Ltd.

Chew May Yenk
Director, Valuation & Advisory Services
Licensed Appraiser No AD41-2004419H

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INDEPENDENT INDIAN MARKET RESEARCH REPORT

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02 July 2007

The Board of Directors
Ascendas Property Fund Trustee Pte. Ltd.
(as trustee-manager of Ascendas India Trust)
75 Science Park Drive
#01-03 Cintech II Building
Singapore 118255

Dear Sirs,

SUB: INDEPENDENT INDIAN MARKET RESEARCH REPORT

With reference to your instructions, we are pleased to present the Independent Indian Market Research Report enclosed under the cover of this letter.

For & Behalf of Jones Lang LaSalle

Yours faithfully,

JONES LANG LASALLE PROPERTY CONSULTANTS (INDIA) PVT LTD

Stuart Roberts
Director
Jones Lang LaSalle Property Consultants (India) Pvt Ltd

JONES LANG LASALLE

Strategic Consulting

Independent
Market Research Report
for
a-iTrust

March, 2007

EXECUTIVE SUMMARY

Macro-economic overview of India

India is the fourth largest economy in the world after United States, China and Japan as measured by purchasing power parity (PPP) with gross domestic product (GDP) in 2006 estimated to be USD 4.0 trillion[1]. India is also the second fastest growing major economy in the world. Between FY04-06, GDP grew at an average of 8.5% p.a. The growth momentum has accelerated further and is expected to remain strong at 9.2% in FY07, making this the fastest growing year in terms of GDP in recent Indian history[2]. The immense growth noticed is due to its stable political outlook, growing foreign exchange reserves, sustained growth in services and industrial sectors, young demographic profile and regulated financial environment. As a result of this robust outlook, India has emerged as an attractive investment destination.

The Services sector, which includes among others, the IT, construction and real estate sectors, is the fastest growing sector in the Indian economy. In FY07, growth in this sector is expected to be 11.2%. Industrial growth also continues to be brisk, with estimated growth of 10.0% in FY07. Agricultural growth on the other hand, is expected to be only 2.7% during FY07[3].

It is an established fact that GDP growth is closely related to growth in FDI. This is because apart from improving efficiencies and bridging technology gap in the sector involved, it creates demand for ancillary sectors and expansion of employment base. Levels of Foreign Direct Investment (FDI) in India are rising, with inflows reaching USD 12 billion in FY07 from USD 7.2 billion in FY06 and around USD 2-3 billion a year for most of the 1990s[4] (although these figures are not strictly comparable, since in FY 2000-01 the government changed the means by which it measures FDI to include, for instance, reinvested earnings). In India, FDI has had the greatest impact on India's IT/ITES and Real Estate sector, apart from the pharmaceutical, telecoms and power sectors.

Business property sector

The relaxed FDI rules for the real estate sector implemented by India has invited more foreign investors and real estate sector is seemingly the most lucrative ground at present. The revised investor friendly policies allowes foreigners to own property, with the minimum size for housing estates built with foreign capital lowered to 25 acres (10 hectares) from 100 acres (40 hectares). With this sudden change in investment policies, the overseas firms can now put up commercial buildings as long as the projects surpass 50,000 square meters (538,200 square feet) of floor space[5].

The real estate market is currently growing at 30 per cent per annum and offering strong returns to investors. The domestic real estate market, which is presently estimated at $16 billion (Rs72,496 billion), will increase by over by three and a half times and touch $60 billion (Rs271,860 crore) by 2010. In 2003-04, India received total FDI inflow of $2.70 billion (Rs12,233 crore), of which only 4.5 per cent was committed to real estate sector. In 2004-05 this increased to $3.75 billion (Rs16,991 crore) of which, the real estate share was 10.6 per cent[6].

[1] Source: Economic Survey of India, 2006
[2] Source: State of Economy- Dec,2006 by Confederation of Indian Industries
[3] India Budget 2007, E&Y
[4] Weekly Economic Bulletin January 2007, India Business Standard
[5] The Department of Industrial Policy and Promotion (DIPP) vide press note no.2, 2005
[6] Source: Study of future of real estate investment in India report, ASSOCHAM (Associated Chambers of Commerce and Industry of India)

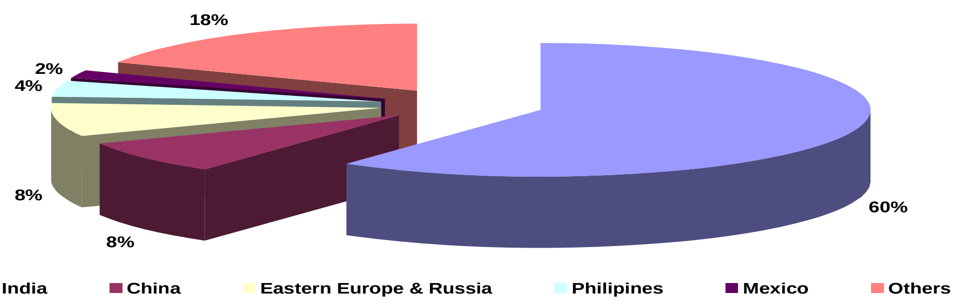
As many as 7 large realty players have already raised or are in the process of raising capital of approximately USD 5 Billion through AIM (Alternative Investment Market) on London Stock exchange[7]. Other sources of raising capital in the real estate is from property funds and private equity firms.

Apart from the construction and realty sector, another sector which has seen brisk investment and growth in recent years is the IT/ITES sector. As IT/ITES Sector will require real estate solutions, the growth in the IT/ITES sector is expected to benefit the real estate market.

Overview of IT

The last decade, particularly the last 5 years, have seen the emergence of India as the global leader in offshore IT and BPO services. As of 2005, India had an estimated share of 60% of global offshore IT revenues and 46% of global BPO revenues. Over FY2001-2006, India's share in global sourcing is estimated to have grown from 62 percent to 65 percent for IT and 39 percent to 45 percent for BPO[8]. The other leading offshore centres include China (8-9% share of offshore IT and BPO industries), Eastern Europe and Russia (8.9%), the Philippines (4%), Mexico (2%), and other locations including Ireland accounting for 18-19% market share. Although there are other countries around the world that are competing for a piece of the global off-shoring business, India has successfully maintained its leadership position and is expected to continue to do so in the foreseeable future.

Market Share of offshore Locations in Global IT/ITES Revenue (Total: USD 29.8 billion) (2005)



Source – NASSCOM-Mc Kinsey Report, 2005

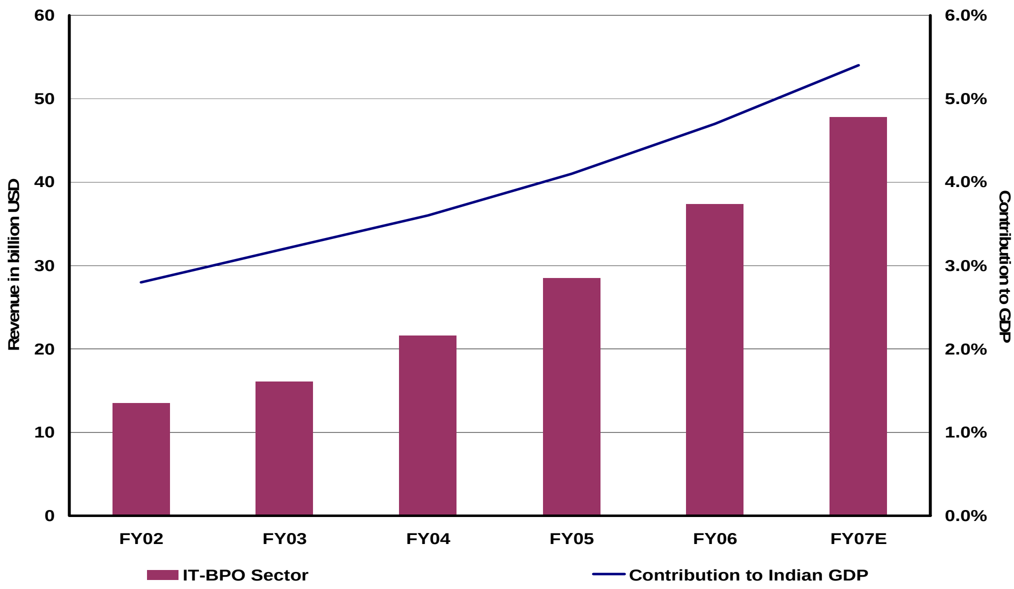
India offers a unique combination of attributes that have established it as the preferred offshore destination for IT-BPO. The range of parameters that determine India's attractiveness are abundant talent, cost advantage, quality and information security.

The contribution of the IT-BPO sector to the Indian GDP is growing at a very fast rate from 2.8% in FY 2002 to above 5.5% now[9]. The sector is not only growing very fast, it is also rising up the value chain with respect to the type of job delivered. The chart below depicts the Y-O-Y growth of contribution to the Indian GDP by the sector along with the Y-O-Y growth of revenues earned by the sector. The unprecedented growth in the Indian IT and BPO industry has resulted in a 10-fold increase in revenues over the last decade, from USD 4.8 billion in FY98 to USD 47.8 billion in FY07. A growing part of these revenues are from exports. In FY07, 67% of revenues were from exports, a growth of 32% over the

[7] www.londonstockexchange.com
[8] NASSCOM-McKinsey Report,2005
[9] Strategic Review 2007, NASSCOM

previous year. Overall revenues (domestic + exports) of Indian IT-BPO companies in FY07 grew by 28% over the comparable period.

Growth of IT-BPO Revenue and its contribution to Indian GDP (FY2002-07)



Source: Strategic Review 2007, NASSCOM

The Indian IT software and services market is expected to reach USD 60 billion in exports and USD 13-15 billion in domestic revenues by FY10[10]. As per NASSCOM estimates, the sector was expected to grow at a CAGR of 28.9% through FY2000-10 to achieve the above targets. However, through FY2000-06 the sector has grown at a CAGR of 31.5%. Thus, the achieved growth rates is a fair indication of the above targets being met. The positive outlook is on account of untapped potential in existing segments and growing confidence amongst companies to expand the offshore model to unexplored business segments.

With over half the population of India aged less than 25 years[11], India's young demographic profile is an inherent advantage. With a graduate outturn of about 3.1 million each year (across all disciplines), India accounts for approximately 28 percent of the total suitable talent pool available in offshore locations[12]. The number of IT-BPO professionals employed in India is estimated to have grown from less than 200,000 in FY1998 to over 1.6 million in FY2007[13]. In the short term, it is expected that employment in the IT/ITES sector will experience similar growth momentum, particularly given strong and positive FDI trends in this sector.

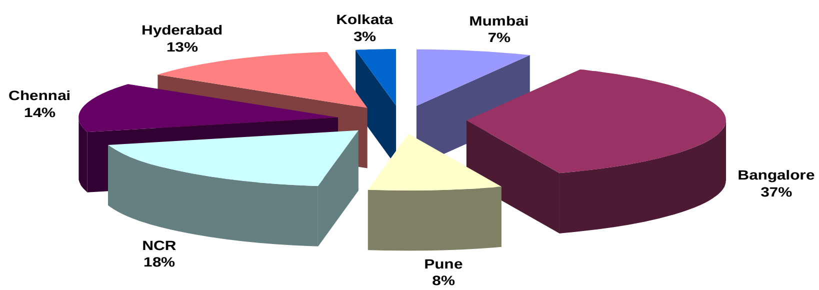
[10] Strategic Review 2007, NASSCOM
[11] CIA Fact-book, December 2006
[12] Strategic Review 2007, NASSCOM
[13] Strategic Review 2007, NASSCOM

According to the NeoIT report[14] which ranked the most preferred offshoring cities in the world, Indian cities swept the top 7 ranks (these cities are Bangalore, National Capital Region, Mumbai, Chennai, Pune, Hyderabad and Kolkata).

Map Showing Key IT/locations in India

Source – Jones Lang LaSalle Research

IT/ITeS Export Revenue break-up by Location of STPI Units (Total: INR 998 billion)



Source – STPI, 2006

[14] Offshore Insights: Global City Competitiveness- 2006

In terms of office space market, each city has its various micro-market locations. However, only certain locations cater to the real estate demand of IT/ITES sector. This is primarily on account of quality of space and lower rentals. Micro-market locations within these Tier I & II cities, which cater to IT/ITES demand are Bangalore: SBD[15] – Outer Ring Road and PD[16] - Whitefield, NCR: PD – Gurgaon, Chennai: SBD – Guindy, Mount Poonamallee Road and PD – Old Mahabalipuram Road, Pune: PD – Magarpatta City, Hyderabad: PD – Madhapur, Kolkata: PD – Salt Lake and Mumbai: PD – Vashi (Navi Mumbai)

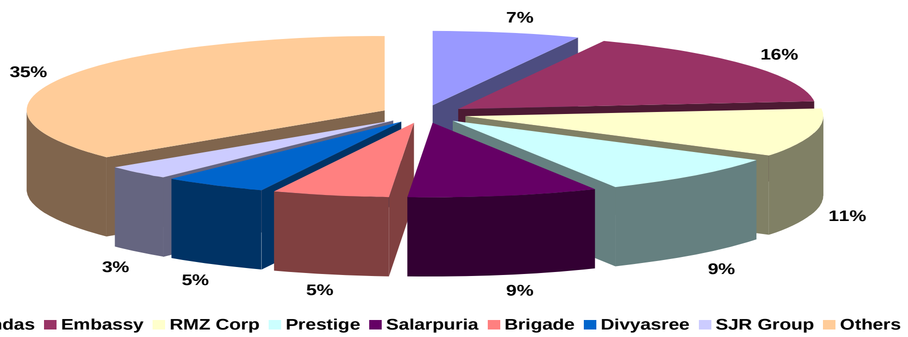
Bangalore:

Bangalore's economy is largely services industry driven, especially IT/ITES sector. The city has in the last decade emerged as India's technology hub with over 1400 registered IT/ITES companies, out of which 500 are multinational technology companies. Presently, it is the largest IT hub in India generating maximum revenue earned by the IT/ITES sector.

The growth of the city during last 2-3 years, in terms of commercial space has been mainly in the SBD (particularly on the Airport Road and the ORR) and the PD of Whitefield (Speculative Stock & Campuses), Electronic City and the area abutting Hosur Road (Largely Campuses).

There are seven main players in the IT Real Estate Market of Bangalore, namely, Embassy, RMZ Corp., Prestige, Salarpuria, Ascendas, Brigade, Divyashree and SJR Group who together account for 65% of the total stock available in the city. The two major ones as per the space constructed by them are Embassy and RMZ Corp. with 5.6 million sq.ft. and 3.6 million sq. ft. respectively. Ascendas owns one of India's first world-class plug and play IT parks in Bangalore, the ITPB.

Market Share of Major Developers in Commercial Real Estate Space



Source – Jones Lang LaSalle Research

As far as retail sector is concerned, Bangalore has always been one of the trend setting cities in South India with innovations in the formats of shopping centres in the nineties.. Kids Kemp and Kemp fort and Leela Galleria along with a large number of shopping centres have been in existence for more than a decade. However it was only in the last two years that proper shopping malls with good brands and international concepts of mall management have taken the market by storm. The retail markets being covered are the prime city malls and suburban malls, which have a built up area of 50,000 sq. ft. or more. The quality of projects in Bangalore are relatively high due to presence of quality conscious and established developers. The average floor plate size in the buildings ranges from 50000-100,000 sq. ft. The first mall (Prestige Forum) in the city came up in the year 2003. In 2004, with the opening of Bangalore Central there was additional mall supply of 120,000 sq. ft . The Forum in Koramangala and

[15] Secondary Business District, the commercial nodes of the city which are away from the city centre but within the city limits. And are usually located on the outskirts/periphery of the city.

[16] Peripheral Business District, the other commercial nodes which lies just outside the city. These areas have typically new developments coming up because of lack of adequate space in CBD and SBD.

Bangalore Central mall on MG Road have had enormous success and this has prompted many other reputed developers from Bangalore and outside Bangalore to set up malls in various parts of the city.

International Tech Park Bangalore,(ITPB):

The ITPB, Bangalore was promoted by Consortium of Ascendas and Government of Karnataka through KIADB. Currently the equity partners are Ascendas and KIADB. The project mainly contains commercial space in six blocks (Creator, Explorer, Discoverer, Innovator, Inventor and Navigator) with support retail and apartments. ITPB is one of India's first world-class plug-and-play IT parks. It targets companies primarily in IT/ITES space, with space requirements varying from 4000 sq. ft. to over 100,000 sq. ft. It is perhaps the only property in Bangalore to have such a diverse mix of tenant space occupancy.

ITPB is spread over an area of 69 acres with the total development on the site approximately 2.4 million sq. ft, as the built up area. The future expansion is expected to be approximately 3.2 million sq. ft.[17] It is located in Whitefield in the Peripheral Business District (PBD) in the eastern part of Bangalore. The property faces Whitefield Road, with Salarpuria GR Tech Park, Brigade Tech Park on the East, NCC Signet on the West and San Engineering and Locomotive company in the north.

The major IT companies presently operating out of ITPB are Lucent Tech, Wipro, Intel, Infineon Technologies, Sanyo LSI Tech, Tata Infotech, TCS, SAP, Sharp Software Labs. Many ITES (including BPO) companies have also leased space in the property like the 24/7 Customer, Customer Operational Services, AOL, IBM Global Services, Zap App India, etc.

ITPB commands a 10-15% premium over those being charged by the other developments on an equivalent warm-shell basis in Whitefield. Apart from ITPB which is commanding rental values (Rs. 42-43 per sq. ft. per month for warm shell) comparable to the CBD, the quoted rental values for the warm shell commercial space for Whitefield micro market is between Rs. 33-36 per sq. ft. per month. This is because of the fact that it offers extended warm-shell, high class amenities, international branding, in house high quality facilities management and project management and a captive power plant of its own.

In 2002, the Intelligent Community Forum, a New York-based non-profit trade association, awarded ITPB the World Teleport Property Award, in recognition of ITPB's contribution to Bangalore's remarkable growth and its ability to provide "plug-&-play" services and state-of-the-art infrastructure. ITPB has also been certified under the ISO 9001:2000 program for the operation and maintenance of technology parks.

The micro market (Whitefield) has a huge pipeline supply coming up. The stock for the next 18 – 24 months is around 8.5 million sq. ft., which comprises predominantly warmshell spaces as opposed to extended warmshell provided by ITPB. From the future supply and the existing commercial developments in the micro market there seems not much competition to ITPB due to the differences in the quality of space and facilities offered. It is expected that ITPB will be able to maintain strong rental rates in the near term as a result of its established reputation and high quality of facilities which has enabled it to differentiate itself from the rest of the market. The rental escalation in this project will be same as in the micro-market.

Chennai:

The other location in India where leading IT companies are investing is Tamil Nadu, especially Chennai, because of a progressive policy framework, good infrastructure, skilled technical manpower.

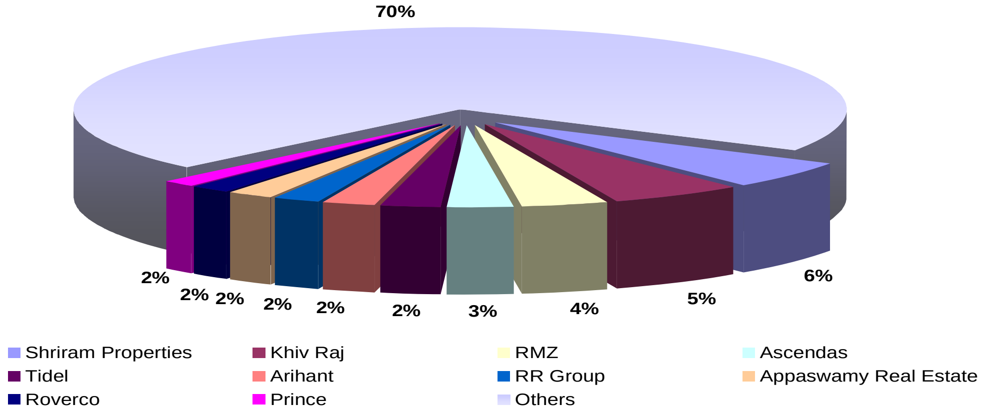
The city is presently growing commercially in the PD locations, mainly in the OMR and its vicinity. It is experiencing a huge demand for Grade A commercial space due to the IT boom. The stock of grade A

[17] Source: Information given by Ascendas Pte Ltd

space has increased from a little over one million in 2002 to close to a high of 8 million in 2007. The vacancy levels of the city have varied over the years from 1% to more than 13%. It has hit an all time low of little over 1% in the first quarter of 2007 due to the pressure of demand.

The Chennai market has many builders contributing to the market in small percentages. Some of the major builders of the market, with shares ranging from 2% to 6%, are Shriram Properties, RR Group, Khivraj, RMZ and Ascendas amongst others. Rest 70% of the market is divided between small builders each contributing very small percentage of built up space to the total stock. Ascendas contributes 3% to the total stock and owns one of the very well known IT Parks in Chennai, the ITPC.

Market Share of Major Developers in Commercial Real Estate Space



Source – Jones Lang LaSalle Research

International Tech Park Chennai, (ITPC):

The International Tech Park Chennai is a joint-venture project between Singapore-based business space solutions provider Ascendas and the Tamil Nadu Industrial Development Corporation (TIDCO). ITPC has been conceptualised on a 'plug-and-play' concept and is equipped with such features to provide a complete lifestyle environment with value-added amenities. These include food courts, medical clinics, ATMs, 100.0% power-backup, broadband connectivity and state-of-the-art security systems. The property is registered under STPI as an IT Park. So, it has a tenant mix of IT, BPO, ITES and other knowledge based industries.

ITPC is located off OMR Road in Taramani, the government-designated IT corridor of the peripheral business district of Taramani. It is a prominent 15-acre development currently comprising one office building ranked "grade A" called the "Pinnacle", one office building in the final stages of completion, "Crest" and land for the development of a third building. It is located in close proximity to prime residential precincts and is also well connected to the airport and CBD via local highways. The site enjoys good proximity to prime residential locations like Velachery, Adayar and Kotturpuram. It is located within 9 kms of the Central Business District (CBD) of Chennai and due its proximity to SBD of Adayar is often regarded as an off-SBD location.

The park offers a lot of facilities like food courts, 100% power backup, WiFi/broadband connectivity, central air-conditioning, state-of-the-art fire and security systems, centrally controlled and monitored building management systems and pharmacy, round-the-clock in-house maintenance teams and qualified project management teams apart from the warmshell commercial space set in lush landscaped gardens with water features. The Anchor tenants of the Park are I-Nautix and Technosoft. The development caters to companies in the IT/ITES space with space requirements in the range of 15,000-60,000 sq. ft.

Due to the high end warm shell office space and the facilities ITPC has to offer its clients, it commands high rentals in the market although there are many commercial buildings in the micro market. As the city limits expand, Taramani as a location is expected to be considered as an SBD location in the near future. ITPC will gain from this development as its rentals will then be benchmarked with SBD locations which demand higher rentals. The development will however face competition from projects like TIDEL Park, RMZ Millenia and Chennai One within the micro-market as these have similar development profiles.

Hyderabad:

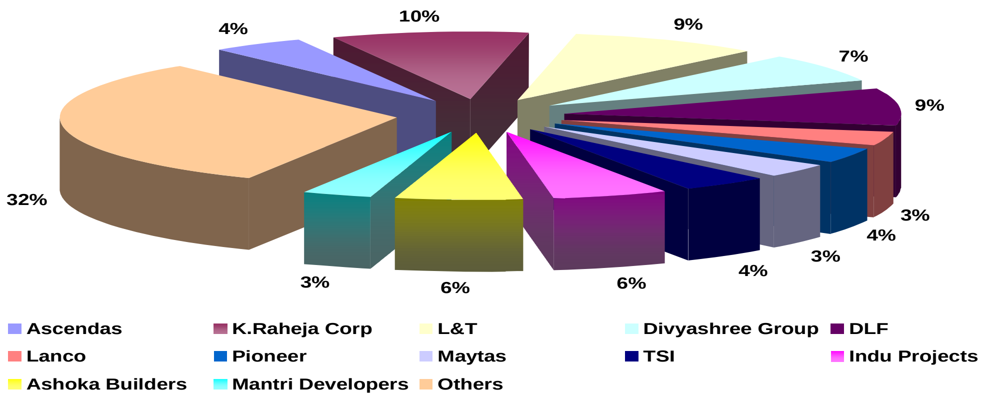
Hyderabad has been well renowned for its IT, ITES and pharmaceutical industries since the 1990's. It has been able to establish itself as the BPO and IT hub of India along with Bangalore and Chennai, and this is predominantly attributable to the abundance of technically qualified professionals in the city, graduating from the city's premier engineering and technological institutes such as Jawaharlal Nehru Technological University, International Institute of Information Technology, Indian School of Business and the Osmania University.

The city provides good infrastructure and business environment. The government of Andhra Pradesh is proactive and has initiated projects like the Hi-tech city as the IT hub, the Genome Valley as the biotechnology hub, the Knowledge Park as the hub for research and development, Financial District for finance and banking sector etc. The city is strengthening its infrastructure by improving connectivity, water supply and power supply. Therefore Hyderabad is emerging as an attractive location for IT, BT and Finance and banking sector.

The demand for quality space and low availability has driven the growth of the peripheral markets. The peripheral business districts offer spaces with good quality construction and large floor plates. The western part – which includes areas like Hitech city Gachibowli, Manikonda, etc and southern part which includes areas like Shamshabad, Maheshwaram, Budvel etc.The major growth corridors are along the NH-7, Outer ring road. Srisailam road etc. These areas also have options for campus and built – to suit developments, therefore these areas are experiencing large scale projects by reputed developers.

There are eleven major players in the PBD of Hyderabad. They are K Raheja Group, L&T, Lanco Group, Ashoka Builders,Pioneer, Ascendas, Divyashree Group, DLF, Maytas, Indu Projects and TSI. The major players among them are K.Raheja Corp and L&T . The other players present are RMZ ,Jayabheri etc. The developers like Salarpuria are also entering the market. Ascendas contributes about 4% to the Grade A stock with two very prominent IT parks in the city, the V and the Cyber Pearl.

Market Share of Major Developers in Commercial Real Estate Space



Source – Jones Lang LaSalle Research

The V:

The V is one of Hyderabad's most prominent IT parks. It currently comprises four office buildings ranked "grade A", namely "Mariner", "Auriga", "Orion" and "Capella", with a new fifth building under construction and expected to be delivered in July 2007. It was built in 2000 over a huge 19.4 acres. All these buildings have been constructed on a "plug-and-play" model with a "work-live-play" concept. In addition, most of the large rock formations have been left untouched, with the buildings designed around the natural landscape, adding to the serene and environmentally-friendly setting of the park.

It is located in the Cyber Corridor in Madhapur flanged by the approach road on the south, K Raheja Mind Space IT Park on its North, the under construction Inorbit mall by the K Raheja group on the east and Pioneer IT Park on the West. Other major projects in the proximity are Cyber Towers, Cyber Gateway, Cyber Pearl. There are also upcoming SEZs by L&T and Ashoka in the close proximity of the IT park. The surrounding IT Parks and The V are part of the IT Hub. It is located in close proximity to the large residential district of Jubilee Hills and other middle-income residential estates.

The V, which has been designed to provide a "campus-feel" to its tenants, offers a number of unique infrastructural features similar to the other IT parks in the a-iTrust portfolio like central air-conditioning, 100% power back-up, high efficiency offices, food courts and high-tech management systems. All buildings are multi-tenanted and are home to a number of MNCs from the IT and bio-technology industries. The V was part of the initial portfolio of the private trust when it was launched in June 2005.

The Cyber Pearl:

The Cyber Pearl is Ascendas first venture in Hyderabad. . It currently comprises two completed office buildings ranked "grade A" which were constructed via a local joint venture between Ascendas and L&T Infocity. It is a phased development with Phase I completed in 2004 and Phase II in 2006.

It is located in Hyderabad PD towards the north-west at Hitec City, the existing IT corridor of the city. Cyber Pearl is spread over six acres and currently comprises two completed office buildings ranked "grade A" with a seating capacity of 5,000 professionals. Both these buildings are multi-tenanted to prominent organisations from the IT sector such as Microsoft and GE. It is approximately 16 km from the airport and is well connected by multiple transportation networks to the central business district ("CBD"). It is also in close proximity to a number of prime residential areas such as Banjara Hills and Jubilee Hills and in the vicinity of the retail precincts.

Cyber Pearl has been constructed with a 'work-live-play' theme and hence houses a number of entertainment facilities such as a cafeteria and a fitness centre. The tenant mix has IT and BPO companies . Fortune 500 company like Microsoft is among the occupants. Cyber Pearl is designed for companies in IT, ITES, BPOs and call centres. Apart from the several unique amenities and infrastructure facilities provided to tenants, the Cyber Pearl management team also organises events to add to the vibrancy and cultural lifestyle theme of the park. These events, which are conducted on a regular basis for the workforce, include arts and entertainment events, business seminars, healthy lifestyle programmes, musical shows, karaoke sessions, charity shows, excursions and picnics, festive gatherings, fetes, sporting events, talent shows and community-serving events, providing a distinctively vibrant "work-live-play" environment.

As the city limits expand, Hitec City, Madhapur as a location is expected to be considered as an SBD location. The V and Cyber Pearl will gain from this development as their rentals will then be benchmarked with SBD locations like Banjara Hills and Jubilee Hills. The future peripheral district is likely to be the development along the ORR phase 1 connecting Madhapur to Shamshabad. The development will however face competition from projects within the micro-market as these have similar development profiles.

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1 INDIA: GEO-POLITICAL OVERVIEW

1.1 Geographical

India is the seventh-largest country by geographical area, the second most populous country, and the largest liberal democracy in the world. India has a coastline of over seven thousand kilometres. India's neighbours are Pakistan to the west; China, Nepal, and Bhutan to the north-east; Bangladesh and Myanmar to the east and Sri Lanka to the south.

India is divided into twenty-nine states and six union territories (or territories owned by the Central Government). All states and the Union Territory of Pondicherry have elected governments. The remaining Union Territories have centrally-appointed administrators. The states and territories are further divided into 602 districts.

Key demographic & Socioeconomic indicators

Population	1,095,351,995 (July 2006 est.); 1,028,737,436 (2001 Census)
Urban age structure	0–14 years: 30.8% (male 173,478,760/female 163,852,827) 15–64 years: 64.3% (male 363,876,219/female 340,181,764) 65 years and over: 4.9% (male 27,258,020/female 26,704,405) (2006 est.)
Average age	24.9 years
Decadal population growth rate	21.34% (decadal - 1991 to 2001)
Annual population growth rate	1.38% p.a. (2006 est.)
Literacy level	59.5%
Birth rate	22.01 births/1,000 population (2006 est.)
Death rate	8.18 deaths/1,000 population (2006 est.)
Population under the poverty line	10%
Unemployment Rate	8.9% (2005 est.)
Net migration rate	-0.07 migrant(s)/1,000 persons (2006 est.)
Sex ratio	At birth: 1.05 male(s)/female Under 15 years: 1.06 male(s)/female 15–64 years: 1.07 male(s)/female 65 years and over: 1.02 male(s)/female Total population: 1.06 male(s)/female (2006 est.)
Infant mortality rate	Total: 54.63 deaths/1,000 live births Female: 55.18 deaths/1,000 live births (2006 est.) Male: 54.05 deaths/1,000 live births
Life expectancy at birth	total population: 64.71 years male: 63.9 years Female: 65.6 years (2006 est.)
Total fertility rate	2.73 children born/woman (2006 est.)
Religions	Hindu 80.5%, Muslim 13.40%, Christian 2.3%, Sikh 1.9%, Others 1.8% and not specified 0.1% (2001 Census)

Source – CIA-The World Factbook

1.2 Political

Indian politics has changed quite drastically from being a single party ruled country to currently being run by a coalition government. The last two decades have witnessed mostly coalition type of governments in the Centre (Union Government) with anti-incumbency being a common phenomenon. Politically, cultural issues like religion, caste, language etc. play an important role in deciding which party gets the majority in the elections. The United Progressive Alliance (UPA) government led by the Indian National Congress, which is presently in power at the Centre, replaced the National Democratic Alliance (NDA) which was lead by the Bhartiya Janata Party) in 2004. The government machinery has been moving at a decent pace with minor setbacks to the economic reforms process being caused by the Left Parties which have gained a lot of ground in various states across the country. There are speculations of interim polls but the results expected are the same, with no single party gaining a decent foothold, and regional parties having an increasing say in the national arena.

Internationally, India's relations with the US will continue to improve during the forecast period, and the country is likely to emerge as a vital US diplomatic and economic ally in coming years. A nuclear co-operation deal between the two sides was signed into law in the US on December 18th by that country's president, George W Bush. This will alter to India's benefit the US's long-held rigid stance on nuclear non-proliferation. India still needs to gain approval from the Nuclear Suppliers Group (a multilateral anti-proliferation body) and to negotiate a safeguard agreement with the International Atomic Energy Agency (the UN's nuclear watchdog) before trade in civil nuclear materials can begin. However, it is steadily moving towards a massive expansion of its nuclear power sector, with plans to spend as much as US$40bn over the next 16 years on nuclear reactors from the US and other countries.

India and Pakistan has been working purposefully for all-round improvement of relations with each other. Undaunted by the February bomb attack on Samjhauta Express, India and Pakistan extended a bilateral agreement till 2010 to run passenger train and freight services between the two countries.

Facing with the complicated and rapidly changing international situation, China and India hold similar or identical views towards major international issues and bilateral cooperation on international and regional affairs have been strengthened continuously. As two biggest developing countries in the world, China and India enjoy broad convergence on vindicating the legitimate interests of developing countries and establishing a just and reasonable international political and economic order. The bilateral relationship has been marked by regular high-level visits, growing cooperation on a range of international and regional issues, and the establishment of a strategic and cooperative partnership for peace and stability. The most noticeable progress, though, has been registered in growing two-way trade. From a mere US$117 million in 1987, bilateral trade has grown to $20 billion this year, with the two countries setting a target of $50 billion for 2010[18].

Certain aspects of India's relations within the subcontinent are conducted through the South Asia Association for Regional Cooperation (SAARC). Its members are Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. Established in 1985, SAARC encourages cooperation in agriculture, rural development, science and technology, culture, health, population control, narcotics control and anti-terrorism. SAARC has intentionally stressed these "core issues" and avoided more divisive political issues, although political dialogue is often conducted on the margins of SAARC meetings. In 1993, India and its SAARC partners signed an agreement to gradually lower tariffs within the region.

Despite the lingering suspicions remaining from the 1962 Sino-Indian War and continuing territorial/boundary disputes in Kashmir and Arunachal Pradesh, Sino-Indian relations have improved gradually since 1988. Both countries have sought to reduce tensions along the frontier, expand trade and cultural ties, and normalise relations. A series of high-level visits between the two nations have helped improve relations.

India is also a member of the Association of South East Asian Nations(ASEAN). India's focus on a strengthened and multi-faceted relationship with ASEAN is an outcome of the significant changes in the world's political and economic scenario since the early 1990s and India's own march towards economic liberalisation. ASEAN-India cooperation covers a wide field, including Trade & Investment, Science & Technology, (including IT, Biotechnology, Advanced Materials, Space Sciences and their applications, etc), Tourism, Human Resource Development, Transport & Infrastructure, and Health and Pharmaceuticals. ASEAN-India trade in 2003-4 was about US$ 15 billion, an increase of approximately 350% over the 1993-94 trade figures. The balance of trade is in favour of ASEAN. There remains significant potential to further expand these ties.

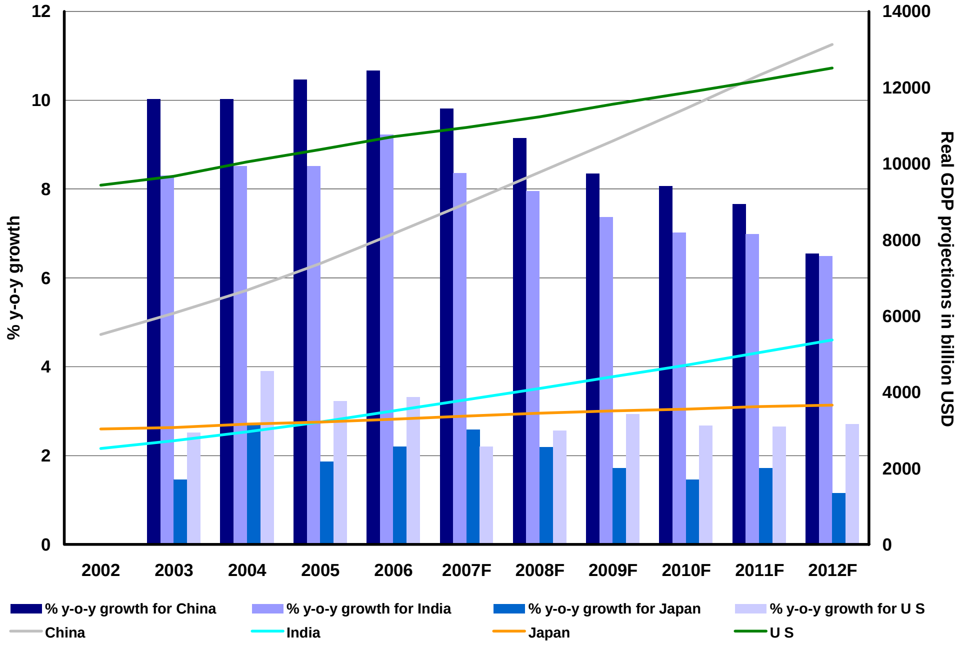
[18] www.chinaembassy.org

2 INDIA: ECONOMIC OVERVIEW

2.1 Gross Domestic Product (GDP)

India is the fourth largest economy in the world after United States, China and Japan as measured by purchasing power parity (PPP) with gross domestic product (GDP) in 2006 estimated to be USD 4.0 trillion[19]. India is also the second fastest growing major economy in the world. Between FY04-06, GDP grew at an average of 8.5% p.a. The Indian economy is booming. The growth momentum has accelerated further and is expected to remain strong at 9.2% in FY07, making this the fastest growing year in terms of GDP in recent Indian history[20].

Real GDP projections of India and select nations



Source: Economic Intelligence Unit

Indian economy has witnessed high levels of growth, it has also sustained the same and accelerated growth from previous levels due to its stable political outlook, growing foreign exchange reserves, sustained growth in services and industrial sectors, young demographic profile and regulated financial environment. As a result of this robust outlook, India has emerged as an attractive investment destination.

The Services sector, which includes among others, the IT, construction and real estate sectors, is the fastest growing sector in the Indian economy. In FY07, growth in this sector is expected to be 11.2%. Industrial growth also continues to be brisk, with estimated growth of 10.0% in FY07. Agricultural growth on the other hand, is expected to be only 2.7% during FY07[21].

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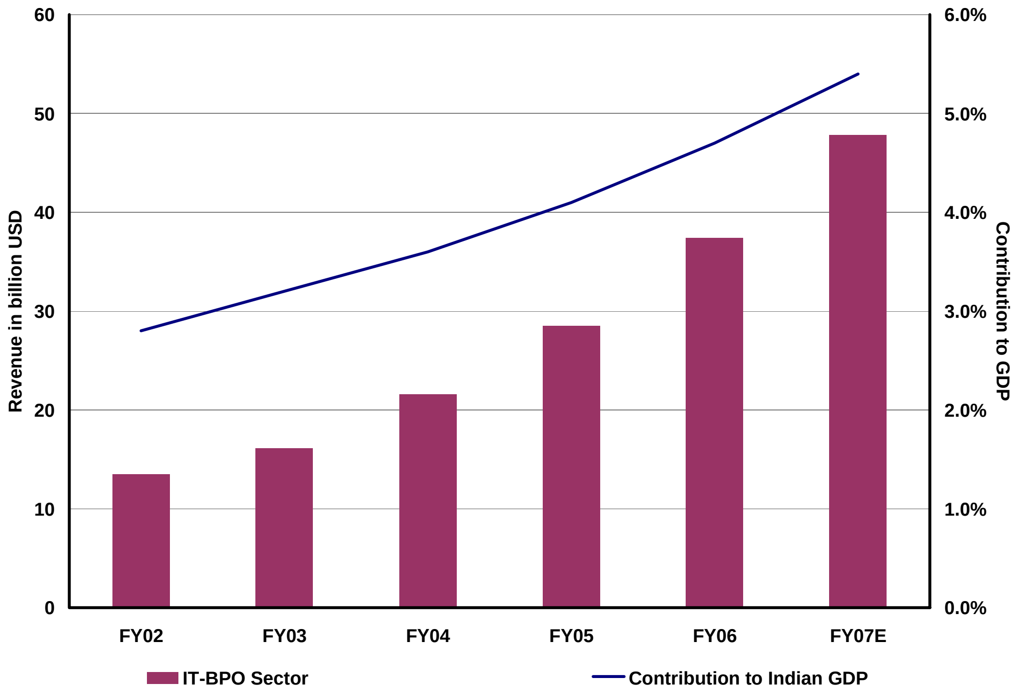
[19] Source: Economic Survey of India, 2006
[20] Source: State of Economy- Dec,2006 by Confederation of Indian Industries
[21] India Budget 2007, E&Y

In FY07, share of services, industry and agriculture in GDP is expected to be 55.1%, 26.4% and 18.5% respectively[22]. Services contributed as much as 68.6 per cent of the overall average growth in GDP in the last five years between 2002-03 and 2006-07[23]. Practically, the entire residual contribution came from the industrial sector.[24] The contribution of the IT-BPO sector to the Indian GDP is growing at a very fast rate from 2.8% in FY 2002 to above 5.5% now. The sector is not only growing very fast, it is also rising up the value chain with respect to the type of job delivered. The chart below depicts the Y-O-Y growth of contribution to the Indian GDP by the sector along with the Y-O-Y growth of revenues earned by the sector. In 2002 the revenues earned were at 13.5 billion USD which are expected to grow to 47.8 billion USD in 2007[25].

Growth of IT-BPO Revenue and its contribution to Indian GDP



Source Strategic Review 2007, NASSCOM

IT/ITES Sector

IT services (excluding BPO) continue to lead Indian IT-BPO exports, accounting for 55 percent of the total exports. This segment is expected to grow by 36 percent, to exceed USD 18 billion in FY2007. Project based services accounted for nearly 58 percent of Indian IT services exports in FY2006 - marginally higher than the 56 percent reported in the previous year. Steady growth in traditional areas such as custom application development and maintenance is being supported by strong demand for system integration and testing services. [26]

Total value of Indian exports of custom application development and maintenance services are estimated to have grown from USD 5 billion in FY2005 to USD 6.5 billion in FY2006. System integration contributed 2-3 percent of Indian IT services exports in FY2006. Whereas consulting (IT+network)

[22] EIU (Economic Intelligence Unit)Data Services.
[23] Union Budget and Economic Survey 2006-2007
[24] Economic Survey of India, 2006-07, Ministry of Finance, Government of India
[25] NASSCOM-Strategic Review 2007,The IT Industry in India
[26] NASSCOM-Strategic Review 2007,The IT Industry in India

services contributed about 3-4 percent of the IT services export aggregate in FY2006[27]. Consulting remains a sought after new line of business, with Indian players continuing to invest in building domain expertise and capabilities.

Services Sector*

The Services sector has emerged as the fastest growing sector of the economy and largest contributor to GDP. The sector has experienced a sharp increase in its share in GDP from 41.0% in FY92 to more than 55% in FY07[28]. This has become possible due to this sector growing at around 10% for the last few quarters. Continuing its march toward higher share in GDP, during 1Q and 2Q FY07 the services sector grew by 10.6% and 10.9% respectively. The key drivers for the sector's growth have been primarily industries such as IT, banking, tourism, and telecommunication. Given India's low cost advantage, increasing global demand for customer services, and the booming knowledge economy, the service sector is expected to continue its upward trajectory at a healthy rate. Growth in the Services sector has been driven largely by consumption demand fuelled by easy liquidity conditions, low interest rates and benign inflation. However, at present, interest rates have increased and inflation is on the rise. This might dampen growth in the service sector, particularly in demand for home loans, etc.

Industrial Sector*

Industrial Production during the first half of 2006 has shown an impressive increase to 10.2% from 8% in the previous year. This has been the combined result of all three constituents of IIP29 namely, manufacturing, mining and electricity witnessing a remarkable improvement. Maintaining its upward trend, manufacturing in H1 2006-2007 grew by 11.6% compared to corresponding performance of 8.1% last year. As per Planning Commission estimates, an annual average growth rate of about 12% of the manufacturing sector is necessary to ensure that the targeted average annual growth of 10% of the industrial sector is achieved during the Eleventh Plan. The manufacturing sector has already demonstrated a growth of almost 12% in 2Q FY2006-07. This shows that if certain reforms such as in labour laws, infrastructure, etc are initiated, the sector has the potential to cross the 14% mark easily, which is essential to absorb the increasing agricultural surplus labour.

Agriculture Sector*

The agriculture sector is constantly witnessing a sharp decline in its contribution to the GDP year after year. From a contribution of 32.0% in FY92, it has declined to barely 18.5% in FY07. This decline reflects that the Indian economy is switching over to a progressive stage of economic development, which is a good sign. At the same time, it is a matter of concern when more than 60% of the population is dependent on it. There is, hence, a need to take agricultural growth to an average of 4.0%, by injecting heavy doses of investment in this sector. Agricultural production is expected to improve to 3.0% in the second half of FY07 as compared to 2.6% in the first half. This will take the overall agriculture growth in FY07 to 2.8%.

2.2 Interest Rates

Confronted with the situation of global monetary tightening and inflationary expectations, the Reserve Bank of India (RBI) in its periodic reviews of monetary policy has been hiking the Repo and Reverse Repo rates on a continuous basis. This has led to an overall tightening in interest rates across the board. The 10-year bond rate was 7.73% in February 2007 up from 6% about a year back. The Prime Lending

[27] NASSCOM-Strategic Review 2007,The IT Industry in India.

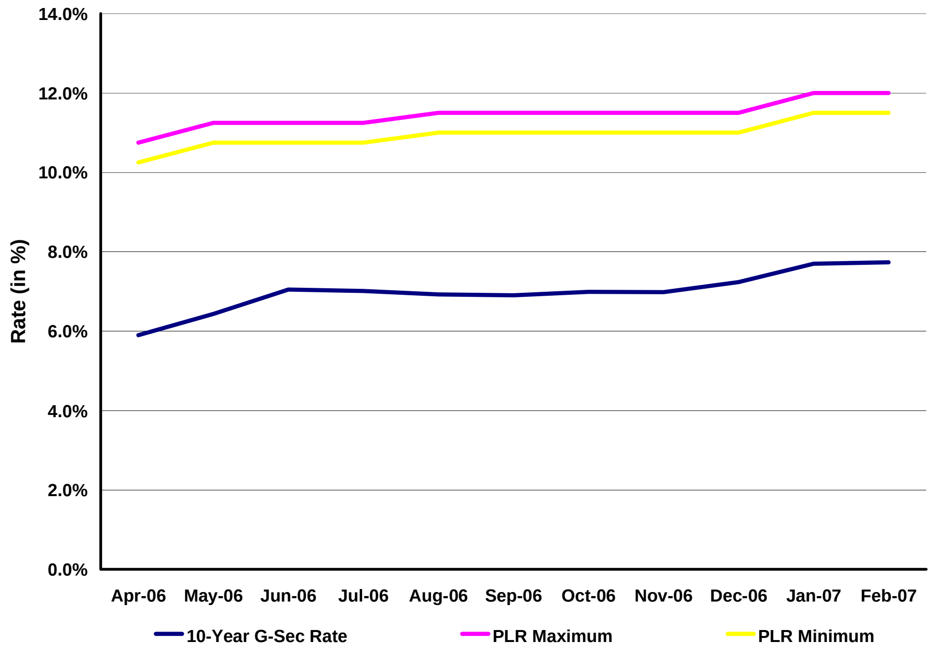
* (Note: The overview about the services, industrial and agricultural sector in the following paragraphs is based on the report 'Economic Outlook 2006/07, August 2006.)

[28] Source: Economic Outlook 2006-07, August 2006

[29] Index of Industrial Production

Rate (PLR) of major banks has also seen similar trends of hardening by 100-150 basis points in the last twelve months. Credit growth is expected to remain buoyant due to fast pace of GDP growth and is expected to outpace growth in deposits. This will exert pressure on interest rates in the short term.

Performance of Key Financial Rates in FY07



Source – Reserve Bank of India

Key financial rates

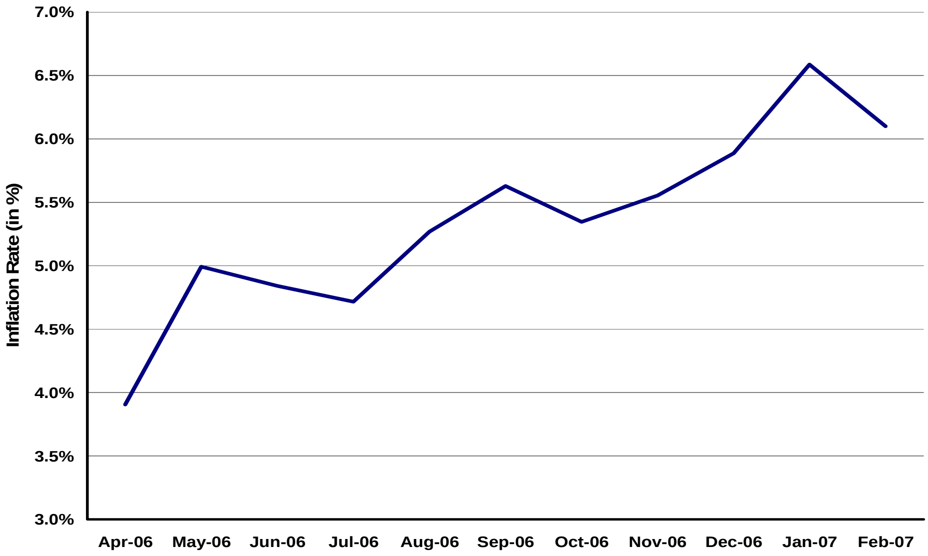
Bank Rate	6.0%
Reverse Repo Rate	6.0%
Repo Rate	7.75%
Cash Reserve Ratio	6.25%
Statutory Liquidity Ratio	25.0%
Prime Lending Rate	12.25-12.5%
Savings Bank Rate	3.5%
Deposit Rate	7.5-9.0%

Source – Reserve Bank of India (as of 19th April 2007)

2.3 Inflation

The annual average rate of inflation based on Wholesale Price Index of all commodities increased from 4.7% in FY06 to 4.9% in FY07, primarily due to a shortcoming on the supply side accompanied by buoyant growth of money and credit. As per the Ministry of Finance, Government of India, inflation may not subside in the next 12 month period, as the demand-supply mismatch is expected to remain. Though the government has taken measures to arrest the inflation growth, it can be arrested only when supply constraints are catered to. Inflation as measured by the wholesale price index is 6.39% for the year 2007 up to March 24, which has dipped after staying at 6.46% for some time. However the Reserve Bank of India (RBI) has traditionally targeted inflation rate in the 5-5.5% band. Given India's accelerating economic growth, the RBI is keen on keeping a check on inflation. The RBI has also been prudent in keeping control on excess liquidity in the overall market place by recently hiking the CRR (Cash Reserve Ratio) and the Repo Rate.

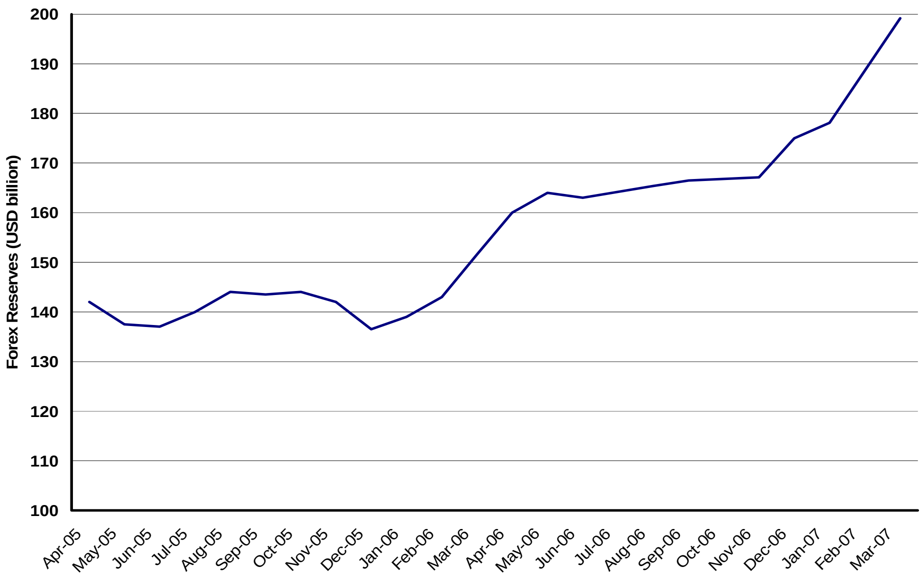
Inflation trends based on Wholesale Price Index (WPI)



Source – Reserve Bank of India

2.4 External Sector

Trend in Foreign Exchange Reserves

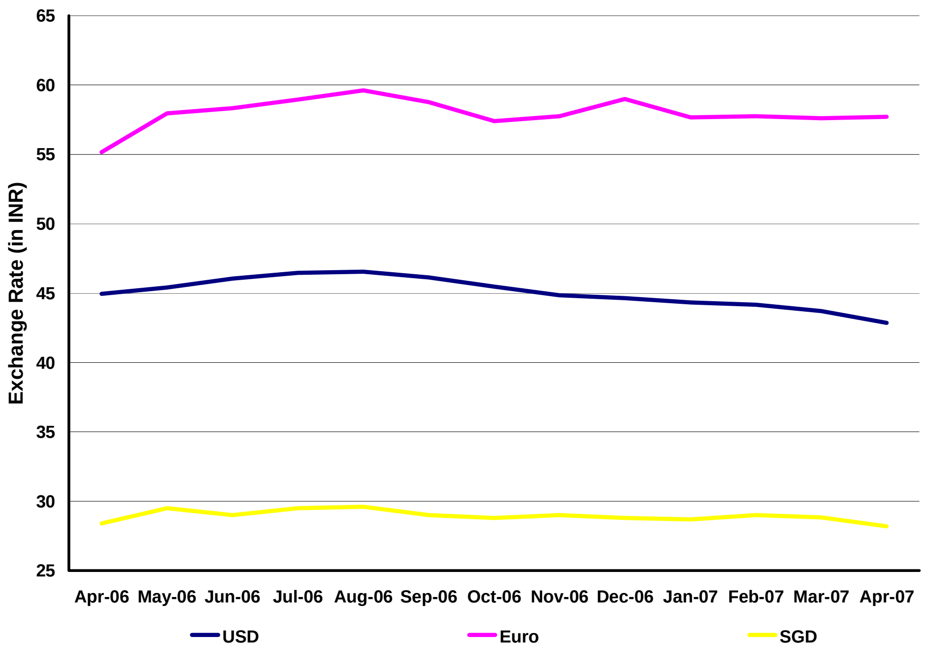


Source – Reserve Bank of India

India's vulnerability to an external crisis is limited by its large reserves and its low level of external debt. The government is targeting India's exports to reach USD150 billion by 2008-09, doubling its share of world exports to 1.5%. However, the current account deficit is expected to continue to grow because of an increase in imports due to stronger domestic demand and high global oil prices. The capital account however, is in surplus.

The Current Account Deficit to GDP ratio has been moderate in India. The current account remained in surplus during FY 2001-02 to FY 2003-04, before turning into a modest deficit since then. It is expected to continue to be in the range of 2 to 3 per cent under the projected outlook of 8 to 9 per cent growth rate during the Eleventh Five Year Plan. The foreign exchange reserves rose to USD199.2 billion by end of March, 2007 from USD 151.6 billion at the end of March, 2006.

Trends in Exchange Rate in USD, Euro and SGD



Source – Reserve Bank of India

The exchange rate of the Indian Rupee (INR) against the US Dollar (USD), which was INR 44.6 at end-March, 2006 depreciated to INR 46.95 by August 2006 but appreciated thereafter to INR 44.2 by February 2007. Against Singapore Dollar (SGD), Indian Rupee has been below INR 30 throughout FY07, though outlook on the Rupee in the short run is positive given the strong trend of capital inflows[30].

2.5 Economic Outlook

Rising interest rates and pressure on margins will impact the industrial sector. The services sector will be the most consistent performer. Strong capital inflows, ample liquidity and strong growth in exports have been the main factors for annual economic growth averaging 8.5% over the past few years. Analysts forecast that the Indian economy will grow in the range of 7-9% per annum for the next few years. With controlled inflation hovering at 4.9% at present and healthy macro-economic fundamentals overall, the economy is expected to witness robust growth. India's economic boom is forecast to moderate slightly over the next two years, with GDP growth stabilizing to 8.3% in 2007/08 and 8% in 2008/09, from estimated growth of 9.2% in 2006/07. Business confidence remains high, despite rising financing costs. Monetary policy is expected to be tightened during the first half of 2007 at least, against a backdrop of a modest slowdown in world economic growth.

[30] www.rbi.org.in

Having successfully established itself as a credible sourcing destination for high quality and large scale sourcing of IT-BPO, India is steadily moving up the value-curve by taking on engineering and product development functions. Over 150 multinationals are believed to be sourcing R&D related aspects of their business from India. This is expected to drive the next wave of growth for the Indian IT-BPO sector, with export revenues from outsourced engineering services targeted to reach USD 40-50 billion by FY2020[31].

India is also expected to become the third largest economy in the world in real GDP terms, next only to United States and China by 2035.

[31] NASSCOM-Strategic Review 2007,The IT Industry in India.

3 INDIA: INVESTMENT SCENARIO

3.1 Foreign Direct Investment (FDI)[32]

Levels of Foreign Direct Investment (FDI) in India are rising, with inflows reaching USD 12 billion in FY07 from USD 7.2 billion in FY06 and around USD 2-3 billion a year for most of the 1990s (although these figures are not strictly comparable, since in FY 2000-01 the government changed the means by which it measures FDI to include, for instance, reinvested earnings).

According to the Secretariat for Industrial Assistance, the largest source of FDI in FY05 was Mauritius, which accounted for 49% of total inflows. Many companies use the Mauritius route to invest in India because of tax benefits. Other common routes are Cayman Islands, Cyprus, Isle of Man etc. The US was the second largest foreign investor, with 11% of the total FDI, followed by Singapore (7%), the UK (5%), Japan (4%) and the Netherlands (3%).

Between 1991 and end of 2005 the electrical equipment sector, which includes India's highly successful computer software industry, received the largest share of about 14% of the total FDI. Telecommunications attracted nearly 9% of all FDI during the same period, with mobile telephony investments dominating in recent years. The next most important sectors for FDI were transportation (8%), services (8%), fuels (7%) and chemicals (5%). Foreign investment has been concentrated in the southern and western states, where more reform-minded administrations are in power. The top five destination states for FDI in recent years have been Maharashtra, Delhi, Tamil Nadu, Karnataka and Gujarat. FDI accounted for 3% of gross fixed investment in FY05.

It is an established fact that GDP growth is closely related to growth in FDI. This is because apart from improving efficiencies and bridging technology gap in the sector involved, it creates demand for ancillary sectors and expansion of employment base. The strong buoyant sentiment in the economy is expected to drive investments in Indian economy. This in turn is expected to drive growth in these sectors. As a result, the economy will witness a trickle-down effect on higher purchasing power leading to higher consumption. Thus FDI is expected to further enhance demand levels in the economy.

From India’s perspective, FDI has had the greatest impact on India's IT/ITeS and Real Estate sector, apart from the pharmaceutical, telecoms and power sectors.

The relaxed FDI rules for the real estate sector implemented by India has invited more foreign investors and real estate sector is seemingly the most lucrative ground at present. The revised investor friendly policies allowed foreigners to own property, and dropped the minimum size for housing estates built with foreign capital to 25 acres (10 hectares) from 100 acres (40 hectares). With this sudden change in investment policies, the overseas firms can now put up commercial buildings as long as the projects surpass 50,000 square meters (538,200 square feet) of floor space.

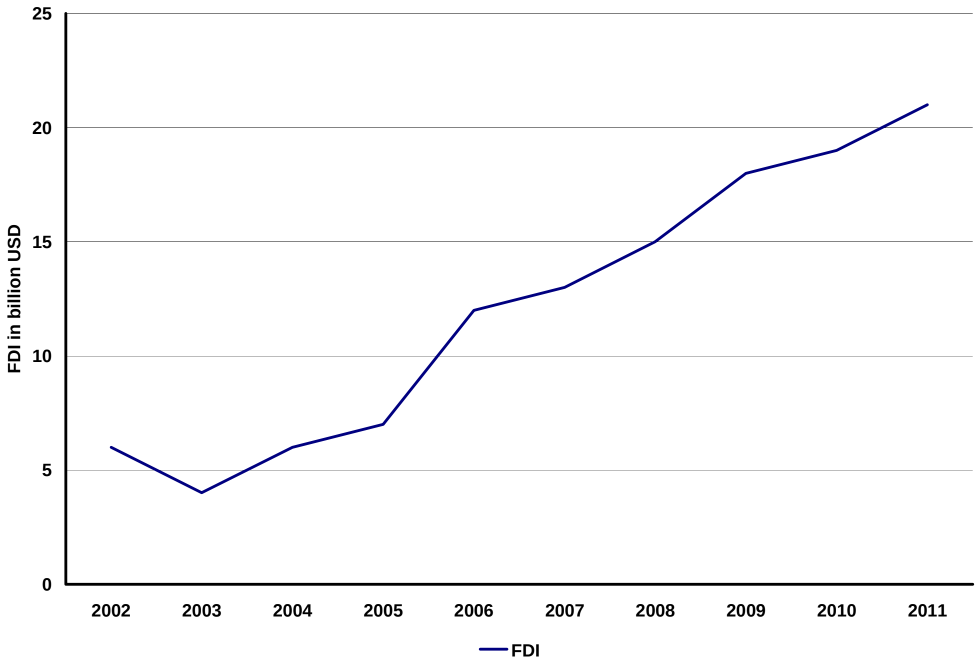
The real estate market is currently growing at 30 per cent per annum and offering strong returns to investors. The domestic real estate market, which is presently estimated at $16 billion (Rs72,496 billion), will increase by over by three and a half times and touch $60 billion (Rs271,860 crore) by 2010. In 2003-04, India received total FDI inflow of $2.70 billion (Rs12,233 crore), of which only 4.5 per cent was committed to real estate sector. In 2004-05 this increased to $3.75 billion (Rs16,991 crore) of which, the real estate share was 10.6 per cent.

However, in 2005-06, while total FDI in India was estimated at $5.46 billion (Rs24,739 crore), the real estate share in them was around 16 per cent. It is expected that in 2006-07, total FDIs will touch about $8 billion (Rs36,248 crore) in which the real estate share is estimated to be about 26.5 per cent.

[32] References taken from publications by Associated Chambers of Commerce and Industry of India (ASSOCHAM), FDI Policy-April 2006, State of economy-December 2006 by Confederation of Indian Industries (CII), various press releases by Reserve Bank of India (RBI), Economic Outlook 2006/07 and Economic Intelligence Unit.

The key determinant for these investments being India's skilled, English-speaking workforce who has been a significant attraction for FDI, particularly in the information technology (IT) sector. Caps on FDI in protected industries are being steadily lifted - in January 2004 the limits on foreign investment in oil production and oil refining were abolished, and in private banking the limit was raised to 74%. In October 2004 the sectoral caps were raised in insurance (26%), civil aviation (49%) and telecoms (49%). The limit for some telecoms services, for example Internet service providers (ISPs), was subsequently raised to 74% in February 2005. However, some sectors, such as retailing and agriculture, remain off limits to FDI, and no sectoral caps have been raised since February 2005. The approval process is gradually being simplified, and the government is expanding the number of industries that are subject to automatic approval. However, state-level impediments can be severe, and companies have been known to abandon FDI projects mid-way through the implementation stage.

Trends in FDI



Source – Economic Survey, 2006-07, EIU

FDI grew by 71 % to USD 12 billion in 2006-07 and is expected to reach USD 15 billion and USD 18 billion in 2008 and 2009 respectively. These represent an annual growth rate of 13 % over this period.

4 IT/ITES INDUSTRY IN INDIA

4.1 Overview of IT\ITES Industry in India

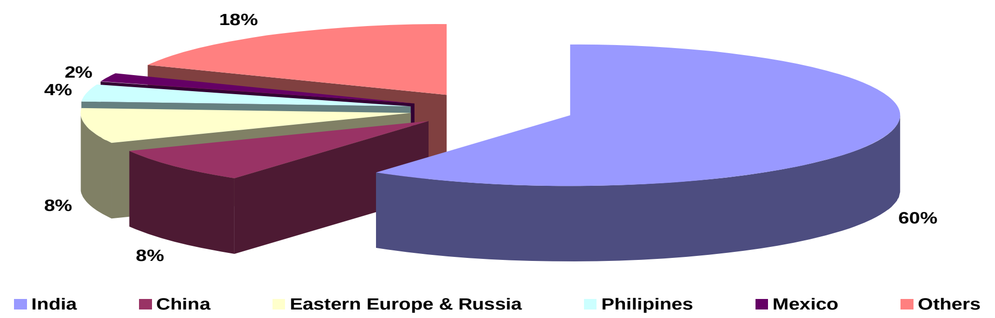
Information Technology (IT) sector refers to development of both the hardware and the software that are used to store, retrieve and manipulate information. IT-enabled Services (ITES) sector refers to services provided through the use of IT. ITES sector includes services ranging from call centres, claims processing, medical transcription, e-CRM, SCM to back-office operations such as accounting, data processing, and data mining. Business Process Outsourcing (BPO) sector refers to third-party outsourcing or captive offshoring of business processes by using IT.

The Indian IT industry comprises of companies offering all levels of services required in the IT sector, be it hardware development, hardware support, software development, software support or any other backup operations. Nasscom's Top 20 IT Software & Service exporters from India in 2006 are TCS, Infosys, Wipro, Satyam, HCL, Patni, I-Flex, Tech Mahindra, Perot Systems (TSI Ltd), L&T Infotech, Polaris, Hexaware, Mastek, Mphasis, Siemens Information, Genpact, i-Gate, Flextronics Software, NIIT and Covansys[33].

The Indian BPOs are moving up in the value chain. Indian companies offer contract research in development of new molecules and clinical research trials, medical image processing and diagnostics. According to NASSCOM, in 2006 the top-15 ITES companies present in India are Genpact, WNS Group, Wipro BPO, HCL BPO, ICICI OneSource, IBM Daksh, Progeon, Aegis, EXL, 24/7 Customer, Mphasis, Intelenet, GTL, TCS BPO and Transworks[34].

4.2 India's performance in the IT/ITES Sector

Market Share of offshore Locations in Global IT/ITES Revenue (Total: USD 29.8 billion) (2005)



Source – NASSCOM-McKinsey Report,2005

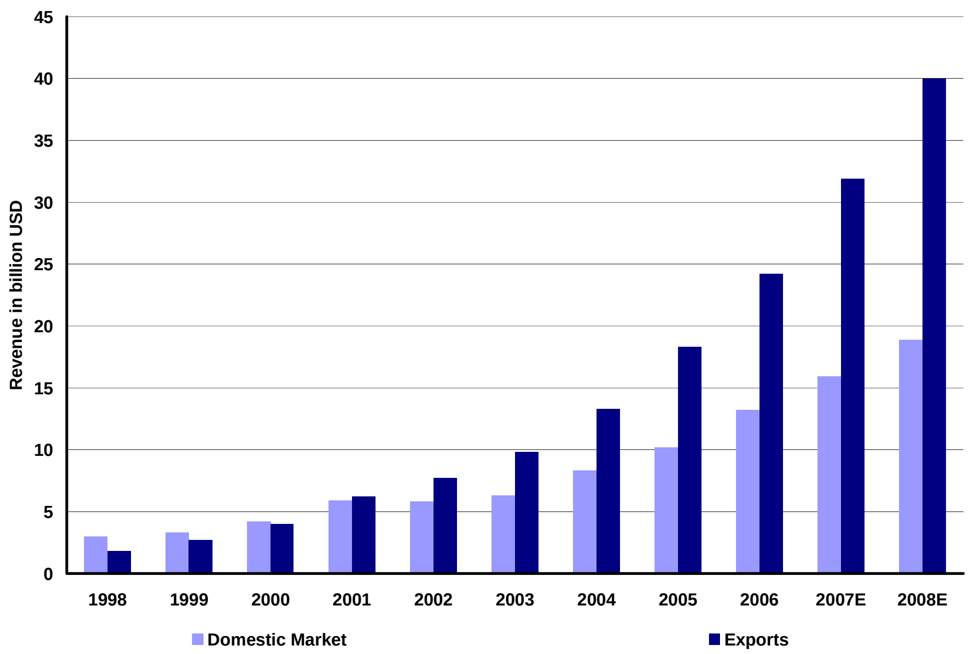
The last decade, and particularly the last 5 years, has seen the emergence of India as the global leader in offshore IT and BPO services. As of 2005, India had an estimated share of 60% of global offshore IT revenues and 46% of global BPO revenues. These figures are expected to have increased in 2006. The other leading offshore centres include China (8-9% share of offshore IT and BPO industries), Eastern Europe and Russia (8.9%), the Philippines (4%), Mexico (2%), and other locations including Ireland accounting for 18-19% market share. Although there are other countries around the world that are

[33] This list does not include companies having significant offshore operations in India, but are listed on foreign countries. These are IBM, Accenture, HP, Microsoft, Cognizant etc. The list also does not include companies which have India centric global delivery model but do not provide India specific revenue details. These companies, if considered, would have found a mention in this list.

[34] Companies like Sutherland and e-Funds are not included as they did not provide revenue figures. However, if their global revenues are considered they would have featured in the list.

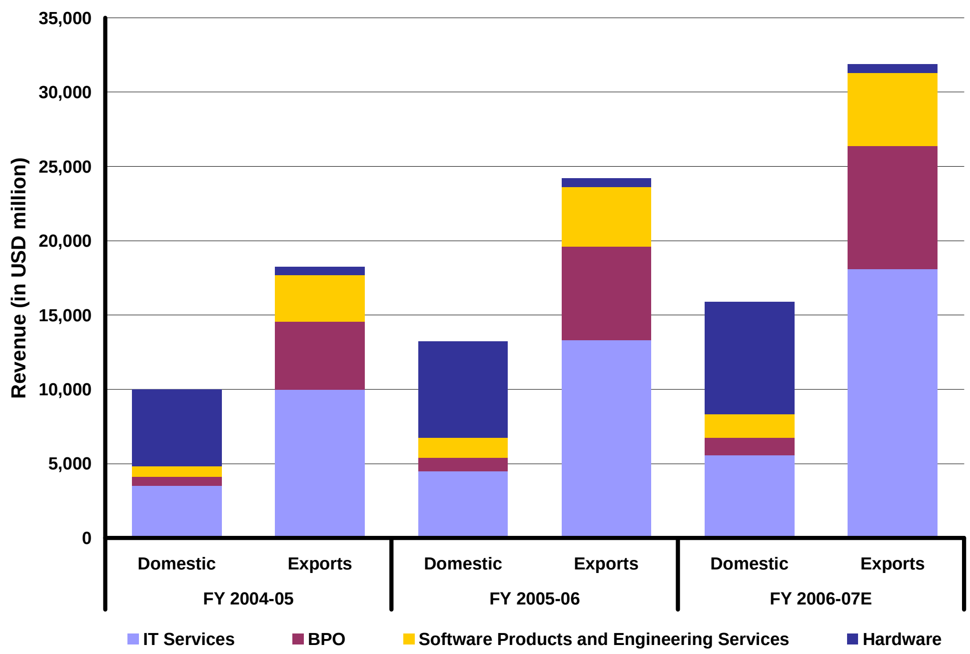
competing for a piece of the global offshoring business, India has successfully maintained its leadership position and is expected to continue to do so in the foreseeable future.

Growth of IT/ITES industry Revenue



Source – Strategic Review 2007 of IT Industry in India by NASSCOM, IDC

IT/ITES industry Revenue break-up (in million USD)



Source – Strategic Review 2007 of IT Industry in India by NASSCOM

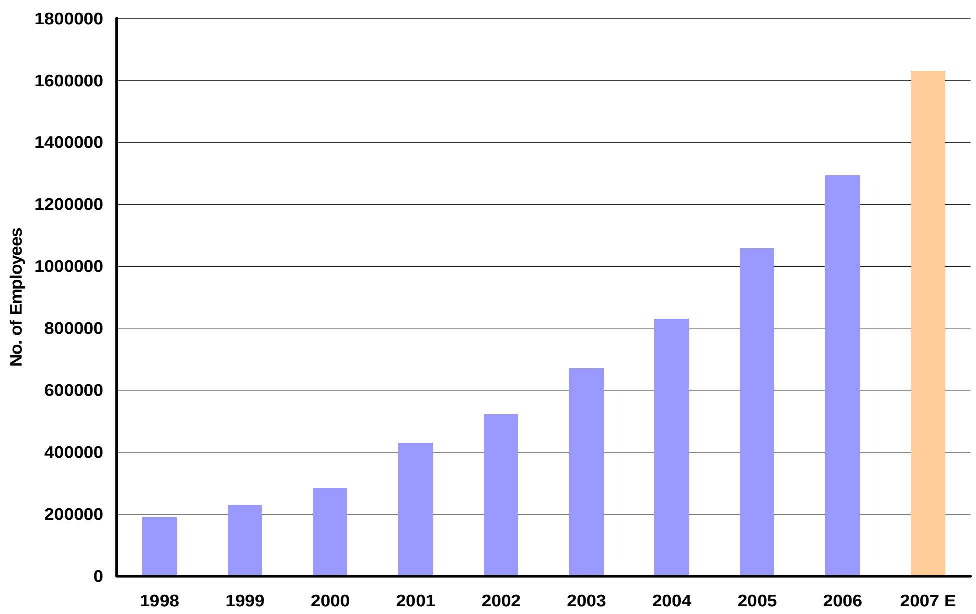
The unprecedented growth in the Indian IT and BPO industry has resulted in a 10-fold increase in revenues over the last decade, from USD 4.8 billion in FY98 to USD 47.8 billion in FY07. A growing part of these revenues are from exports. In FY07, 67% of revenues were from exports, a growth of 32% over the previous year. Overall revenues (domestic + exports) of Indian IT-BPO companies in FY07 grew by 28% over the comparable period[35].

The Indian IT software and services market is expected to reach USD 60 billion in exports and USD 13-15 billion in domestic revenues by FY10. These revenues are over and above revenues from hardware exports and domestic sector. As per NASSCOM estimates, the sector was expected to grow at a CAGR of 28.9% through FY2000-10 to achieve the above targets. However, through FY2000-06 the sector has grown at a CAGR of 31.5%. Thus, the achieved growth rates is a fair indication of the above targets being met. The positive outlook is on account of untapped potential in existing segments and growing confidence amongst companies to expand the offshore model to unexplored business segments.

The IT-BPO sector is thus one of the fastest growing sectors in the Indian economy, growing at over three times the rate of overall GDP (28% growth in this sector versus around 9% growth in GDP). As a result, its direct contribution to GDP increased from 1.2% to 5.4% over the last decade. In addition, its indirect contribution is multi-fold. The growth of this industry has resulted in increased employment, purchasing power, consumption and investment, particularly in infrastructure. The latter, combined with India's natural competitive advantage due to its skilled labour force, large English speaking population, dynamic private sector etc., will enable India to maintain and strengthen its pre-eminent position in the global IT-BPO industry.

4.3 Employment Trends in the IT/ITES Sector

Employment Trends of IT/ITES industry



Source – Strategic Review 2007 of IT Industry in India by NASSCOM

India offers a unique combination of attributes that have established it as the preferred offshore destination for IT-BPO. Over FY2001-2006, India's share in global sourcing is estimated to have grown from 62 percent to 65 percent for IT and 39 percent to 45 percent for BPO[36]. The range of parameters

[35] Strategic Review 2007 of IT Industry in India by NASSCOM

[36] Strategic Review 2007 of IT Industry in India by NASSCOM

that determine India's attractiveness are abundant talent, cost advantage, quality and information security.

With over half the population of India aged less than 25 years, India's young demographic profile is an inherent advantage[37]. With a graduate outturn of about 3.1 million each year (across all disciplines), India accounts for approximately 28 percent of the total suitable talent pool available in offshore locations. The number of IT-BPO professionals employed in India is estimated to have grown from less than 200,000 in FY1998 to over 1.6 million in FY2007[38]. In the short term, it is expected that employment in the IT/ITES sector will experience similar growth momentum, particularly given strong and positive FDI trends in this sector.

1.6 million individuals are estimated to be employed in the IT and ITES sectors in India, out of which more than half of estimated to be employed in Bangalore, Chennai and Hyderabad.

4.4 India's Strengths in the IT/ITES Industry

The tremendous growth in the ITES-BPO sector has demonstrated India's superiority, sustained cost advantage and fundamentally powered value proposition in the international market[39]. More than 250 of the Fortune 500 companies have outsourced some part of their software requirements from India and there is evidence that more multinationals are in the process of setting up or expanding their India operations.

The Indian software industry truly symbolizes India's strength in the knowledge based economy. India's prominent position in the global offshore IT and BPO industries is based on the following advantages:

- Abundant talent: India now accounts for 28% of IT and BPO talent among 28 low-cost countries. According to NASSCOM report[40], India has the largest English-speaking talent pool in the world – over 440,000 engineering degree- and diploma-holders, approximately 2.3 million other (arts, commerce and science) graduates. Approximately 300,000 postgraduates are added each year to the existing workforce.
- Low wage structure: Low wage structure in India results in savings of up to 50-60% in terms of HR costs.
- Operational excellence that has delivered cost and quality leadership in offshore service centres.
- Conducive business environment including several favourable policy interventions such as telecom reforms.
- Access to highly qualified trained English-speaking professionals.
- Creation of urban infrastructure that has fostered several IT centres in the country.
- Indian time zone's capability to offer 24 x 7 services to their global customers.
- Continued growth in the domestic IT sector that provides enabling infrastructure and develops a broad based skill base.
- Flourishing Venture Capital (VC) industry: The VC industry was estimated to be worth around USD 408 million in FY 2000 and is expected to grow at a CAGR of around 50 per cent to USD 10 billion by FY 2008.

The Indian IT/ITES sector will employ approximately 1.6 million persons by FY07 and this is likely to breach 4 million by FY15. Turnover of the top three companies namely TCS, Infosys and WIPRO, are over one billion dollars each. Indian IT companies train people in 55 countries. Two software training institutions NIIT and Aptech have a total of 200 training centers in China. India currently exports software to around 95 countries around the globe. More than 250 of the Fortune 500 companies have

[37] CIA Factbook, December 2006

[38] Strategic Review 2007 of IT Industry in India by NASSCOM

[39] Pg 146, Chapter 7, Economic Survey of India, 2006-07, Ministry of Finance Government of India

[40] Pg 92, NASSCOM Strategic Overview 2007: The IT Industry in India; Quoted from data released by Department of Secondary and higher Education, Ministry of Human Resource and Development, Government of India

outsourced some part of their software requirements from India. Many global software firms have set-up operations in India. They include IBM, Microsoft, Accenture, Oracle, Adobe among others.

Details of major player providing global sourcing services from India

Company and Headquarters	Specialty	Low-Cost Locations	Offshore Revenue Range
Accenture (US)	Software Development, Network Support, Finance & Accounting (F&A) Human Resources (HR) Procurement, Insurance Operations, General Banking	India, Philippines, Spain, China, Czech Republic, Slovakia, Brazil, Australia	Over $5 billion
Capgemini (France)	Software Development	Canada, Mexico, Spain, Poland, India, Australia	$1-5 billion
Cognizant Technology Solutions (US)	Software Development, Network Support	India, China and Canada	$1-5 billion
Convergys (US)	Call Centres	India, China, Indonesia, Malaysia, Philipines, Sri Lanka, Taiwan, Thailand, Argentina, Brazil, Colombia, Mexico, Australia, Canada	Over $1 billion
CSC (US)	Software Development, Insurance Operations, Demand Management	Canada, Bulgaria, Mexico, India, South Africa, Spain, Ireland, Malaysia	Over $5 billion
EDS (US)	Software Development, Network Support; F&A, HR, Payroll, Demand Management, Procurement, Insurance, General Banking, Telecom, Transportation, Health Care Operations	Canada, Mexico, Brazil, Argentina, India, Australia, South Africa, Spain, Hungary	Over $5 billion
HCL Technologies (India)	Software Development, Network Support, R&D/Engineering, Financial Services	India, Iceland	$0.5-1 billion
Hewitt Associates (US)	HR, Payroll, Procurement	India, Brazil, China, Mexico, Philipines, Thailand, Malaysia, Argentina, Czech Republic, Poland, Hungary, Chile	Over $5 billion
Hewlett-Packard (US)	F&A, Payroll, Procurement	India, China	Over $5 billion
IBM (US)	Software Development, Network Support, F&A, HR, Payroll, Procurement, Insurance Operations	India, Brazil, China, Mexico, Belarus, Philipines, South Africa, Romania, Argentina,	Over $5 billion
ICICI One Source (India)	Call centres	India, Ireland	Below $100 million
Infosys Technologies (India)	Software Development, Network Support, Banking, Mortgage Processing	India, Czech Republic, China, Australia	$1-5 billion
Mphasis Corp. (India)	Financial Services	India, China, Australia, Mexico	Below $100 million
Office Tiger (US)	F&A, Financial Services, Transaction Processing	India, Sri Lanka	Below $100 million
Patni Computer Systems (India)	Software Development Network Support, R&D/Engineering	India	$0.5-1 billion
Sapient (US)	Software Development	India	$100-500 million
Satyam (India)	Software Development, Network Support, R&D/Engineering	India, Hungary, Brazil, Australia, Egypt, China	$0.5-1 billion
Tata Consultancy Services (India)	Software Development, R&D/Engineering, F&A, Telecom,	India, Hungary, Brazil, Uruguay, Chile, China	$1-5 billion

Company and Headquarters	Specialty	Low-Cost Locations	Offshore Revenue Range
	Transportation, Hospitality Operations		
V Customer Corp. (US)	Call Centres	India	Below $100 million
Wipro (India)	Software Development, R&D/Engineering, Demand Management, Mortgage Processing, Transportation Operations, Healthcare Operations, Banking, Mortgage Processing	India, Canada	$1-5 billion
WNS Global Services (India)	Transportation Operations, Healthcare Operations, Banking, Mortgage Processing	India, Sri Lanka	Below $100 million
24/7 Customer (India)	Customer Service	India, Philippines	Below $100 million
Genpact	Software Development, F&A, Claims Process, Demand management	Mexico, Poland, Hungary, Romania, China, Philippines	$0.5-1 billion

Source: NASSCOM, Strategic Review 2007, The IT Industry in India

The top-40 publicly listed Indian firms have reported topline y-o-y growth of of nearly 35% in first half of FY07. MNC owned captive units have been scaling up their operations steadily with headcount expected to be growing by about 25-30% this year. Offshore revenues as a proportion of total service exports have increased from 43% in FY2000 to 71% in FY07. Indian companies have exhibited capabilities in offshore outsourcing of IT services and the same is now regarded as an integral element of corporate strategy for every company[41]. Thus, the demand for IT services is expected to remain buoyant in forseeable future. As a result, the Indian IT/ITeS sector has also emerged as a popular choice for Venture Capitalists. In 2006, the total portfolio size of VC funds in this sector is estimated to be USD 7.7 billion and about 50% of this investment was made in 2006[42].

SWOT Analysis of Key Global Sourcing Locations

Country	Strength	Weakness	Opportunity	Threat	Future Attractiveness	
					IT	BPO
India	Huge skilled labour pool; Superior service maturity; Strong government Support; Cost competitiveness	Infrastructure Bureaucracy	Move up the value chain; Expand into countries other than US	Emerging low-cost nations; Unstable geopolitical situation; Rising costs;	High	High
China	Very cost-competitive; Large labour pool; Strong government support	Low service maturity; Lack of English Proficiency; Negative perception of geopolitical risk generally low country image	Further penetration into Japanese market; Penetration into English speaking countries; Non-voice BPO	Increasing salary levels that may dilute low-cost advantage	High	Moderate

41 Strategic Review 2007, IT Industry in India, NASSCOM
42 Strategic Review 2007, IT Industry in India, NASSCOM

Ireland	High level of service maturity; Highly skilled labour pool; Excellent Infrastructure; Cultural compatibility	High cost of labour; Labour demand/ supply gap	High-end niches	Low-cost countries in the region	Low	Low
Russia	Low wage rates; Highly skilled ITO Labour pool; Ability to carry out complex ITO projects	Lack of project management skills; Unfavourable geopolitical situation	High-end niche IT jobs; Technical non-voice BPO	Brain drain; Government apathy	Moderate	Low
Malaysia	Strong governmental support; Excellent business environment; Cost competitiveness	Low service maturity; BPO jobs not popular	Leverage as firms' secondary location to spread risk	Small labour pool	High	Low
Philippines	Cost competitiveness; Excellent English language proficiency	Low maturity for ITO; Labour pool not highly skilled in ITO; Unfavourable geopolitical situation; Lacks infrastructure	Leverage existing relationships with BPO players to get ITO deals; Penetrate English speaking markets other than US	Emerging low-cost nations(especially for non-voice project)	Moderate	High
Brazil	Large labour pool; Compatible time zone; Vibrant domestic ITO and BPO markets	Lacks English proficiency; Low service maturity	Spanish language projects in US and Europe	Other emerging Latin American destinations	Moderate	Moderate

Source - neoIT

The Indian Government has played a major role in positioning India to become the IT hub of Asia and a major BPO location for multinational organisations. The Government created Software Technology Parks India (STPI) in 1991, to facilitate the process of setting up software units in the country. Units registered are given certain incentives such as duty free imports of software and hardware products, corporate income tax exemption until 2009-10.

Software Technology Parks of India (STPI) is a society set up by the Department of Communication & Information Technology, Government of India in 1991[43], with the objective of encouraging, promoting and boosting the Software Exports from India. STPI maintains internal engineering resources to provide consulting, training and implementation services. Services cover Network Design, System Integration, Installation, Operations and maintenance of application networks and facilities in varied areas ranging from VSATs to ATM based networks.

The government also formulated the Special Economic Zones (SEZs) Act, in 2006 to further boost industrial activity in India. The Act enables the setting up of SEZs. Some of the incentives granted by

[43] www.stpi.in

the government to developers of SEZ are exemptions from corporate income tax, dividend distribution tax, minimum alternate taxes, stamp duty concessions and import duties. Exemptions granted to occupiers are exemptions from corporate income tax, MAT and import duties. These SEZs could be sector specific or could comprise of a mix of various types of industries. By the end of 2006, 140 IT /ITES specific SEZs received formal approvals from the government and another 30 have received “in-principle” approvals across India[44].

4.5 STPI Units[45]

The Software Technology Parks of India (STPI) was created to facilitate the process of setting up software units in the country. Units registered with STPI are given certain incentives such as duty free imports of software and hardware products and corporate income tax exemption until 2009 etc. Software Technology Park (STP) Scheme is a 100% export oriented scheme for undertaking software development for export using data communication links or in the form of physical media including export of professional services.

The scheme was set up to contribute to the prosperity of the national economy through promotion of exports from the software & services Industry by facilitating all the statutory services of the Govt., strengthening the communication infrastructure and by increasing the quality consciousness in the Industry.

Policy & Benefits

1. Approvals are given under single-window clearance mechanism i.e. all approvals can be taken from one authority instead of dealing with multiple authorities.
2. An STP project may be set up anywhere in India.
3. Jurisdictional Directors have the powers to approve import of capital goods (net of taxes) not more than USD 20 million.
4. 100% Foreign equity is permitted.
5. All the imports of Hardware & Software in the STP units are completely duty free, import of second hand capital goods also permitted.
6. Re-Export of capital goods are permitted.
7. Simplified Minimum Export Performance norms i.e., (STP & EHTP scheme)
8. Net Foreign Exchange Earnings to be positive.
9. Domestic purchases by STP unit are eligible for the benefit of deemed exports to the equipment suppliers.
10. Use of computer system for commercial training purpose is permissible subject to the condition that no computer terminals are installed outside the STP premises.
11. The sales in the Domestic Tariff Area (DTA) shall be permissible upto 50% of the export in value terms.
12. STP units are exempted from payment of corporate income tax for a block of 10 years (upto 2009-10).
13. The capital goods purchased from the Domestic Tariff Area (DTA) are entitled for the benefits likeexemption from levy of Excise Duty & Reimbursement of Central Sales Tax (CST).
14. Capital invested by Foreign Entrepreneurs, Knowledge Transfer Fees, Royalty, Dividend etc., can freely repatriated after payment of Income Taxes due on them if any.
15. Depreciation on Capital Goods above 90% over a period of five years and also the accelerated rate of 7% per quarter during the first two years subject to an overall limit of 70% in the first three years.

[44] Source: http://www.sezindia.nic.in ; Dec 2006
[45] Details taken from www.stpi.in

16. Call center permitted under the STPI scheme.
17. All Services as listed in appendix.54 of hand book of procedures (EXIM) are eligible for facility of STP scheme
18. Service providers eligible for recognition as 'Service Export House', International Service Export House' or International Star service House'

4.6 Special Economic Zones (SEZs)

Special Economic Zone (SEZ) is a specifically delineated duty free enclave that is be deemed to be foreign territory for the purposes of trade operations and duties and tariffs.

Considering the need to enhance foreign investment and promote exports from the country and realizing the need that level playing field must be made available to the domestic enterprises and manufacturers to be competitive globally, the government in April 2006 announced the introduction of Special Economic Zones policy in the country.

Incentives for Developer

- Income Tax holiday for a consecutive period of 10 years (out of a 15 year period)
- Exemption from the provisions of minimum alternate taxes[46]
- Exemption from dividend distribution tax
- Service tax exemptions on input services and Central Sales Tax benefits
- Tax breaks for investors investing in an entity developing a SEZ
- Customs duty and excise duty benefits
- Stamp duty concessions

Incentives for the Occupier

- Income Tax holiday on
  - i. 100% of the eligible profits or gains for the first 5 years
  - ii. 50% of the eligible profits or gains for the next 5 years
  - iii. 50% of the eligible profits or gains for the next 5 years subject to creation of specified reserve.
- Exemption from capital gains on transfer of specified assets
- Exemption from the provisions of Minimum Alternate Tax[47]
- Customs duty and excise duty benefits
- Service Tax & Central Sales Tax benefits

SEZ norms has been a topic of discussion for quite some time now. As per the new norms the size of an SEZ cannot exceed 5,000 hectares (12,500 acres). Earlier, there was only a lower limit of 1,000 hectares for multi-product SEZs. Now, state governments can impose a lower ceiling, if they want to. More importantly, state governments can no longer acquire land for a special economic zone on behalf of private developers; nor can state governments form joint ventures with private developers if they do not already have land in possession to offer the project. States can acquire land to develop SEZs on their own, provided they stick to the new relief and rehabilitation package to be announced soon.

Also, at least 50 percent of the total area in an SEZ has to be earmarked for processing units. Earlier, the norm was 35 percent for multi-product SEZs and 50 percent for sector-specific SEZs. SEZs will also

[46] The scope for Minimum Alternate Tax (MAT) scope has been widened to include exemptions under Section 10A and 10B as per the 2007 budget proposals. Thus, SEZs will also fall under the ambit of MAT. However, the finance bill has not yet been approved by the parliament.

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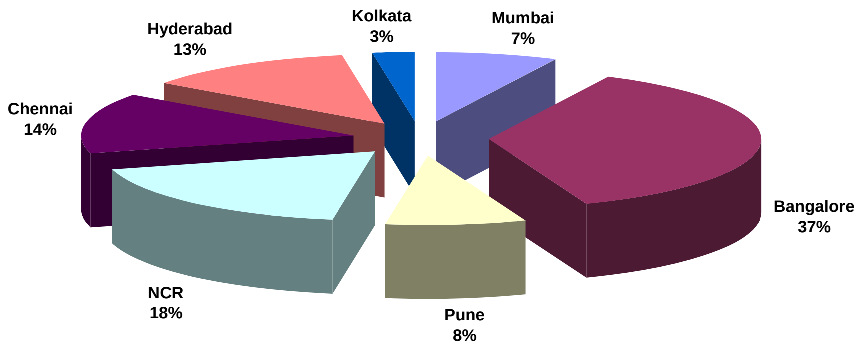
have tougher export obligations to meet—instead of being merely net foreign exchange earners; they will have to have export earnings at least equivalent to their purchases from the domestic tariff area.

4.7 Key Locations in India Catering to IT/ITeS Sector

Map Showing Key IT/locations in India

Source – Jones Lang LaSalle Research

IT/ITeS Export Revenue break-up by Location of STPI Units (Total: INR 998 billion)



Source – STPI, 2006

Numerous studies show that India ranks as the preferred destination for global outsourcing. According to the NeoIT report[48] which ranked the most preferred offshoring cities in the world, Indian cities swept the top 7 ranks (these cities are Bangalore, National Capital Region, Mumbai, Chennai, Pune,

48 Offshore Insights: Global City Competitiveness- 2006

Hyderabad and Kolkata). Similarly, a study by A.T.Kearney[49] ranked India as the most preferred global location for outsourcing. All this translates to buoyant demand for real estate in the cities where these companies are/will be located, making them attractive destinations for real estate investment.

4.8 Future Outlook

According to the McKinsey – NASSCOM 2005 study, the Indian IT/ITES sector will earn USD 60 billion in exports[50] by FY10, and contribute to 7% of India's GDP. The sector will also become a major contributor to India's GDP growth by accounting for about 17% of it. The study projects that the global BPO industry in FY05 was USD 11.6 billion and that of IT industry was USD 18.4 billion, whereas the respective addressable markets were USD 120-150 billion and USD 150-180 billion respectively. Thus, there is scope for further growth in this industry. Worldwide technology spends is expected to grow at 7% y-o-y to reach USD 2.1 trillion by 2010 and global IT/ITeS offshoring-outsourcing industry is epected to be worth USD 110-120 billion. Businesses are now more aware of off shoring and its impact. With the market perhaps at a certain level of maturity, companies are emphasizing on managing outcomes than managing operations, they are stressing on realizing business value than cost. NASSCOM has noticed the market seeing three significant changes-service companies are moving up to offer high-end sophisticated solutions and services, companies are getting into products, and start-ups are going heavy on Web-enabled products.

India is undoubtedly the most prominent location for outsourcing and offshoring of IT/ITeS services. According to the NeoIT report[51] which ranked the most preferred offshoring cities in the world, Indian cities swept the top 7 ranks (these cities are Bangalore, National Capital Region, Mumbai, Chennai, Pune, Hyderabad and Kolkata). Similarly, a study by A.T.Kearney[52] ranked India as the most preferred global location for outsourcing. All this translates to buoyant demand for real estate in the cities where these companies are/will be located, making them attractive destinations for real estate investment. The sector is also ably backed by financial instututions and venture capitalists who are willing to provide funds at competitive rates for expansion in IT/ITeS businesses. India given its strengths in IT/ITeS offshoring-outsourcing is expected to have about 55-60% share of this market. The McKinsey-NASSCOM 2005 report shows that India will continue to maintain an important position with 46% share of the global BPO market and its 65% share in the IT offshoring and outsourcing market through 2010. The report also states that these two sectors will earn USD 60 billion in exports by FY10, and contribute 7% to GDP and 17% to GDP growth through FY10.

[49] Making Offshore Decisions, AT Kearney, 2004, Offshore Location Attractiveness Index
[50] Excludes Hardware exports
[51] Offshore Insights: Global City Competitiveness- 2006
[52] Making Offshore Decisions, AT Kearney, 2004, Offshore Location Attractiveness Index

5 OFFICE SPACE REAL ESTATE MARKET OVERVIEW IN INDIA

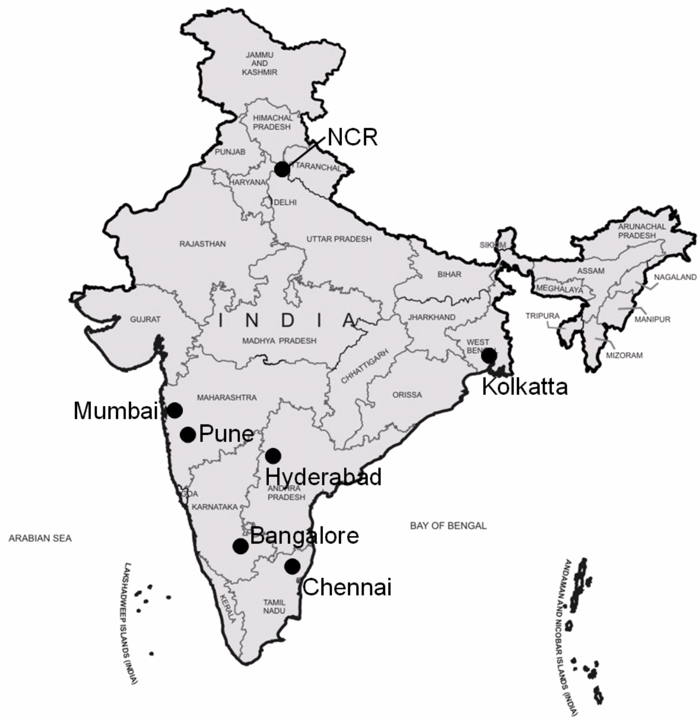
5.1 Introduction

The IT/ITES sector is human resource and technology intensive. As a result, motivations for IT/ITES Companies and key drivers for growth and development in this sector include the ability to access qualified professionals and the availability of excellent working environment and quality infrastructure. Due to the nature of the IT/ITES sector, it is not surprising that the industry is concentrated in major urban nodes of the country like Bangalore, National Capital Region (NCR), Mumbai, Chennai, Pune, Hyderabad and Kolkata, where IT/ITeS companies can source suitable talent and quality real estate.

5.2 Key Markets in India

These cities can be classified into Tier I and Tier II based on size of population, current business environment and growth potential. Tier I business destinations are Mumbai, Bangalore and Delhi (NCR) and those which are classified as Tier II are Kolkata, Hyderabad, Pune and Chennai.

<u>*Map Showing Key IT/ITES locations in India*</u>



Source – Jones Lang LaSalle Research

Comparisons across inherent advantages and disadvantages associated with Tier I and II locations is as follows:

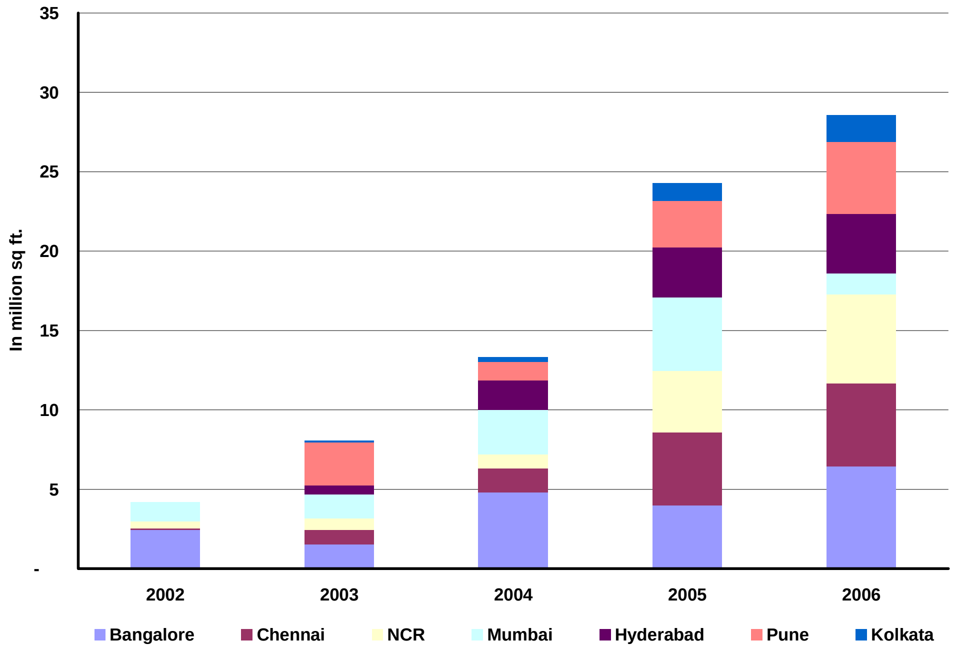
- *Human Resource*: Tier I cities have larger talent pool base and higher capability to attract migrant workforce, whereas Tier II cities provide lower cost of human capital and attrition rates.
- *Real Estate*: Tier I cities are associated with broader stock base of real estate and presence of more reputed developers, whereas Tier II cities are associated with lower cost of real estate.
- *Infrastructure*: Though both Tier I and II cities have comparable infrastructure, the former have better air-connectivity and vendor availability
- *Business Environment*: Tier I cities have more evolved and mature business environment as compared to Tier II cities.

– *Social factors*: Tier I cities provide better quality of social life. However, these locations are also associated with higher costs of living.

In terms of office space market, each city has its various micro-market locations. However, only certain locations cater to the real estate demand of IT/ITeS sector. This is primarily on account of quality of space and lower rentals. Micro-market locations within these Tier I & II cities, which cater to IT/ITeS demand are Bangalore: SBD[53] – Outer Ring Road and PD[54] - Whitefield, NCR: PD – Gurgaon, Chennai: SBD – Guindy, Mount Poonamallee Road and PD – Old Mahabalipuram Road, Pune: PD – Magarpatta City, Hyderabad: PD – Madhapur, Kolkata: PD – Salt Lake and Mumbai: PD – Vashi (Navi Mumbai)

5.3 Supply and Absorption of Office Space

Supply trends across Tier I & II cities



Source – Jones Lang LaSalle Research

All major real estate markets, have witnessed substantial growth in supply, which is indicative of overall growth in real estate market. On a cumulative basis, the supply levels have witnessed a CAGR of 37% in 2003-06. Cities which have emerged as fastest growing ones are Chennai, Delhi and Kolkata. Bangalore continues to be the largest market through this period. However, in terms of supply the pecking order is expected to change in 2007, with Chennai and Delhi contributing to 12.2 million sq. ft. and 9.2 million sq. ft. respectively. Bangalore is expected to record a supply of 8.5 million sq. ft. in 2007. Although it may seem that the supply is estimated to rise by about 100% in a case of Chennai and Delhi, but it has been experienced in the past that developers tend to modulate the supply depending on the pre-leasing activity in the market. So the entire supply may not materialize in the given time period.

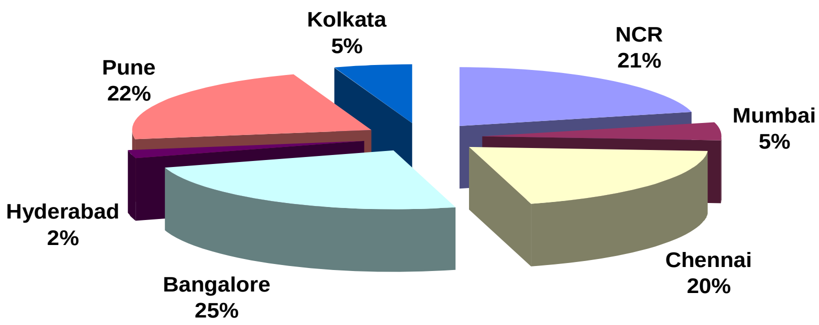
[53] Secondary Business District, the commercial nodes of the city which are away from the city centre but within the city limits. And are usually located on the outskirts/periphery of the city.
[54] Peripheral Business District, the other commercial nodes which lies just outside the city. These areas have typically new developments coming up because of lack of adequate space in CBD and SBD.

Impact on supply due to SEZ

A new trend to fuel the supply of real estate further is the advent of the new SEZ (Special Economic Zone) policy of 2005 that now allows SEZ developers to apply for land and use more than half of the land to develop into commercial projects. Coupled with 100% income tax exemption for the income from the development of SEZ over a ten year period, this has led to a number of large business houses and real estate developers planning and applying for large tracts of land around the large cities.

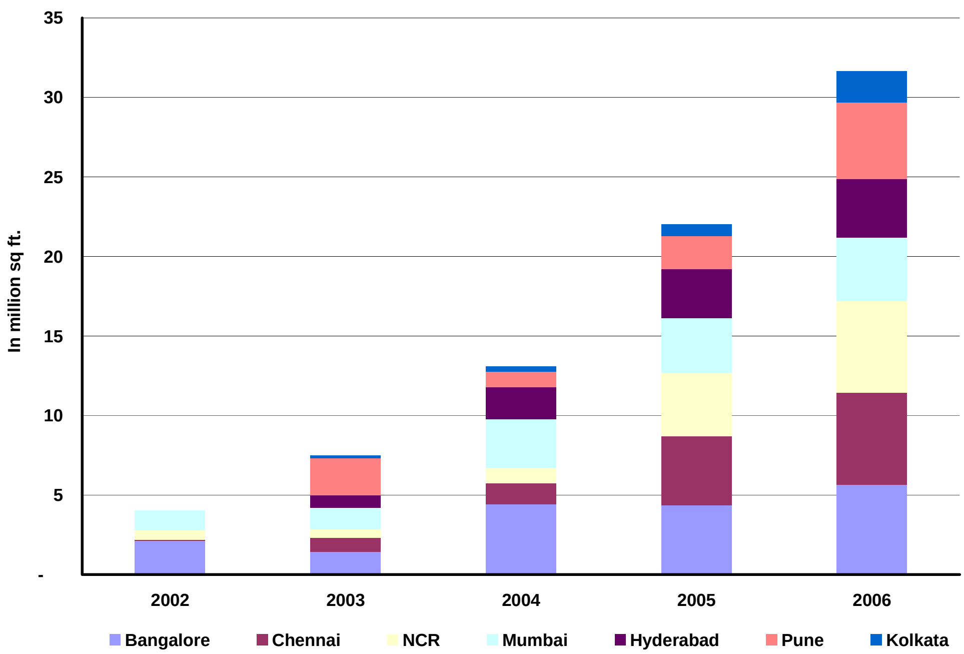
SEZs is expected to increase real estate supply in the markets discussed. This is on account of mandatory requirement of development of 1 million sq. ft. in each SEZ within 3 years of notification. This is expected to force a lot of supply in these markets.

Market Share of Supply across Tier I & II cities (2006 Total: 26.3 million sq. ft.)



Source – Jones Lang LaSalle Research

Absorption trends across Tier I & II cities

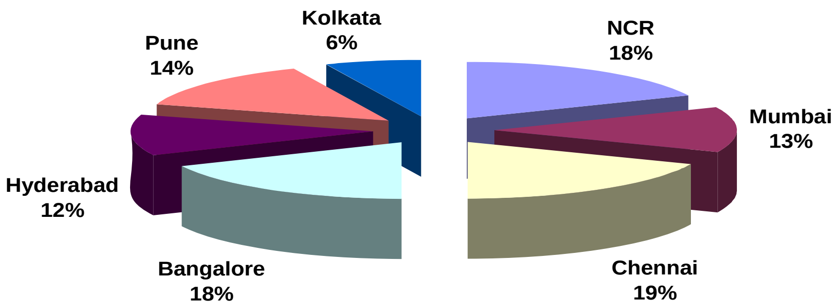


Source – Jones Lang LaSalle Research

As in case of supply, absorption has also witnessed a robust growth in 2003-06. The absorption levels have grown at a CAGR of 41% in this time period. In most markets, absorption has been in tandem with the supply, except in Mumbai, where absorption has outstripped supply levels. This is primarily on account of constrained supply situation and gradual absorption of cumulative past stock. As in the case of supply, Chennai, Delhi and Kolkata have recorded fastest growth in absorption levels. Bangalore continues to be the largest market for absorption in the past 3 years.

Demand for new business space for Bangalore, Chennai and Hyderabad collectively on an annual basis, is estimated to be between 16-19 million sq. ft. for each of the next three years.

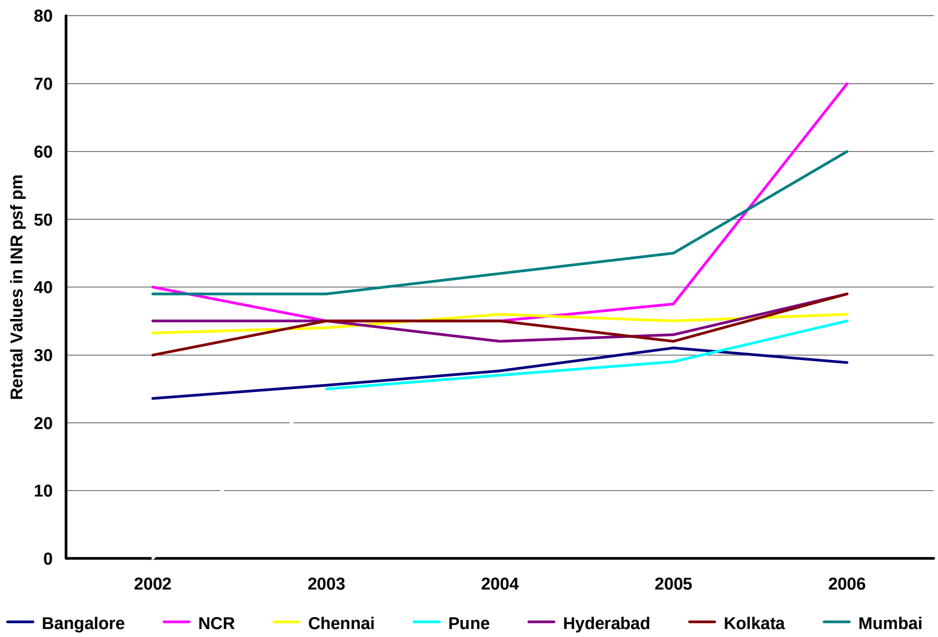
Market Share of Absorption across Tier I & II cities (2006 Total: 31.1 million sq. ft.)



Source – Jones Lang LaSalle Research

5.4 Rental and Capital Value Trends

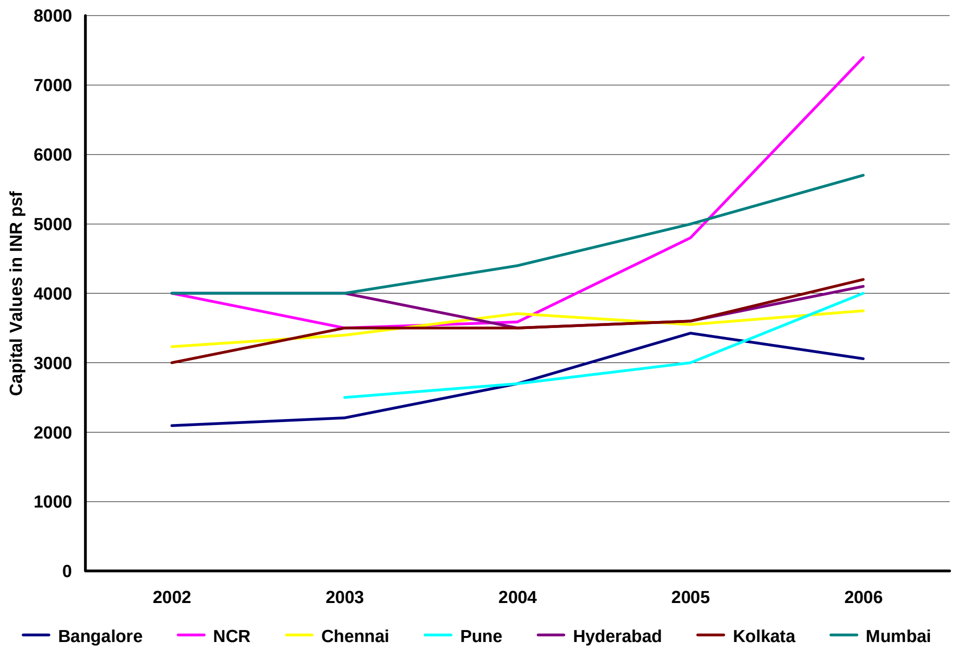
Growth in rental values across PD of Tier I & II cities



Source: Jones Lang LaSalle Research

With IT demand expected to grow in future, IT/ITeS companies are on look-out for office space to accommodate their expansion plans. Many IT/ITeS companies have already tied-up with developers to block office spaces in future projects by means of hard-options or pre-leasing agreements. In these locations, most of the projects witness pre-completion leasing and have minimal vacancy levels. Such buoyant demand is expected to fuel appreciation of rentals in these locations in foreseeable future. Capital value growth will be fuelled by growth in rentals. However, the growth in capital values may not be directly proportional to growth in rental values due to changes in monetary environment and interest rates, which affect the yield expectations of investors.

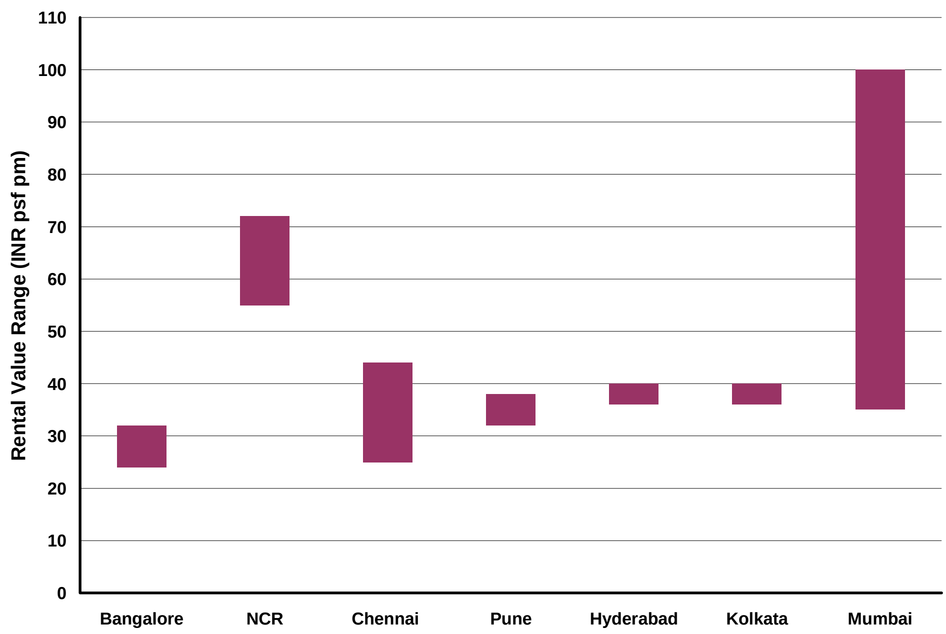
Growth in capital values across PD of Tier I & II cities



Source: Jones Lang LaSalle Research
The capital values are derived from rental values and expected market yields. This is because, investment market related to commercial built-up and leased space is not active. The market is shallow with low volumes of transaction.

Rental and Capital values of Grade A commercial real estate space has witnessed positive growth from what they existed in 2002. 2003-04 has been a lean phase for real estate in India as IT/ITES sector was undergoing revival. Thus, it can be seen that the Indian markets have overcome the past slackness and has witnessed robust growth in the past 24 months. The growth in these markets have been in the range of 20-60% through 2006. Bangalore PD has however witnessed a correction in rental and capital values in the same period. This has occurred on account of supply build-up in the market and demand shifting to emerging and competitively superior locations within SBD.

Comparison of Rentals across PD of Tier I & II cities



Source: Jones Lang LaSalle Research

5.5 Market Practices

The table below lists market practices and other standard definitions of the technical terms used in real estate.

Essential Market Practices in India

Standard Unit of Measurement	
Unit of measurement	Square feet, Square metres
Quotation of floor area	The contracted or rentable area is typically stated in the lease. It comprises of net office area, typically measured from wall to wall within the leased premises. This may include any areas occupied by peripheral air conditioning units and internal columns. Common areas such as washrooms, lift lobbies, corridors, kitchenettes etc. are loaded on to the usable area to arrive at rentable area.
Operating Costs	
Rents	In most Indian cities, the rent quoted is the net of management fees and other outings. Rents are quoted in Rupees per sq. ft. per calendar month. All figures are quoted utilising the Indian numbering system of tens, hundreds, thousands, hundred of thousands (Lakhs)and ten million (Crores). In some cities, advance rent is also charged, which is adjustable during the lease period. Thereafter the rent is payable in advance on a monthly or quarterly basis.
Security Deposits	Typically, all lease transactions attract an interest free security deposit of six to fifteen months rental upfront, depending on the length of agreement.
Management Fees	All cooperative society costs, which include non-occupancy charges and an allocation of cleaning, security, electricity and water charges for all common areas, are charged to the tenant and are quoted in Rupees per sq. ft. of rentable area per calendar month.
Utilities	The tenant is usually responsible for the electricity, water and telecommunications charges consumed in the individual premises.

Insurance	The landlord is responsible for the building's insurance. The cost is included in the calculation of the tenant's monthly rent.
Car parking	In the majority of Indian metropolitans, there is an acute shortage of both open and underground parking space. Parking is managed under a separate monthly lease for an additional cost (varies significantly by area/city) It is allocated on a per sq. ft. ratio eg. 1 bay per 1,000 sq. ft.
Government Rates	All government dues and fees applicable to the specific property are paid by the landlord and included in the rent payable by the tenant. The tenant is not liable to pay such charges directly.
Tax	Municipal taxes have been traditionally borne by the landlord. However, there is an increasing trend for these to be negotiated.
Space Specifications	
Bare Shell	Premises consisting of basic structure with lifts, power supply to junction box, water supply line, toilets.
Warm Shell	Premises consisting of power backup, high side A.C., common area fit outs and fitted out toilets
Extended Warm Shell	warm shell with low side AC, false ceiling, lighting, ducting and fire fighting services
Leasing Property	
Lease period	Normal commercial lease terms are for 3+3+3 years renewable every three years. For large-space commitments, longer-term leases can be negotiated.
Lock in period	36 months (negotiable) for Warm shell space; 60 months for Fully-fitted out
Rent Free Period	1-3 months for fitting out space
Renewal Clause	12-15% escalation of rentals on Renewal
Rent Reviews	Most Indian landlords will have no objection to an option term for a period equivalent to the initial term. It is normal for the rent and security deposit either to be reviewed on mutually acceptable terms in line with market norms on exercising the option or to a fixed increment.
Mid-term escalation	Not a norm; Prevalent in some cases at 5% p.a.
Repairs	All common areas are maintained by the landlord (including repairs), for which a monthly maintenance fee is charged to the tenant.
Subletting and assignment	There are usually blanket restrictions on tenant subletting or assigning. In certain limited cases, tenants can secure permission to sublet to an associate company. However, this needs to be negotiated at the time of the initial agreement.
Early termination	Termination rights are available after expiration of the "lock in period" Termination is not possible without the notice period (normally 3 months), as agreed between the landlord and the tenant.
Dilapidation (Reinstatement)	The reinstatement clause is generally included in the lease terms as a condition for the termination of lease and exit of the tenant.
Hours of operation	Normal maintenance charges are computed for a period of 8 to 12 hours beginning from 8 am. The tenant must pay an additional fee for outside of the normal usage of common areas and services such as power backup and HVAC.
Agency fees	Up to two months of the base rent paid by the tenant, in addition to 2% of the interest-free security deposit, payable by the tenant or landlord.
Legal fees	All legal fees for due diligence and ratification are borne by the tenant. – Leave and licence – INR 30,000 (maximum) for 36 months (Mumbai) – Lease agreement over and above 36 months – 6% of average annual rent and 1% of security deposit
Purchasing Property	
Land title	Both freehold and leasehold land are available in major cities. In the case of leasehold, the tenure is from 99 to 999 years. A leasehold land is transferable through general power of attorney. However, there are often instances of multiple ownership of a single plot of land and hence, problems in transferring the ownership of the land.
Foreign ownership	Foreign companies and citizens are required to obtain permission from the Reserve Bank of India (RBI) to acquire, hold, transfer or dispose of in any manner (except by way of lease for a period not exceeding five years) any immovable

	property in India. The RBI has granted special permission to foreign companies (other than banking companies) that are not incorporated under any law in India, to acquire or hold immovable property that is necessary for them to carry out their business in India. Foreign citizens and companies are permitted to acquire residential property in India upon specific application to the RBI, provided that the consideration for purchase is met out of foreign exchange remitted from abroad in any convertible currency through normal banking channels. The recent relaxation of restrictions on foreign investment in commercial property is expected to result in an increased level of overseas investment in Indian real estate and to provide corporations with more ownership strata title (partial ownership of the building) options. Apartments and offices are sold on the basis that strata titles will be granted to the purchaser in due course, which gives security to the purchasers. A management association may then be formed to manage the common areas of the building.
Agency fees	2% of purchase price is payable by the owner. 1% by the purchaser.
Legal fees	Ranging from USD 50 to USD 75 per hour.
Stamp duty	Stamp duty and registration charges vary between 8% and 14% across different states in India and are payable by the purchaser.

Source: Jones Lang LaSalle Research

5.6 Key Players in IT Real Estate Space

India's real estate market is poised for tremendous growth potential with a wave of development and investment. India is one of the major countries in Asia with both an exciting and improving real estate market. Some of the experienced players in this growing market are Ascendas, DLF, Unitech, Embassy and RMZ Corp.

Ascendas*

Ascendas is Asia's one of the leading provider of business space solutions. It has over 14 years of experience in property development and management in India. It provides seamless solutions spanning the entire real estate value chain to include e-infrastructure and business networking. These enable customers to enjoy complete "plug-and-play" business environments in key markets in Asia. Ascendas' flagship projects include Singapore Science Parks I, II & III, International Tech Park, Bangalore, India, Ascendas-Xinsu Development (Suzhou), China and Carmelray Industrial Park II, Laguna, Philippines. It has S$4.7 billion of assets under management and area under management is about 28 million sq ft. In Nov 2002, Ascendas Real Estate Investment Trust was the first business and industrial space REIT listed on the Singapore Exchange and in June 2005, it launched the S$350 million Ascendas India IT Parks Fund. The four highly successful IT Parks managed by Ascendas are International Tech Park, Chennai (ITPC); The V, Hyderabad; International Tech Park, Bangalore (ITPB); and Cyber Pearl, Hyderabad.

DLF*

The DLF group is a leading real estate developer based in New Delhi, India. Since it was founded in 1946, it has been responsible for the development of 22 urban colonies, as well as an entire integrated 3,000-acre township - DLF City. In line with its current expansion plans, the DLF Group has over 260 million sq. ft. of development across its businesses, including developed and on-going projects. Under its home, offices and shopping mall segments, DLF is credited with over 25 million sq. ft. of completed developments, while projects under construction represent over 45 million sq. ft across the three verticals. It is one of the first developers to anticipate the need for townships on the outskirts of fast growing cities and is generally credited with the growth of Gurgaon. The company is one of the early developers to focus on developing theme-based projects such as The Magnolias in DLF City. The DLF Group has also made significant progress in pursuing new business opportunities in hotel, infrastructure and SEZs (Special Economic Zones). The company's turnover for the year ended March 2006 stood at Rs 1259.1 crore compared to Rs 630.2 crore in the previous fiscal. DLF is also considering initial public offering (IPO) of $2 billion which would serve as a catalyst for fund managers in India to look more at asset-based investing.

Unitech*

Unitech is one of the largest listed real estate companies in India with a market capitalization of approximately USD 9 billion. It has over three decades of experience in Indian Infrastructure and real estate development. It is a Leading player in the National Capital Region (NCR) and Kolkata markets and has geographically diversified land reserves of over 10,500 acres with a developable area of approximately 500 million sq. ft. Some of the residential projects are Uniworld, Parkway, Terrace Garden, etc. The ongoing commercial projects are Infospace in New Town, Rajarhat, Kolkata, Unitech Business park and Unitech Trade Centre. Apart from this Unitech has promoted Sikshantar School and has partnered with the world leader Carlson Hospitality and owns and manages two of its exclusive international hotels, Radisson Hotel, Delhi and Radisson Hotel, Varanasi. Unitech is the largest listed realty developer by market value in India, with a market capitalization of around $8.9 billion. Unitech is not only listed on the Bombay Stock Exchange but also on the National Stock Exchange. In addition to this its newly floated investment company Unitech Corporate Parks Plc (UCP) is listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

RMZ*

RMZ Corp is a leading real estate company operating in India. RMZ has covered over 7 million sq. ft. of office space, in a matter of five years. It has a pan India presence spread over cities like Bangalore, Hyderabad, Chennai, Pune and Kolkata. RMZ Infinity, NXT, Centennial, Titanium, Futura and RMZ Pinnacle are some of the prominent commercial developments across Bangalore. Recently RMZ has acquired 11.02 acres of the land belonging to HTL for a total of Rs 328 crore through an e-auction at Guindy. It plans to build 1.6 million sq.ft. of IT and commercial space at the Guindy property.

K Raheja*

K. Raheja Corp. has been in its core business of construction and property development for over 5 decades now. The projects handled by the K Raheja Group are mostly of Housing & Real Estate, Hospitality, Finance and Retailing. Most of their projects are located in Mumbai and Pune. Some of their prominent projects are Mindspace in Mumbai, Mindspace in Hyberabad, Inorbit Mall, Hypercity, The Resort in Mumbai, Lakeside Chalet-Mariott executive apartment in Mumbai and many more.

Divyashree*

Divyashree has been into commercial office space development since 1997. Till now, over the last nine years, they have developed more than 3.5m sq ft of office buildings in Bangalore and Hyderabad. These office spaces include incubation spaces, build-to-suit, plug and play offices, sale and leaseback options. They are now entering the residential sector with a hi-end 375 unit complex suburb of Bangalore. Presently over 4.5m sq ft is under construction. They are also developing some formally approved SEZ in Bangalore and Hyderabad.

Embassy*[55]

The Embassy Group is one of Bangalore's reputed property developers. The group has an ISO 9001 certification since its inception in 1998. Today, the Group has a 11 million-sq. ft. portfolio of prime residential and commercial space. Some of the group's prominent commercial buildings are Embassy Icon, Embassy Square and Embassy Classic. Embassy also has campus developments in its portfolio, which are Embassy Golf Links Business Parks, Kirloskar Business Park and Manyata Embassy Business Park. Embassy has an esteemed list of clientele such as IBM, Microsoft, ANZ IT, Daimler Chrysler, Goldman Sachs, Fidelity Investments, Covansys, LG Soft, 24/7 and Mcafee.

[55] Details about builders based on information provided on their respective websites

5.7 Future Outlook

Real Estate in India has been looking very good for the past few years since the reversal of the downturn in 2002 and is set for growth and expansion in the next few years. The improvement in income levels, the strong economic growth, the development of strong retail lending mechanisms and the interest of Indians to invest and develop homes, farm houses, weekend homes and real estate investments are all driving the real estate market.

The seven cities discussed in the report and Bangalore, Chennai and Hyderabad in particular will be key growth cities for real estate development in the future. With continued growth in IT/ITES sector in these cities, demand for commercial space is expected to remain buoyant. In most markets developers have geared to catered to this demand. Also, developers have expanded operations by ensuing activities beyond their traditional areas of operation and diversify into other locations. Commercial space rentals are expected to witness growth in the near future. In most markets these would range between 5-15% per annum depending upon the maturity of the location and availability of supply.

Also, a substantial portion of the future absorption and supply will be in form of SEZ spaces. But most of these spaces are expected to be of BTS format and not in multi-tenant buildings.

6 BANGALORE CITY OVERVIEW

6.1 Introduction

Bangalore is the capital of the southern Indian state of Karnataka. Post independence, Bangalore was chosen as the headquarters of some of India's largest national heavy industries (Hindustan Aeronautics, Bharat Electronics, Hindustan Machine Tools) as well as research organisations (Indian Space Research Organization, National Aeronautical Laboratories) and academic institutions (Indian Institute of Science). The city was identified as the 4th Best technology cluster[56] in the world by Wired Magazine in 2000 and by UNDP in "Human Development Report 2001 – Making new technologies work for human development".

Bangalore's economy is largely services industry driven, especially IT/ITES sector. Bangalore has in the last decade emerged as India's technology hub with over 1400 registered IT/ITES companies, out of which 500 are multinational technology companies[57]. Presently, it is the largest IT hub in India generating maximum revenue earned by the IT/ITES sector. The state of Karnataka was the first to announce the Mellenium IT Policy in 1997 and Mellenium BPO Policy in 2002, to promote the growth of IT/ITES sector in the state[58]. This government support, large talent pool, salubarious climate, cosmopolitan nature and good connectivity with the rest of the world gives Bangalore an edge above key Asian cities and the some other Indian cities. In FY 2005-2006, Bangalore Software, IT enabled services (ITES) and Business Process Outsourcing (BPO) exports totalled to about USD 8.4 billion[59]. As per RBI's Statement, Bangalore has attracted 9,360.76 INR (2,071.7 million USD) of FDI during the period starting from January 2000 to 2007.

Key demographic & Socioeconomic indicators

Population	6.52 million
Urban age structure	0-6 years – 797, 7-18 years – 1,536, 19-35 years – 2,690, 36-59 years – 1,750 Above 60 years - 361
Average age	26
Decadal population growth rate	34.8%
Annual population growth rate	3.03%
Birth rate	19.1 per 1000
Death rate	5.7 per 1000
Sex ratio	908 females per 1000 males
Population under the poverty line	20%
Literacy level	83.91%
Working Population	2.6 million
Non-working Population	4 million
Religions	79.3% Hindu; 13.3% Muslim; 5.7% Christians

Source:2001 Census, Wikipedia

[56] Rated on the ability of area universities and research facilities to train skilled workers or develop new technologies, the presence of established companies and multinational corporations to provide expertise and economic stability, the population's entrepreneurial drive to start new ventures and the availability of venture capital to ensure that the ideas make it to market.

[57] www.blr.stpi.in

[58] bangaloreit.in

[59] Bangalore Software Technology Parks of India (STPI-Bangalore)

Map showing Bangalore's Location in National Context

Source – Jones Lang LaSalle Research

6.2 Human Resource

Key indicators

Urban Population	6.52 million (2001 Census)
Decadal growth rate (1991 to 2001)	34.8%
Annual growth rate	3.03%
Literacy levels	83.91%
Total number of degree colleges within catchment	103 R&D units, 11 Universities, 181 Polytech Colleges, 600 ITI Centres, 114 Medical & Paramedical College.
Number of engineering colleges, Degree Colleges, IT training centres & management institutes in Karnataka	135 engineering and 838 degree colleges in Karnataka
Leading firms operational	Infosys, Wipro, IBM, Accenture, Microsoft, Intel, Oracle, Motorola, TI, HP, I-flex etc.

Source: Census 2001, KBITS

Opportunities & Concerns

+ Large graduate pool – Bangalore has one of the largest graduate pools in the country available to be deployed in various IT/ITES - BPO sectors. 103 R&D units, 11 Universities, 181 Polytech Colleges, 135 Engineering Colleges, 600 ITI[60] Centres, 114 Medical & Paramedical College[61].

60 Industrial Training Institutes

61 Karnataka Biotech and IT Services (KBITS) presentation,2006

- \+ High attraction for both domiciles and non-domiciles – It presents better opportunities for professional growth. Also, Bangalore's cosmopolitan culture attracts talent from across the country.
- – Relatively high human capital costs – Along with Mumbai and NCR, Bangalore has one of the highest cost-to-company salaries for IT/ITES professionals with respect to other cities in India.
- – High attrition levels – The Presence of a large number of IT/ITES companies in the city ensures high availability of job options for the working population. This often leads to poaching by competitiors and results in high attrition levels.

6.3 Physical Infrastructure

Key indicators

Telecom	
Bandwidth & scalability	1.2 GBPS up to 1 Tera Byte[62]
Domestic optic fibre last mile vendors Satellite earth station presence & vendors	Bharti, Spectranet, Reliance
Last mile connectivity vendors	Bharti and Reliance, Spectranet, TATA, Iqara
Power & Tele services	
Availability (power generation capacity in MW) & reliability	Moderately stable supply.
Average Daily power cuts/load shedding	High frequency of shutdowns/outage (3-4 times per week); Low duration of shutdown (<1 hour);
Cost of Power (unit cost) & provider	INR 3.15 per kWh[63]
Mobile & Tele-service vendors	BSNL, Airtel, Spice, Hutch, Reliance, Tata Indicom
Road & Transport	
Road Infrastructure	High traffic congestion on major arterial routes; Condition of roads - moderate to poor

Opportunities & Concerns

- \+ Excellent air connectivity – The city is connected to major domestic and international airports through all major airlines.
- \- Transportation cost – The city has grown exponentially and has employees commuting from varied locations. Also, most companies have to employ small capacity vans to cover many routes, which add to their expenses.
- \- Under-development road and transportation infrastructure – The pace of growth in IT/ITES sector, has not been in tandem with the pace of transport infrastructure development. However, steps are being taken to improve the condition of transportation within the city. One of such initiative is the construction of 15-20 flyovers in the city to ease traffic congestion at various points. Bangalore is soon going to have metro as its mass transit system. An elevated expressway is also being planned which will reduce travel time on Hosur Road and will enhance the connectivity of Electronic City Phase I with rest of city. The other major initiative taken is the construction of 300 ft. wide Peripheral Ring Road proposed around Bangalore It will connect all the major highways and will decongest the city as it will behave as a bye-pass road especially for the heavy vehicular traffic.

[62] Bangalore STPI
[63] Karnataka State Electronics Development Corporation Limited (KEONICS)

6.4 Business environment

Key indicators

General administration and political stability	Extremely supportive and proactive government; Clearly articulated policy for promotion of IT; Low corruption levels and procedural roadblocks as compared to other Indian cities; Professional and transparent governance. Single window for ITES; for knowledge based industries there is a single point of contact for all statutory approvals and allotments
State incentives and initiatives as part of IT/ITES policy	Clearly articulated policy for promotion of IT/ITES industry (Karnataka Millennium BPO Policy – 2002) Employment Subsidy - 20% upto a ceiling of INR 10,000,000 50% Exemption/ relaxation in Stamp duty on lease or sale deeds for new facilities or expansion (for ITES companies) (for location in state certified IT Parks) 50% Relaxation in FAR/FSI Industrial Power Tariff applicable to IT sector Incentive for captive power generation – 100% exemptions from electricity duty 100% exemption from payment of entry tax (state level) on all capital goods used for the business, for a period of three years Upto 200% Relaxation on Sales tax on the value of hardware and fixed assets Exemption for restrictive labour laws hampering employment of women in night shifts, flexi-hours, mandatory holidays. Self certification under different labour and establishment related laws Waiver of 4% work contract tax on the annual maintenance contract on hardware Special tailor made incentives for mega projects (over Rs. 100 crores investment) as per requirements of companies
STPI export revenue (2004-05)	Rs. 276 Billion
Registered/operational units	1600 operational companies (IT) 138 operational ITES companies
Major IT/ITES companies	Infosys, Wipro, IBM, Oracle, GE, SAP Labs, Accenture, Microsoft, Intel

Source: bangaloreit.in, www.blr.stpi.in

Opportunities & Concerns

+ India's largest IT hub – Bangalore has become the largest IT hub of the country and is dubbed as India's Silicon Valley. It is the highest revenue generating STPI location in the country.
+ Proactive Government Policies- The IT initiatives of Karnataka Government to boost IT & ITeS company's entry into the region.

6.5 Social Infrastructure

Key indicators

Cost of living (consumer price index)	High at 528 (Highest – 649 in Chandigarh and Lowest – 411 in Amritsar) ⁎
Number of hospitals, premium hospitals	Close to 280 hospital and nursing homes including Sri Satya Sai Institute, HOSMAT, Manipal, Ramaiyah, Columbia Asia, Workhardt etc.
Cost of accommodation (2/3 BHK[64] in Residential Catchment Areas)	Between Rs. 60,000-100,000 per annum; Additional cost to company in the form of deposits upto 10 months which are borne by the company on behalf of the employee.
Hotel & Conference facilities	8 five star hotels; over 30 3-4 star and budget hotels

⁎ Source: Central Statistical Organisation (CSO) 2007

Opportunities & Concerns

+ Cosmopolitan Nature- Bangalore is exceedingly cosmopolitan in nature. Local people from Karnataka account for 38% of the population, sizable minorities from Tamil Nadu, Kerala, Andhra Pradesh and Maharashtra exist[65]. Kannada, the official language of the state of Karnataka, is widely spoken in Bangalore, as are Tamil, Telugu, Tulu, Malayalam and Hindi. English is the lingua franca of the city's white-collar workforce.
+ Excellent Retail and Leisure facilities – Retail and leisure sectors have attracted a number of international shopping / restaurant / hotel chains and other entertainment related investments e.g. Forum Mall, Garuda Mall, PVR Cinema, INOX Cinema etc.
+ Excellent hotel & health care facilities- These are evenly distributed among all areas of the city.

[64] Bedroom Hall Kitchen
[65] Census 2001

7 BANGALORE OFFICE AND RETAIL SPACE REAL ESTATE MARKET OVERVIEW

7.1 Introduction

Bangalore offers a good proposition for IT/ITES companies. As micro-locations catering to IT/ITES demand here are located closer to city centres, it has lowest rentals amongst Tier I IT/ITES locations and provides good business environment, and social and physical infrastructure associated with Tier I cities. Thus, Bangalore is expected to be an attractive location for IT/ITES companies in future.

The city has a vibrant commercial real estate market driven by the IT/ITES office space demand. It leads most of the Tier I & II cities in terms of supply as shown in the figure below. The sector has been very active in terms of highest volumes of commercial lease transactions. This is because most of the transactions in the city are in the form of hard options or pre-leases, which get absorbed once the buildings are fully constructed. The city has recorded close to 9.6 million sq. ft. of transactions in 2006 out of which approximately 50% are pre-lease or hard-options[66].

India is currently witnessing similar levels of yields for Grade A commercial properties in CBD across all Tier I & II cities. Bangalore is currently witnessing yields of 10-10.5% for large Grade A commercial leased properties.

As far as retail sector is concerned, Bangalore has always been one of the trend setting cities in South India with innovations in the formats of shopping centres in the nineties. Kids Kemp and Kemp Fort and Leela Galleria along with a large number of shopping centres have been in existence for more than a decade. However it was only in the last two years that proper shopping malls with good brands and international concepts of mall management have taken the market by storm.

Retail also finds presence in IT parks as a support ancillary facility. Generally, 3%-6% of the total built up area is segregated for retail use in such developments. As most of the tech parks are located away from retail high streets or malls, shops are provided within the park to cater to day to day needs of the employees working there. These retail outlets mainly consist of F&B outlets along with banking facilities in form of ATMs, dry-cleaning outlets, stationary shops and small supermarkets. Such facilities when provided within the park reduce the need to travel for employees thus saving their time and energy. The retail located within the tech park also gives it an additional edge over others in attracting companies to lease commercial space in them. Some of the IT Parks with dedicated retail space are International Tech Park Bangalore (ITPB), RMZ Ecospace, Embassy Golf Links Business Park and Salarpuria Softzone.

7.2 Key Infrastructure Initiatives and Impact on Real Estate

Key Infrastructure Initiatives and Impact on Real Estate

Infrastructure initiative	Impact on real estate market
International Airport: The Government of Karnataka and the Airports Authority of India along with a private consortium comprising Siemens Ventures – Zurich Airport, and L&T has planned and commenced construction for an international airport at Devanahalli in North Bangalore. The site is approximately 33 kms from the city centre. The construction commenced from 1st of July 2005. The project is expected to be completed in 33 months (April 2008).[67]	The new international airport will improve connectivity and frequency of flights to prominent international destinations. This will certainly impact new business opportunities in Bangalore and result in further corporate growth. Areas to be impacted are, Devanahalli, Hebbal and North east areas (Whitefield Road) along the Outer Ring Road.

[66] Jones Lang LaSalle Research
[67] Bangalore International Airport Ltd. (BIAL).

Infrastructure initiative	Impact on real estate market
Flyovers in Bangalore: 15-20 more flyovers are planned.	This will contribute to a reduction in commuting time and will streamline the traffic flow, across the entire city. Areas impacted to be CBD, North and East Bangalore.
MRTS: In order to strike the appropriate modal balance, an extensive mass transport system including a metro, commuter rail and buses will be required. Considering this, 33 km. of a metro system network to cater to future demand is being planned. The network will be divided into two parts i.e. East-West Corridor and North-South Corridor. The former will be of 18.1 km in length and the latter 14. 1 km respectively. The preliminary work on the project has commenced in the form of land acquisition and soil testing etc.	The Metro Rail project should certainly ease the pressure of vehicular traffic on the already congested roads and enable easy movement of population. The East West corridor will result in improved connectivity between the areas in the West, City Centre and portions of the East. It is expected to pick up development activity in the Western region that has so far been lagging, despite being closer to the city landmark areas. Areas to be impacted are Trinity Circle, Ulsoor, CMH Road, Indiranagar and Bypannahalli in the East.
Elevated Expressway: A 9 km. long flyover is planned from the Central Silk Board to Electronics City Phase I. The planned completion for this project is 2010.	The flyover is expected to reduce travel times on Hosur Road and will enhance the connectivity of Electronic City Phase I with rest of city.
300 ft. wide Peripheral Ring Road: Peripheral Ring Road of about 110 Kms. length is proposed around Bangalore at a redial distance between 2.80 to 11.50 Kms. from the existing Outer Ring Road. The proposed road is a 6-lane bi-directional divided carriageway having 3-lanes on each side. Proposed time for completion is 2 years (2008). The first phase involving the half from south-east of Bangalore to the north-east is currently underway.	The Peripheral Ring Road will connect all the highways around the city Tumkur Road (NH-4), Bellary Road (NH-7), Old Madras Road, Hosur Road (NH-4A), Bannerghatta Road, Kanakapura Road, Mysore Road (SH-17) and Magadi Road. It passes through major suburbs such as Hebbal, Banaswadi, Krishnarajapuram, Marathahalli, Madiwala, BTM Layout, JP Nagar, Banashankari, Kengeri, Nagarabhavi, Nandagudi, Annekal, Whitefield, Nandini Layout, and Gokulaact. This will also decongest the city as it will behave as a bye-pass road especially for the truck traffic.

Source: BIAL, Bangalore Development Authority (BDA), Bangalore Metropolitan Region Development Authority (BMRDA), Bangalore International Airport Planning Authority (BIAPA), Bangalore Mass Rapid Transit Ltd.(BMRTL)

7.3 Micro Market Description

The commercial areas of the city are classified into Central Business District (CBD), Secondary Business District (SBD) and Suburban/Peripheral Districts (PD). The CBD includes MG Road and adjoining roads within the radius of 3 kms from MG Road-Brigade Road junction. The SBD comprises various areas on the east & south of Bangalore including Airport Road, Old Madras Road, Intermediate Ring Road, Koramangala, Eastern Stretch of Outer Ring Road (between Marathalli and Bellary Road). The PD locations include Whitefield in the East, Hosur Road in the South and emerging areas in the North on the Bellary Road. The growth of the city during last 2-3 years, in terms of commercial space has been mainly in the SBD (particularly on the Airport Road and the ORR) and the PD of Whitefield (Speculative Stock & Campuses), Electronic City and the area abutting Hosur Road (Largely Campuses). BDA is the development authority for Bangalore.

<u>*Bangalore Micro-market Classification and Location for commercial sector*</u>

Micro market	Localities included	Location within City
Central Business District (CBD)	MG Road, St Marks Road, Residency Road, Brunton Road, Magrath Road, Madras Bank Road, Church Street, Vittal Mallya Road, Kasturba Road, Richmond Road, Cunningham Road, Infantry Road, Dickenson Road, Cubbon Road, Ulsoor Road and Victoria Road	MG Road and adjoining roads within a 3-4 Km radius of the junction of MG Road and Brigade Road
Secondary Business District (SBD)	Airport road including Intermediate Ring Road, Koramangala including Adogodi (Hosur Road),Banerghatta Road up to Outer Ring Road, Hosur Road (up to Outer Ring Road) Outer Ring Road – Hebbal Flyover to Sarjapur, Old Madras Road	Beyond CBD till Outer Ring Road; within 6-10 kms radius from MG Road – Brigade Road junction
Peripheral/ Sub-urban Micro Markets (PD)	Hosur Road (after Outer Ring Road) & Whitefield	Beyond Outer Ring Road; within 12-15 kms radius from MG Road – Brigade Road junction

Source – Jones Lang LaSalle Research

Bangalore has two active peripheral districts considering real estate i.e. the Electronic City on the Hosur Road in the south-east and Whitefield in the east (beyond the existing Airport).

The Electronic City was developed by the Karnataka Industrial and Development Board (KIADB) as an IT Park provided with the base infrastructure, wherein land was allotted to IT companies for their captive facilities.

Whitefield, a suburban location, comprising primarily of agricultural land with Export Promotion Industrial Park (EPIP) status was promoted as an industrial township by the KIADB and has now evolved into a large hub for IT companies planning large campus like facilities.

The setting up of the Information Technology Park Bangalore (ITPB), the project by Ascendas in the Whitefield, established it as an address for MNCs looking for an international class facility in Bangalore and triggered interest from the IT occupiers looking for a larger campus presence in the city. The majority of the occupiers in the PDs are from the IT, ITES and BPO sectors with prominent ones being Infosys, Dell, HP AOL, GE and Wipro.

The city is divided into various micro-markets for the retail sector based on the rental values and the distance from the centre of the city. The classification is as follows:

Bangalore Micro-market Classification and Location for retail sector

Micro markets for retail malls	Location within City
Prime City Malls	Malls located within CBD in the radius of 3.5 kms from MG Road and Brigade Road Junction
Secondary Malls	Locations lying within the periphery and areas abutting Outer Ring Road
Suburban Malls	Malls located in Whitefield, Bellary Road, Electronic City and Mysore Road after Outer Ring Road intersection

Source – Jones Lang LaSalle Research

The retail markets being covered are the prime city malls and suburban malls, which have a built up area of 50,000 sq. ft. or more. The quality of projects in Bangalore are relatively high due to presence of quality conscious and established developers. The average floor plate size in the buildings ranges from 50000-100,000 sq. ft. The first mall (Prestige Forum) in the city came up in the year 2003. In 2004, with the opening of Bangalore Central there was additional mall supply of 120,000 sq. ft . The Forum in Koramangala and Bangalore Central mall on MG Road have had enormous success and this has prompted many other reputed developers from Bangalore and outside Bangalore to set up malls in various parts of the city.

The support retail facility found in tech parks constitutes necessary support infrastructure due to the unavailability of such facilities in the neighbourhood that are largely suburban with no high street retail activity.

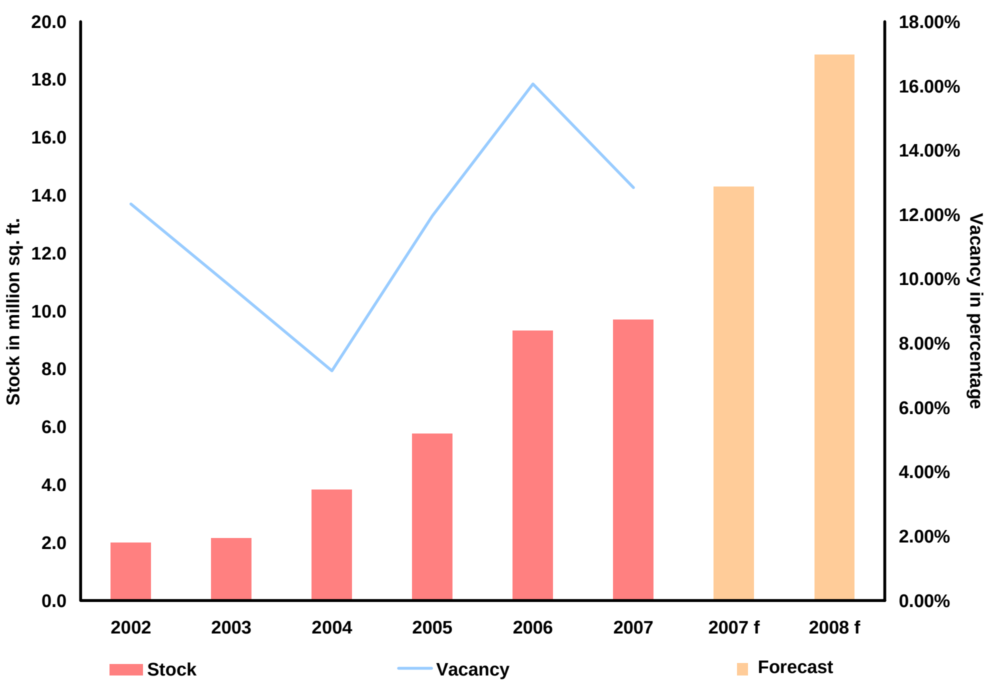
7.4 Stock and Vacancy Trends in PD for commercial space

The demand for Grade A space in the Peripheral Business District has primarily been led by IT companies followed by financial institutions. As can be seen in the graph below, the vacancy was at 9.8% in 2003 and has risen to 16% by 2006. The reason being that the absorption increased in the SBD during 2005-06, coupled with new warm shell supply in PBD added during 2006 which was not absorbed because of demand being more focussed in the SBD.

During the period 2002-2006, vacancy levels in the Grade A office segment in the PD have shown a large amount of crests and troughs from a low of over 7% in 2004 to a high of 16% in 2006 and down a little to 12.8% in 2007. This is because of the occupied stock which was completed and gradually absorbed. .

Whitefield and Electronic City were among the preferred locations for the IT/ITES companies during the period of 2002 to 2004. Past increases in the vacancy levels can be attributed to the emergence of the eastern stretch of the Outer Ring Road which started attracting the IT/ITES companies, primarily because of proximity to key locations of the city and the availability of large land parcels. However, vacancy is not expected to rise beyond the current levels. Supply constraint in CBD and SBD is expected to drive occupiers to PD in future. This may result in vacancy levels falling down again in the next few years. The major occupiers in the PD are Infosys, Sapient, Wipro, TCS, GE, SAP and HCL.

Speculative Stock and vacancy trends for Grade A and B Speculative Office in PD over 2002-08



Source – Jones Lang LaSalle Research

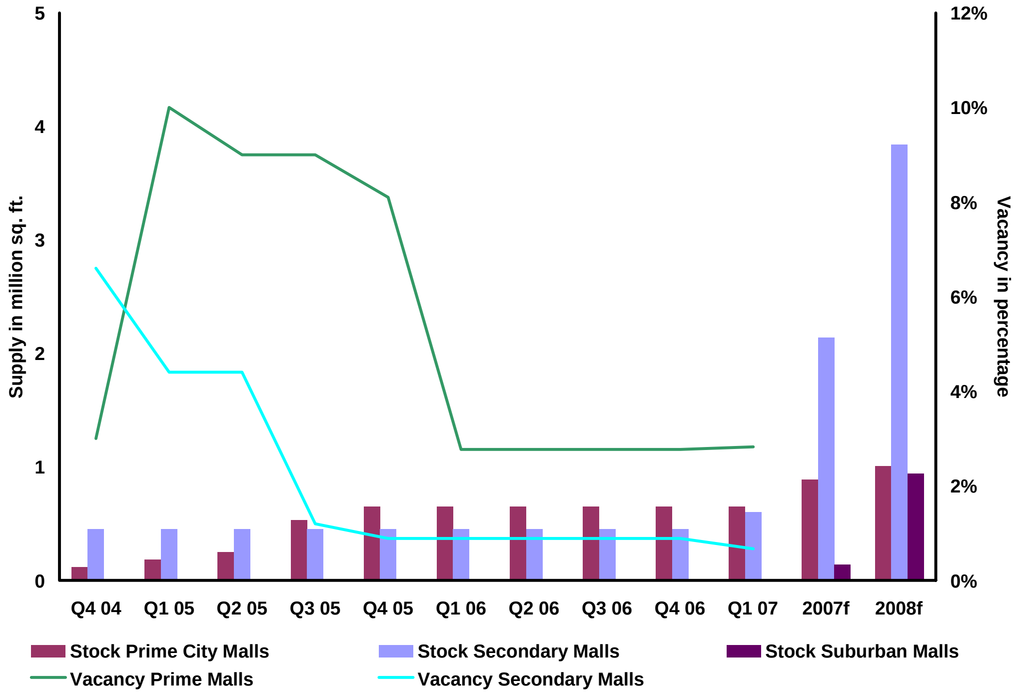
The future supply in this micro market for 2007 is 1.25 million sq ft. Although the supply looks high, developers are slowing down the rate of construction in this micro market and are moving ahead with their projects only when there is a demand. In the medium term we can expect a spill over of the future supply in the first half of 2008.

7.5 Stock and vacancy trends for retail space

The first mall in the Prime city was Bangalore Central (150,000 sq ft) followed by Purvankara Pavilion, Prestige Eva, and Garuda Mall. Future stock for this micro market stands at 1.8 million sq ft for the remaining quarters of 2007- 08. Although the availability of the appropriate land parcels has been a constraint for the developers in this micro market. The vacancy levels were low during the last quarter of 2004 and then they increased gradually. This was because of the launch of some malls which were off the prime locations and were gradually absorbed. The vacancy levels fell at Q1 05 and remained constant then onwards at 2.8%.

The stock and vacancy figures of the secondary micro market retail malls indicates that the vacancy figures have declined very fast from Q1 03 levels and are now touching nearly zero mark. This is because of the fact there are presently two malls operational which are Leela Galleria and Forum. Although Leela initially had some problems in leasing because of its stack but it was also leased fully after proper positioning in couple of quarters.

Stock and vacancy trends for high end retail space over Q4 2004-08



Source – Jones Lang LaSalle Research

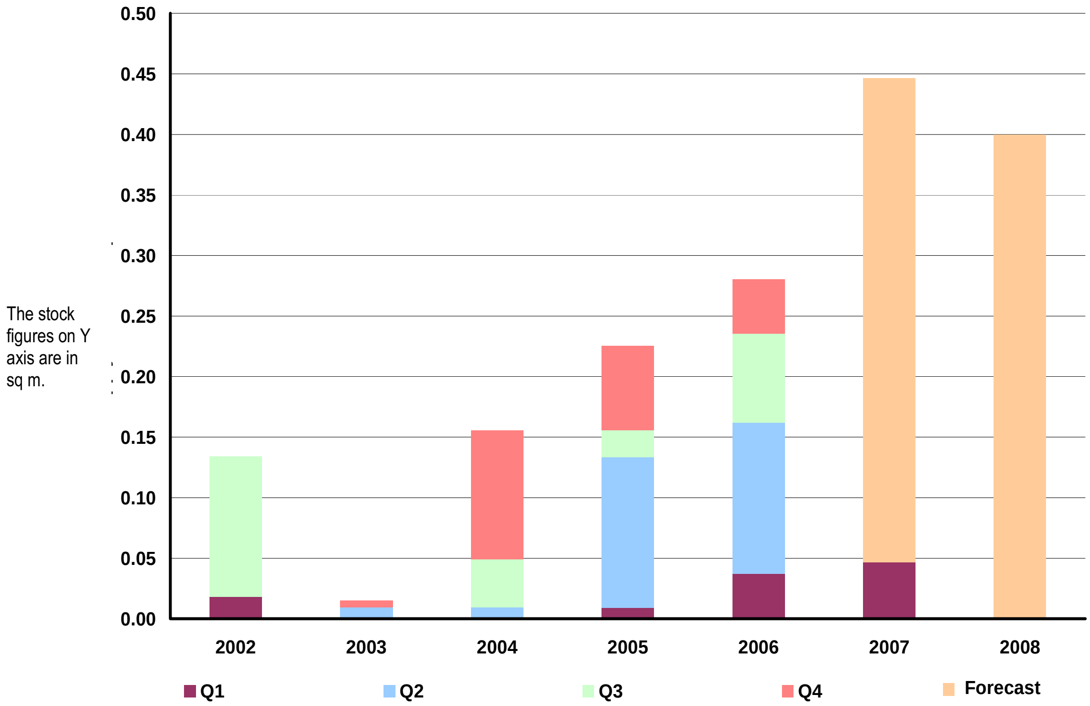
It is seen from the above chart that the supply of suburban malls is expected to grow very fast. This is an indirect result of growth of commercial sector in these areas. The high growth rate of commercial developments have induced residential catchment areas to grow in these micro-markets which in turn have increased the demand for retail space there.

7.6 Supply and Absorption Trends for PD for commercial space

The IT/ITES industries are major demand drivers for Grade A speculative stock and BTS options. Traditionally in Bangalore, the IT/ITES demand by Indian companies barring a few went into owned campuses as they preferred the ownership model over the lease model. The companies seeking entry into the City generally require speculative space with scalability options and subsequently opt for BTS (lease) or owned campus (buy) as per their business strategies. The companies that have preferred the buy option or owned campus option are those that have reached the third to fourth level of growth like GE, SAP, Infosys and Wipro. However, other large companies preferring the lease model have taken up speculative space and once the BTS option was available; they opted for the same with hard and soft options for scalability.

The profile of companies driving demand in the speculative segment currently are mid-sized and large companies, or large companies that initially intend to start operations in the city on a small scale or have exhausted their space in BTS or owned campuses.

Speculative Supply for Grade A and B Speculative Office in PD over 2002-2008



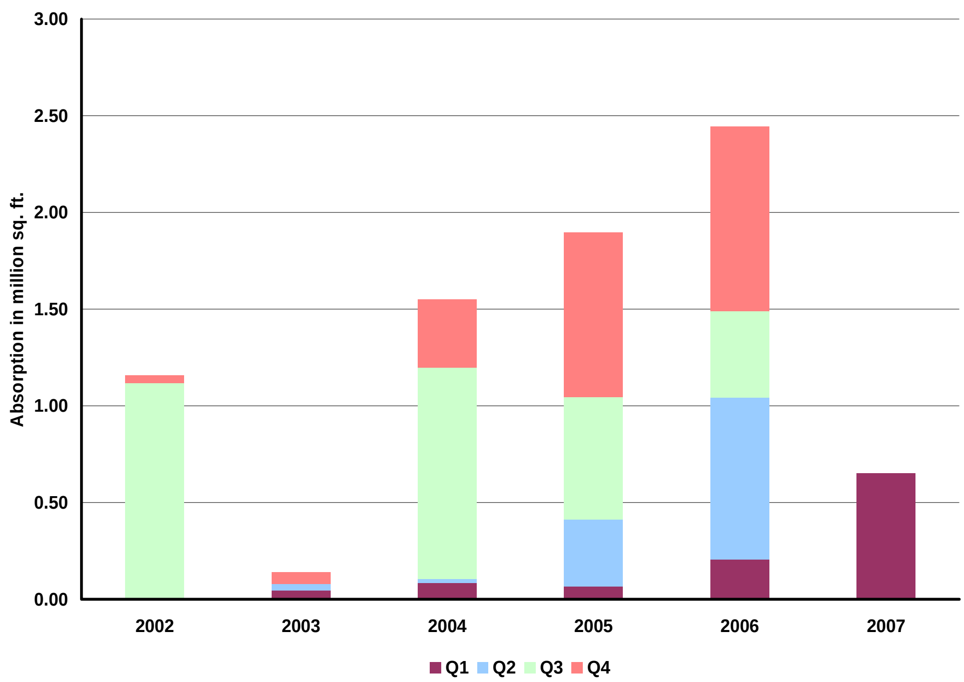
Source – Jones Lang LaSalle Research

As we can see from the graph above the absorption was moving in tandem with supply until 2005 and then the differential between the supply and absorption started showing an inverse trend. This is because of emergence of the eastern stretch of the Outer Ring Road as an alternative destination for the IT/ITES companies adversely impacted the leasing activity in the PD which was buoyant till 2005.

In 2005, the PD witnessed absorption of 1.9 million sq ft of the speculative office space. In 2006, the PD witnessed the absorption of 2.44 million sq ft . This is on account of the pre leases in 2005 which were absorbed in 2006. Some of the companies which set up their BTS (built to suit) units in 2006 were Accenture and TCS which pre leased 800,000 sq ft in Divyasree Technopark and ITPB respectively in

Whitefield. Some of the major deals of 2006 were done by Tele-radiology, Shell India, Catterpillar , SAP, Quadra Info Technologies etc.

Absorption trends for Grade A and B Speculative Office in PD over 2002-2007



Source – Jones Lang LaSalle Research

Foreseeable supply will get distributed into next 2-3 years. Development of Peripheral Ring Road and Metro Rail corridor is expected to enhance the demand in PD. SBD as a location has superior connectivity and accessibility to the CBD of the city. SBD locations like Outer Ring Road and Inner Ring Road are generally preferred over Whitefield. But Whitefield is preferred over other PD micro-market as like the Electronic City. Although the supply in SBD will continue to have a negative impact on absorption levels in PD,. the negative impact on absorption levels in PD due to supply in SBD will be first felt in parts of PD other than Whitefield.

As per JLL estimates, based on IT/ITES revenue projections from STPI and NASSCOM, Bangalore will require 7-8 million sq. ft. of commercial real estate to meet the targeted revenues over the next 2-3 years. Hence, we expect that there will be sufficient demand to absorb the supply in the future. We believe that a significant portion of this space will be catered to by BTS facilities.

Profile of Prominent Projects which feature as major Real Estate Supply

S. No	Name of the Project	Developer	Location	Business District	Type	Total Commercial Space (sq. ft.)	Time	Mix
1	U B City	Prestige and UB Group	Vittal Mallya Road	CBD	Speculative	900,000	1Q 2007	Office Space , Retail, Hotel, Serviced Apartments,
2	Brigade Gateway	Brigade Group	Rajaji Nagar	SBD	Speculative	1,000,000	3Q 2007	Retail, Apartments, 5 Star, Hotel, Hospital

S. No	Name of the Project	Developer	Location	Business District	Type	Total Commercial Space (sq. ft.)	Time	Mix
								(Integrated Township)
3	Prestige Shantiniketan	Prestige and HNI	Whitefield Road	PBD	Speculative	900,000	4Q 2007	Retail, Apartments, 5 Star Hotel, (Integrated Township)
4	Brigade Metropolis	Brigade Group	Whitefield Road	PBD	Speculative	800,000	4Q 2007	Retail, Apartments, Hotel, (Integrated Township)
5	Vrindavan Tech Park	Vikas Telecom	Outer Ring Road	SBD	SEZ (Speculative and BTS)	9,0-00,000[68]	2Q 2007 to 2010	Office Space, Hotel, Serviced Apartments, Retail
6	ITPB	Ascendas	Whitefield	PBD	SEZ+Speculative Development	2,400,000	2002 to 2008	Hotel, Apartments, Support Retail
7	Divya Sree Technopark	Divyasree Developers	Whitefield	PBD	SEZ	4,000,000	2006 to 2008	SEZ (Speculative and BTS)
8	Manyata Embassy Business Park	Embassy Group	Outer Ring Road , Hebbal	SBD	SEZ (BTS)	107 Acres (1.07 million already Occupied and Operational)	2006 to 2008	SEZ (Residential, Proposed Mall and Hotel, Residential Development)
9	DLF Technopolis IT Park	DLF	Whitefield Road	PBD	Speculative and BTS	830,000	2007 to 2008	NA
10	Prestige Cessna	Prestige Group	Outer Ring Road		BTS+Speculative	3,893,175	2006 to 2008	NA

Source –Jones Lang LaSalle Research

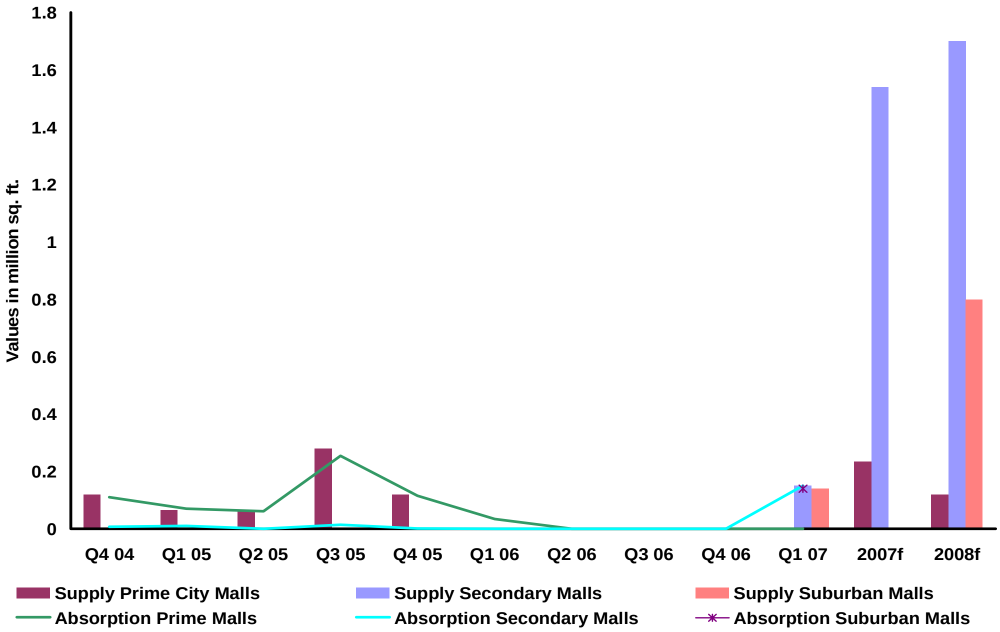
7.7 Supply and absorption trends in retail space

Supply of Prime City mall included Bangalore Central which was solely operated by Pantaloons thus absorption was in tune with the supply in Q4 04. This trend continues in micro-market till date with absorption being in tune with the supply of the malls thus showing positive sentiment of the occupiers towards this micro market.

The secondary city retail mall is showing a dearth of organised retail space in the micro-market. This supply is attributed to the three major malls operational in these locations viz Forum, Leela Galleria and Gopalan Mall. As all of these malls are located in the three different quadrants of the city, the absorption was in tune with the supply. The future supply in this micro market stands at 3.24 million sq ft for the remaining quarters of 2007 and 2008. It should however be stated here that this supply is scattered all over the city. Thus formation of a mall cluster in any sub micro market in Bangalore is not a possibility.

[68] Including 1 million speculative space to be ready for lease by end of 2007, 1 million space for hotel and retail facility and rest for BTS office space and service apartments.

Supply and absorption trends for high end retail space over Q4 2004-08



Source – Jones Lang LaSalle Research

7.8 Rental and Capital Value Trends in PD

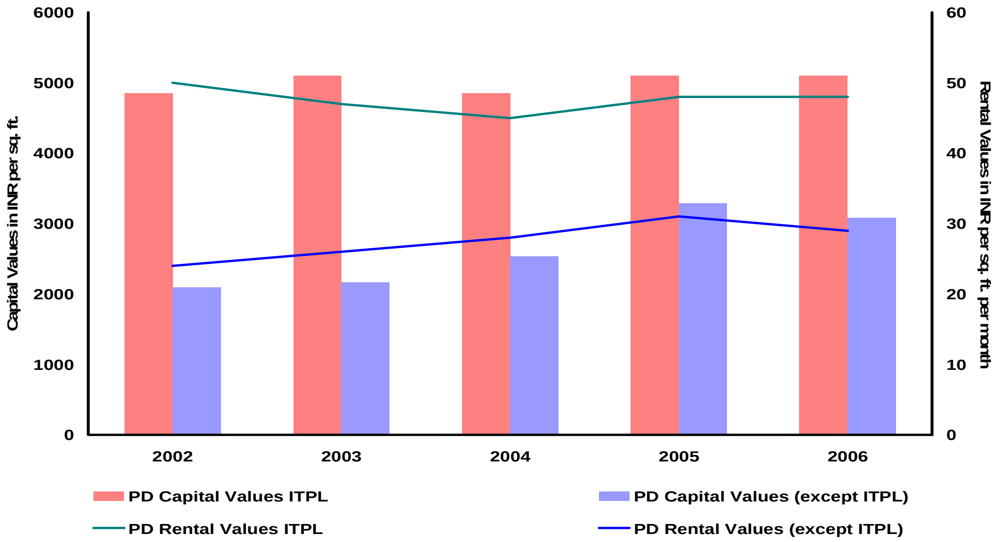
The rental values in ITPB have increased even though the rentals in Whitefield have been declining since 2000 due to the large supply coming up in the area at lower rentals. Rental values in the PD are in the range of INR 28-30 per sq. ft. for warm shell space. ITPB however offers extended warm shell space at INR 45-48 per sq. ft. in Q4 2006 – Q1 2007. Due to its differentiated product offering ITPB has been able to sustain its higher rentals vis-à-vis the market and also enjoy almost 100% occupancy.

Capital value of ITPB has remained relatively stable in the past 3-4 years. This is on account of its high quality specifications, small space leases with higher rental recognition and high profile tenants. Capital value for space in ITPB is about INR 4800 per sq. ft. Except ITPB, capital values in the PD, have moved downwards by 12% in 4Q 2006 over 2005 and have stabilised in the range of Rs. 2800 per sq ft to Rs. 3200 per sq ft. depending upon the profile of the developer and specifications of the building.

Rental and Capital values are expected to remain stable over next two years (2007-08) on account of high demand countered by high supply in these locations and competitive threats from other SBD locations which are more attractive for occupiers. The rental and capital values in projects in PD are expected to witness growth of about 5-6% p.a. over the next 2 years. This growth is primarily on account of exhausted supply in competing locations. Most of the supply in such locations have a timeline of 18-24 months. Whitefield micro-market may witness stagnation once that supply comes into effect.

PD values do not include the rental and capital values of ITPB. This is because the rental and capital values are substantially different from those prevalent in other projects of PD and are not comparable because of the fact that ITPB offers extended warmshell space while all other grade A buildings of the micro market offer only warmshell space. However the rental values can be compared as the rentals charged by extended warmshell are 6-8 INR per sq. ft. per month more than normal warm shell space.

Average Rental (Warm Shell) & Capital Values for Grade A Speculative Office Stock in Bangalore



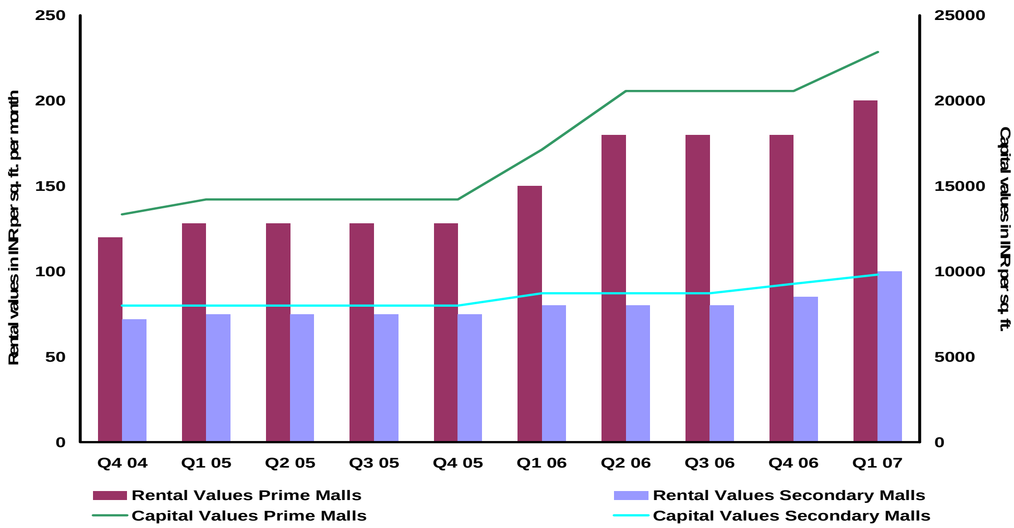
Source – Jones Lang LaSalle Research

7.9 Rental and capital value trends in retail space

Average rental values show a continuous incremental growth in the prime micro market. The growth in the rental values over the last two years has been to the tune of 56% with a CAGR of 25% over the same period. Such a buoyant increase in the rental values is because of the escalated demand and low supply for the appropriate retail options for the retailers. Present yield in the micro market is hovering between 10.5 % to 11 %.

Average rental values in the secondary micro market has shown an appreciation of 33% over the last three years the CAGR for the same period is 10%. We expect that the rental values will show a continuous escalation because of the lack of available organised space in the micro market.

Supply and absorption trends for high end retail space over Q4 2004-08



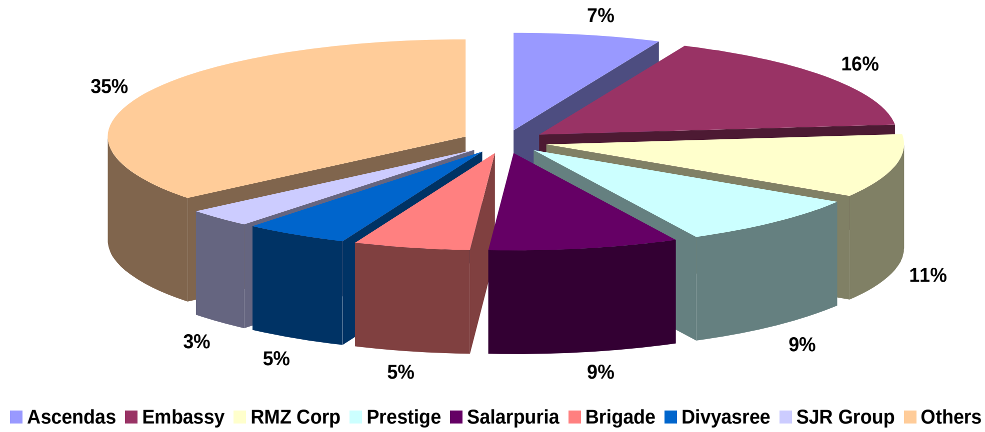
Source – Jones Lang LaSalle Research

Rentals for support retail facility in IT Parks vary as per location and catchment population (both from within the park as well as otherwise). Generally, a premium of 15%-25% is charged on the rentals in the retail area as compared to those for commercial space in the tech park. Even though a number of suburban malls are coming up in near future, it is not expected to affect the business in these support retail areas. The mainstream retail and support retail cater to different clientele; support retail focusing on the daily requirements of the working population in the tech park whilst the malls focus on leisure shopping.

7.10 Key Players in Market

There are seven main players in the IT Real Estate Market of Bangalore, namely, Embassy, RMZ Corp., Prestige, Salarpuria, Ascendas, Brigade, Divyashree and SJR Group who together account for 65% of the total stock available in the city. The two major ones as per the space constructed by them are Embassy and RMZ Corp. with 5.6 million sq.ft. and 3.6 million sq. ft. respectively. The chart below indicates the market share of each of the developers.

Market Share of Major Developers in Commercial Real Estate Space



Source – Jones Lang LaSalle Research

8 ITPB: PROPERTY ANALYSIS

8.1 Introduction

Spread over an area of 69 acres, ITPB has been able to establish itself as a landmark not only in Whitefield micro market but in Bangalore itself. It is spread across in the six blocks (Creator, Explorer, Discoverer, Innovator, Inventor and Navigator). The project was promoted by Ascendas and Government of Karnataka through KIADB. It has a mix of support retail and service apartments. A five star hotel is also under construction in the property.

The property faces Whitefield Road, with Salarpuria GR Tech Park, Brigade Tech Park on the East, NCC Signet on the West and San Engineering and Locomotive company in the north. The total development on the site is approximately 2.4 million sq. ft, as the built up area and the future expansion is expected to be approximately 3.2 million sq. ft.

Profile of International Tech Park (ITPB), Bangalore

Overview	
Date of Operations	Phased Development 1998
Promoters	Consortium of Ascendas and Government of Karnataka through KIADB. Current Equity partners are Ascendas and KIADB
Configuration	
Total Project Area (Land)	69 Acres (approx. 279,233 sq. m.)
Development Mix	Office, production, commercial, retail space and a residential tower of 51 apartments
Built up Area	2,400,000 sq. ft. (6 blocks)
Carpet Area	1,414,500
Efficiency (Approx)	75%
Floor Plate Area (Approx)	20,000 – 60,000
No. of Floors	G+5 to G+13
Location	
Address	Whitefield Road, Bangalore-560006
Business District	PBD
Vicinity to CBD	18 kms with a travelling time of 45 mins during rush hours
Vicinity to Airport	13 kms (Airport) travelling time of 35 mins during rush hours
Vicinity to Railway Station	• 20 kms (Cantonment Railway Station) travelling time of 45 mins • 26 kms (City Railway Station) travelling time of 50 mins
Vicinity to nearest Residential Development	Krishnarajapuram (6 kms), Vimanpura (7 kms), Marathalli (6 kms)
Vicinity to nearest Retail / Entertainment facility	Support Retail (ITPB Mall) is present in the project itself. Koramangala (12 kms) Marathalli (6 kms)
Connecting arterial roads	Whitefield Road, Varthur Road
Surrounding Areas	Outer Ring Road
Access to Public Transport	Bus service provided by Ascendas connecting ITPB to the rest of the city. BMTC buses are also available during day time, frequency decreases during night hours
Access to Hired Transport	Auto Rickshaw available during day hours, frequency decreases during night hours
Infrastructure	
Dedicated Power Plant	An on-site 20 MW power plant is the primary power source to ensure a high quality and reliable power supply within the park. The dedicated power plant operates in conjunction with the 220 kva state grid and in addition to the generator sets, thus providing a three-level power backup system ensuring the highest level of reliability for tenant operations.
Voice & Data	The park is supported by six service providers for voice and data for seamless

Communication	communication connectivity. An in-house telephone exchange forms part of this service in addition to WiFi enabled zones within the park.
Fire Protection System	Includes fire alarms, water sprinklers, portable fire extinguishers and fire hydrant hose reels with 24-hour security.
Building Automation System	Centrally monitored and controlled at a common console in each of the buildings. Common area lighting and air conditioning are time-controlled through the building automation system.
Water Storage and Sewage Treatment Plant	The park also includes a sewerage treatment plant and all treated waste is used for landscaping. Water storage tank has a capacity to store supply for up to five days.
Parking	A total of 1,379 car parking slots and 2,336 two-wheeler parking slots for both visitors and park employees.
Amenities	
Transportation	Ferry service from key destinations across the city for the employees of the park and shuttle service every half an hour from the city centre for visitors and parkites.
Health Club	Includes a fully equipped gym, an aerobics studio and a steam room
Business Centre	Incubation centre for companies wishing to start an office immediately. Comprises cabins, suites, discussion and conference rooms with a provision of secretarial support. Additional video conferencing facility is also available.
Retail Mall	Banks, ATMs, restaurants, food court, telephone service providers, laundry, convenience store, photo shop, travel agent, insurance service and pharmacy.
Services	
Property Management	In-house maintenance team. Qualified maintenance team available round-the-clock, to oversee all requirements and general maintenance.
Project Management	In-house qualified project management team to execute the fit-out works for the client's office premises.
Commercial Terms	
Present rental	43-44 INR per sq. ft. per month
Deposit	9-12 months rent
Escalation	15% for every 3 years
Maintenance	Rs. 7.40 per sft. per month
Car parking	Chargeable @ Rs. 500 per cpu per month (uncovered) and @ Rs. 1000 per cpu per month (covered)
Success	
Occupancy	Above 95%
Anchor Occupiers	TCS, GM, Delphi, AOL

Occupier Profile	
Occupier	Industry
Lucent Tech, Wipro, Affiliated Computer Services, Intel, Infineon Technologies, Sanyo LSI Tech, Tata Infotech, TCS, SAP, Sharp Software Labs	IT
24/7 Customer, Customer Operational Services, AOL, IBM Global Services, Affiliated Computer Services, Zap App India, Delphi Automotive, First Ring India, Misys International, , Misys Hospital Systems, Transworld ICT Solutions, Manhattan Associates, Affiliated Computer Services, Customer Operational Services	ITES
General Motors, Hindustan Lever	IT divisions of non-IT companies

Future Expansion Scope	In the pipeline are: • Business Hotel Build-To-Suit' (BTS) - Customized building with the privilege of naming rights and flexibility in specifications. 24.7 acres of land available.

Source: Ascendas Pte. Ltd.

8.2 Location and Accessibility

ITPB is located in Whitefield in the Peripheral Business District (PBD) of Bangalore. Whitefield is located in the Eastern quadrant of Bangalore. Apart from the residential apartments which are located in the Whitefield, the nearest settled residential areas for Whitefield are Kagadaspura, area surrounding Airport Road and HSR layout. The main residential catchments is located within 18 - 20 kms of the Central Business District (CBD) of Bangalore and 5 – 8 kms from Sarjapur Outer Ring Road.

ITPB: Location Map within micro-market

Source – Jones Lang LaSalle Research

Key distances of subject property from various residential, commercial and transport hubs

Locations	Approx. Distance (km)	Av. Driving Time (min.)
Airport	13	30-35
Railway Station (Bangalore City Railway Station)	20	35-45
Bus Terminus (Kempegowda Bus Stand)	30	45-60
CBD	18	30-45

Locations	Approx. Distance (km)	Av. Driving Time (min.)
Emerging IT/ITES high grade locations: (Outer Ring Road)	7	15-20
Retail High Street : Kormangala	12	30-35
Prime Residential Area : Krishnarajapuram, Vimanapura, Marathalli	6-7	15-20
Other Residential Area : Kagadaspura	10	25-30

Source: Jones Lang LaSalle Research

8.3 Tenant Mix

The ITPB is one of India's first world-class plug-and-play IT parks. ITPB targets companies primarily in IT/ITES space, with space requirements varying from 4000 sq. ft. to over 100,000 sq. ft. It is perhaps the only property in Bangalore to have such a diverse mix of tenant space occupancy.

The major IT companies presently operating out of ITPB are Lucent Tech, Wipro, Intel, Infineon Technologies, Sanyo LSI Tech, Tata Infotech, TCS, SAP, Sharp Software Labs. Many ITES (including BPO) companies have also leased space in the property, namely, 24/7 Customer, Customer Operational Services, AOL, IBM Global Services, Affiliated Computer Services, Zap App India, Delphi Automotive, First Ring India, Misys International, , Misys Hospital Systems, Transworld ICT Solutions, Manhattan Associates, Affiliated Computer Services, Customer Operational Services. Some space is also taken up by non IT/ITES companies like General Motors and Hindustan Lever, however, the IT/ITES operations of these companies are based out of this space leased.

8.4 Development Performance

ITPB commands a 10-15% premium over those being charged by the other developments on an equivalent warmshell basis in Whitefield. This takes into consideration the following strengths of ITPB:

- High grade development with best in class amenities and international branding.
- Niche occupier market – smaller average leased space that generally supports higher budget affordability.
- The ITPB caters to all types of space requirements providing scalability options from small sizes up to BTS facility.
- The subject property currently has low competition in the Whitefield business district with most of the other developments targeting occupiers with larger space needs.
- Captive power plant provides better quality power at KPTCL (Karnataka Power Transmission Corporation Ltd.) tariff.
- Cohesive self sustained development mix of the subject property including support retail, health club and other recreation uses.
- Ascendas also offers high quality of facility management. A dedicated in-house property management team provides round-the-clock services ensuring reliable support to all tenants.
- Various events are also organised by Ascendas at ITPB for the community like blood donation camps (as an annual feature), sports day for unprivileged children, etc. It also organises events like noon time binge (on every Friday), musical and theatrical performances held regularly and the annual sports meet.

8.5 Competition Analysis

ITPB is a landmark building in the micro market of Whitefield. It offers extended warmshell space with plug and play facilities. Due to the high end office space and facilities it offers, it commands more rentals as compared to other buildings in the vicinity. Apart from ITPB which is commanding rental values (Rs. 42-43 per sq. ft. per month for warm shell) comparable to the CBD, the quoted rental values for the warm shell commercial space for Whitefield micro market is between Rs. 33-36 per sq. ft. per month.

In 2002, the Intelligent Community Forum, a New York-based non-profit trade association, awarded ITPB the World Teleport Property Award, in recognition of ITPB's contribution to Bangalore's remarkable growth and its ability to provide "plug-&-play" services and state-of-the-art infrastructure[69]. ITPB has also been certified under the ISO 9001:2000 program for the operation and maintenance of technology parks[70].

There are many commercial buildings in the micro market. The map below shows the location of all such buildings. Most of the commercial space of these buildings are occupied by the IT/ITES Industries.

Details of major commercial buildings in the micro market are given below. It can be noted that as none of the buildings offer extended warmshell like ITPB, they command lesser rentals. The buildings like RMZ NXT, Fortius and RMZ Centennial command the next best rental levels in the micro market due to the warm shell space and the facilities offered.

Current Commercial Developments around Whitefield

Building Name	Developer	Year of Completion	Total Area (Sq. ft.)	Vacancy (Sq. ft.)	Quoted Rentals (INR per sq. ft. per month)	Main Occupiers
SJR I Park (Tower I)	SJR	2005	350,000	0	25	Cambridge Technologies
RMZ NXT A	RMZ	2005	161,000	0	38	SAP, Caterpillar Logistics.
First Technology Place (Fortius)	TCG Developers	2005	200,000	0	38	Indigo, Stream Net, Invitrogen, Nipuna
Prestige Omega	Prestige	2005	95,000	95,000	N.A	TBC
Prasad Technology Park		2002	60,000	0	N.A	Dell
Brigade Tech Park	Brigade	2006	294,700	284,700	29	HLL
Abhilash Tech Park		2004	125,000	0	N.A	TCS
Sigma Sofware Park (Phase II)	UKN Properties	2003	100,000	0	34	Wipro, Flextronics,
Sigma Software Park Phase I	UKN Properties	2002	415,000	0	N.A	Nirvana
RMZ Centennial (Tower A)	RMZ	2005	200,000	0	38	AVIVA
Salarpuria G R Tech Park – Phase 1	Salarpuria Group	2005	425,000	0	N.A	SAP, Sapient
RMZ NXT 1B	RMZ Corp	2006	161,000	0	32	SAP Catterpillar
Regent Gateway	Regent Properties	2006	116,000	116000	N.A	None
SJR I Park Tower II	SJR Group	2006	100,000	0	28	Intelligroup, Unisys Quest Software, GE Health Care, HLL, Birla Soft, Softgen
SJR I Park Tower III	SJR Group	2006	300,000	45000	28	
Netra Tech Park	Fortuna Group	2006	234,000	234000	26	None
Prestige Featherlite	Prestige	2006	98,946	98946	28	None

[69] Information provided by Ascendas Pte. Ltd.
[70] Information provided by Ascendas Pte. Ltd.

Building Name	Developer	Year of Completion	Total Area (Sq. ft.)	Vacancy (Sq. ft.)	Quoted Rentals (INR per sq. ft. per month)	Main Occupiers
Tech Park	Estates Pvt. Ltd.					
M Far Silverline Technology Partk	M Far	2006	204,850	194850	26	YL Services
RMZ Centennial B	RMZ Corp	2006	225,000	0	32	Shell Networks
RMZ Centennial C	RMZ Corp	2007	204,000	0	N.A	Shell Networks
Brigade tech Park Tower B	Brigade	2006	127,000	127000	30	None
First Technology Place (Citius)	TCG Developers	2007	350,000	0	26	IBM

Source: Jones Lang LaSalle Research
EWS – Extended Warm shell; includes A/C, False Ceiling, Lighting and Fires Fighting systems.

The micro market has a huge pipeline supply coming up. The stock for the next 18 – 24 months is around 8.5 million sq. ft., which comprises predominantly warmshell spaces as opposed to extended warmshell provided by ITPB. This future supply looks daunting, and may cause an over supply situation. The prominent developers (Salarpuria, Divyasree, RMZ, Prestige etc.) who are constructing projects in other parts of the city as well, can regulate the supply depending upon the differential IT/ITES demand around the city, by going slow on some projects and fast on others. However, the smaller projects and lesser known developers may face threat of vacant spaces in their facilities.

There is lack of pre-leasing activity in Whitefield currently apart from a few projects. Currently TCS, Huawei Technologies (Divyasree Tecnopark) have committed for BTS facilities. Bharti Televentures is also coming up with their campus facility in Whitefield. Some of the major commercial developments coming up in future are listed in the table below:

Future Commercial Developments around Whitefield

Building Name	Developer	Expected Completion	Area (sq. ft.)	Quoted Rentals (INR per sq. ft. per month)	Availability of Space (sq. ft.)
Kalyani Platina	Kalyani Developers	Dec-08	250,000	26	250,000
Divyasree Techno Park Accenture Block (Hard Option)	Divyasree Developers	Sep-08	105,000	TBC	-
Bhoruka IT Park	Bhoruka Steels	Mar-08	460,000	TBC	460,000
Divyasree Technopark Accenture Block	Divyasree Developers	Mar-08	70,000	TBC	-
Brigade Metropolis Summit 2	Brigade Group	Mar-08	540,000	28	540,000
Kalyani Platina Other Blocks	Kalyani Developers	Jan-08	950,000	26	950,000
Brigade Metropolis Summit 1	Brigade Group	Jan-08	220,000	28	220,000
Corporate Centre	IBC	Jan-08	472,000	26	472,000
Subramanya Constructions	Subramanya Constructions	Jan-08	346,721	26	346,721
Divyasree Techno Park Huawei Block	Divyasree Developers	Nov-07	600,000	TBC	-

ITPL (Navigator)	Ascendas	Oct-07	400,000	TBC	40,000
H M Software Park	H M Group	Sep-07	180,278	26	180,278
RMZ NXT 2B	RMZ Corp	Sep-07	344,195	32	344,195
Green Orleans	TBC	Nov-07	130,000	28	130,000
Hello IT Stop	Vijay Raj Constructions and UTL	Jun-07	140,000	26	140,000
Shailendra Tech Park	Shailendra Babu	Jun-07	136,000	26	136,000
Akshaya Tech Park	Jailakshmi Exports and Imports	Jun-07	125,000	26	125,000
Embassy Crest	Embassy Group	Jun-07	350,000	28	350,000
Whitefield Palms	B Raheja Builders	Apr-07	200,000	28	200,000
Salarpuria GR Tech Park (Phase II)	Salarpuria Group	Apr-07	750,000	32	750,000
RMZ Centennial D	RMZ Corp	Apr-07	200,000	TBC	200,000
RMZ NXT 2A	RMZ Corp	Apr-07	164,000	30	164,000
Neil Rao Techspace	Rao Software Systems	Apr-07	245,200	26	245,200
Fortune Soft Tech park	Upkar Associates	Apr-07	150,000	TBC	150,000

Source: Jones Lang LaSalle Research

From the future supply and the existing commercial developments in the micro market there seems not much competition to ITPB due to the differences in the quality of space and facilities offered. If an oversupply situation comes up in the micro market then the rental value may slightly fall. The effect on ITPB will depend on the quality of space coming up in the pipeline supply because ITPB has been able to carve out its own niche in the micro-market due to the extended warmshell space it offers its clients.

8.6 SWOT Analysis

Strengths	Weaknesses
– The project is located on Whitefield Road, which is a prominent and established IT/ITES location. – ITPB's above par facilities to its occupiers has provided it substantial differentiation from the competition in the micro market. – Captive power plant and high tension 220 KV Bescom backup power line makes it a state of art facility with no power cuts round the year. – The project enjoys the best frontage on Whitefield Road, the most prominent access road in the micro-market lending it good visibility. – The development has received in-principle SEZ status and can cater to demand for such space in future. – It has large scope for expansion to cater to future market demand and expansion needs of existing occupiers. – The project is the only one in the micro-market with an integrated profile of development, with retail, residential and hotel under construction.	– Whitefield is not well connected to rest of the city through public transport. However, initiatives are taken to improve transport infrastructure in the city. – Whitefield, does not have enough retail and hotel option to cater to the needs of floating population and corporate need respectively. However, the construction of these facilities are currently in pipeline. – Central air-conditioning has caused the rental values to increase for those occupiers whose working hours are 12 hours per day.

Opportunities	Threats
– With development of Retail, Residential and Hotel projects on Whitefield Road , the location is expected to become more self-sufficient and thus attractive in near future. – It enjoys proximity to residential catchment areas (Marathalli and Varthur Road) and the present airport. Whitefield in itself is emerging as residential location with many existing, under-construction and planned projects.	– Due to proposed transition of International Airport from Airport Road to Devanahalli, development focus may shift to north. As a result, the south and east locations of the city might get impacted. – The location is well entrenched by established developers like RMZ, Prestige and Salarpuria, each of who have multiple and successful projects. Future developments proposed by them, if of a similar quality to ITPB, may be direct competition to the subject development. – Future supply on Outer Ring Road (SBD) can increase the pressure on rental values in this location as the former is more preferred by the occupiers. – Apart from ITPB, SEZ status has also been granted to Divyasree. San Engineering is also proposing to acquire SEZ status. Outer Ring Road also has 3 SEZ developments. Thus, there will be competition within the SEZ space market in this location. – North Bangalore is expected to form a new business district. This is expected to impact rentals and absorptions in Whitefield micro market.

Source: Jones Lang LaSalle

8.7 Future Outlook

ITPB will continue to dominate in this micro-market and demand rentals higher than what is prevailing in competitive projects. It is expected that ITPB will be able to maintain strong rental rates in the near term as a result of its established reputation and high quality of facilities which has enabled it to differentiate itself from the rest of the market. The rental escalation in this project will be same as in the micro-market. The same will be determined by demand-supply dynamics of other locations like Outer Ring Road and North Bangalore. Also, in terms of product differentiation the gap between ITPB and its competition may narrow down a bit as the quality of development in this micro-market is witnessing improvements as seen in projects like Prestige Shantiniketan and Brigade Gateway.

9 CHENNAI CITY OVERVIEW

9.1 Introduction

Chennai, formerly known as Madras, is the capital of the state of Tamil Nadu and is the fourth largest metropolitan city of India. Tamil Nadu is the third largest economy in India with a State Domestic product of USD 34,403.21 million at current prices (FY 2003-04)[71]. This is 9.5% growth over the previous year.

Key demographic & Socioeconomic indicators

Population	6.4 million
Urban age structure	0-4 years – 7.31% 5-19 years - 26.47% 20-34 years – 29.26% 35-59 years – 27.2% Above 60 years – 9.74%
Average age	24 years
Decadal population growth rate	9.76%
Annual population growth rate	0.94 %
Birth rate	24.5 per 1000
Death rate	8.42 per 1000
Sex ratio	957 females per 1000 males
Population under the poverty line	9.58%
Literacy level	73%
Working Population	1.4 million
Non working Population	2.8 million
Religions	Hindu; Muslim; Christians

Source: Census, Chennai Metropolitan Development Authority

The city is home to many industries including IT, automobiles, leather and rubber. Leading IT companies are investing in Tamil Nadu, and especially Chennai, because of a progressive policy framework, good infrastructure, skilled technical manpower and excellent work-culture. The state government initiated the growth of IT in the city by establishing Tidel Park (IT Park) in 2001 and thereafter promoting Old Mahabalipuram Road (OMR) as the IT-corridor, south of the city. It has also promoted Siruseri Industrial Park.

[71] www.tn.gov.in

Map showing Chennai's Location in National Context

Source – Jones Lang LaSalle Research

9.2 Human Resource

Key indicators

Urban Population	6.4 million
Decadal growth rate (1991 to 2001)	9.76%
Annual growth rate	0.94%
Literacy levels	73%
Total number of degree colleges within catchment	365 degree colleges and 96 Engineering Colleges in the state
Annual number of students completing graduate and post graduate courses	100,000 college/university graduates per year from Chennai
Total IT/ITES Employment	149,140
Leading firms operational	Infosys, Wipro Spectramind, Cognizant, Satyam, Accenture, Verizon, e-Serve, EDS, Hexaware, Sutherland Global Services Pvt Ltd, HP eGlobal, Ford Motors, The World Bank

Source: 2001 Census, Tamil Nadu Department of Technical Education (TNDTE)

Opportunities & Concerns

+ Large graduate pool - Chennai has a large graduate pool available to be deployed in various IT/ITeS sectors. It has a large number of engineering colleges apart from the students passing out of normal graduate courses in Chennai University.

+ Low cost of human capital – It has relatively lower human resource cost as compared to Bangalore, Delhi and Mumbai. Chennai also has lower attrition levels than these locations due to a more conservative work culture.
+ Abundance of financial skill-set – There is an abundance in the F&A (Financial and Analytics) skill set amongst the graduate population.

9.3 Physical Infrastructure

Key indicators

Telecom	
Bandwidth & scalability	Up to 1 Terabyte per second[72]
Domestic optic fibre last mile vendors Satellite earth station presence & vendors	Reliance, BSNl, Bharti
Last mile connectivity vendors	BSNL, Reliance
Power & Tele services	
Average Daily power cuts/load shedding	Negligible frequency of shutdowns/outage (less than once a week); Low duration of shutdown (<1 hour);
Cost of Power (unit cost) & provider	Rs. 3.5 per kWh[73]
Mobile & Tele-service vendors	BSNL, Airtel, Hutch, Reliance, Tata Indicom
Road & Transport	
Road Infrastructure	Roads are wide and are of good condition. The traffic is generally smooth with not much congestion.

Opportunities & Concerns

+ Stable power supply - Tamil Nadu is a state with surplus power and a fairly stable power supply, without many break downs.
+ Good public transport system - The coverage and availability of public transport reduces the need for company provided transport for the employees. The expansion of MRTS is further expected to boost public transport.
+ Good air connectivity - The city is connected to all major national airports across the country through all major airlines. It is also connected to major hubs in South Asia, South East Asia, the Middle East, Europe and North America through over thirty national and international carriers.

9.4 Business environment

Key indicators

General administration and political stability	The professional and transparent governance by the current regime has led to tremendous growth. The government has been pro-active in developing the IT and ITES policies to promote the state and is pitching aggressively for business across all industries.
State incentives and initiatives as part of IT/ITES policy	ELCOT[74] is the single window nodal agency for IT issues in the state. Capital subsidy of Rs. 25-100 lakhs depending on capital investment. Capital subsidy of 5% for more than 40% employment of women. Relaxation of FSI to the extent of 100% to designated IT development. 50% exemption of Stamp Duty and Registration charges for purchase of land or building Government assistance to private developers for land acquisition and re-zoning for IT Park development Electricity as per industrial tariffs

[72] www.chennai.stpi.in
[73] www.tneb.in

	Exemption from clearance from Pollution control Board Self certification by IT Companies for compliance with various acts
STPI export revenue (2004-05)	Rs. 107.3 billion
Registered/operational units	1006 registered units
Major IT/ITES companies	TCS, Infosys, Wipro, Cognizant Tech, Hewitt, ABN Amro, EDS

Source: ELCOT, STPI-Chennai

Opportunities & Concerns

+ Government's commitment - The State Government is committed towards the IT sector. The State has declared Old Mahabalipuram as an IT Corridor and is actively developing supporting infrastructure development. This is expected to add to the city's attractiveness.
+ Low crime rates - The level of safety in the city is high. As a result there are no major security apprehensions for working late shifts for IT companies.

9.5 Social Infrastructure

Key indicators

Cost of living (consumer price index)	High at 588 (Highest – 649 in Chandigarh and Lowest – 411 in Amritsar) ⋆
Number of private schools, names of premium schools	Total number of Schools: Total Number of Colleges: 100 general colleges, 15 MBA colleges, about 40 engineering colleges and polytechnics
Number of hospitals, premium hospitals	Over 100 hospitals including general, government and speciality including Apollo and MIOT.
Cost of accommodation (2/3 BHK in Residential Catchment Areas)	Between Rs. 80,000-100,000 per annum; Capital deposits are low and not borne by the company.
Hotel & Conference facilities	Number of 5 star hotels – 7 3 and 4 star hotels – about 50

⋆ Source: Central Statistical Organisation (CSO) 2007

Source: Master Plan II, Chennai Metropolitan Development Authority (CMDA)

Opportunities & Concerns

+ Metropolitan centre - Being a metropolitan centre that has been the regional hub for businesses in the South. The city has a well developed socio-economic base.
+ Cosmopolitan nature – Though Chennai is not as cosmopolitan in nature as cities like Delhi, Bangalore and Mumbai, it is fairly cosmopolitan when compared to many other cities in the country, due to its high English speaking population.

[74] Electronic Corporation of Tamil Nadu

10 CHENNAI OFFICE SPACE REAL ESTATE MARKET OVERVIEW

10.1 Introduction

Tamil Nadu is the second most urbanised state next to Maharashtra. Chennai, formerly known as Madras displays contrasting outlooks towards life. The city has been growing in size and population. The number of territorial divisions have grown from 30 in 1919 to 155 in 2001. Likewise the area has increased from 71.48 sq.kms. in 1921 to 174 sq.kms. in 2001[75]. Tamil Nadu is the third largest economy in India with a State Domestic product of USD 34,403.21 million at current prices (2003-04)[76]. This is 9.5% growth over the previous year. Today, leading IT companies are investing in Tamil Nadu, and especially Chennai, because of a progressive policy framework, good infrastructure, skilled technical manpower. The Tamil Nadu government has lined up major initiatives to improve infrastructure and promote computer education.

The Chennai Metropolitan Area consisting of 306 villages in 10 Panchayats, 77 Unions, besides 28 Town Panchayats, 8 Municipalities and 1 cantonment covers an extent of 174 sq.km. The city area has been divided into 96 Planning unit. The first Master Plan advocated development along the radial corridors linked to Satellite towns to develop Urban Nodes. The first Master Plan was followed up with Detailed Development Plan taken up mostly within the city where it was experiencing rapid growth. For the 50 planning units, 50 Detailed Development Plans were formulated.

The Chennai commercial market can be classified into the CBD, SBD and the Peripheral District (PD). The CBD area is concentrated along 3.5 km radius from Gemini flyover, while the SBD locations are scattered in Ambattur Industrial Area, Mount Poonamale Road, Guindy and Jawahar Lal Nehru Road and the developments along the Old Mahabalipuram Road (OMR) and Grand Southern Trunk (GST) Road are classified as PD.

The State is currently ranked by studies within the first three places in the country in:

- Industrial output
- Number of factories
- Total work force employed in factories
- Foreign Direct Investments (As per RBI's statement, Chennai attracted INR 10,690.49 Crores i.e. USD 2,361.6 million, within the period starting from January 2000 to 2007)

According to Centre for Monitoring Indian Economy (CMIE), at the end of July 2003, Tamil Nadu leads in attracting new investments into the manufacturing sector in India. Over the years, many industries have been facilitated to mature, thereby engendering a very diversified industrial base. Tamil Nadu's share of the industrial output is around 11 to 12% of the country's output and 15% of the country's exports excluding Software exports. Tamil Nadu accounts for about 17% of India's software exports[78].

75 Chennai Master Plan II, CMDA
76 Source: Central Statistical Organisation based on Directorate of Economics & Statistics of respective State Governments (as on 21-11-2005)
77 Panchayat – Administrative unit for rural areas. Each village in India has one Panchayat that has limited autonomy to inform/amend the Country's legal system (legal acts at the central and state level) with local/ customary laws specific to that village.
78 STPI-Chennai

10.2 Key Infrastructure Initiatives and Impact on Real Estate

Key Infrastructure Initiatives and Impact on Real Estate

Infrastructure initiative	Impact on real estate market
Outer Ring Road: The Chennai Metropolitan Development Authority (CMDA) proposed to have an Outer Ring Road alignment as an express way with Rapid Rail System from Vandalur to Minjur for a length of 62 kms with inter-change facilities at five major road crossing at an estimated cost of Rs 4 billion.The project is being executed under BOT (Build, Operate and Transfer) concept over a period of 8 years with commercial exploitations along the transportation corridors. The width of the Outer Ring Road is approximately 122 meters comprising 36.36 meters width for necessary two way transportation having six lanes and two service lanes. The Land Acquisition work has been commenced in Phase - I from GST Road to CTH Road for a length of 29.20 kms. Pegmarking of the for Phase-II of ORR is in progress	The ORR upon its completion would reduce commute times by easing the traffic of heavy vehicles in the city and would also provide an alternative route for vehicles, which were otherwise passing through the city.
Improvement of Mount Poonamallee Road: The CMDA undertook the project of widening and improving a 10 kilometer stretch of Mount Poonamallee road – a major light industrial area in Chennai and an emerging IT/ITES industry corridor, in 2002. The Rs 100 million project was completed in 2004.	The improvement of Mount Poonamallee Road has improved its accessibility and visibility as an attractive destination for manufacturing and service industries.
Flyover Project On Kathiapara Junction	Improvement in movement of traffic. Less travel time.
Development of the Satellite Township of Maraimalai Nagar: The project envisages development of 2100 acres in phases to accommodate one lakh population in a time span of 20 years. CMDA has developed so far 1400 acres. The development consists of mainly developed plots for residential and industrial purposes. CMDA has developed so far 2377 plots for residential, 40 commercial shops and 75 commercial plots along with an industrial area of nearly 850 acres. 2032 Ready Built houses for all income groups have also been allotted. A town centre for an extent of 74 acres has been developed in Maraimalai Nagar. Developed plots for college, school, and office along with residential area have also been allotted.	The development of these townships will add to the growth of the residential sector in the peripheral locations of Chennai.
MRTS-II: Following the completion of the MRTS phase I, Phase II of the project was launched by extending the project from Thirumylai to Velachery. It is proposed to use the airspace over the railway stations in MRTS Phase-II from Thirumylai to Velachery. Consultants have been appointed for preparation of detailed designs for the 9 stations and Commercial floors on the MRTS-II alignment and the preparation of designs is in progress.	The Metro Rail project would substantially ease the pressure of vehicular traffic on the already congested roads and enable easy movement of population.

Source: Chennai Metropolitan Development Authority (CMDA)

10.3 Micro Market Description

The City has been classified into Central Business District (CBD), Secondary Business District (SBD) and Suburban/Peripheral Business District (PD). The CBD includes Central City with an extent of 3.5 Km from Gemini flyover. The SBD comprises of North-West, South and South-East Chennai. The PD locations of the city include the southern extent consisting of Old Mahabalipuram Road (OMR) and GST

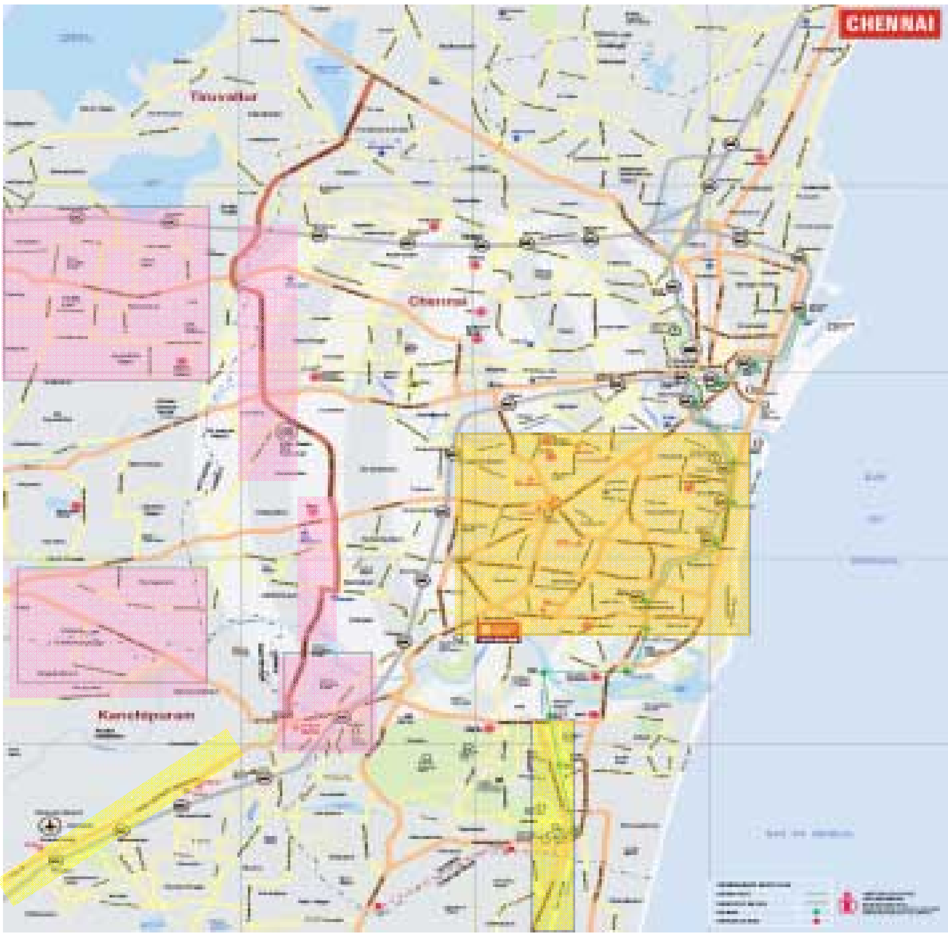
Road (NH 45). The city is presently growing commercially in the PD locations, mainly in the OMR and its vicinity.

Chennai Micro-market Classification and Location

Micro market	Localities included	Location within City
Central Business District (CBD)	Anna Salai or Mount Road, Nungambakkam High Road and Radha Krishnan Salai including Cathedral Road (extent of 3.5 kms from Gemini Flyover)	Central Chennai
Secondary Business District (SBD)	Anna Nagar, Mount Poonamallee Road, SP Road, Guindy, Velachery, Adayar and MRC Nagar	North-West, South and South-East Chennai
Peripheral/ Sub-urban Micro Markets (PD)	Old Mahabalipuram Road (OMR) and GST Road (NH 45)	Southern extent of Chennai

Source – Jones Lang LaSalle Research

Map showing Real Estate Micro-markets of Chennai and Subject Property



CBD/SBD/PD

Source – Jones Lang LaSalle Research

10.4 Stock and Vacancy Trends

Chennai is presently experiencing a huge demand for Grade A commercial space due to the IT boom. As shown in the chart below, the stock of grade A space has increased from a little over one million in

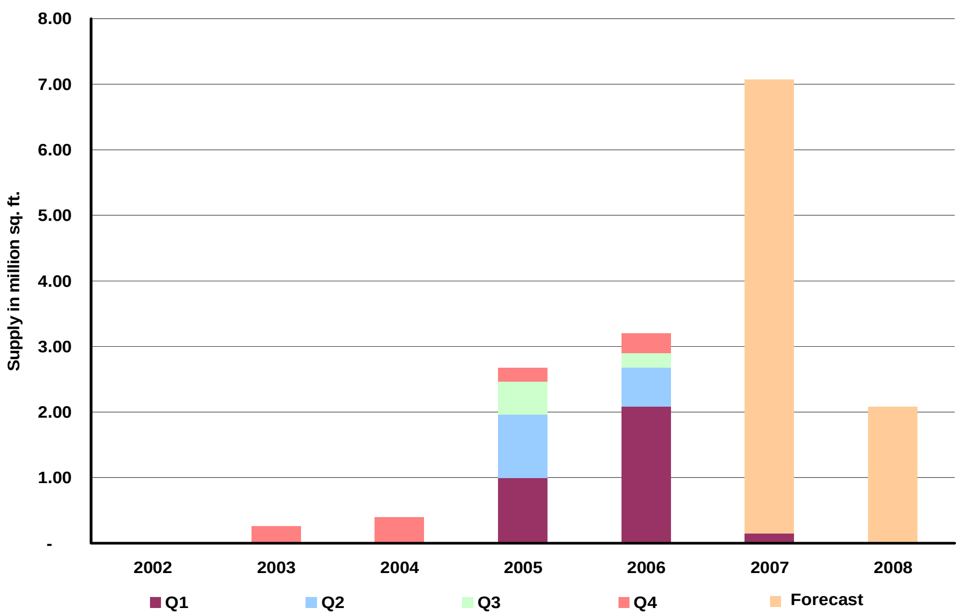
2002 to close to a high of 8 million in 2007. The vacancy levels of the city have varied over the years from 1% to more than 13%. It has hit all time low of little over 1% in the first quarter of 2007 due to the pressure of demand. The vacancy levels were at an all time high in 2002 as there was not much demand for Grade A space in the micro market during that time.

Stock and vacancy trends for Grade A and B Speculative Office in PD over 2002-08

Source – Jones Lang LaSalle Research

10.5 Supply and Absorption Trends

Supply for Grade A & B Speculative Office in PD over 2002-2008

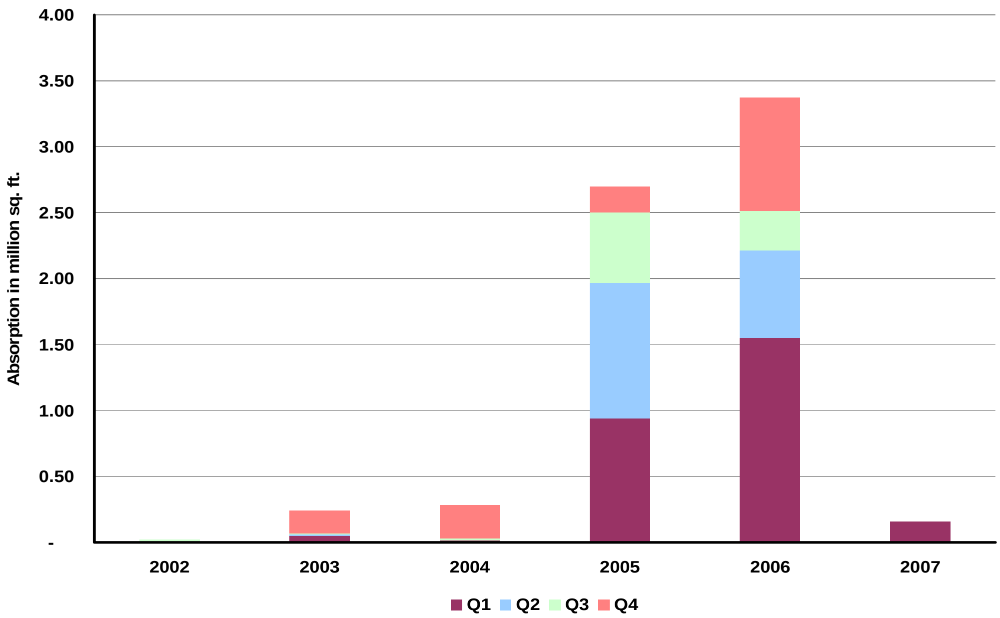


Source – Jones Lang LaSalle Research

In Chennai, most of the Grade A & B office demand is derived from the IT/ITES sector followed by financial institutions. The demand is partially catered to by speculative supply and partly by the built to suit (BTS) type of space. The growth of the IT/ITES sector in the city was majorly seen after 2004. This led to a sudden rise in demand for Grade A & B office space. This pressure of demand led to a lot of supply coming in, especially in the years of 2005 and 2006 accounting for an addition of 2.7 and 3.1 million sq. ft. A huge amount of supply is expected to come up this year taking the total supply of 2007 to 7 million sq. ft.

Keeping in tune with the supply, the absorption rate of office space has also gone up in the recent past. In 2003 & 2004, it was much less than 0.3 million where as in 2005 & 2006 it has risen to 2.7 and 3.47 million sq. ft. Maximum absorption of commercial space was seen in 2006 first quarter accounting for more than 1.5 million sq. ft. alone. Due to this, even though a supply of 2 million sq. ft. came up during the period, the vacancy rate of the city fell.

Absorption trends for Grade A & B Speculative Office in PD over 2002-2007



Source – Jones Lang LaSalle Research

As per JLL estimates based on IT/ITES revenue projections from STPI and NASSCOM, Chennai will require 4.5-5.5 million sq. ft. of commercial real estate to meet the targeted revenues over the next 2-3 years. Hence, we expect that there will be sufficient demand to absorb the supply in the future. We believe that a significant portion of this space will be catered to by BTS facilities.

Profile of Prominent Projects which figure as major Real Estate Supply

S. No	Name of the Project	Developer	Location	Business District	Type	Total Commercial Space (sq. ft.)	Time	Mix
1	DLF IT Park	DLF	Mount Ponamalee Road	SBD	SEZ	800,000 (in Phase I&II Each) 2,500,000 (Phase III)	2007-2010	Commercial, Support retail, Service apartments
2	Tidel Park	Tamil Nadu Govt.	Taramani	PBD	Speculative	1,200,000	1999	
3	Chennai One (BPO Park)		OMR	PBD	Speculative	1,200,000	2006	
4	RMZ Millennia	RMZ	Perangudi Byepass road	PBD	Speculative	600,000	2005	Commarcial and retail

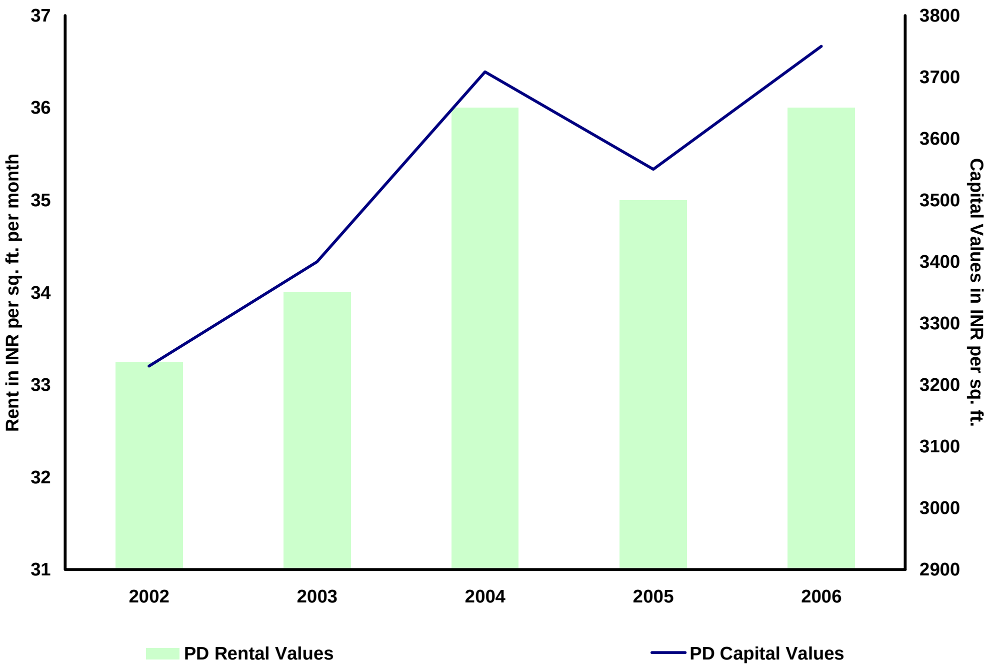
S. No	Name of the Project	Developer	Location	Business District	Type	Total Commercial Space (sq. ft.)	Time	Mix
	Phase I							
5	ITPC Phase I	Ascendas	Taramani	PBD	Speculative	525,000	2005	Commercial, Support retail, Service apartments
6	Raheja Towers	Raheja Builders	Anna Salai	CBD	Speculative	382,000	2000	Commercial

Source –Jones Lang LaSalle Research

10.6 Rental and Capital Value Trends

Rental values of PD of Chennai have not changed much since 2002 when it was at INR 33 per sq. ft. to 2006 when it was at INR 36 per sq. ft. This business district of the city has seen very little variation in terms of rentals. This is because of the fact that a huge amount of supply in this micro market is keeping in pace with the pressure of demand. The capital values have also not increased much in this micro-market. It was at INR 3500 per sq. ft. in 2002 and in 2006 it is little below INR 4000 per sq. ft.

Average Rental (Warm Shell) & Capital Values for Grade A Commercial Office Stock in PD Chennai



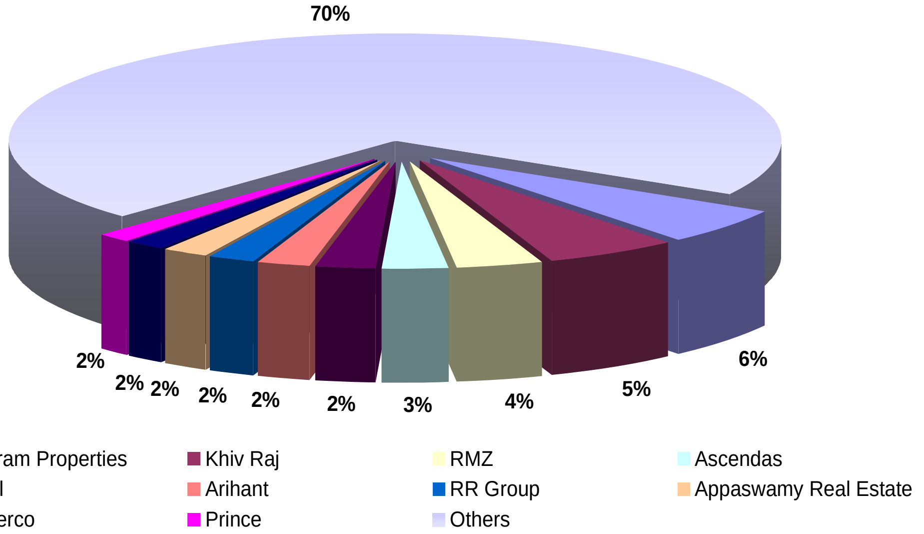
Source – Jones Lang LaSalle Research

Rental values of PD of Chennai is expected to witness growth of 5-6% per annum in the next 2 years. This is primarily on account of supply build-up in these locations which will put pressure on growth in rentals. Also, other emerging locations like GST Road, Mount Poonamalle Road, Guindy and Ambattur will act as counter magnets for capturing IT office space demand. The location will however will be able to sustain such growth levels in long term on account of its maturity as compared to other locations.

10.7 Key Players in Market

The Chennai market has many builders contributing to the market in small percentages. Some of the major builders of the market, with shares ranging from 2% to 6%, are Shriram Properties, RR Group, Khivraj, RMZ and Ascendas amongst others. Rest 70% of the market is divided between small builders each contributing very small percentage of built up space to the total stock. The chart below indicates the composition of the market in terms of builders' share.

Market Share of Major Developers in Commercial Real Estate Space



Source – Jones Lang LaSalle Research

11 ITPC: PROPERTY ANALYSIS

11.1 Introduction

ITPC is located on the Taramani Road, off Old Mahabalipuram Road, the peripheral commercial district of Chennai in the south side of the city. The site enjoys good proximity to prime residential locations like Velachery, Adayar and Kotturpuram. It is located within 9 kms of the Central Business District (CBD) of Chennai and due its proximity to SBD of Adayar is often regarded as an off-SBD location.

The International Tech Park Chennai is a joint-venture project between Singapore-based business space solutions provider Ascendas and the Tamil Nadu Industrial Development Corporation (TIDCO).

Profile of International Tech Park (ITPC), Chennai

Overview	
Date of Operations	September 2005
Promoters	Ascendas IT Park Chennai Ltd. and Tamil Nadu Industrial Development Co (TIDCO)
Configuration	
Total Project Area (Land)	15 Acres
Development Mix	Commercial space, retail, other support amenities
Built up Area	543,342 sq. ft. (Phase I)
Carpet Area	418400 sq. ft. (Phase I)
Efficiency (Approx)	77%
Floor Plate Area (Approx)	65,000 sq. ft. (Phase I), 70,000 sq. ft. (Phase II)
No. of Floors	G+11 (Phase I), G+14 (Phase II)
Location	
Address	Taramani, off. Old Mahabalipuram Road, Chennai, India
Business District	Peripheral
Vicinity to CBD	9 Km (20-25 minutes)
Vicinity to Airport	10-12 Km (20-25 minutes)
Vicinity to Railway Station	20-23 Km (50-60 minutes)
Vicinity to nearest Residential Development	3-4 Km (10-15 minutes)
Vicinity to nearest Retail / Entertainment facility	3-4 Km (10-15 minutes)
Connecting arterial roads	Taramani Road
Surrounding Areas	Taramani Road on north, World Bank Campus and International School on south, TICEL Biotech Park on east and vacant land on west
Access to Public Transport	Thiruvanmiyur MRTS station is 5-minutes by walk
Access to Hired Transport	Close to the development
Infrastructure	
Power Supply	Dual primary power through two sub-stations. Additional 100.0% generator power backup.
Voice & Data Communication	The park is supported by five service providers for voice and data for seamless communication connectivity. The park has WiFi-enabled zones as well.
Security System	Advanced security systems, including CCTV camera surveillance, boom/flap barriers and visitor management system.
Fire Protection System	Includes smoke detectors, water sprinklers, portable fire extinguishers and fire hydrant hose reels with 24-hour security.
Building Automation System	Centrally monitored and controlled at a common console. Common area lighting and air conditioning are time-controlled through the building automation system.
Parking	A total of 1,443 car parking slots and 2,673 two-wheeler parking slots for both visitors and park employees.

Amenities	
Health Club	Includes a fully equipped gym, an aerobics studio and shower and changing facilities
Business Centre	Incubation centre for companies wishing to start an office immediately. Comprises of cabins, discussion and conference rooms.
Retail Mall	ATMs, food court, coffee shops, telephone service providers, convenience store, travel agent, and pharmacy.
Services	
Property Management	In-house maintenance team. Qualified maintenance team available round-the-clock, to oversee all requirements and general maintenance.
Project Management	In-house qualified project management team to execute the fit-out works for the client's office premises.
Commercial Terms	
Present rental	45 INR per sq. ft. per month
Deposit	Varies between 3-11 months (usually 10 months)
Escalation	On renewal of lease (5% to 18%)
Maintenance	@ 6.2 INR per sq. ft. per month
Car parking	@ 1500 INR per parking space
Success	
Occupancy	99.6%
Anchor Occupiers	I-Nautix, Technosoft
Occupier Profile	
Occupier	Industry
Pfiser, Caterpillar India Private Limited, Visual Graphics Computing Services India Private Ltd, Amazon Development Centre (India) Private Limited (1st Floor), Nipuna Services Limited	IT
iNautix Technologies India Private Limited, Intelenet Global, Nokia India Private Limited, Bally Systems India Private Limited, Siemens	ITES
Future Expansion Scope	730,000 sq. ft.(Phase II – under construction), 5 acre vacant land for future expansion.

Source – Ascendas Pte. Ltd.

11.2 Location and Accessibility

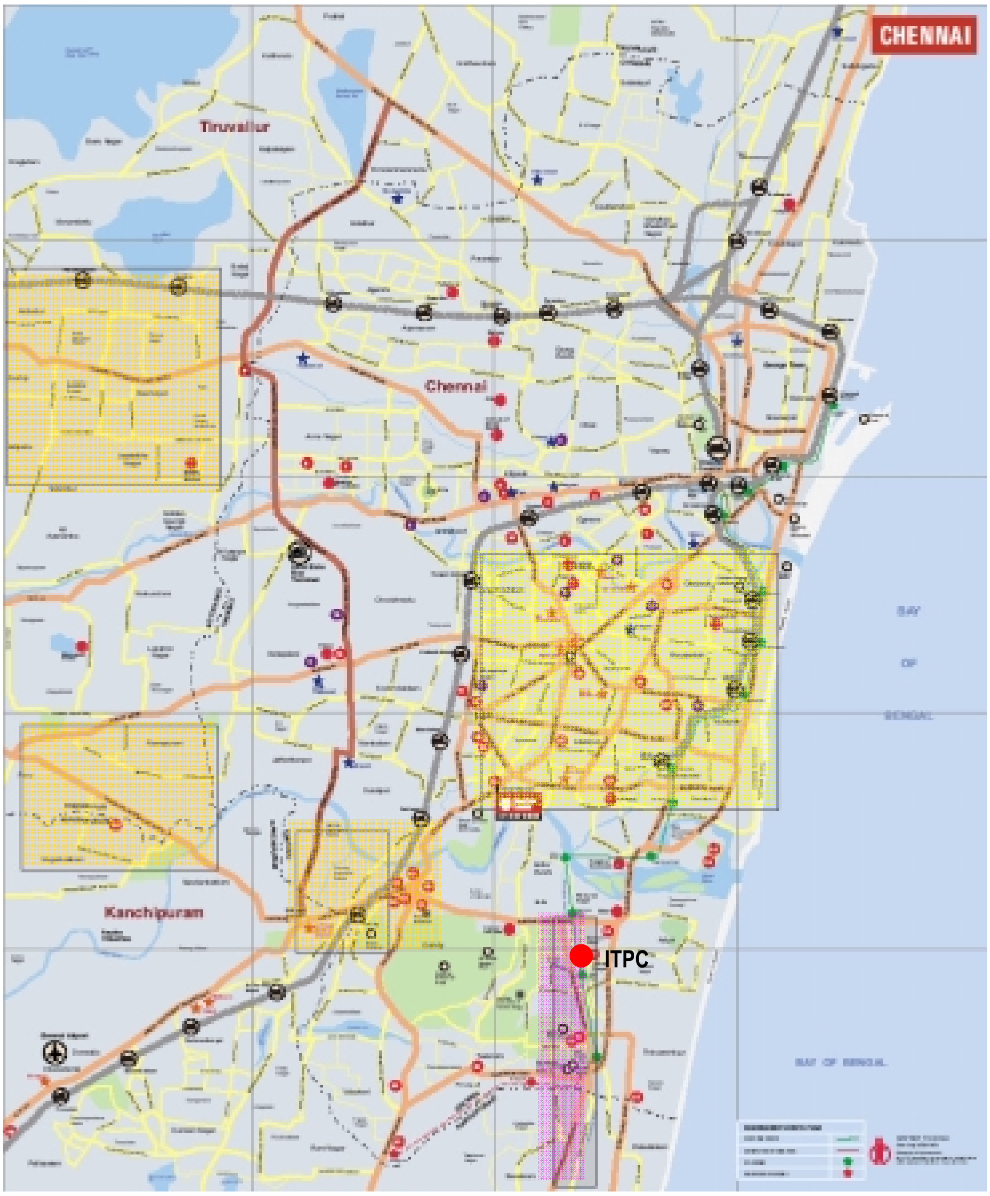
ITPC is located off OMR Road in Taramani, the government-designated IT corridor of the peripheral business district of Taramani. It is a prominent 15-acre development currently comprising one office building ranked "grade A" called the "Pinnacle", one office building in the final stages of completion, "Crest" and land for the development of a third building. It is located in close proximity to prime residential precincts and is also well connected to the airport and CBD via local highways.

Key distances of subject property from various residential, commercial and transport hubs

Locations	Approx. Distance (km)	Av. Driving Time (min.)
Airport	10-12	20-25
Railway Station	20-23	50-60
Bus Terminus	5-6	15-20
CBD	9	20-25
Emerging IT/ITES high grade locations:	1	10
Retail High Street :	3-4	10-15
Prime Residential Area :	3-4	10-15
Other Residential Area :	5-6	15-20

Source: Jones Lang LaSalle Research

ITPC: Location Map within micro-market



CBD / SBD / PD

Source – Jones Lang LaSalle Research

11.3 Tenant Mix

The property is registered under STPI as an IT Park. So, it has a tenant mix of IT, BPO, ITES and other knowledge based industries. The Anchor tenants of the Park are I-Nautix and Technosoft. The development caters to companies in the IT/ITES space with space requirements in the range of 15,000-60,000 sq. ft.

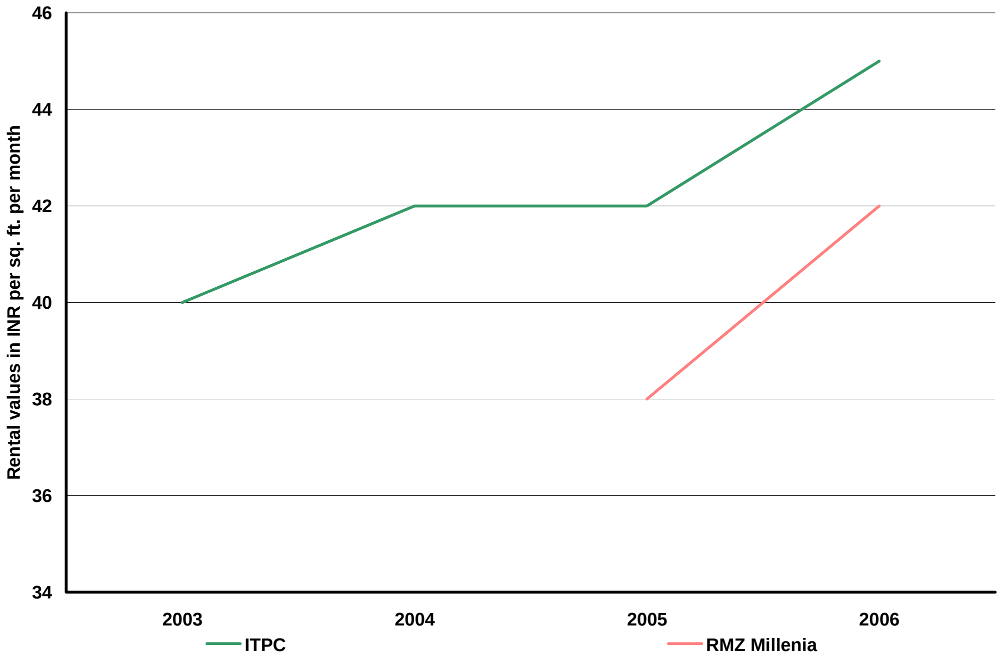
11.4 Development Performance

ITPC has been conceptualised on a 'plug-and-play' concept and is equipped with such features to provide a complete lifestyle environment with value-added amenities. These include food courts, medical clinics, ATMs, 100.0% power-backup, broadband connectivity and state-of-the-art security systems. Such features have made ITPC the home to a number of tenants from the outsourcing industry.

- Food courts, 100.0% power backup, WiFi/broadband connectivity,
- Large floor plates for efficient space usage and layout, central air-conditioning,
- State-of-the-art fire and security systems centrally controlled and monitored building management systems and a pharmacy.
- ITPC's lush landscaping with water features also provides a pleasant working environment.
- In addition, round-the-clock in-house maintenance teams and qualified project management teams are available to oversee all requirements such as general maintenance and fit-out requirements of the tenants.

These unique features have made ITPC home to a number of tenants from the outsourcing industries, who value the "work-live-play" concept for their round-the-clock operations.

Comparing Rental Value Trend of ITPC with competing development in micro-market



Source – Jones Lang LaSalle Research

11.5 Competition Analysis

ITPC has been designed on a 'plug-and-play' concept and is equipped with unique features to provide an integrated business environment with complete lifestyle and value-added amenities. Due to the high end warm shell office space and the facilities ITPC has to offer it clients, it commands high rentals in the market although there are many commercial buildings in the micro market. Some of such commercial buildings are marked in the map below.

Current Commercial Developments around Whitefield

Building Name	Developer	Year of Completion	Total Area (Sq. ft.)	Vacancy (Sq. ft.)	Current Rentals (INR per sq. ft. per month)	Main Occupiers
Tidel Park	TIDCO & ELCOT	2001	1,000,000	Nil	51 (EWS)	Satyam, Computer Associates, Cognizant, TCS, i-Nautix, Mc Kinsey, Reflexsis
Elnet Soft City	Elnet Tech.	1994	140,000	Nil	55 (Fitted out)	Calsoft, Sify, ASDC, Hewitt
ITPC	Ascendas	2005	540,000	Nil	45 (Warm Shell)	I-Nautix, Technosoft
Millenia I	RMZ	2005	246,000	Nil	36-38 (Warm shell)	Cognizant, Ford, Aviva
Technopolis	Arihant	2005	210,000	Nil	32 - 35 (Warm shell)	HCL
Chennai One	Elnet	2006	1,200,000	20,000	36-38 (Warm shell)	TCS, Flextronics, Sutherland, HCL BPO
Prince Software Park	Prince	1Q 2006	250,000	Nil	32 – 35 (Warm Shell)	KLA Tencor
Cee Dee Yes Building	Cee Dee Yes	2Q 2006	150,000	Nil	35 (Warm Shell)	Cognizant
Varalakshmi Tech Park	GMR Vasavi Group	1Q 2006	325,000	Nil	35 (Warm Shell)	Cognizant
Rayala Techno Park	Rayala Corp.	1Q 2007	300,000	Nil	40 (Warm Shell)	K7 Tech, e4e

Source: Jones Lang LaSalle Research

As seen from the table above, the total stock around Taramani is currently approximately 4.2 million sq. ft. spread across 10 projects. Even though, this location was the first to witness a Grade A commercial development as back as 2001, the location never picked up before declaration of OMR as IT corridor. About 2.2 million sq. ft. of space was added in past 12-15 months and all of which was absorbed and there exists no vacancy. Even large projects like Chennai One witnessed complete absorption of space within 6 months of its operations. This indicates a high level of demand for office space in this location.

Taramani is expected to witness supply of close to 2.6 million sq. ft. of Grade A commercial space in the span of next 12 months. Apart from Millennia, no other project has witnessed any pre-leases till date. Though IT firms have shown interests in these projects, no reported pre-leasing agreements have taken place. Also, some of the projects which are under expansion have hard-options of existing occupiers in the under-construction phases. Thus, the developers are waiting for the expiry of the option exercise dates before projects are actively marketed.

Future Commercial Developments around Micro-market (Taramani)

Building Name	Developer	Expected Completion	Area (sq. ft.)	Quoted Rentals (INR per sq. ft. per month)	Availability of Space (sq. ft.)
360 Degree	KG	2Q 2007	193,000	46 (Cold Shell)	193,000
Indus Techscape	Indus	4Q 2007	250,000	45 (Warm Shell)	250,000
Millennia II	RMZ	3Q 2007	600,000	42 (Warm shell)	450,000

Millennia III	RMZ	1Q 2008	800,000	42 (Warm shell)	600,000
ITPC II	Ascendas	3Q 2007	730,000	45 (Warm Shell)	730,000

Source: Jones Lang LaSalle Research

11.6 SWOT Analysis

Strengths	Weaknesses
– The project is located in the IT Corridor, which is a prominent and established IT/ITES location. – Though a part of PD, due to its proximity to locations like Adyar, it is regarded more as an off-SBD location. Hence, it can command higher rentals as compared to other locations on IT Corridor. – It has scope for expansion to cater to future market demand and expansion needs of existing occupiers. – The project has a good profile of development, with retail, food-court and proposed club house. – ITPC is located close to the MRTS corridor. It is thus easily accessible to the rest of the city – an advantage enjoyed by few projects on OMR.	
Opportunities	**Threats**
– With development of Retail, Residential and Hotel projects on OMR, the location is expected to become more self-sufficient and thus more attractive in near future. – It enjoys proximity to residential catchment areas of Adyar and Velacheri. OMR is also witnessing high supply of residential apartments. – With proposed connections to GST Road through Velacheri and Pallavaram, the location will have speedy access to airport in the future.	– The location is well represented by established developers like RMZ, Ratthas, Arihant, TIDEL and Divyasree. These may be direct competition to the subject development from potential developments of similar profiles. – Supply in Mount Poonamalle Road, Guindy and Ambattur is expected to increase the pressure on rental values in this location as these locations are closer to the city than OMR. – ITPC is not eligible for an SEZ status. Hence, it will face competition from proposed SEZs on OMR. – GST Road may form a new business corridor and emerge as a competing location to OMR.

11.7 Future Outlook

As the city limits expand, Taramani as a location is expected to be considered as an SBD location in the near future. ITPC will gain from this development as its rentals will then be benchmarked with SBD locations which demand higher rentals. The development will however face competition from projects like TIDEL Park, RMZ Millenia and Chennai One within the micro-market as these have similar development profiles.

12 HYDERABAD

12.1 Introduction

Hyderabad, the capital city of Andhra Pradesh, is the city of pearls and pearl ornaments. It has been transformed from being a traditional industrial and pharmaceutical manufacturing hub to a modern city driven by the knowledge industry. The State Government has been instrumental in promoting this growth with the identification and allocation of land in Madhapur & Gacchibowli or Cyberabad (West Hyderabad) for the development of the Software development and IT services companies. With this renewed economic reform, the city has witnessed unprecedented growth in the IT / ITES sector. The other reason, that the city is attracting industry & capital to the region is the abundance of skilled manpower graduating from institutions in Hyderabad. The primary fiscal drivers for Hyderabad are traditionally industry, commerce and more recently the emerging IT/ITES sector.

Since the early 1990's, Hyderabad has been well renowned for its IT, ITES and pharmaceutical industries. It has established itself as the BPO and IT hub of India along with Bangalore and Chennai, and this is predominantly attributable to the abundance of technically qualified professionals in the city, graduating from the city's premier engineering and technological institutes such as Jawaharlal Nehru Technological University, International Institute of Information Technology, Indian School of Business and the Osmania University. It is estimated that there is an average of 80,000 students graduating every year from these technical institutes[79]. Apart from these new age industries, Hyderabad has been historically famous for its jewellery and handicrafts, in particular pearls, silverware and handlooms. With such a vibrant economic and demographic environment, Hyderabad has been the front runner in terms of attracting huge investments from Fortune 500 Companies and is poised to become a truly global city.

Key demographic & Socioeconomic indicators

Population	5.53 million
Decadal population growth rate	17.18%
Annual population growth rate	1.6%
Sex ratio	945 females per 1000 males
Population under the poverty line	14.10%
Literacy level	72.34%
Working Population	1.1 million
Non working Population	2.7 million
Religions	Hindu, Muslim, Christians

Source: 2001 Census

[79] Source: www.hyd.stpi.in

Map showing Hyderabad's Location in National Context

Source – Jones Lang LaSalle Research

12.2 Human Resource

Key indicators

Urban Population	5.53 million
Decadal growth rate (1991 to 2001)	17.18%
Annual growth rate	1.60%
Literacy levels	72.34%
Annual number of students completing graduate and post graduate courses	80,000 college/university graduates per year
Number of degree colleges, engineering colleges, IT training centres & management institutes	15 engineering colleges
Leading firms operational	Dell, Microsoft, Infosys, Virtusa, Oracle, GE Capital, ADP Wilco, Delloite Consulting

Source: Census 2001,

Opportunities & Concerns

+ Large graduate pool - Hyderabad has a large graduate pool available to be deployed in various IT/ITES - BPO sectors. It has a large number of engineering, management colleges apart from the students passing out of general graduate courses in 5 universities.
– Human capital costs – Although the human capital costs are lower than Bangalore, Delhi and Mumbai, it has a higher cost to company salaries for IT/ITES professionals with respect to other Tier II and III cities.

12.3 Physical Infrastructure

Key indicators

Telecom	
Bandwidth & scalability	Up to 1 Tbps[80]
Domestic optic fibre last mile vendors Satellite earth station presence & vendors	BSNL, Reliance
Last mile connectivity vendors	BSNL, Reliance
Power & Tele services	
Average Daily power cuts/load shedding	Low frequency of shutdowns/outage in the city grid (2-3 times per week); Low duration of shutdown and low frequency of shutdowns/ disruptions, especially in the tech park; Tech park provides stable supply relative to the city.
Cost of Power (unit cost) & provider	Rs. 2.8 per kWh[81]
Mobile & Tele-service vendors	Airtel, Hutch, BSNL. Tata Indicom, Reliance
Road & Transport	
Road Infrastructure	Well maintained, wide roads except for a few locations

Opportunities & Concerns

+ Good air connectivity - The city is connected to major domestic airports. Though the city has international air connectivity, it is limited to destinations within Asia and Europe.
+ Excellent telecom infrastructure - All major telecom operators are present in the city.
+ Low cost of power - Hyderabad has one of the lowest cost of power among Tier I and II cities.
+ Vendor availability - Low cost and high availability and scalability of transport vendors brings down cost of operations.

12.4 Business Environment

Key indicators

General administration and political stability	The present government is carrying forward the initiatives for augmenting infrastructure and promotion of the IT/ITES sectors with the help of an established institutional mechanism. Single window for assistance to foreign investors in IT; high degree of personal accountability in public agencies; High level of documentation of processes in English; Low incidental and miscellaneous expenses ; Low corruption levels and procedural roadblocks.
State incentives and initiatives as part of IT/ITES policy	The state has a clearly articulated policy for promotion of IT. Real Estate – IT software industry is exempted from zoning regulations for the purposes of location. Exemption from payment of Stamp duty on Sale/Lease deed upto 50%, relating to the plot or built-up area for new facilities or expansion. FAR relaxation up to 50%. IT units to be provided with concession upto Rs. 20,000 per job for land cost or ready to move in built up space for employees domiciled in Andhra Pradesh. This is available for mega projects with investment of INR 1 billion or employment for 1000 people. Others – IT companies do not require clearance for air and water pollution. IT / ITES

[80] Source: www.hyd.stpi.in
[81] Source: Andhra Pradesh Electricity Regulatory Commission

	units can pay power tariff applicable to industrial units even if these are located in urban areas. A 25% concession on power tariff shall be allowed to new IT industrial units for a period of 3 years from the date of release of power or of going into actual commercial production whichever is earlier. Also, the IT software industry is exempted from statutory power cuts. State Government departments to give preference to purchase of IT products produced by IT firms established within the State. Exemption from payment of Electricity duty and surcharge (100%) for the first 5 years of operation. AP-first and APIIC are the nodal agency for coordination for support in obtaining approvals and allotments.
STPI export revenue (2004-05)	Rs. 82.7 Million
Registered/operational units	1140 operational
Major IT/ITES companies	Microsoft, Wipro, Infosys, TCS, HSBC, Oracle

Source: www.hyd.stpi.in

Opportunities & Concerns

- + Established base - The state is already a base for IT/ITES companies with major companies located in Hyderabad.
- + Single window clearance - In order to attract IT/ITES companies to Hyderabad, there exists single window clearance support for companies.
- + Low crime rate - Low crime rates and high safety for women.
- + Support from local values - IT/ITES policy has strong focus on Urban local body support to IT/ITES units and the related incentives are amongst the most competitive in the country.

12.5 Social Infrastructure

Key indicators

Cost of living (consumer price index)	CPI for the city is 545 (Highest – 649 in Chandigarh and Lowest – 411 in Amritsar) *
Number of hospitals, premium hospitals	About 200 hospitals and nursing homes
Cost of accommodation (2/3 BHK in Residential Catchment Areas)	Between Rs. 35,000-50,000 per annum; Capital deposits are low and not borne by the company on behalf of the employees.
Hotel & Conference facilities	Five 5 star hotels and over 20 medium and budget class hotels.

* Source: Central Statistical Organisation (CSO)

Opportunities & Concerns

- + Cosmopolitan nature: Hyderabad is becoming increasingly cosmopolitan in nature. There exists large retail and leisure avenues like the City Centre Mall in Banjara Hills and Hyderabad Central Mall with large shopping centres like the Babu Khan Mall and Kala Niketan Wedding Mall at Somajiguda Circle. Retail brands like Café Coffee Day, Barista, Subway and Pantaloon are already present in the city.
- + Lower costs of living compared to other metro cities

13 HYDERABAD OFFICE SPACE REAL ESTATE MARKET OVERVIEW

13.1 Introduction

Hyderabad is emerging as an important IT and Biotechnology hub of the country. The city provides good infrastructure and business environment. The government of Andhra Pradesh is proactive and has initiated projects like the Hi-tech city as the IT hub, the Genome Valley as the biotechnology hub, the Knowledge Park as the hub for research and development, Financial District for finance and banking sector etc. The city is strengthening its infrastructure by improving connectivity, water supply and power supply. Therefore Hyderabad is emerging as an attractive location for IT, BT and Finance and banking sector.

The population of Hyderabad is approximately 6 million. The city has recorded higher growth rate than Mumbai and Bangalore in the decade 1990-2001. As per RBI's Statement, the city was able to attract 5,281.35 crores INR (1,163.2 million USD) FDI in the period starting from January 2000 to 2007. The demand for quality space and low availability has driven the growth of the peripheral markets. The peripheral business districts offer spaces with good quality construction and large floor plates. These areas also have options for campus and built – to suit developments, therefore these areas are experiencing large scale projects by reputed developers. The western part – which includes areas like Hitech city Gachibowli, Manikonda, etc and southern part which includes areas like Shamshabad, Maheshwaram, Budvel etc.The major growth corridors are along the NH-7, Outer ring road. Srisailam road etc.

13.2 Key Infrastructure Initiatives and Impact on Real Estate

Key Infrastructure Initiatives and Impact on Real Estate

Infrastructure initiative	Impact on real estate market
International Airport : GMR Hyderabad International Airport Ltd., coming up in Shamshabad in the southern part of Hyderabad, is a public-private joint venture between GMR Group, Malaysia Airports Holdings Berhad and both the State Government of Andhra Pradesh and Airports Authority of India (AAI). GMR Group holds 63% of the equity, MAHB 11%, while the Government of Andhra Pradesh and Airports Authority of India each hold 13%.The airport will be built on an area of 5,400 acres and will have the longest runway among Indian airports. The project is expected to be operational from March 2008.	The proposal of the international airport has initiated many developments in the areas around Shamshabad. Few noted projects proposed by developers are Indu SEZ , Brahmani SEZ. Other projects proposed by the government are Apparel Park, Fab city and Hardware Park.
Outer Ring Road: The Outer ring road is a eight lane carriageway covering a distance of 160 Kms around Hyderabad connecting the peripheral areas viz kollur, Patancheruvu, Medchal Shamirpet,Peddamberpet, Turkayamanzil, Tukkuguda Shamshabad. The construction work on phase –I of the project commenced in 2006 January.	The peripheral micro markets like Medchal, Budvel , Uppal have become active. Considering the anticipated growth along the ORR two satellite towns are proposed adjacent to the ORR. APDTC has proposed NRI township on 200 acres land. K Raheja Corp is coming up with an IT park at Pocharam perceiving the development in the area.The Medchal area is experiencing many gated community and residential colony development .
The Multi Modal Transit system (MMTS) : The MMTS project started its operations from 2003 . It is being developed in phases. The transit system is planned to connect Secunderabad to Ligampallly which is the outskirts of the city and also connects Secunderabad to Falaknuma, Shamshabad, Hitec City and	The MMTS connecting the outskirts of the city with the central part of the city is expected to strengthen the connectivity of the outskirts. This is expected to fuel the real estate developments in the outskirts of the city.

Infrastructure initiative	**Impact on real estate market**
Manoharabad.	
The Elevated Express way : The expressway designed and developed by HUDA is planed to connect the new international airport coming up in Shamshabad to Mehdipatnnam.The 11.5-km elevated expressway will provide major connectivity from Sarojini Devi Eye Hospital to Musi Bridge besides strengthening and widening existing road from Musi Bridge to Aramghar and construction of underpass at Aramghar and Trumpet interchange on Bangalore Highway at the point.	The improved connectivity with the international airport and the city is expected to have a considerable impact on the real estate in the proximity of the International airport. The real estate development is expected to increase even further in this area with good appreciation of the land values.
The Metro rail transit System (MRTS): The Hyderabad Metro rail project will cover high-density traffic areas such as Erragadda, Sanjeevareddy Nagar, Punjagutta, Assembly, Secretariat, Gandhi Bhavan, Osmania Medical College, Malakpet, Dilsukhnagar, Chikkadapalli and Ramnagar. The project seeks to decongest three dense corridors through a stretch of 66.39 km metro rail line to be developed with an outlay of Rs 132 crore investment for a kilometre length. The first phase would cover 38 km, connecting Miyapur and Chaitanyapuri (25.57 km) and Secunderabad and Falaknuma.The work will begin from December 2008	The traffic conditions will improve and the travel time will will decrease therefore areas like Erragadda, Sanjeevareddy Nagar, Punjagutta, Assembly, Secretariat, Gandhi Bhavan, Osmania Medical College, Malakpet, Dilsukhnagar, Chikkadapalli and Ramnagar will enjoy high land values . The areas in close proximity of the metro route will also appreciate high land values.

Source: GMR Hyderabad International Airport Ltd., Hyderabad Urban Development Authority (HUDA)

13.3 Micro Market Description

The Central Business District (CBD): The CBD of Hyderabad includes Begumpet and Sardar Patel Road. There are very few Grade- A buildings in this market and due to low availability of land the supply is also low. Most of the buildings are grade-B or C with small floor plates and lack maintenance.

The existing airport is in this area and it is in close proximity to the railway station .This area is well connected with the other parts of the city. The vacancy levels in this micro market is as low as 5% therefore the demand is high in this area.

The Secondary Business District (SBD): The SBD area lies close to the CBD and includes the areas viz Somajiguda, Panjagutta, Banjara Hills, Jubilee hills and Ameerpet. This is currently very active as there is availability of land.

Like CBD this micro market has very few Grade – A buildings but it will witness increase in supply of Grade A space with the completion of the projects in Banjara hills and Jubilee Hills. The vacancy is not as low as the CBD . But the demand is high as this micro market is close to the CBD.

The Peripheral Districts (PD): The PD in Hyderabad is located in the western part of the city. This includes the Hitech City , Madhapur, Kondapur, and Gachibowli. This micro market is expanding including areas like Tellapur, Nanakramguda, Manikonda, Raidurg, Shamshabad and Uppal.

The Hitec city was the first initiative taken up by the government of Andhra Pradesh for development of the IT hub. The state government developed this hub through a joint venture with Larsen &Tubro (L&T) and built the Cyber towers and cyber gateway. The V and Cyber Pearl are also located here. There are many major projects coming up in this micro market by reputed developers viz the Lanco SEZ and DLF SEZ.

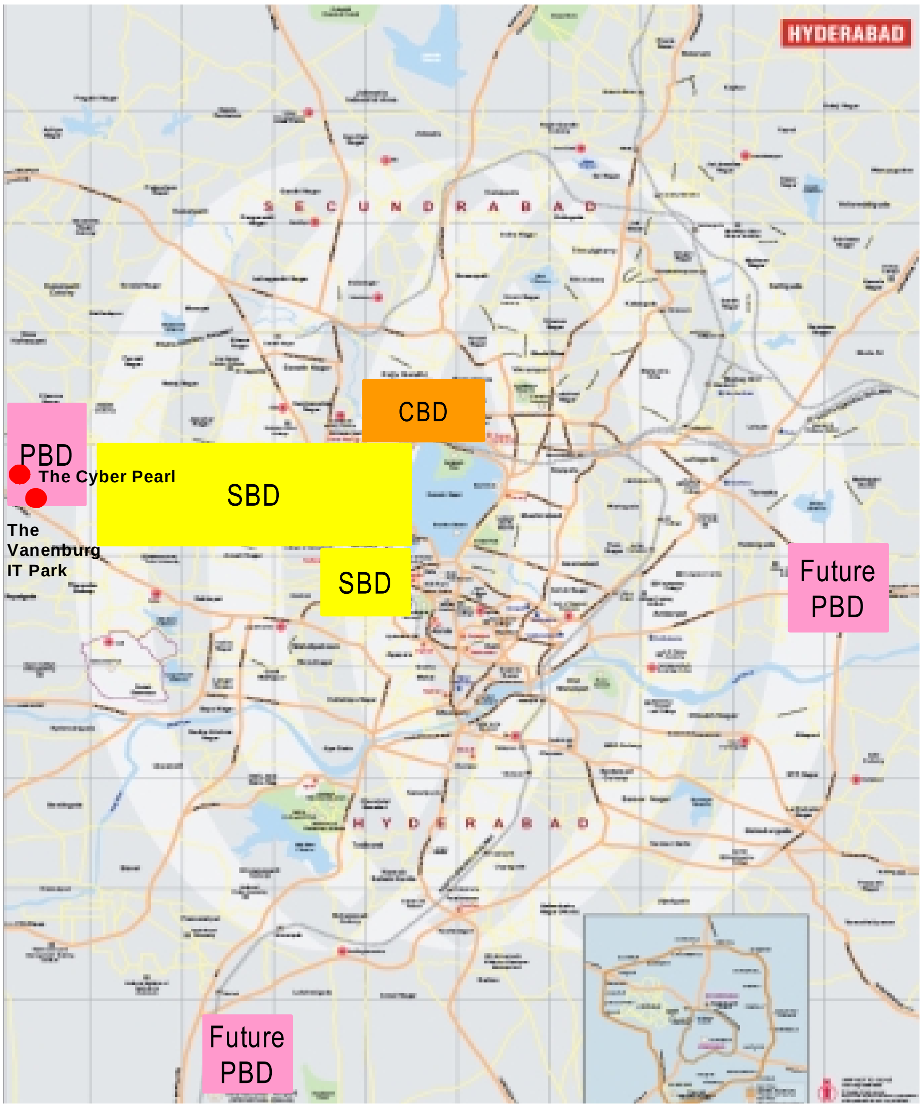
This micro market is very active due to the availability of Grade – A buildings with large floor plates , opportunity for campus developments and Built to suit options along with the infrastructure development initiatives taken to improve its connectivity. The upcoming international airport is also in this micro market at Shamshabad.

Hyderabad Micro-market Classification and Location

Micro market	Localities included
Central Business District (CBD)	Begumpet ,Sardar Patel Road
Secondary Business District (SBD)	Rajbhavan Road, Somajiguda, Panjagutta, Banjara Hills , Jubilee Hills, Ameerpet
Peripheral/ Sub-urban Micro Markets (PD)	Madhapur, Hi-Tech City, Kondapur, Gachibowli, Tellapur, Manikonda, Nanakramguda, Raidurg, Shamshabad, Uppal, Pocharam, etc

Source – Jones Lang LaSalle Research

Map showing Real Estate Micro-markets of Hyderabad and Subject Properties



Source – Jones Lang LaSalle Research

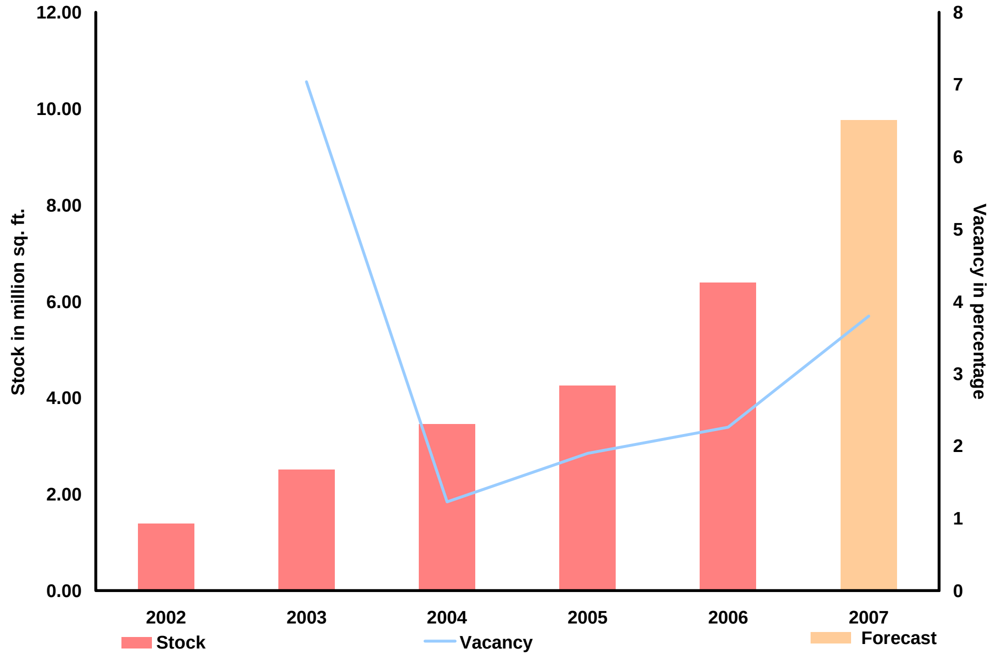
13.4 Stock and Vacancy Trends of PD

The major demand in the PD is driven by the IT/ITES sector and financial sector as a result of their requirement of large floor plates of good quality grade A spaces. As per the graph below; the vacancy level has fallen drastically from more than 7% to 1.2% in 2004; the reason being the completed stock was absorbed.

The vacancy levels have witnessed a marginal rise after 2004. The reason for this is the continuous increase in supply in this micro market and the demand focusing around the CBD and SBD areas which were also coming up with new supply.

This micro market is extending from west to south with developemts coming up in areas like like Gachibowli ,Manikonda, Nanakramguda and Raidurg. The Shamshabad area is also emerging with new projects coming up in this area. Therefore the stock will increase even further with the completion of these projects in the next two years and this micro market will cater the future demand from the IT/ITES sector which is likely to increase with the improvement in connectivity. The vacancy levels is not expected to fall in the next two years.

Speculative Stock & Vacancy trends for Grade A Speculative Office in PD over 2002-07



Source – Jones Lang LaSalle Research

13.5 Supply and Absorption Trends

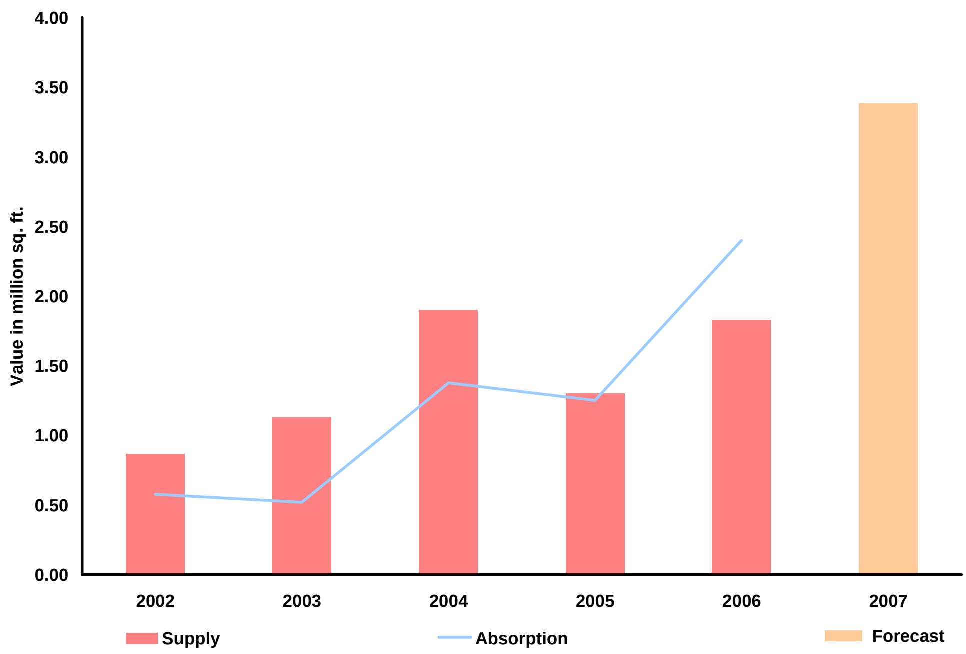
The developers are very active in this area driven by the demand for spaces with scalability options. The PD has experienced IT parks developments like The V and the K Raheja Mind space . These IT Parks provided with large floor plates and they have major occupants like Bank of America , Computer Sciences Corporation , Cognizant Technology Solutions, Motorola etc.

The supply trend over the last five years as shown in the graph below. The supply has witnessed a marginal increase in the year 2003 with the completion of the phase –I , II and III of The V , Soft sol Heights, JVP towers etc. The supply has fallen marginally from the years 2004 to 2005. But the year 2006 witnessed a high increase in supply.

The absorption levels remained stable in 2002-03 but in the later years the absorption has increased considerably . In the year 2005 the absorption has been close to 1.4 million sq. ft. and it increased considerably in the year 2006. The absorption in 2006 is 2.4 million sq. ft. approximately. Some major transactions in the year 2006 were CTS leasing about 0.15 million sq. ft. in DLF, Gachibowli while HSBC leasing about 0.18 million sq. ft. in Laxmi Cyber City, Kondapur.

The year 2007 is expected to experience a total supply of about 3.4 million sq. ft. with the completion of the projects like Raheja Mind space Phase- IV , Divyashree Solitare, I-Labs – III etc . The supply will be approximately 6 million sq. ft. in 2008.

Speculative Supply & Absorption trends for Grade A Speculative Office in PD over 2002-2007



Source – Jones Lang LaSalle Research

As per JLL estimates based on IT/ITES revenue projections from STPI and NASSCOM, Hyderabad will require 4.5-5.5 million sq. ft. of commercial real estate to meet the targeted revenues over the next 2-3 years. Hence, we expect that there will be sufficient demand to absorb the supply in the future.

Profile of Prominent Projects which feature as major Real Estate Supply

S. No	Name of the Project	Developer	Location	Business District	Type	Total Commercial Space (sq. ft.)	Time	Mix
1	Mind space	K Raheja Corp.	Hitec city	PD	SEZ	1000000	2009	Commercial
2	Mind space	K Raheja Corp	Pocharam	PD	IT Park	500000	2009	Commercial
3	L&T –SEZ	L&T	Hitec city	PD	SEZ	1000000	2008	Commercial and Residential
4	L&T Intellicity	L&T	Nanakramguda	PD	IT Park	350000	2008	Commercial
4	Divyasree-SEZ	Divyashree	Raidurg	PD	SEZ	1000000	2010	Commercial , residential, Retail
5	DLF-SEZ	DLF	Gachibowli	PD	SEZ	2610000	2008	Commercial
6	Lanco SEZ	Lanco Group	Manikonda	PD	SEZ	1000000	2009	Commercial, Retail
7	Pioneer – IT Park	Pioneer	Uppal	PD	IT Park	1200000	2008-2009	Commercial , Retail

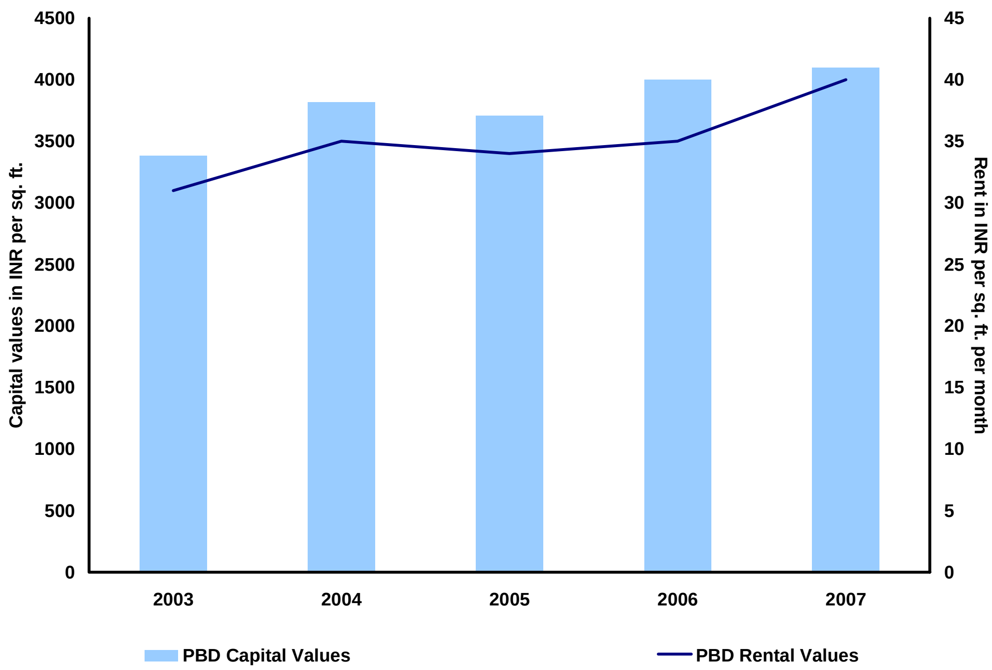
S. No	Name of the Project	Developer	Location	Business District	Type	Total Commercial Space (sq. ft.)	Time	Mix
8	Maytas IT park	Maytas Group	Jubilee Hills	SBD	IT Park	1000000	2009	Commercial ,Residential
9	TSI- IT ParK	Tismen Speyer and ICICI	Nanakramguda	SBD	IT ParK	1200000	2009	Commercial, Residential
10	Indu Projects-SEZ	Indu Projects	Gachibowli	SBD	SEZ	700000	2008	Commercial, residential
11	Indu projects-SEZ	Indu Projects	Shamshabad	SBD	SEz	1000000	2009	Commercial, residential
12	Asoka SEZ	Ashoka builders	Hitec city	PD	SEZ	1800000	2009	Commercial , residential
13	Mantri IT Park	Mantri Developers	Madhapur	PD	IT Park	1000000	2010	Commercial, residential retail

Source –Jones Lang LaSalle Research

13.6 Rental and Capital Value Trends in PD

The rental and capital values in the PD have witnessed an increase of 30% over the last 4 years. The PD has an average rental of about INR 40 per sq. ft. per month for warm shell space currently. Madhapur has in this period remained the most preferred destination for IT/ITES companies. Though, the city is witnessing other emerging locations in the southern and eastern quadrants of the city, those are behind Madhapur in terms of infrastructure development. Also, supply in those locations will only come into the market in 2-3 years time. Hence, Madhapur will continue to witness rental growth in the range of 8-10% p.a. for the next two years. Thereafter, the growth will witness a marginal slowdown.

Average Rental (Warm Shell) & Capital Values for Grade A Speculative Office Stock in PD Hyderabad

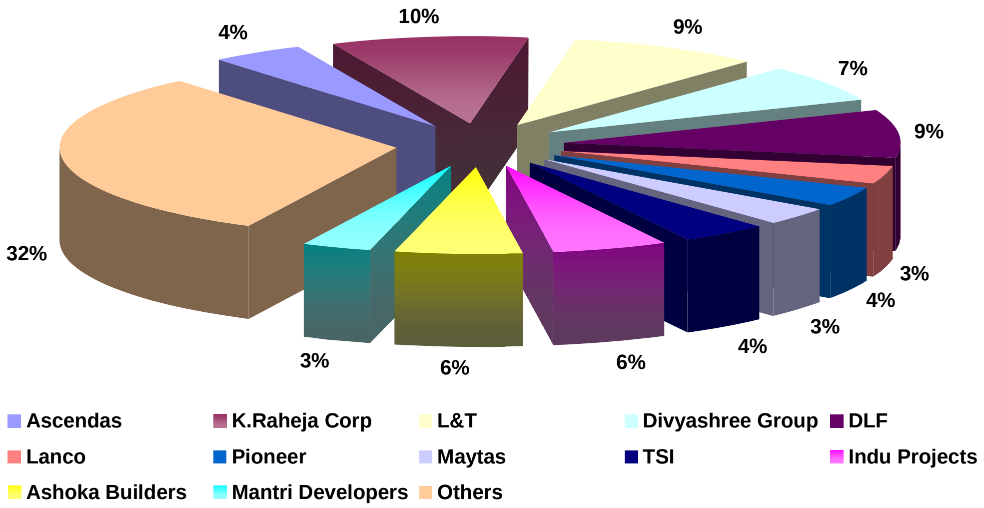


Source – Jones Lang LaSalle Research

13.7 Key Players in Market

There are eleven major players in the PBD of Hyderabad. They are K Raheja Group, L&T, Lanco Group, Ashoka Builders,Pioneer, Ascendas, Divyashree Group, DLF, Maytas, Indu Projects and TSI. The major players among them are K.Raheja Corp and L&T . The other players present are RMZ ,Jayabheri etc. The developers like Salarpuria are also entering the market.

Market Share of Major Developers in Commercial Real Estate Space



Source – Jones Lang LaSalle Research

14 THE V: PROPERTY ANALYSIS

14.1 Introduction

The V is in Madhapur – Hitech City. It was built in 2000 over a huge 19.4 acres. It is flanged by the approach road on the south, K Raheja Mind Space IT Park on its North, the under construction Inorbit mall by the K Raheja group on the east and Pioneer IT Park on the West. Other major projects in the proximity are Cyber Towers, Cyber Gateway, Cyber Pearl. There are also upcoming SEZs by L&T and Ashoka in the close proximity of the IT park. The surrounding IT Parks and The V are part of the IT Hub.

Profile of The V, Hyderabad

Overview	
Date of Operations	2000
Promoters	Ascendas
Configuration	
Total Project Area (Land)	19.4 acres
Development Mix	All commercial
Built up Area	879,239 sq. ft. (leased space), 366,343 sq. ft. (under construction)
Carpet Area	659,500 sq. ft.
Efficiency (Approx)	75%
No. of Floors	G + 13 floor
Location	
Address	Software Units Layout, Madhapur
Business District	PBD
Vicinity to CBD	14 Kms from CBD ,approximate travel time 30 mins
Vicinity to Airport	14 Kms from Airport,approximate travel time 30 mins
Vicinity to Railway Station	18.5 Kms from Railway station , approximate travel time 45 mins
Vicinity to nearest Residential Development	1 kms – Kondapur, 6 Kms - Jubilee hills
Vicinity to nearest Retail / Entertainment facility	7kms Banjara hills and Panjagutta
Connecting arterial roads	Road connecting road no 36 leading to Hi-Tech City
Surrounding Areas	Kondapur, Jubilee Hills, Kukatpally
Access to Public Transport	APSRTC busses available and MMTS station is at a distance of 1kms. Frequency of buses is satisfactory.
Access to Hired Transport	Auto rickshaws and Cabs are available but the frequency decreases in the night hours
Infrastructure	
Power Supply	The state grid is the primary source of power with 100.0% power backup from generator sets.
Voice & Data Communication	The park is supported by four service providers for voice and data for seamless communication connectivity.
Fire Protection System	Includes fire alarms, water sprinklers, portable fire extinguishers and fire hydrant hose reels with 24-hour security.
Building Automation System	Centrally monitored and controlled at a common console in each of the buildings. Common area lighting and air conditioning are time-controlled through the building automation system.
Parking	A total of 708 car parking slots and 1,781 two-wheeler parking slots for both visitors and park employees.
Amenities	
Cafeteria	A large furnished cafeteria with a fully-equipped kitchen.

	The cafeteria is convertible into an auditorium with a maximum seating capacity of approximately 2,000 persons for any meeting/ conference requirements of the tenants at The V as well as Cyber Pearl. This facility, unique to only The V in the entire Madhapur district, is frequently used by the tenants due to the lack of any large conference halls in the locality.
Customer Service	24–hour customer service hotline to respond to tenants' emergency requirements
Services	
Property Management	In-house maintenance team. Qualified maintenance team available round-the-clock, to oversee all requirements and general maintenance.
Project Management	In-house qualified project management team to execute the fit-out works for the client's office premises.
Commercial Terms	
Present rental	37.05 (average)
Deposit	6 months
Escalation	5% - 10% per annum
Maintenance	@ 4 INR per sq. ft. per month
Car parking	@1500 per car park
Success	
Occupancy	99%
Anchor Occupiers	Cognizant Technology Solutions, Computer Associates, Invensys development Center India Pvt Ltd, Infor/SSA Global technologies (India) Pvt Ltd., Motorola,

Occupier Profile	
Occupier	Industry
Cognizant Technology Solutions, Computer Associates, Invensys development Center India Pvt Ltd, Infor/SSA Global technologies (India) Pvt Ltd., Motorola, Conexant, Cordys, Optima, Skyworks, SSA, Patni, Capmark Overseas Processing	IT
C3i, Cedar Technologies, Invensys, Surgical Information System, TNS India	ITES
GMAC Commercial Mortgage	Finance (IT operations of non IT company)
Future Expansion Scope	366,343 sq. ft. (under construction)

Source – Ascendas Pte. Ltd.

14.2 Location and Accessibility

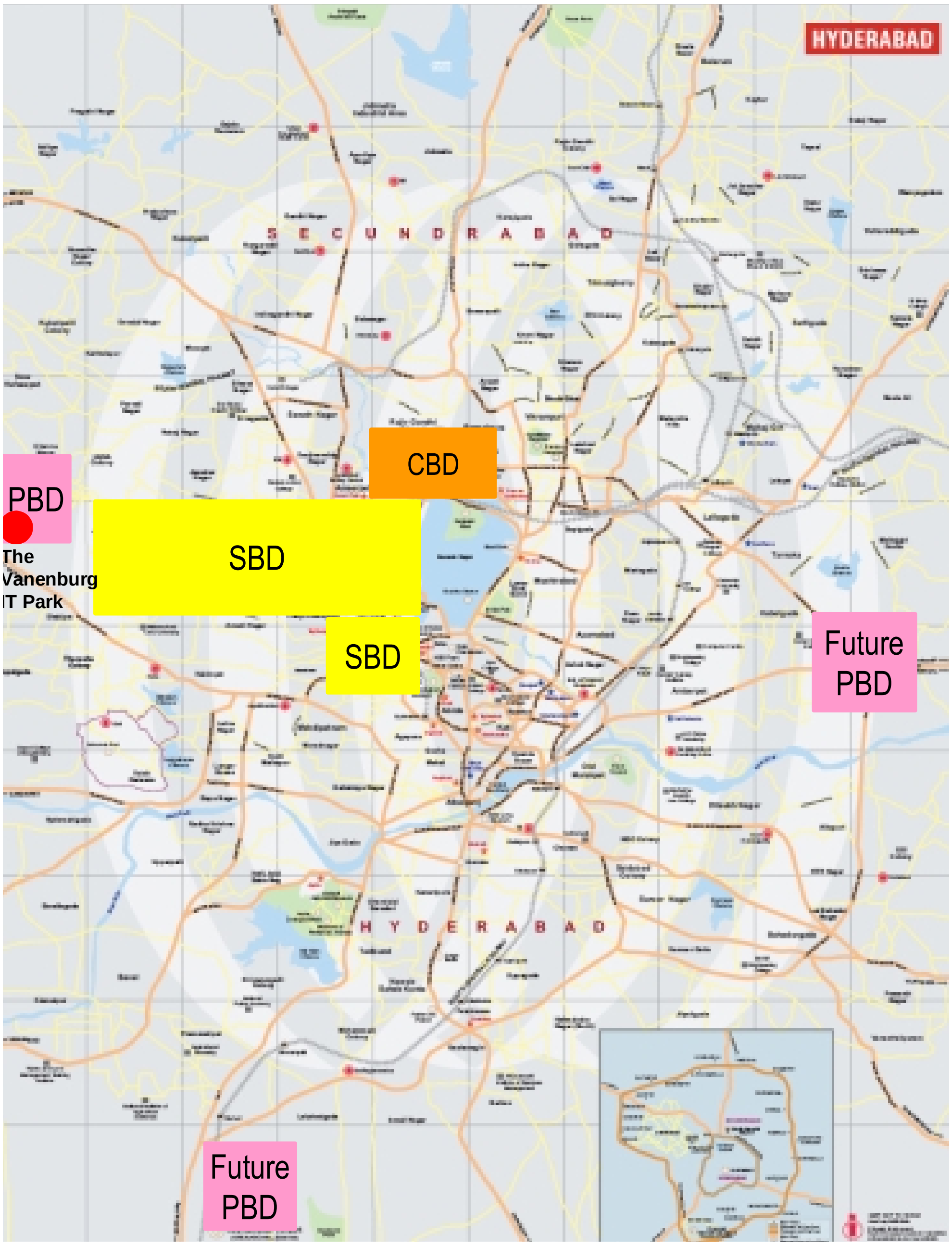
The V, one of Hyderabad's most prominent IT parks, is located along the Cyber Corridor, in Madhapur. It currently comprises four office buildings ranked "grade A", namely "Mariner", "Auriga", "Orion" and "Capella", with a new fifth building under construction and expected to be delivered in July 2007. It is located in close proximity to the large residential district of Jubilee Hills and other middle-income residential estates.

Key distances of subject property from various residential, commercial and transport hubs

Locations	Approx. Distance (km)	Av. Driving Time (min.)
Airport	14	30
Railway Station	18.5	45
Bus Terminus	1	10
CBD	14	30
Emerging IT/ITES high grade locations:	1	5
Retail High Street :	7	15
Prime Residential Area : Kondapur	1	5
Other Residential Area : Jublee Hills	6	15

Source: Jones Lang LaSalle Research

The V: Location Map within micro-market



Source – Jones Lang LaSalle Research

14.3 Tenant Mix

The tenants are mostly IT firms and BPO companies. Some finance companies are also located in the V but they carry out their IT/ITES operations in these spaces. Some of the IT companies who have leased space in this building are Cognizant Technology Solutions, Computer Associates, Invensys development Center India Pvt Ltd, Motorola, Conexant, Cordys. The ITES companies operating out of the V are C3i, Cedar Technologies, Invensys, Surgical Information System, TNS India.

14.4 Development Performance

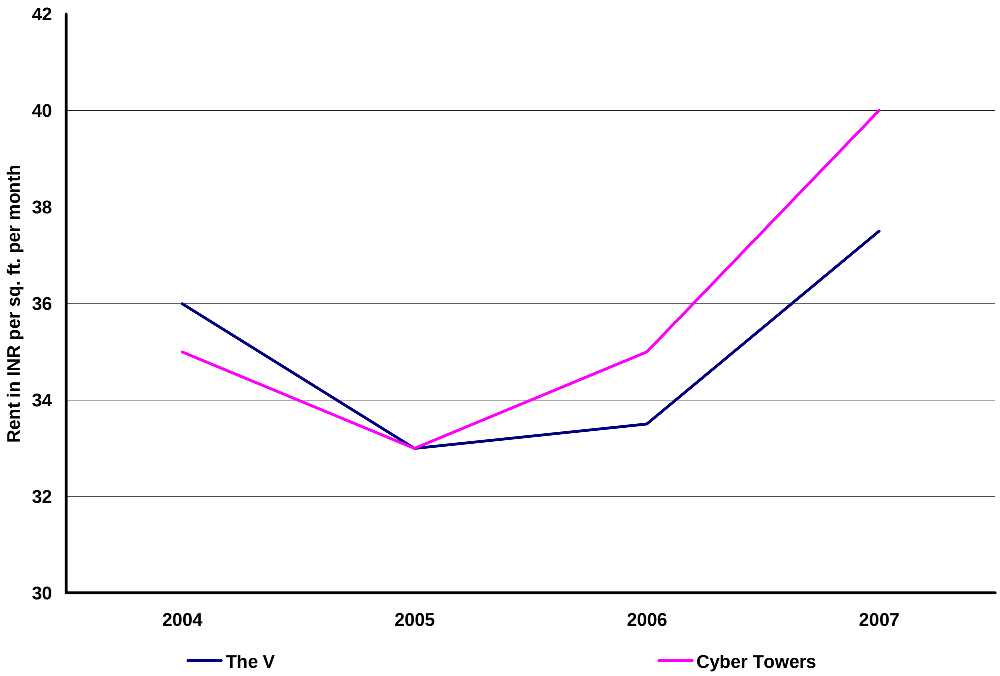
The V, considered as one of the best IT parks in India and a landmark in the knowledge corridor of Hyderabad, is built on a sprawling 19.4 acres of land near HITEC City. It currently comprises four business space buildings ranked "grade A" namely - Mariner, Auriga, Orion and Capella and a fifth building currently in its final stages of construction. All these buildings have been constructed on a "plug-and-play" model with a "work-live-play" concept. In addition, most of the large rock formations have been left untouched, with the buildings designed around the natural landscape, adding to the serene and environmentally-friendly setting of the park.

The V offers tenants a number of unique features such as the following:

- Central air-conditioning,
- 100% power back-up,
- High efficiency offices, food courts and high-tech management systems.

All buildings are multi-tenanted and are home to a number of MNCs from the IT and bio-technology industries.

Comparing Rental Value Trend of The V with competing development in micro-market



Source – Jones Lang LaSalle Research

14.5 Competition Analysis

The V, one of Hyderabad's most prominent IT parks, is a state-of-the-art multi-tenanted business space park for organisations in the IT and ITES industries. The V is a landmark in the knowledge corridor of Hyderabad. It is built on a sprawling 19.4 acres of land near HITEC City. The V was part of the initial portfolio of the private trust when it was launched in June 2005. The V, which has been designed to provide a "campus-feel" to its tenants, offers a number of unique infrastructural features similar to the other IT parks in the a-iTrust portfolio.

The HITEC City consists of many other commercial developments. Some of the main developments are marked on the map below.

Major current developments of the micro-market

No.	Project Name	Distance from the Subject Property	Date of Establishment	Total Saleable Area (sq. ft.)	Major tenants
1	Cyber towers	1 Km	1999	525000	App labs , Franclin Templeton
2	Cyber gateway	1 Km	2002	860000	Oracle, Genpact
3	K Raheja Mindspace	0.5 Km	2006	1440000	Bank of America, CSE

Source – Jones Lang LaSalle Research

The micro market is going to have a lot of IT Parks and SEZs coming up. The following table states some of the major developments coming up in the market and the tentative date of completion of such projects.

Major upcoming developments of the micro-market

No.	Project Name	Distance from the Subject Property (km)	Date of Operations	Total Saleable Area (sq. ft.)	Major tenants
1	L&T SEZ	1.5	2009	1000000	Leasing Not Started
2	Ashoka SEZ	1.5	2009	1800000	Leasing Not Started
3	Lanco SEZ	7	2009	1000000	Leasing Not Started
4	DLF SEZ	4	2008	2610000	Applabs, GE , CTS
5	TSI - IT Park	6	2008	1200000	Leasing Not Started
6	Mantri IT Park	6	2008	1000000	Leasing Not Started
7	Emmar IT Park	5	2009	1000000	Leasing Not Started
8	Amsri IT Park	6	2009	1000000	Leasing Not Started

Source – Jones Lang LaSalle Research

14.6 SWOT Analysis

Strengths	Weaknesses
– The project is located in the Hitec City, which is a prominent and established IT/ITES location. Major IT Parks like K Raheja's Mindspace Pioneer's IT Park and I Labs are located next to the site. – The project enjoys excellent frontage of about 500 ft. The project thus enjoys good visibility. – The 5th block under construction, was approximately 45% precommited by 1Q 2007 end, thereby indicating high demand for the property.	– The roads connecting Hitec City to the city are narrow and therefore face high traffic congestion in peak hours. – The micro market lacks quality social infrastructure at present. However, many malls, hotels and serviced apartments are under construction.
Opportunities	**Threats**
– With development of township projects, retail malls and Hotels in and around Hitec City , the location is expected to become more self-sufficient and thus attractive in future. – The infrastructural developments like the ORR will connect Hitec City with the International airport and hence raise the demand even further.	– The new IT parks like AryaBhatta IT Park in the vicinity on the main arterial road may provide competition. – The IT parks and SEZ developments around the upcoming international airport in Shamshabad may create competition for Hitec City as a destination in future. – Andhra Pradesh Infrastructure Investment Corporation (APIIC) has auctioned a 30 acre plots located opposite to The V for IT Park. Thus, supply around this property is expected to increase.

14.7 Future Outlook

As the city limits expand, Hitec City, Madhapur as a location is expected to be considered as an SBD location. The V and Cyber Pearl will gain from this development as its rentals will then be benchmarked with SBD locations like Banjara Hills and Jubilee Hills. The future peripheral district is likely to be the development along the ORR phase 1 connecting Madhapur to Shamshabad. The development will however face competition from projects within the micro-market as these have similar development profiles.

15 CYBER PEARL: PROPERTY ANALYSIS

15.1 Introduction

The Cyber Pearl is located in Hyderabad PD in Hi-Tech City. It is a phased development with Phase I completed in 2004 and Phase II in 2006. It is mainly occupied by BPO and IT companies. It is Ascendas first venture in Hyderabad and is a well renowned IT park located to the north-west at Hitec City, the existing IT corridor of the city. It currently comprises two completed office buildings ranked "grade A" which were constructed via a local joint venture between Ascendas and L&T Infocity.

Profile of Cyber Pearl, Hyderabad

Overview	
Date of Operations	Phase – I in 2004, Phase II in 2006
Promoters	L&T and Ascendas
Configuration	
Total Project Area (Land)	6 acres
Development Mix	All commercial
Built up Area	500,000 sq. ft.
Carpet Area	266,940 sq. ft.
Efficiency (Approx)	77%
Floor Plate Area (Approx)	2,000 to 25,000 sq. ft.
No. of Floors	7 floors
Location	
Address	Hi-tec City, Madhapur-500081
Business District	PBD
Vicinity to CBD	10 Kms from CBD ,approximate travel time 20 mins
Vicinity to Airport	16 Kms from Airport,approximate travel time 30 mins
Vicinity to Railway Station	18.5 Kms from Railway station , approximate travel time 45 mins
Vicinity to nearest Residential Development	1 kms – Kondapur, 6 Kms - Jubilee hills
Vicinity to nearest Retail / Entertainment facility	7kms Banjara hills and Panjagutta
Connecting arterial roads	Road connecting road no 36 leading to Hi-Tech City
Surrounding Areas	Kondapur, Jubilee Hills, Kukatpally
Access to Public Transport	APSRTC busses available and MMTS station is at a distance of 1km. Frequency of buses is satisfactory.
Access to Hired Transport	Auto rickshaws and Cabs are available but the frequency decreases in the night hours
Infrastructure	
Power Supply	100.0% generator power backup in addition to the primary power supply from the state grid through two feeder lines.
Voice & Data Communication	The park is supported by six service providers for voice and data for seamless communication connectivity.
Fire Protection System	Includes fire alarms, water sprinklers, portable fire extinguishers and fire hydrant hose reels with 24-hour security.
Security System	Advanced security systems, including CCTV camera surveillance and boom/flap barriers.
Building Automation System	Centrally monitored and controlled at a common console in each of the buildings. Common area lighting and air conditioning are time-controlled through the building automation system.
Parking	A total of 459 car parking slots and 400 two-wheeler parking slots for both visitors and park employees.

Amenities	
Health Club	Includes a fully equipped gym, an aerobics studio. Services include yoga classes, meditation sessions and personalised fitness programs.
Retail Mall	ATMs, restaurant, telephone service providers, pharmacy and an online education institution.
Customer Service	24–hour customer service hotline to respond to tenants' emergency requirements.
Services	
Property Management	In-house maintenance team. Qualified maintenance team available round-the-clock, to oversee all requirements and general maintenance.
Project Management	In-house qualified project management team to execute the fit-out works for the client's office premises.
Commercial Terms	
Present rental	40 INR per month per sq. ft.
Deposit	9 months
Escalation	Generally 15%
Maintenance	@ 7 INR per sq. ft. per month
Car parking	@1500 INR per car park, @ 325 INR per two wheeler
Success	
Occupancy	99.1%
Anchor Occupiers	Keane India Ltd., Microsoft India (R& D) Pvt Ltd., GE India Exports, Bank of Baroda.

Occupier Profile	
Occupier	Industry
Markettools Research Pvt Ltd, Bank of Baroda	IT&ITES
Nipuna Services Limited, SITEL India Ltd.,	ITES
Keane India Ltd., Microsoft India (R& D) Pvt Ltd., GE India Exports Pvt Ltd., Xilinx India Technology Services Pvt Ltd., Austriamicrosystems India Pvt Ltd, Metaminds Software Solutions Ltd.	IT
Future Expansion Scope	Fully constructed.

Source – Ascendas Pte. Ltd.

15.2 Location and Accessibility

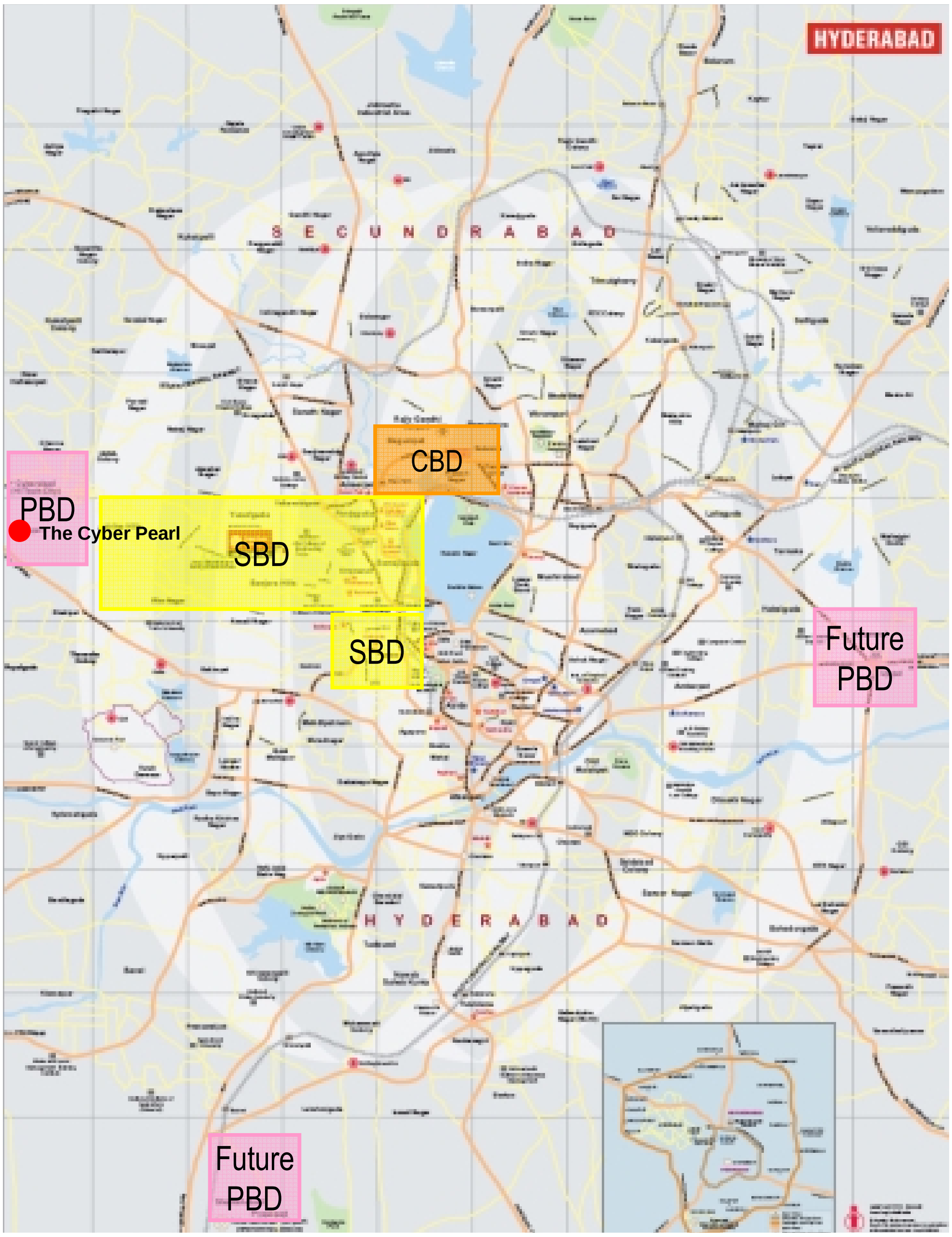
The Cyber Pearl is approximately 16 km from the airport and is well connected by multiple transportation networks to the central business district ("CBD"). It is also in close proximity to a number of prime residential areas such as Banjara Hills and Jubilee Hills and in the vicinity of the retail precincts. Cyber Pearl has been constructed with a 'work-live-play' theme and hence houses a number of entertainment facilities such as a cafeteria and a fitness centre.

Key distances of subject property from various residential, commercial and transport hubs

Locations	Approx. Distance (km)	Av. Driving Time (min.)
Airport	16	30
Railway Station	18.5	45
Bus Terminus	1	5
CBD	10	20
Emerging IT/ITES high grade locations:	7	15
Retail High Street :	7	15
Prime Residential Area : Kondapur	1	5
Other Residential Area : Jublee Hills	6	15

Source: Jones Lang LaSalle Research

Cyber Pearl: Location Map within micro-market



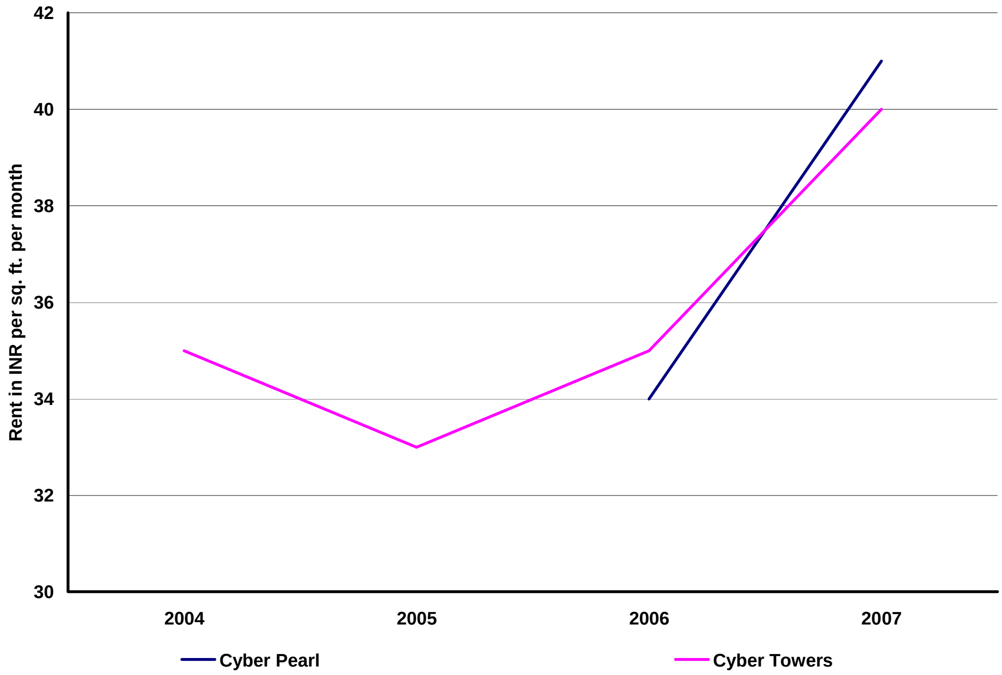
Source – Jones Lang LaSalle Research

15.3 Tenant Mix

The tenant mix has IT and BPO companies only. Fortune 500 companies like Microsoft is among the occupants. Cyber Pearl is designed for companies in IT, IT-enabled services, BPOs and call centres. Some of the IT companies operating out of Cyber Pearl are Keane India Ltd., Microsoft India (R& D) Pvt Ltd., GE India Exports Pvt Ltd. ITES companies who have taken up space in this building are Nipuna Services Limited, SITEL India Ltd.

15.4 Development Performance

Comparing Rental Value Trend of Cyber Pearl with competing development in micro-market



Source – Jones Lang LaSalle Research

15.5 Competition Analysis

Cyber Pearl is spread over six acres and currently comprises two completed office buildings ranked "grade A" with a seating capacity of 5,000 professionals. Both these buildings are multi-tenanted to prominent organisations from the IT sector such as Microsoft and GE. It also houses 459 car and 400 motorcycle parking lots. It has been constructed based on a 'work-live-play' theme and is unique in comparison to the other IT parks in the locality.

Apart from the several unique amenities and infrastructure facilities provided to tenants, the Cyber Pearl management team also organises events to add to the vibrancy and cultural lifestyle theme of the park. These events, which are conducted on a regular basis for the workforce, include arts and entertainment events, business seminars, healthy lifestyle programmes, musical shows, karaoke sessions, charity shows, excursions and picnics, festive gatherings, fetes, sporting events, talent shows and community-serving events, providing a distinctively vibrant "work-live-play" environment.

In the micro market (Cyberabad), there are many more commercial buildings. The map below points out some of the major buildings.

Major current developments of the micro-market

No.	Project Name	Distance from the subject property	Date of Establishment	Total Built up space	Major tenants
1	Cyber towers	1 Km	1999	525000	App labs , Franclin Templeton

No.	Project Name	Distance from the subject property	Date of Establishment	Total Built up space	Major tenants
2	Cyber gateway	1 Km	2002	860000	Oracle, Genpact
3	K Raheja Mindspace	0.5 Km	2006	1440000	Bank of America, CSE

Source – Jones Lang LaSalle Research

The micro market is going to have a lot of IT Parks and SEZs coming up. The following table states some of the major developments coming up in the market and the tentative date of completion of such projects.

Major upcoming developments of the micro-market

No.	Project Name	Distance from the Subject Property (km)	Date of Operations	Total Saleable Area (sq. ft.)	Major tenants
1	L&T SEZ	1.5	2009	1000000	Leasing Not Started
2	Ashoka SEZ	1.5	2009	1800000	Leasing Not Started
3	Lanco SEZ	7	2009	1000000	Leasing Not Started
4	DLF SEZ	4	2008	2610000	Applabs, GE , CTS
5	TSI - IT Park	6	2008	1200000	Leasing Not Started
6	Mantri IT Park	6	2008	1000000	Leasing Not Started
7	Emmar IT Park	5	2009	1000000	Leasing Not Started
8	Amsri IT Park	6	2009	1000000	Leasing Not Started

Source – Jones Lang LaSalle Research

15.6 SWOT Analysis

Strengths	Weaknesses
– The project is located in the Hitec City, which is a prominent and established IT/ITES location. Major IT Parks like Cyber Gateway, K Raheja's Mindspace, campuses of HSBC, Convergys, Dell, Deloitte are located adjacent to the site. – The project enjoys excellent frontage of about 550 ft. The project thus enjoys good visibility.	– The roads connecting Hitec City to the city are narrow and therefore face high traffic congestion in peak hours. – The micro market lacks quality social infrastructure at present. However, many malls, hotels and serviced apartments are under construction.
Opportunities	**Threats**
– With development of township projects, retail malls and Hotels in and around Hitec City , the location is expected to become more self-sufficient and thus attractive in future. – The infrastructural developments like the ORR will connect Hitec City with the International airport and hence raise the demand even further.	– The new IT parks like AryaBhatta IT Park in the vicinity on the main arterial road may provide competition. – The IT parks and SEZ developments around the upcoming international airport in Shamshabad may create competition for Hitec City as a destination in future. – Andhra Pradesh Infrastructure Investment Corporation (APIIC) has auctioned a 30 acre plots located opposite to The V for IT Park. Thus, supply around this property is expected to increase.

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GLOSSARY OF TERMS USED

Absorption	Occupied Stock (n) – Occupied Stock (n-1); Where "n" is the specified period (quarter, year etc.)
AIM	Alternative Investment Market on London Stock Exchange
Bare Shell	Premises consisting of basic structure with lifts, power supply to junction box, water supply line, toilets
BDA	Bangalore Development Authority
BMRDA	Bangalore Metropolitan Region Development Authority
BPO	Business Process Outsourcing
BRIC	Brazil, Russia, India, China as defined by Goldman Sachs Economics Paper titled "Dreaming with BRICs: The Path to 2050"
BUA	Built up area
CA	Chartered Accountants
CBD	Central Business District
CDP	Comprehensive Development Plan
CLU	Change in Land use
Completed Stock	Either the building has received occupancy certificate or the client has moved in and occupied space and started working in a particular premises.
CRM	Customer Relationship Management
DCR	Development Control Regulations
DU	Dwelling Unit
EPIP	Export Promotion Industrial Park
FAR	Floor Area Ratio (BUA/ Plot Area)
F&A	Finance and Analytics
FSI	Floor Space Index
FY	Financial Year or Fiscal year (April-March)
Grade A Space	Office Space with efficiency in excess of 75%, floor plate in excess of 15,000 sq. ft., Car Parking ratio of atleast 1 per 1000 sq. ft., Floor-to-ceiling height in excess of 3.75 m, Power provision of 1.25KVa per 100 sq. ft. with 100% power-backup wherever applicable and professionally managed facilities.
Ground Coverage	Is the total covered area on ground by the built component and is expressed as a percentage of the plot area
Hard Option	Real estate space reserved by the lessee for future occupation within a particular time frame and at a pre-decided rental
HIG	High Income Group
INR	Indian Rupees
IRR	Internal Rate of Return
ICWA	Institute of Cost and Works Accountants
IT	Information Technology
ITPL	International Technology Park Limited
ITES	Information Technology Enabled Services (includes various services ranging from call centres, claims processing, medical transcription, e-CRM, SCM to back-office operations such as accounting, data processing, and data mining)
KIADB	Karnataka Industrial Areas Development Board
LIG	Low Income Group
MIG	Middle Income Group
MRTS	Mass Rapid Transit System
NASSCOM	National Association of Software and Service Companies
NCR	National Capital Region (includes urban agglomeration of Delhi, Gurgaon, Faridabad, Noida, Gaziabad etc.)
NH	National Highway
NRI	Non Resident Indian
ORR	Outer Ring Road
PD	Peripheral Business District
Pre-lease	Space committed for lease before completion of construction
RE	Real Estate
Repo Rate	Rate that an eligible depository institution (such as a bank) is charged to borrow short term funds directly from the central bank through the discount window
Reverse Repo Rate	Interest rate that a bank earns for lending money to the Reserve Bank of India in exchange for government securities
Rs	Rupees
SBD	Suburban Business District
SCM	Supply Chain Management
SEC A, B, C & D	Socio- Economic Classification; SEC A represents the highest propensity to spend and SEC D represents the lowest propensity to spend.
Sq. ft.	Square feet
SH	State Highway
Sq m	Square meters
Stamp Duty	Form of tax charged on instruments (written documents) requiring a physical stamp (for government legality) to be attached to or impressed
STPI	Software Technology Parks, India

Sq ft:	Square Feet
Speculative Stock	The stock which can be leased and excludes Built-to-Suit (BTS) and Campus facilities
Stock	Cumulative Supply
Supply	New construction in a particular specified period
Tier I Cities	NCR, Mumbai and Bangalore
Tier II Cities	Chennai, Hyderabad, Pune, Kolkata
Transaction Volumes	Total number of transaction in a particular specified period
UNDP	United Nations Development Programme
USD	U S Dollars
Vacancy	Total vacant space in the completed stock
Warm Shell	Premises consisting of power backup, high side A.C., common area fit outs and fitted out toilets
WPI	Wholesale Price Index
y-o-y	year-on-year (All growth figures in this report are y-o-y unless otherwise mentioned)

Disclaimer

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TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION FOR AND ACCEPTANCE OF THE UNITS IN SINGAPORE

Applications are invited for the subscription of the Units at the Offering Price or, as the case may be, the Offering Price on the terms and conditions set out below and in the relevant Application Forms or, as the case may be, the Electronic Applications (as defined below).

Investors applying for the Units in the Public Offer by way of Application Forms or Electronic Applications are required to pay in Singapore dollars of the Offering Price of S$1.18 per Unit, subject to a refund of the full amount or, as the case may be, the balance of the applications monies (in each case without interest or any share of revenue or other benefit arising therefrom) where (i) an application is rejected or accepted in part only, or (ii) if the Offering does not proceed for any reason.

Investors applying in the Placement Tranche for the Units are required to pay, in Singapore dollars for each Unit applied for, the Offering Price specified by the investors in the Placement Units Application Form in the case of an application by way of a Placement Units Application Form and in the case of an application by way of an Internet Placement Application (as defined below), subject in each case to a refund of the full amount or, as the case may be, the balance of the application monies (in each case without interest or any share of revenue or other benefit arising therefrom) where (i) an application is rejected or accepted in part only, or (ii) if the Offering does not proceed for any reason.

(1) **Your application must be made in lots of 1,000 Units or integral multiples thereof. Your application for any other number of Units will be rejected.**

(2) You may apply for the Units only during the period commencing at 12.00 p.m. on 25 July 2007 and expiring at 7.00 a.m. on 30 July 2007. The Offering period may be extended or shortened to such date and/or time as the Trustee-Manager may agree with the Joint Underwriters, subject to all applicable laws and regulations and the rules of the SGX-ST.

(3) (a) Your application for the Units offered in the Public Offer (the "**Offer Units**") may be made by way of the printed **WHITE** Offer Units Application Forms or by way of Automated Teller Machines ("**ATMs**") belonging to the Participating Banks ("**ATM Electronic Applications**") or the Internet Banking ("**IB**") website of the relevant Participating Banks ("**Internet Electronic Applications**").

(b) Your application for the Units offered in the Placement Tranche (the "**Placement Units**"), other than a-iTrust Reserved Units, may be made by way of the printed **BLUE** Placement Units Application Forms (or in such other manner as the Joint Underwriters may in their absolute discretion deem appropriate) or by way of the Internet website of DBS Vickers Securities Online (Singapore) Pte. Ltd. ("**DBS Vickers Online**") at "www.dbsvonline.com" ("**Internet Placement Applications**", which, together with ATM Electronic Applications and Internet Electronic Applications, shall be referred to as ("**Electronic Applications**"), if you have a trading account with DBS Vickers Online.

(c) Your application for a-iTrust Reserved Units may only be made by way of the printed **PINK** Reserved Units Application Forms.

(4) **Only one application may be made for the benefit of one person for the Offer Units in his own name. Multiple applications for the Offer Units will be rejected, except in the case of applications by approved nominee companies where each application is made on behalf of a different beneficiary.**

You may not submit multiple applications for the Offer Units via the Offer Units Application Form, ATM Electronic Applications or Internet Electronic Applications. A person who is submitting an application for the Offer Units by way of the Offer Units Application Form may not submit another application for the Offer Units by way of an ATM Electronic Application or Internet Electronic Application and vice versa.

A person, other than an approved nominee company, who is submitting an application for the Offer Units in his own name should not submit any other applications for the Offer Units, whether on a printed Application Form or through an ATM Electronic Application or Internet Electronic Application, for any other person. Such separate applications will be deemed to be multiple applications and shall be rejected.

Joint or multiple applications for the Offer Units (other than Reserved Units) shall be rejected. Persons submitting or procuring submissions of multiple applications for the Offer Units (other than Reserved Units) may be deemed to have committed an offence under the Penal Code, Chapter 224 of Singapore and the Securities and Futures Act, and such applications may be referred to the relevant authorities for investigation.

(5) **Multiple applications may be made in the case of applications by any person for (i) the Placement Units only (whether via Placement Units Application Forms or through the website of DBS Vickers Online), or (ii) the Placement Units together with a single application for the Offer Units.**

Multiple applications may also be made by any person entitled to apply for the a-iTrust Reserved Units, in respect of a single application for the a-iTrust Reserved Units and (i) a single application for the Offer Units, or (ii) a single or multiple application(s) for the Placement Units (whether via the Placement Units Application Forms or through the website of DBS Vickers Online) or (iii) both (i) and (ii).

(6) Applications from any person under the age of 21 years, undischarged bankrupts, sole proprietorships, partnerships, chops or non-corporate bodies, joint Securities Account holders of CDP will be rejected.

(7) Applications from any person whose addresses (furnished in their printed Application Forms or, in the case of ATM Electronic Applications and Internet Electronic Applications, contained in the records of the relevant Participating Bank, as the case may be) bear post office box numbers will be rejected. No person acting or purporting to act on behalf of a deceased person is allowed to apply under the Securities Account with CDP in the deceased name at the time of the application.

(8) The existence of a trust will not be recognised. Any application by a trustee or trustees must be made in his/her or their own name(s) and without qualification or, where the application is made by way of a printed Application Form by a nominee, in the name(s) of an approved nominee company or approved nominee companies after complying with paragraph 9 below.

(9) **Nominee applications may only be made by approved nominee companies.** Approved nominee companies are defined as banks, merchant banks, finance companies, insurance companies, licensed securities dealers in Singapore and nominee companies controlled by them. Applications made by nominees other than approved nominee companies will be rejected.

(10) **If you are not an approved nominee company, you must maintain a Securities Account with CDP in your own name at the time of your application.** If you do not have an existing Securities Account with the CDP in your own name at the time of application, your application will be rejected (if you apply by way of an Application Form) or you will not be able to complete your application (if you apply by way of an Electronic Application).

(11) Subject to paragraph 12 below, your application is liable to be rejected if your particulars such as name, National Registration Identity Card ("**NRIC**") or passport number, nationality and permanent residence status, and CDP Securities Account number provided in your Application Form, or in the records of the relevant Participating Bank or DBS Vickers Online at the time of your Electronic Application, as the case may be, differ from those particulars in your Securities Account as maintained by CDP. If you have more than one individual direct Securities Account with the CDP, your application shall be rejected.

(12) **If your address as stated in the Application Form or, in the case of an Electronic Application, contained in the records of the relevant Participating Bank or DBS Vickers Online, as the case may be, is different from the address registered with CDP, you must inform CDP of your updated address promptly, failing which the notification letter on successful allocation from CDP will be sent to your address last registered with CDP.**

(13) This Prospectus and its accompanying Application Forms have not been registered in any jurisdiction other than in Singapore. The distribution of this Prospectus and its Application Forms may be prohibited or restricted (either absolutely or unless various securities requirements, whether legal or administrative, are complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Without limiting the generality of the foregoing, neither this Prospectus (including its Application Forms) nor any copy thereof may be published or distributed, directly or indirectly, in or into the United States and they do not constitute an offer of securities for sale into the United States or any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such an offer. The Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and, subject to certain exceptions, may not be offered or sold within the United States. The Units are being offered and sold outside the United States in reliance on Regulation S under the Securities Act ("**Regulation S**"). There will be no public offer of Units in the United States. Any failure to comply with this restriction may constitute a violation of securities laws in the United States and in other jurisdictions.

The Trustee-Manager reserves the right to reject any applications for Units where the Trustee-Manager believes or has reason to believe that such applications may violate the securities laws or any applicable legal or regulatory requirements of any jurisdiction.

No person in any jurisdiction outside Singapore receiving this Prospectus or its accompanying Application Forms may treat the same as an offer or invitation to subscribe for any Units unless such an offer or invitation could lawfully be made without compliance with any regulatory or legal requirements in those jurisdictions.

(14) The Trustee-Manager reserves the right to reject any application which does not conform strictly to the instructions set out in this Prospectus (including the instructions set out in the Application Forms, in the ATM and IB websites of the relevant Participating Banks and in the website of DBS Vickers Online) or, in the case of an application by way of an Application Form, which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly drawn up or improper form of remittance.

(15) The Trustee-Manager further reserves the right to treat as valid any applications not completed or submitted or effected in all respects in accordance with the instructions set out in this Prospectus (including the instructions set out in the Application Forms and in the ATMs and IB websites of the relevant Participating Banks and in the website of DBS Vickers Online), and also to present for payment or other processes all remittances at any time after receipt and to have full access to all information relating to, or deriving from, such remittances or the processing thereof.

Without prejudice to the rights of the Trustee-Manager, the Joint Underwriters, as agent of the Trustee-Manager, has been authorised to accept, for and on behalf of the Trustee-Manager, such other forms of application as the Joint Underwriters may, in consultation with the Trustee-Manager, deem appropriate.

(16) The Trustee-Manager reserves the right to reject or to accept, in whole or in part, or to scale down or to ballot, any application, without assigning any reason therefor, and none of the Trustee-Manager and the Joint Underwriters will entertain any enquiry and/or correspondence on the decision of the Trustee-Manager. This right applies to applications made by way of Application Forms and by way of Electronic Applications and by such other forms of application as the Joint Underwriters may, in consultation with the Trustee-Manager, deem appropriate. In deciding the basis of allocation, the Trustee-Manager will give due consideration to the desirability of allocating the Units to a reasonable number of applicants with a view to establishing an adequate market for the Units.

(17) In the event that the Trustee-Manager lodges a supplementary or replacement prospectus ("**Relevant Document**") pursuant to the Securities and Futures Act or any applicable legislation in force from time to time prior to the close of the Invitation, and the Units have not been issued, the Trustee-Manager will (as required by law) at the Trustee-Manager's sole and absolute discretion either:

(a) within two days (excluding any Saturday, Sunday or public holiday) from the date of the lodgement of the Relevant Document, give you notice in writing of how to obtain, or arrange to receive, a copy of the same and provide you with an option to withdraw your application and take all reasonable steps to make available within a reasonable period the Relevant Document to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the Relevant Document; or

(b) within 7 days of the lodgement of the Relevant Document give you a copy of the Relevant Document and provide you with an option to withdrawn your application; or

(c) deem your application as withdrawn and cancelled and refund your application monies (without interest or any share of revenue or other benefit arising therefrom) to you within 7 days from the lodgement of the Relevant Document.

Any applicant who wishes to exercise his option under paragraphs 17(a) and (b) above to withdraw his application shall, within 14 days from the date of lodgement of the Relevant Document, notify us whereupon the Trustee-Manager shall, within 7 days from the receipt of such notification, return all monies in respect of such application (without interest or any share of revenue or other benefit arising therefrom).

In the event that the Units have already been issued at the time of the lodgement of the Relevant Document but trading has not commenced, the Trustee-Manager will (as required by law) either:

(i) within two days (excluding Saturday, Sunday or public holiday) from the date of the lodgement of the Relevant Document, give you notice in writing of how to obtain, or arrange to receive, a copy of the same and provide you with an option to return to us the Units which you do not wish to retain title in and take all reasonable steps to make available within a reasonable period the Relevant Document to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the Relevant Document; or

(ii) within 7 days from the lodgement of the Relevant Document give you a copy of the Relevant Document and provide you with an option to return the Units which you do not wish to retain title in; or

(iii) deem the issue as void and refund your payment for the Units (without interest or any share of revenue or other benefit arising therefrom) within 7 days from the lodgement of the Relevant Document.

Any applicant who wishes to exercise his option under paragraphs 17(i) and (ii) above to return the Units issued to him shall, within 14 days from the date of lodgement of the Relevant Document, notify us of this and return all documents, if any, purporting to be evidence of title of those Units, whereupon the Trustee-Manager shall, within 7 days from the receipt of such notification and documents, pay to him all monies paid by him for the Units without interest or any share of revenue or other benefit arising therefrom and at his own risk, and the Units issued to him shall be deemed to be void.

Additional terms and instructions applicable upon the lodgement of the supplementary or replacement prospectus, including instructions on how you can exercise the option to withdraw, may be found in such supplementary or replacement prospectus.

(18) The Units may be reallocated between the Placement Tranche and the Public Offer for any reason, including in the event of excess applications in one and a deficit of applications in the other.

(19) It is expected that CDP will send to you, at your own risk, within 15 Market Days after the close of the Offering, and subject to the submission of valid applications and payment for the Units and the Offering Price being agreed upon between the Joint Underwriters and the Trustee-Manager, a statement of account stating that your Securities Account has been credited with the number of Units allocated to you. This will be the only acknowledgement of application monies received and is not an acknowledgement by the Trustee-Manager. You irrevocably authorise CDP to complete and sign on your behalf as transferee or renouncee any instrument of transfer and/or other documents required for the issue or transfer of the Units allocated to you. This authorisation applies to applications made both by way of Application Forms and by way of Electronic Applications.

(20) You irrevocably authorise CDP to disclose the outcome of your application, including the number of Units allocated to you pursuant to your application, to the Trustee-Manager, the Joint Underwriters, DBS Vickers Online and any other parties so authorised by the Trustee-Manager and/or the Joint Underwriters.

(21) Any reference to "you" or the "Applicant" in this section shall include a person, a corporation, an approved nominee company and trustee applying for the Units by way of an Application Form or by way of Electronic Application.

(22) By completing and delivering an Application Form and, in the case of an ATM Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key or any other relevant key on the ATM or, in the case of an Internet Electronic Application or Internet Placement Application, by clicking "Submit" or "Continue" or "Yes" or "Confirm" or any other button on the IB website screen or the DBS Vickers Online website screen in accordance with the provisions herein, you:

(a) irrevocably agree and undertake to purchase the number of Units specified in your application (or such smaller number for which the application is accepted) at the Offering Price for each Unit and agree that you will accept such number of Units as may be allocated to you, in each case on the terms of, and subject to the conditions set out in, this Prospectus and its accompanying Application Forms and the Trust Deed;

(b) agree that, in the event of any inconsistency between the terms and conditions for application set out in this Prospectus and its accompanying Application Forms and those set out in the website of DBS Vickers Online, or the IB websites or ATMs of the Participating Banks, the terms and conditions set out in this Prospectus and its accompanying Application Forms shall prevail;

(c) in the case of an application by way of an Offer Units Application Form, an ATM Electronic Application, Internet Electronic Application or Internet Placement Application, agree that the Offering Price for the Units applied for is due and payable to the Trustee-Manager upon application;

(d) in the case of an application by way of a Placement Units Application Form or such other forms of application as the Joint Underwriters may, in consultation with the Trustee-Manager, deem appropriate, using cash, agree that the Offering Price for the Units is due and payable to the Trustee-Manager upon application;

(e) warrant the truth and accuracy of the information contained, and representations and declarations made, in your application, and acknowledge and agree that such information, representations and declarations will be relied on by the Trustee-Manager in determining whether to accept your application and/or whether to allocate any Units to you; and

(f) agree and warrant that, if the laws of any jurisdictions outside Singapore are applicable to your application, you have complied with all such laws and none of the Trustee-Manager nor any of the Joint Underwriters will infringe any such laws as a result of the acceptance of your application.

(23) Acceptance of applications will be conditional upon, *inter alia*, the Trustee-Manager being satisfied that:

(a) permission has been granted by the SGX-ST to deal in and for the quotation of all the Units on the Official List of the SGX-ST;

(b) the Underwriting Agreement has become unconditional and has not been terminated; and

(c) the Authority has not served a stop order which directs that no or no further Units to which this Prospectus relates be allotted or issued ("**Stop Order**").

(24) In the event that a Stop Order in respect of the Units is served by the Authority or other competent authority, and:

(a) the Units have not been issued (as required by law), all applications shall be deemed to be withdrawn and cancelled and the Trustee-Manager shall refund the application monies (without interest or any share of revenue or other benefit arising therefrom) to you within 14 days of the date of the Stop Order; or

(b) if the Units have already been issued but trading has not commenced, the issue will (as required by law) be deemed void and the Trustee-Manager shall refund your payment for the Units (without interest or any share of revenue or other benefit arising therefrom) to you within 14 days from the date of the Stop Order.

This shall not apply where only an interim Stop Order has been served.

(25) In the event that an interim Stop Order in respect of the Units is served by the Authority or other competent authority, no Units shall be issued to you until the Authority revokes the interim Stop Order.

(26) Additional terms and conditions for applications by way of Application Forms are set out in the section entitled "Additional Terms and Conditions for Applications using Printed Application Forms" on pages F-7 to F-9 of this Prospectus.

(27) Additional terms and conditions for applications by way of Electronic Applications are set out in the section entitled "Additional Terms and Conditions for Electronic Applications" on pages F-11 to F-16 of this Prospectus.

(28) All payments in respect of any application for Units, and all refunds where (a) an application is rejected or accepted in part only, or (b) the Offering does not proceed for any reason.

(29) All payments in respects of any applications for Placement Units, and all refunds where (a) an application is rejected or accepted in part only, or (b) the Offering does not proceed for any reason, shall be made in Singapore dollars.

(30) No application will be held in reserve.

(31) The Prospectus is dated 24 July 2007. No Units will be allocated on the basis of this Prospectus later than six months after the date of the Prospectus.

Additional Terms and Conditions for Applications using Printed Application Forms

Applications by way of an Application Form shall be made on, and subject to the terms and conditions of this Prospectus, including but not limited to the terms and conditions set out below, as well as those set out under the section on "Terms, Conditions and Procedures for Application for and Acceptance of the Units in Singapore" on pages F-1 and F-19 of this Prospectus and the Trust Deed.

(1) Applications for the Offer Units must be made using the printed **WHITE** Offer Units Application Forms and printed **WHITE** official envelopes "A" and "B", accompanying and forming part of this Prospectus.

Applications for the Placement Units must be made using the printed **BLUE** Placement Units Application Forms, accompanying and forming part of this Prospectus.

Applications for the a-iTrust Reserved Units must be made using the printed **PINK** Reserved Units Application Forms, accompanying and forming part of this Prospectus.

Without prejudice to the rights of the Trustee-Manager, the Joint Underwriters, as agents of the Trustee-Manager, has been authorised to accept, for and on behalf of the Trustee-Manager, such other forms of application, as the Joint Underwriters may (in consultation with the Trustee-Manager) deem appropriate.

Your attention is drawn to the detailed instructions contained in the respective Application Forms and this Prospectus for the completion of the Application Forms, which must be carefully followed. **The Trustee-Manager reserves the right to reject applications which do not conform strictly to the instructions set out in the Application Forms and this Prospectus (or, in the case of applications for the Placement Units, followed) which are illegible, incomplete, incorrectly completed or which are accompanied by improperly drawn remittances or improper form of remittances.**

(2) You must complete your Application Forms in English. Please type or write clearly in ink using BLOCK LETTERS.

(3) You must complete all spaces in your Application Forms except those under the heading "FOR OFFICIAL USE ONLY" and you must write the words "NOT APPLICABLE" or "N.A." in any space that is not applicable.

(4) Individuals, corporations, approved nominee companies and trustees must give their names in full. If you are an individual, you must make your application using your full name as it appears on your NRIC (if you have such an identification document) or in your passport and, in the case of a corporation, in your full name as registered with a competent authority. If you are not an individual, you must complete the Application Form under the hand of an official who must state the name and capacity in which he signs the Application Form. If you are a corporation completing the Application Form, you are required to affix your Common Seal (if any) in accordance with your Memorandum and Articles of Association or equivalent constitutive documents of the corporation. If you are a corporate applicant and your application is successful, a copy of your Memorandum and Articles of Association or equivalent constitutive documents must be lodged with the a-iTrust's Unit Registrar. The Trustee-Manager reserves the right to require you to produce documentary proof of identification for verification purposes.

(5) (a) You must complete Sections A and B and sign page 1 of the Application Form.

(b) You are required to delete either paragraphs 6(c) or 6(d) on page 1 of the Application Form. Where paragraph 6(c) is deleted, you must also complete Section C of the Application Form with particulars of the beneficial owner(s).

(c) If you fail to make the required declaration in paragraph 6(c) or 6(d), as the case may be, on page 1 of the Application Form, your application is liable to be rejected.

(6) You (whether an individual or corporate applicant, whether incorporated or unincorporated and wherever incorporated or constituted) will be required to declare whether you are a citizen or permanent resident of Singapore or a corporation in which citizens or permanent residents of Singapore or any body corporate constituted under any statute of Singapore have an interest in the aggregate of more than 50 per cent. of the issued share capital of or interests in such corporation. If you are an approved nominee company, you are required to declare whether the beneficial owner of the Units is a citizen or permanent resident of Singapore or a corporation, whether incorporated or unincorporated and wherever incorporated or constituted, in which citizens or permanent residents of Singapore or any body corporate incorporated or constituted under any statute of Singapore have an interest in the aggregate of more than 50 per cent. of the issued share capital of or interests in such corporation.

(7) You may apply for the Units using only cash. Each application must be accompanied by a cash remittance in Singapore currency for the full amount payable in Singapore dollars of the Offering Price of S$1.18 per Unit, in respect of the number of Units applied for, in the form of a BANKER'S DRAFT or CASHIER'S ORDER drawn on a bank in Singapore, made out in favour of "AITRUST UNIT ISSUE ACCOUNT" crossed "A/C PAYEE ONLY" with your name, CDP Securities Account number and address written clearly on the reverse side. Applications not accompanied by any payment or accompanied by any other form of payment will not be accepted. No combined Banker's Draft or Cashier's Order for different CDP Securities Accounts shall be accepted. Remittances bearing "Not Transferable" or "Non-Transferable" crossings will be rejected.

No acknowledgement of receipt will be issued for applications and application monies received.

(8) Monies paid in respect of unsuccessful applications are expected to be returned (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post within two Market Days (or such shorter period as the SGX-ST may require) after the close of the Offering at your own risk. Where your application is rejected or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 Market Days after the close of the Offering, PROVIDED THAT the remittance accompanying such application which has been presented for payment or other processes has been honoured and the application monies received in the designated unit issue account. If the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will be returned to you within three Market Days after the Offering is discontinued.

(9) Capitalised terms used in the Application Forms and defined in this Prospectus shall bear the meanings assigned to them in the Prospectus.

(10) By completing and delivering the Application Forms, you agree that:

(a) in consideration of the Trustee-Manager having distributed the Application Form to you and by completing and delivering the Application Form before the close of the Offering:

(i) your application is irrevocable;

(ii) your remittance will be honoured on first presentation and that any monies returnable may be held pending clearance of your payment without interest or any share of revenue or other benefit arising therefrom; and

(iii) you represent and agree that you are not a U.S. person (within the meaning of Regulation S);

(b) all applications, acceptances or contracts resulting therefrom under the Offering shall be governed by and construed in accordance with the laws of Singapore and that you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;

(c) in respect of the Units for which your application has been received and not rejected, acceptance of your application shall be constituted by written notification by or on behalf of the Trustee-Manager and not otherwise, notwithstanding any remittance being presented for payment by or on behalf of the Trustee-Manager;

(d) you will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of your application;

(e) reliance is placed solely on information contained in this Prospectus and that none of the Trustee-Manager, the Joint Underwriters, the Sponsor or any other person involved in the Offering shall have any liability for any information not contained therein;

(f) you consent to the disclosure of your name, NRIC/passport number, address, nationality, permanent resident status, Securities Account number, and Unit application amount to our Unit Registrar, CDP, Securities Clearing Computer Services (Pte) Ltd ("**SCCS**"), SGX-ST, the Trustee-Manager, and the Joint Underwriters (the "**Relevant Parties**"); and

(g) you irrevocably agree and undertake to purchase the number of Units applied for as stated in the Application Form or any smaller number of such Units that may be allocated to you in respect of your application. In the event that the Trustee-Manager decides to allocate any smaller number of such Units or not to allocate any Units to you, you agree to accept such decision as final.

Procedures Relating to Applications for the Offer Units by Way of Printed Application Forms

(1) Your application for the Offer Units by way of printed Application Forms must be made using the **WHITE** Offer Units Application Forms and **WHITE** official envelopes "**A**" and "**B**".

(2) You must:

(a) enclose the **WHITE** Offer Units Application Form, duly completed and signed, together with correct remittance for the full amount payable at the Offering Price in Singapore currency in accordance with the terms and conditions of the Prospectus and its accompanying documents, in the **WHITE** official envelope "**A**" provided;

(b) in appropriate spaces on the WHITE official envelope "**A**":

(i) write your name and address;

(ii) state the number of Offer Units applied for; and

(iii) tick the relevant box to indicate the form of payment;

(c) **SEAL THE WHITE OFFICIAL ENVELOPE "A"**;

(d) write, in the special box provided on the larger **WHITE** official envelope "**B**" addressed to DBS Bank Ltd, 6 Shenton Way, #36-01 DBS Building Tower One, Singapore 068809, the number of Offer Units you have applied for;

(e) insert the **WHITE** official envelope "A" into the **WHITE** official envelope "B" and seal the **WHITE OFFICIAL ENVELOPE "B"**; and

(f) affix adequate Singapore postage on the **WHITE** official envelope "B" (if dispatching by ordinary post and thereafter **DESPATCH BY ORDINARY POST OR DELIVER BY HAND** the documents at your own risk to DBS Bank Ltd, 6 Shenton Way, #36-01 DBS Building Tower One, Singapore 068809, so as to arrive by 7.00 a.m. on 30 July 2007 or such other date(s) and time(s) as the Trustee-Manager may agree with the Joint Underwriters. Courier services or Registered Post must NOT be used.

(3) Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or which are not honoured upon their first presentation are liable to be rejected.

(4) **ONLY ONE APPLICATION** should be enclosed in each envelope. No acknowledgement of receipt will be issued for any application or remittance received.

Procedures Relating to Applications for the Placement Units by Way of Printed Application Forms

(1) Your application for the Placement Units by way of printed Application Forms must be made using the **BLUE** Placement Units Application Forms.

(2) The completed and signed **BLUE** Placement Units Application Form and your remittance, in accordance with the terms and conditions of this Prospectus, for the full amount payable at the Offering Price, as the case may be, for each Unit in respect of the number of Placement Units applied for, with your name, Securities Account number and address clearly written on the reverse side, must be enclosed and sealed in an envelope to be provided by you. Your application for Placement Units must be delivered to DBS Bank Ltd, 6 Shenton Way, #36-01, DBS Building Tower One, Singapore 068809, to arrive by 7.00 a.m. on 30 July 2007 or such other date(s) and time(s) as the Trustee-Manager may agree with the Joint Underwriters.

(3) In respect of an application for Placement Units, you may alternatively remit your application monies by electronic transfer to the account of **DBS Bank, Shenton Way Branch, Current Account number 003-710213-0** in favour of " **AITRUST UNIT ISSUE ACCOUNT**" by 7.00 a.m. on 30 July 2007 or such other date(s) and time(s) as the Trustee-Manager may agree with the Joint Underwriters. Applicants who remit their application monies via electronic transfer should send a copy of the telegraphic transfer advice slip to **DBS Bank Ltd, 6 Shenton Way, #36-01 DBS Building Tower One, Singapore 068809**, for the attention of Equity Capital Markets, to arrive by 7.00 a.m. on 30 July 2007 or such other date(s) and time(s) as the Trustee-Manager may agree with the Joint Underwriters.

(4) Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or which are not honoured upon their first presentation are liable to be rejected.

(5) **ONLY ONE APPLICATION** should be enclosed in each envelope. No acknowledgement of receipt will be issued for any application or remittance received.

Procedures Relating to Applications for the a-iTrust Reserved Units by Way of Printed Application Forms

(1) Your application for the a-iTrust Reserved Units by way of printed Application Forms must be made using the **PINK** Reserved Units Application Forms.

(2) The completed and signed **PINK** Reserved Units Application Form and your remittance, in accordance with the terms and conditions of this Prospectus, in Singapore currency for the full amount payable at the Offering Price for each Unit in respect of the number of a-iTrust Reserved

Units applied for, with your name, Securities Account number and address clearly written on the reverse side, must be enclosed and sealed in an envelope to be provided by you. Your application for a-iTrust Reserved Units must be delivered to Lim Associates (Pte) Ltd, 3 Church Street, #08-01 Samsung Hub, Singapore 049483, for the attention of Ms Pamela Chew to arrive by 7.00 a.m. on 30 July 2007 or such other date(s) and time(s) as the Trustee-Manager may agree with the Joint Underwriters.

(3) **ONLY ONE APPLICATION** should be enclosed in each envelope. No acknowledgement of receipt will be issued for any application or remittance received.

Additional Terms and Conditions for Electronic Applications

Electronic Applications shall be made on and subject to the terms and conditions of this Prospectus, including but not limited to the terms and conditions set out below and those under the section "Terms, Conditions and Procedures for Application for and Acceptance for the Units in Singapore" on pages F-1 to F-19 of this Prospectus, as well as the Trust Deed.

(1) The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Banks (in the case of ATM Electronic Applications), the IB website screens of the relevant Participating Banks (in the case of Internet Electronic Applications) and the website of DBS Vickers Online (in the case of Internet Placement Applications). Currently, DBS Bank and the UOB Group are the only Participating Banks through which Internet Electronic Applications may be made.

(2) For illustration purposes, the procedures for Electronic Applications through ATMs and the IB website of DBS Bank, and the procedures for Internet Placement Applications through the website of DBS Vickers Online (together the "**Steps**") are set out in pages F-16 to F-19 of this Prospectus. The Steps set out the actions that you must take at ATMs or the IB website of DBS Bank or the website of DBS Vickers Online to complete an Electronic Application. The actions that you must take at the ATMs or the IB websites of the other Participating Banks are set out on the ATM screens of the respective Participating Banks.

Please read carefully the terms and conditions of this Prospectus, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application.

(3) Any reference to "you" or the "Applicant" in these Additional Terms and Conditions for Electronic Applications and the Steps shall refer to you making an application for the Units through an ATM of one of the relevant Participating Banks or the IB website of a relevant Participating Bank or an application for Internet Placement Units through the website of DBS Vickers Online.

(4) If you are making an ATM Electronic Application:

(a) You must have an existing bank account with and be an ATM cardholder of one of the Participating Banks. An ATM card issued by one Participating Bank cannot be used to apply for Units at an ATM belonging to other Participating Banks.

(b) You must ensure that you enter your own Securities Account number when using the ATM card issued to you in your own name. If you fail to use your own ATM card or do not key in your own Securities Account number, your application will be rejected. If you operate a joint bank account with any of the Participating Banks, you must ensure that you enter your own Securities Account number when using the ATM card issued to you in your own name. Using your own Securities Account number with an ATM card, which is not issued to you in your own name, will render your Electronic Application liable to be rejected.

(c) Upon the completion of your ATM Electronic Application, you will receive an ATM transaction slip ("**Transaction Record**"), confirming the details of your ATM Electronic Application. The Transaction Record is for your retention and should not be submitted with any printed Application Form.

(5) If you are making an Internet Electronic Application:

(a) You must have an existing bank account with, and a User Identification ("**User ID**") as well as a Personal Identification Number ("**PIN**") given by, the relevant Participating Bank.

(b) You must ensure that the mailing address of your account selected for the application is in Singapore and you must declare that the application is being made in Singapore. Otherwise, your application is liable to be rejected.

(c) Upon the completion of your Internet Electronic Application through the IB website of the relevant Participating Bank, there will be an on-screen confirmation ("**Transaction Completed Screen**") of the application which can be printed out by you for your record. This printed record of the Transaction Completed Screen is for your retention and should not be submitted with any printed Application Form.

(6) If you are making an Internet Placement Application:

(a) You must have an existing trading account with, and a User ID as well as a password given by DBS Vickers Online.

(b) You must ensure that the mailing address of your account selected for the application is in Singapore and you must declare that the application is being made in Singapore. Otherwise, your application is liable to be rejected.

(c) Upon the completion of your Internet Placement Application, there will be a Confirmation Screen, which can be printed out by you for your record. This printed record of the Confirmation Screen is for your retention and should not be submitted with any printed Application Form.

(7) In connection with your Electronic Application, you are required to confirm statements to the following effect in the course of activating the Electronic Application:

(a) that you have received a copy of this Prospectus (in the case of ATM Electronic Applications) and have read, understood and agreed to all the terms and conditions of application for the Units and this Prospectus prior to effecting the Electronic Application and agree to be bound by the same;

(b) that you consent to the disclosure of your name, NRIC/passport number, address, nationality, permanent resident status, CDP Securities Account number, CPF Investment Account number (if applicable) and Unit application amount (the "**Relevant Particulars**") from your account with the relevant Participating Bank or DBS Vickers Online, as the case may be, to the Relevant Parties; and

(c) where you are applying for the Offer Units, that this is your only application for the Offer Units and it is made in your name and at your own risk.

Your application will not be successfully completed and cannot be recorded as a completed transaction unless you press the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key in the ATM or click "Confirm" or "OK" or "Submit" or "Continue" or "Yes" or any other relevant button on the website screen. By doing so, you shall be treated as signifying your confirmation of each of the three statements above. In respect of statement 7(b) above, your confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key or by clicking "Confirm" or "OK" or "Submit" or "Continue" or "Yes" or any other relevant button, shall signify and shall be treated as your written permission, given in accordance with the relevant laws of Singapore, including Section 47(2) of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank or DBS Vickers Online, as the case may be, of the Relevant Particulars of your account(s) with that Participating Bank to the Relevant Parties.

(8) You must have sufficient funds in your bank account with your Participating Bank at the time you make your ATM Electronic Application or Internet Electronic Application, failing which such Electronic Application will not be completed. Any ATM Electronic Application or Internet Electronic Application which does not conform strictly to the instructions set out in this Prospectus or on the screens of the ATMs or on the IB website of the relevant Participating Bank, as the case may be, through which your ATM Electronic Application or Internet Electronic Application is being made shall be rejected.

(9) You may apply and make payment for your application for the Offer Units in Singapore currency through any ATM or IB website (as the case may be) of your Participating Bank by authorising your Participating Bank to deduct the full amount payable from your bank account(s) with such Participating Bank.

(10) If you make an Internet Placement Application through the website of DBS Vickers Online, you must have sufficient funds in your nominated Automatic Payment account with an Automatic Payment Facility (direct debit/credit authorisation or "GIRO") with DBS Vickers Online. Your application will be rejected if there are insufficient funds in your account with DBS Vickers Online to deduct the full amount payable for your application.

(11) You irrevocably agree and undertake to subscribe for and to accept the number of Offer Units or Placement Units (as the case may be) applied for as stated on the Transaction Record or the Confirmation Screen or any lesser number of such Offer Units or Placement Units (as the case may be) that may be allocated to you in respect of your Electronic Application. In the event that the Trustee-Manager decides to allocate any lesser number of such Offer Units or Placement Units (as the case may be) or not to allocate any Offer Units or Placement Units (as the case may be) to you, you agree to accept such decision as final. If your Electronic Application is successful, your confirmation (by your action of pressing the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key on the ATM or clicking "Confirm" or "OK" or "Submit" or "Continue" or "Yes" or any other relevant button on the Internet screen) of the number of Offer Units or Placement Units (as the case may be) applied for shall signify and shall be treated as your acceptance of the number of Offer Units or Placement Units (as the case may be) that may be allocated to you and your agreement to be bound by the Trust Deed.

(12) The Trustee-Manager will not keep any application in reserve. Where your Electronic Application is unsuccessful, the full amount of the application monies will be returned (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank, or if you have applied for the Internet Placement Units through DBS Vickers Online, by ordinary post or such other means as DBS Vickers Online may agree with you, at your own risk, within 24 hours(or such shorter period as the SGX-ST may require) after the close of the Offering provided that the remittance in respect of such application which has been presented for payment or other processes has been honoured and the application monies received in the designated unit issue account.

Where your Electronic Application is accepted in full or in part only, the balance of the application monies, as the case may be, will be returned (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank, or if you have applied for the Internet Placement Units through DBS Vickers Online, by ordinary post or such other means as DBS Vickers Online may agree with you, at your risk, within 14 Market Days after the close of the Offering provided that the remittance in respect of such application which has been presented for payment or other processes has been honoured and the application monies received in the designated unit issue account.

If the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will be returned to you within three Market Days after the Offering is discontinued.

Responsibility for timely refund of application monies (whether from unsuccessful or partially successful Electronic Applications or otherwise) lies solely with the respective Participating Banks and with DBS Vickers Online (as the case may be). Therefore, you are strongly advised to consult your Participating Bank or DBS Vickers Online as to the status of your Electronic Application and/or the refund of any money to you from an unsuccessful or partially successful Electronic Application, to determine the exact number of Offer Units or Placement Units (as the case may be), if any, allocated to you before trading the Units on the SGX-ST. None of the SGX-ST, CDP, SCCS, the Participating Banks, DBS Vickers Online, the Trustee-Manager, and the Joint Underwriters assumes any responsibility for any loss that may be incurred as a result of you having to cover any net sell positions or from buy-in procedures activated by the SGX-ST.

(13) If your ATM Electronic Application or Internet Electronic Application is unsuccessful, no notification will be sent by the relevant Participating Bank.

If your Internet Placement Application is unsuccessful, no notification will be sent by DBS Vickers Online.

It is expected that successful applicants who applied for Internet Placement Units will be notified of the results of their applications through the website of DBS Vickers Online no later than the evening of the day immediately prior to the commencement of trading of the Units on the SGX-ST.

Applicants who make ATM Electronic Applications through the following banks may check the provisional results of their ATM Electronic Applications as follows:

Bank	**Telephone**	**Other Channels**	**Operating Hours**	**Service expected from**
DBS Bank	1800-339 6666 (for POSB account holders) 1800-111 1111 (for DBS account holders)	Internet Banking www.dbs.com(1)	24 hours a day	Evening of the balloting day
OCBC	1800-363 3333	ATM/Phonebanking/ Internet Banking/ http:www.ocbc.com(2)	ATM: 24 hours a day Phone Banking: 24 hours a day	Evening of the balloting day
UOB Group	1800-222 2121	ATM (Other Transactions — "IPO Enquiry") www.uobgroup.com(1), (3)	Phone Banking/ ATM: 24 hours a day Internet Banking: 24 hours a day	Evening of the balloting day

(1) Applicants who have made Internet Electronic Applications through the IB websites of DBS Bank or UOB Group may also check the results of their applications through the same channels listed in the table above in relation to ATM Electronic Applications made at the ATMs of DBS or UOB Group.

(2) If you have made your Electronic Application through the ATMs of OCBC Bank, you may check the result of your applications through the same channels listed in the table above.

(3) Applicants who have made Electronic Application through the ATMs or the IB web-site of the UOB Group may check the results of their applications through UOB Personal Internet Banking, UOB ATMs or UOB Phone Banking services.

(14) ATM Electronic Applications shall close at 7.00 a.m. on 30 July 2007 or such other date(s) and time(s) as the Trustee-Manager may agree with the Joint Underwriters. All Internet Electronic Applications and Internet Placement Applications must be received by 7.00 a.m. on 30 July 2007, or such other date(s) and time(s) as the Trustee-Manager may agree with the Joint Underwriters. Internet Electronic Applications and Internet Placement Applications are deemed to be received when they enter the designated information system of the relevant Participating Bank or DBS Vickers Online, as the case may be.

(15) You are deemed to have irrevocably requested and authorised the Trustee-Manager to:

(a) register the Offer Units or Placement Units, as the case may be, allocated to you in the name of CDP for deposit into your Securities Account;

(b) return or refund (without interest or any share of revenue earned or other benefit arising therefrom) the application monies, should your Electronic Application be rejected or if the Offering does not proceed for any reason, by automatically crediting your bank account with your Participating Bank or if you have applied for the Internet Placement Units through DBS Vickers Online, by ordinary post or such other means as DBS Vickers Online may agree with you, at your risk, with the relevant amount within 24 hours after balloting (or such shorter period as the SGX-ST may require), or within three Market Days if the Offering does not proceed for any reason, after the close or discontinuation (as the case may be) of the Offering, PROVIDED THAT the remittance in respect of such application which has been presented for payment or such other processes has been honoured and application monies received in the designated unit issue account; and

(c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should your Electronic Application be accepted or accepted in part only, by automatically crediting your bank account with your Participating Bank or if you have applied for Internet Placement Units through DBS Vickers Online, by ordinary post or such other means as DBS Vickers Online may agree with you, at your risk, with the relevant amount within 14 Market Days after the close of the Offering, PROVIDED THAT the remittance in respect of such application which has been presented for payment or such other processes has been honoured and application monies received in the designated unit issue account.

(16) You irrevocably agree and acknowledge that your Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdown, fires, acts of God and other events beyond the control of the Participating Banks, DBS Vickers Online, the Trustee-Manager, and the Joint Underwriters, and if, in any such event the Trustee-Manager, the Joint Underwriters, DBS Vickers Online and/or the relevant Participating Bank do not receive your Electronic Application, or any data relating to your Electronic Application or the tape or any other devices containing such data is lost, corrupted or not otherwise accessible, whether wholly or partially for whatever reason, you shall be deemed not to have made an Electronic Application and you shall have no claim whatsoever against the Trustee-Manager, the Joint Underwriters and/or the relevant Participating Bank or DBS Vickers Online for any Offer Units or Placement Units, as the case may be, applied for or for any compensation, loss or damage.

(17) The existence of a trust will not be recognised. Any Electronic Application by a trustee must be made in his own name and without qualification. The Trustee-Manager shall reject any application by any person acting as nominee.

(18) All your particulars in the records of your Participating Bank or DBS Vickers Online (as the case may be) at the time you make your Electronic Application shall be deemed to be true and correct and your Participating Bank or DBS Vickers Online (as the case may be) and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in your particulars after making your Electronic Application, you must promptly notify your Participating Bank or DBS Vickers Online (as the case may be).

(19) You should ensure that your personal particulars as recorded by both CDP and the relevant Participating Bank or DBS Vickers Online (as the case may be) are correct and identical. Otherwise, your Electronic Application is liable to be rejected. You should promptly inform CDP of any change in address, failing which the notification letter on successful allocation will be sent to your address last registered with CDP.

(20) By making and completing an Electronic Application, you are deemed to have agreed that:

(a) in consideration of the Trustee-Manager making available the Electronic Application facility, through the Participating Banks and DBS Vickers Online acting as agents of the Trustee-Manager at the ATMs and IB websites of the relevant Participating Banks and the website of DBS Vickers Online:

(i) your Electronic Application is irrevocable;

(ii) your Electronic Application, the acceptance by the Trustee-Manager and the contract resulting therefrom under the Offering shall be governed by and construed in accordance with the laws of Singapore and you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;

(iii) you represent and agree that you are not a US person (as defined in Regulation S).

(b) none of CDP, the Trustee-Manager, the Joint Underwriters, the Participating Banks and DBS Vickers Online shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to your Electronic Application to the Trustee-Manager, or CDP due to breakdowns or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 16 above or to any cause beyond their respective controls;

(c) in respect of the Units for which your Electronic Application has been successfully completed and not rejected, acceptance of your Electronic Application shall be constituted by written notification by or on behalf of the Trustee-Manager and not otherwise, notwithstanding any payment received by or on behalf of the Trustee-Manager;

(d) you will not be entitled to exercise any remedy for rescission for misrepresentation at any time after acceptance of your application; and

(e) reliance is placed solely on information contained in the Prospectus and that none of the Trustee-Manager, the Joint Underwriters, and any other person involved in the Offering shall have any liability for any information not contained therein.

Steps for ATM Electronic Applications for Offer Units through ATMs of DBS Bank (including POSB ATMs)

Instructions for ATM Electronic Applications will appear on the ATM screens of the respective Participating Bank. For illustration purposes, the steps for making an ATM Electronic Application through a DBS Bank or POSB ATM are shown below. Certain words appearing on the screen are in abbreviated form ("A/C", "amt", "appln", "&", "I/C", "No.", "SGX" and "Max" refer to "Account", "amount", "application", "and", "NRIC", "Number", "SGX-ST" and "Maximum", respectively). Instructions for ATM Electronic Applications on the ATM screens of Participating Banks (other than DBS Bank (including POSB)), may differ slightly from those represented below.

Step 1 : Insert your personal DBS Bank or POSB ATM Card.

2 : Enter your Personal Identification Number.

3 : Select "CASHCARD & MORE SERVICES".

4 : Select "ESA-IPO SHARE/INVESTMENT".

5 : Select “ELECTRONIC SECURITY APPLN (IPOS/BOND/ST-NOTES)”.

6 : Read and understand the following statements which will appear on the screen:

- THE OFFER OF SECURITIES (OR UNITS OF SECURITIES) WILL BE MADE IN, OR ACCOMPANIED BY, A COPY OF THE PROSPECTUS/DOCUMENT OR PROFILE STATEMENT (AND IF APPLICABLE, A COPY OF THE REPLACEMENT OR SUPPLEMENTARY PROSPECTUS/DOCUMENT OR PROFILE STATEMENT) WHICH CAN BE OBTAINED FROM ANY DBS/POSB BRANCH IN SINGAPORE AND, WHERE APPLICABLE, THE VARIOUS PARTICIPATING BANKS DURING BANKING HOURS, SUBJECT TO AVAILABILITY.

- ANYONE WISHING TO ACQUIRE THESE SECURITIES (OR UNITS OF SECURITIES) SHOULD READ THE PROSPECTUS/DOCUMENT OR PROFILE STATEMENT (AS SUPPLEMENTED OR REPLACED, IF APPLICABLE) BEFORE SUBMITTING HIS APPLICATION WHICH WILL NEED TO BE MADE IN THE MANNER SET OUT IN THE PROSPECTUS/DOCUMENT OR PROFILE STATEMENT (AS SUPPLEMENTED OR REPLACED, IF APPLICABLE). A COPY OF THE PROSPECTUS/DOCUMENT OR PROFILE STATEMENT, AND IF APPLICABLE, A COPY OF THE REPLACEMENT OR SUPPLEMENTARY PROSPECTUS/DOCUMENT OR PROFILE STATEMENT HAS BEEN LODGED WITH AND REGISTERED BY THE MONETARY AUTHORITY OF SINGAPORE WHO ASSUMES NO RESPONSIBILITY FOR ITS OR THEIR CONTENTS.

7 : Select “AITRUST” to display details.

8 : Press the “ENTER” key to acknowledge:

- YOU HAVE READ, UNDERSTOOD AND AGREED TO ALL TERMS OF THE APPLICATION AND PROSPECTUS/DOCUMENT OR PROFILE STATEMENT, AND IF APPLICABLE, THE REPLACEMENT OR SUPPLEMENTARY PROSPECTUS/DOCUMENT OR PROFILE STATEMENT.

- YOU CONSENT TO DISCLOSE YOUR NAME, NRIC/PASSPORT NO., ADDRESS, NATIONALITY, CDP SECURITIES A/C NO., CPF INVESTMENT A/C NO. AND SECURITY APPLN AMOUNT FROM YOUR BANK A/C(S) TO SHARE REGISTRARS, SGX, SCCS, CDP, CPF AND THE ISSUER/VENDOR(S).

- FOR FIXED AND MAX PRICE SECURITY APPLICATION, THIS IS YOUR ONLY APPLICATION AND IT IS MADE IN YOUR OWN NAME AND AT YOUR OWN RISK.

- THE MAXIMUM PRICE FOR EACH SHARE IS PAYABLE IN FULL ON APPLICATION AND SUBJECT TO REFUND IF THE FINAL PRICE IS LOWER.

- FOR TENDER SECURITY APPLICATIONS, THIS IS YOUR ONLY APPLICATION AT THE SELECTED TENDER PRICE AND IT IS MADE IN YOUR OWN NAME AND AT YOUR OWN RISK.

- YOU ARE NOT A US PERSON AS REFERRED TO IN THE PROSPECTUS/ DOCUMENT OR PROFILE STATEMENT AND IF APPLICABLE, THE REPLACEMENT OR SUPPLEMENTARY PROSPECTUS/DOCUMENT OR PROFILE STATEMENT.

9 : Select your nationality.

10 : Select the DBS Bank account (Autosave/Current/Savings/Savings Plus) or the POSB account (Current/Savings) from which to debit your application monies.

11 : Enter the number of securities you wish to apply for using cash.

12 : Enter or confirm (if your CDP Securities Account number has already been stored in DBS Bank's records) your own 12-digit CDP Securities Account number.

13 : Check the details of your securities application, your NRIC or passport number and CDP Securities Account number and number of securities on the screen and press the "ENTER" key to confirm your application.

14 : Remove the Transaction Record for your reference and retention only.

Steps for Internet Electronic Application for Offer Units through the IB Website of DBS Bank

For illustrative purposes, the steps for making an Internet Electronic Application through the DBS Bank IB website are shown below. Certain words appearing on the screen are in abbreviated form ("A/C", "&", "amt", "I/C" and "No." refer to "Account", "and", "Amount", "NRIC" and "Number", respectively).

Step 1 : Click on DBS Bank website (www.dbs.com)

2 : Login to Internet banking.

3 : Enter your User ID and PIN.

4 : Select "Electronic Security Application (ESA)".

5 : Click "Yes" to proceed and to warrant, *inter alia*, that you are currently in Singapore, you have observed and complied with all applicable laws and regulations and that your mailing address for DBS Internet Banking is in Singapore.

6 : Select your country of residence.

7 : Click on "AITRUST" and click the "Submit" button.

8 : Click on "Confirm" to confirm, *inter alia*:

- You have read, understood and agreed to all terms of this application and the Prospectus/Document or Profile Statement and if applicable, the Supplementary or Replacement Prospectus/Document or Profile Statement.
- You consent to disclose your name, NRIC or Passport No., address, nationality, CDP Securities A/c No., CPF Investment A/c No. (if applicable) and securities application amount from your DBS/POSB Account(s) to registrars of securities, SGX, SCCS, CDP, CPF Board and issuer/vendor(s).
- You are not a U.S. Person (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended).
- This application is made in your own name and at your own risk.
- For FIXED/MAX price securities application, this is your only application. For TENDER price securities application, this is your only application at the selected tender price.

9 : Fill in details for securities application and click "Submit".

10 : Check the details of your securities application, your NRIC or passport number and click "OK" to confirm your application.

11 : Print the Confirmation Screen (optional) for your reference and retention only.

Steps for Internet Placement Applications for Placement Units through the website of DBS Vickers Online

For illustrative purposes, the steps for making an application through the website of DBS Vickers Online is shown below.

Step 1 : Access the website at "www.dbsvonline.com".

2 : Login with user ID and password.

3 : Click on to the IPO Centre hyperlink to go to the IPO Section.

4 : Click on the IPO Issue hyperlink.

5 : Click "Yes" to represent and warrant that, *inter alia*, that you are in Singapore and you are not a U.S. person (as such term is defined in Regulation S).

6 : Confirm the IPO applying for and its details by clicking on the "Next" button.

7 : Click "Yes" and click "Submit" to confirm, *inter alia*:–

- You have read, understood and agreed to the terms and conditions set out in the Prospectus/Document or Profile Statement including the notes and instructions for the completion of this Application Form and that this application has been made in accordance with the Prospectus/Document or Profile Statement and such notes and instructions.
- You have read and understood the disclaimers.
- You have read, understood and agreed to the "APPLICATION TERMS AND CONDITIONS" and the "GENERAL TERMS AND DISCLAIMERS".
- You consent to disclose your name, NRIC or passport number, address, nationality and permanent resident status, CDP Securities A/c No., CPF Investment A/c No. (if applicable) and securities application amount from your account with DBS Vickers Online to the Issuer and the Manager, registrars of securities, SGX, SCCS, CDP and CPF (as applicable).
- This application is made in your own name and at your own risk.
- You understand that these are not deposits or other obligations of or guaranteed or insured by DBS Vickers Online and are subject to investment risks, including the possible loss of the principal amount invested.
- You declare that (a) you are not under 21 years of age, (b) you are not a corporation, sole-proprietorship, partnership or any other business entity, (c) you are not an undisclosed bankrupt, (d) you are in Singapore, (e) you have a mailing address in Singapore and (f) you are not a U.S. person (within the meaning of Regulation S).

8 : Fill in amount of securities applied for and preferred payment mode, then click "Submit".

9 : Check and verify the details of your securities application and your personal particulars on the screen.

10 : Enter your password and click "Submit" to continue.

11 : Click on "Application Status" to check your IPO application details.

12 : Print for your reference and retention only.

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LIST OF PRESENT AND PAST PRINCIPAL DIRECTORSHIPS OF DIRECTORS AND EXECUTIVE OFFICERS

The principal present directorships, other than those held in the Trustee-Manager and the principal past directorships in the last five years of each of the directors and executive officers (named in "The Trustee-Manager") of the Trustee-Manager are as follows:

Director/Executive Officer

(1) Mr Philip Yeo Liat Kok

Current Directorships	Past Directorships (for a period of five years preceding 20 June 2007)
A-Bio Pharma Pte. Ltd.	Bio*One Capital Pte Ltd
Accuron Technologies Limited	Biomedical Sciences Institutes
Dornier MedTech GmbH	Biomedical Sciences Investment Fund Pte Ltd
ES Cell International Pte Ltd	Blue Dot Biomedical Limited
Far Eastern Bank Limited	Blue Dot Capital Pte Ltd
Hexagon Development Advisors Pte. Ltd.	EDB Investments Pte Ltd
ICB (2002) Limited	InfoSys of India
MTIC Holdings Pte. Ltd.	Infosys Technologies Limited
P*Yeo investments Pte. Ltd.	Life Sciences Investments Pte Ltd
PLE Investments Pte Ltd	Mapletree Investments Pte Ltd
S*Bio Pte Ltd	Pharmbio Growth Fund Pte Ltd
United Overseas Bank Limited	Silkroute Holdings Pte Ltd
	Singapore Bio-Innovations Pte Ltd
	Singapore Precision Industries 2000 Pte. Ltd.

(2) Mr David Lim Tik En

Current Directorships	Past Directorships (for a period of five years preceding 20 June 2007)
Singapore DanceTheatre Limited	APL (Bermuda) Ltd.
The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Ltd (UK P&I)	APL Co. Pte Ltd
	APL Logistics Ltd
	Automar (Bermuda) Ltd.
	Neptune Orient Lines Limited
	NOL Beyond Boundaries Trust Fund (United States)
	NOL Beyond Boundaries Trust Fund (Singapore)

(3) Mr Lim Hock San

Current Directorships

Aquamarina Hotel Private Limited
Ascendas Pte Ltd
Avondale Properties Ltd
Beijing Landmark Towers Company Ltd
Brendale Pte Ltd
Crown Million Enterprises Ltd
Gallant Venture Ltd
Hanon Resources Ltd
Hotel Marina City Private Limited
Hsu Fu Chi International Limited
Indofood Agri Resources Ltd
Interra Resources Limited
Keppel Corporation Limited
Kogan Investments Ltd
Marina Bay Hotel Private Limited
Marina Centre Holdings Private Limited
Marina Management Services Pte Ltd
Novena Square Development Ltd
Novena Square Investments Ltd
Realty Management Services (Pte) Ltd
Singapore Institute Of Directors
Singapore Land Limited
Singapore-Suzhou Township Development Pte Ltd
Singland China Holdings Pte Ltd
UIC China Realty Pte Ltd
UIC JinTravel (Tianjin) Co Ltd
UIC Technologies Pte Ltd
UIC Investments (Properties) Pte Ltd
Union Charm Development Ltd
United Industrial Corporation Limited
United Regency Pte Ltd
United Test and Assembly Center Ltd

Past Directorships (for a period of five years preceding 20 June 2007)

Active Building & Civil Construction (1985) Pte Ltd
Advanced Materials Technologies Pte Ltd
Air Transport Training College Pte Ltd
Alprop Pte Ltd
Alshine Pte Ltd
Changi Airports International Pte Ltd
Chinese Development Assistance Council
CITIC-UIC Investment Pte Ltd
Civil Aviation Authority Of Singapore
Gateway Land Limited
Health Sciences Authority
Ideal Homes Pte Limited
Marina Centre Properties Pte Ltd
Marina Centre Realty Pte Ltd
Marina Food Court Pte Ltd
Marina Laundry Private Limited
Midway Holding (Pte) Ltd
MPC Holdings Ltd
Pasir Ris Resort Pte Ltd
Pothonier Singapore Pte Ltd
RMA-Land Development Private Ltd
S L Prime Development Pte Ltd
S L Prime Properties Pte Ltd
S L Prime Realty Pte Ltd
S. L. Development Management Pte Limited
S. L. Development Pte Limited
S. L. Management Services Pte Limited
S. L. Properties Limited
Shing Kwan Realty (Pte) Limited
Silkroute E-Commerce Fund I Ltd
Singapore Changi Airport Enterprise Pte Ltd
Singapore Pacific Management Services Pte Ltd
Singapore Soviet Shipping Co. Private Ltd.[1]
Sino-America Tours Corporation Pte Ltd
UIC China Resources Pte Ltd
UIC Development (Private) Limited
UIC Enterprise Pte Ltd
UIC Investment Pte Ltd
UIC Land Pte Ltd
UIC Printing & Packaging Pte Ltd
Universal Integrated Corporation Consumer Products Pte Ltd
UOB Venture Investments II Limited

(1) Singapore Soviet Shipping Co. Private Ltd. was put into voluntary creditors' liquidation on 10 March 2003. The liquidation process is still ongoing and is expected to complete in June 2007. Singapore Soviet Shipping Co. Private Ltd. was an associated company of United Industrial Corporation Ltd and was directly managed by two joint managing directors. Mr Lim was not involved in the day-to-day management of Singapore Soviet Shipping Co. Private Ltd.

(4) Mr Sundaresh Menon

Current Directorships	**Past Directorships (for a period of five years preceding 20 June 2007)**
Singapore Mediation Centre	City Gas Pte Ltd Singapore International Arbitration Centre

(5) Mr Amal Ganguli

Current Directorships	**Past Directorships (for a period of five years preceding 20 June 2007)**
AIG Trustee Company India Ltd. AVTEC Ltd Century Textiles and Industries Ltd Flextronics Software Systems Ltd HCL Technologies Ltd Hughes Communications India Ltd ICRA Ltd Maruti Udyog Ltd ML Infomap Pvt Ltd New Delhi Television Ltd Tube Investments of India Ltd Videsh Sanchar Nigam Ltd	Samtel Colour Limited

(6) Ms Chong Siak Ching

Current Directorships	**Past Directorships (for a period of five years preceding 20 June 2007)**
Ascendas — MGM Funds Management Ltd Ascendas — OSK REIT Management Sdn Bhd Ascendas (China) Pte Ltd Ascendas (Korea) Pte Ltd Ascendas (Malaysia) Pte Ltd Ascendas China Commercial Fund Management Pte Ltd Ascendas China Commercial Trustee Pte Ltd Ascendas China Fund Management Pte Ltd Ascendas China Trustee Pte Ltd Ascendas Holdings (Manila) Pte Ltd Ascendas Investment Pte Ltd Ascendas IT Park (Chennai) Limited Ascendas Land (Singapore) Pte Ltd Ascendas Land International Pte Ltd Ascendas Malaysia Investments Pte Ltd Ascendas Nanjing-JiangNing Investment Holding Pte Ltd Ascendas Philippines Properties Pte Ltd Ascendas Pte Ltd	Ascendas Property Fund (India) Pte Ltd Ascendas Property Fund Trustee Pte Ltd Information Technology Park Investments Pte Ltd Jurong International Holdings Pte Ltd PT Gerbang Teknologi Cikarang

(6) Ms Chong Siak Ching

Current Directorships	**Past Directorships (for a period of five years preceding 20 June 2007)**
Ascendas S.E. Asia Business Space Fund Trustee Pte Ltd Carmelray — JTCI Corporation China-Singapore Suzhou Industrial Park Development Co Ltd Fraser Property (China) Limited Information Technology Park Limited National Community Leadership Institute Singapore-India Partnership Foundation Singapore-Suzhou Industrial Holdings Pte Ltd Singapore-Suzhou Township Development Pte Ltd Singapore Tourism Board	

(7) Mr Jonathan Yap Neng Tong

Current Directorships	**Past Directorships (for a period of five years preceding 20 June 2007)**
Ascendas India Development Fund Management Pte Ltd	East Dragon Securities Limited Game Link Limited Golden Melody Assets Limited Heartland Retail Holdings Pte Ltd Prime Asset Holdings Limited Prime Industrial Holdings Private Limited Prime Residential Holdings Pte Ltd Prime Retail Holdings Pte Ltd Pure Properties Limited Quintique Investment Pte Ltd Lend Lease Investment Management Pte. Ltd. Lend Lease Property Management (Singapore) Pte Ltd Lend Lease Real Estate Investments Pte Ltd Lend Lease Retail Pte. Ltd. Magic Island Investments Limited Newfaith Properties Limited Smiling Dragon Limited Ascendas (India) Private Limited Ascendas IT Park (Kolkata) Private Limited Ascendas IT Park (Pune) Private Limited Ascendas IT Park (Chennai) Limited Ascendas Mahindra IT Park Pvt Ltd Cyber Pearl Information Technology Park Private Limited VITP Private Limited

(8) Mr Johnnie Tng Chin Hwee

Current Directorships	**Past Directorships (for a period of five years preceding 20 June 2007)**
Ascendas IT Park (Pune) Private Limited Ascendas IT Park (Kolkata) Private Limited Ascendas India Private Limited Cyber Pearl Information Technology Park Private Limited Vibrant Capital Pte Ltd VITP Private Limited	Airbee Wireless Pte. Ltd. Collectivejuice Ltd Creation Street Pte Ltd Healthmedian Pte Ltd Latitude Web Pte Ltd Pacific Coal Limited (BVI) Pacific Coal Limited (HK) Pacific Coal Pte Ltd Silkroute Capital Ltd Silkroute E-Commerce Fund I Ltd Silkroute E-Investments Pte Ltd Silkroute Indus Pte Ltd Vianeti Pte Ltd Whois.Com Pte Ltd

(9) Mr Soundararajan Ram

Current Directorships	**Past Directorships (for a period of five years preceding 20 June 2007)**
None	None

(10) Ms Chin Yean Cheng

Current Directorships	**Past Directorships (for a period of five years preceding 20 June 2007)**
Ascendas Plaza Pte Ltd Ascendas Zpark (Singapore) Pte Ltd Singapore-Hangzhou Science & Technology Park II Pte Ltd Singapore-Hangzhou Science & Technology Park III Pte Ltd Singapore-Hangzhou Science & Technology Park IV Pte Ltd Singapore-Hangzhou Science & Technology Park V Pte Ltd Singapore-Hangzhou Science & Technology Park VI Pte Ltd	None

(11) Ms Susan Anwar

Current Directorships	**Past Directorships (for a period of five years preceding 20 June 2007)**
None	None

(12) Mr Tang Ming Yen Edmund

Current Directorships	**Past Directorships (for a period of five years preceding 20 June 2007)**
75 Volts Pte Ltd Mustard Seeds Learning Centre Pte Ltd Mustard Seeds @ Hougang Pte. Ltd.	None

TRUSTEE-MANAGER OF ASCENDAS INDIA TRUST

Ascendas Property Fund Trustee Pte. Ltd.
75 Science Park Drive,
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Singapore 118255

SOLE FINANCIAL ADVISER TO THE OFFERING

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168 Robinson Road,
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Singapore 068912

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Singapore 068912

Citigroup Global Markets Singapore Pte. Ltd.
3 Temasek Avenue, #12-00
Centennial Tower
Singapore 039190

DBS Bank Ltd
6 Shenton Way
DBS Building Tower One
Singapore 068809

UNIT REGISTRAR AND UNIT TRANSFER OFFICE
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3 Church Street
#08-01 Samsung Hub
Singapore 049483

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Legal Adviser to the Offering, and to the Trustee-Manager and the Sponsor

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Legal Adviser to the Trustee-Manager and the Sponsor as to Indian Law

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Mumbai 400 021

Legal Adviser to the Joint Underwriters and Bookrunners as to Singapore Law

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Singapore 049145

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Certified Public Accountants
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Singapore 048424

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Ernst & Young

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Singapore 048583

INDEPENDENT VALUER

Cushman & Wakefield VHS Pte. Ltd.
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#29-03 OUB Centre
Singapore 048616

INDEPENDENT MARKET RESEARCH CONSULTANT

Jones Lang LaSalle Property Consultants (India) Pvt Ltd
Level 9, Tower A, Global Business Park
Mehrauli Gurgaon Road, Gurgaon 122002
India

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THE ASCENDAS ADVANTAGE

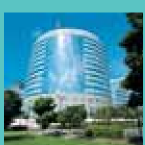
Ascendas' commitment to excellence gives our customers the Advantage of quality business space, reliable business solutions and an international business lifestyle.

Your Trusted Partner in Business Space

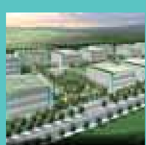
ASCENDAS IN INDIA

Ascendas Pte Ltd (Ascendas) develops IT Parks and hi-tech buildings, as well as Built-to-Suit and Ready-Built Facilities. Starting with the landmark International Tech Park Bangalore (ITPB), Ascendas has since followed on its success with CyberPearl and The V in Hyderabad, and International Tech Park Chennai (ITPC). Ascendas is also developing International Tech Parks in Pune (ITPP) and Nagpur (ITPN) as well as CyberVale, an IT Park within Mahindra World City in Chennai.

In June 2005, Ascendas launched the Ascendas India IT Parks Trust, a private real estate fund seeded by two prime properties – ITPB and The V. The Trust later acquired CyberPearl and ITPC and is now being offered for listing and renamed Ascendas India Trust. In June 2007, Ascendas also launched Ascendas India Development Trust, a private trust focusing on integrated developments in India.


ITPB
Bangalore


ITPC
Chennai


ITPN
Nagpur


ITPP
Pune


The V
Hyderabad


CyberPearl
Hyderabad


CyberVale
Chennai

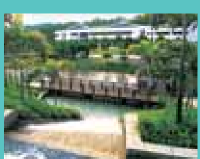
THE PREFERRED ADDRESS IN ASIA

Ascendas is Asia's premier provider of business space solutions, with a significant presence in regional markets like Singapore, China, India and South Korea. Among its flagships are the Singapore Science Park, Ascendas Plaza in Shanghai and Ascendas-Xinsu in Suzhou, China. Over 1,300 of the world's leading companies, many in the Fortune 500 list, have made Ascendas properties their preferred address in Asia.

In November 2002, Ascendas launched Singapore's first business space trust, known as the Ascendas Real Estate Investment Trust, or A-REIT. In November 2006 it participated in A-KOF, an office fund in Korea.

In July 2007, it launched the Ascendas ASEAN Business Space Fund.

Ascendas develops, manages and markets IT parks, industrial parks (manufacturing, logistics and distribution centres), business parks, science parks, high-tech facilities, office and retail space.


Singapore Science Park
Singapore


Ascendas Plaza
Shanghai, China


Ascendas-Xinsu
Suzhou, China


Dalian Ascendas IT Park
Dalian, China


Citibank Center
Seoul, Korea

Ascendas India Trust

Singapore's First Listed Indian Property Trust