



# FY 2009/10 Financial Results Presentation

29 April 2010



Asia's First Listed Indian Property Trust

**This presentation focuses on a-iTrust's results for the financial quarter and financial year ended 31 March 2010 ("FY 09/10"). This shall be read in conjunction with a-iTrust's full announcement of results via SGXNet, a copy of which available on [www.sgx.com](http://www.sgx.com) or [www.a-itrust.com](http://www.a-itrust.com).**

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of property rental income and occupancy rate, changes in operating expenses (including employee wages, benefits and training, property expenses), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's current view on future events.

# Agenda

- Overview
- Financial Results
- Growth Strategies
- Full Year Performance

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# Key Highlights



## **Revenue Growth :**

- Total Property Income for FY 09/10 rose 2% over last FY
- Net Property Income for FY 09/10 exceeded last FY by 12%



**FY 09/10 DPU of 7.55 Singapore cents was stable compared to last year's**







## **FY 09/10 distribution reflects yield of:**

- 7.8% over the closing price of S\$0.97 on 31 March 2010
- 7.6% over the closing price of S\$1.00 on 28 April 2010



**Net Asset Value to unitholders was S\$ 688 million or S\$0.90 per unit as at 31 March 2010**

# Key Highlights

-  **Over FY 09/10, 0.8 million sq ft of space was leased or renewed, posting a strong retention rate of 77%**
-  **Strong & stable 97% portfolio occupancy**
-  **Low client concentration with 10 largest tenants accounted for about 31% of portfolio base rent**
-  **Strong Balance Sheet:**
  - Low gearing of about 19% (loan to value) as at 31 March 2010, hence substantial debt capacity to fund future development / acquisition**

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# Financial Results –

## 4Q FY09/10 vs 4Q FY08/09

	4Q FY09/10 (S\$ '000)	4Q FY08/09 (S\$ '000)	Variance (%)	Reasons
<b>Total Property Income</b>	<b>30,899/ INR 1,008m</b>	<b>30,826/ INR 1,005m</b>	<b>0% 0%</b>	• Stable rental and occupancy rates
<b>Net Property Income</b>	<b>16,945/ INR 553m</b>	<b>17,425/ INR 565m</b>	<b>(3%) (2%)</b>	• Higher total property expenses due to higher utilities expenses from higher fuel cost (to operate dedicated power plant at ITPB) and expenses for overhaul of power plant engines
<b>Net Profit After Tax</b>	<b>18,775</b>	<b>(39,020)</b>	<b>^</b>	<ul style="list-style-type: none"> <li>• Fair value gains on investment properties of S\$ 7.5m compared to fair value losses of \$ 53.9m last year</li> <li>• Foreign exchange gains of S\$ 2.7m due to unrealised gains from carrying value restatement by 1) S\$ 0.8m for JPY* loan, and 2) S\$ 1.8m for SGD loan.</li> </ul>
<b>Distributable Income</b>	<b>13,633</b>	<b>15,585</b>	<b>(13%)</b>	<ul style="list-style-type: none"> <li>• Higher net financing costs by S\$ 0.7m</li> <li>• One-time payment of stamp duty of S\$ 0.7m on sale of a building in ITPB in FY2008/09</li> <li>• Provision of sales tax of S\$ 0.4m</li> </ul>
<b>DPU (S\$ Cents)</b>	<b>1.79</b>	<b>2.05</b>	<b>(13%)</b>	

\* Originally floating-rate JPY-denominated borrowings for which the Group has entered into a cross-currency swap to exchange into fixed-rate INR obligations

^ Not meaningful



# Financial Results –

## FY09/10 vs FY08/09

	FY09/10 (S\$ '000)	FY08/09 (S\$ '000)	Variance (%)	Reasons
<b>Total Property Income</b>	<b>120,862/ INR 4,007m</b>	<b>118,079/ INR 3,783m</b>	<b>2% 6%</b>	<ul style="list-style-type: none"> <li>• Higher operations and maintenance income due to higher energy billings from ITPB's dedicated power plant</li> <li>• Additional car park income from the new multi-level car park at ITPB</li> </ul>
<b>Net Property Income</b>	<b>73,793/ INR 2,448m</b>	<b>66,161/ INR 2,117m</b>	<b>12% 16%</b>	<ul style="list-style-type: none"> <li>• Lower total property expenses due to: <ul style="list-style-type: none"> <li>➢ Lower operating, maintenance and security charges from cost management</li> <li>➢ Lower utilities expenses from energy saving</li> <li>➢ Reversal of doubtful debt provision and lower indirect tax provision</li> </ul> </li> </ul>
<b>Net Profit After Tax</b>	<b>52,618</b>	<b>2,399</b>	<b>2093%</b>	<ul style="list-style-type: none"> <li>• Fair value gains on investment properties of S\$ 7.5m compared to fair value losses of \$ 53.9m last year</li> <li>• Foreign exchange gains of S\$ 5.8m due to unrealised gains from carrying value restatement by 1) S\$ 4.2m for JPY* loan, and 2) S\$ 1.8m for SGD loan (offset by S\$ 0.2m unrealised losses from transactions)</li> </ul>
<b>Distributable Income</b>	<b>57,535</b>	<b>57,070</b>	<b>1%</b>	• Stable
<b>DPU (S\$ Cents)</b>	<b>7.55</b>	<b>7.54</b>	<b>0%</b>	

\* Originally floating-rate JPY-denominated borrowings for which the Group has entered into a cross-currency swap to exchange into fixed-rate INR obligations

# Distribution per Unit

Period	1 April 2009 to 31 March 2010
1Q FY09/10	2.06 ¢ per unit
2Q FY09/10	1.85 ¢ per unit
3Q FY09/10	1.85 ¢ per unit
4Q FY09/10	1.79 ¢ per unit
<hr/>	
FY09/10	7.55 ¢ per unit
<hr/>	
FY08/09	7.54 ¢ per unit

**2H FY09/10 DPU**  
3.64 ¢ / unit

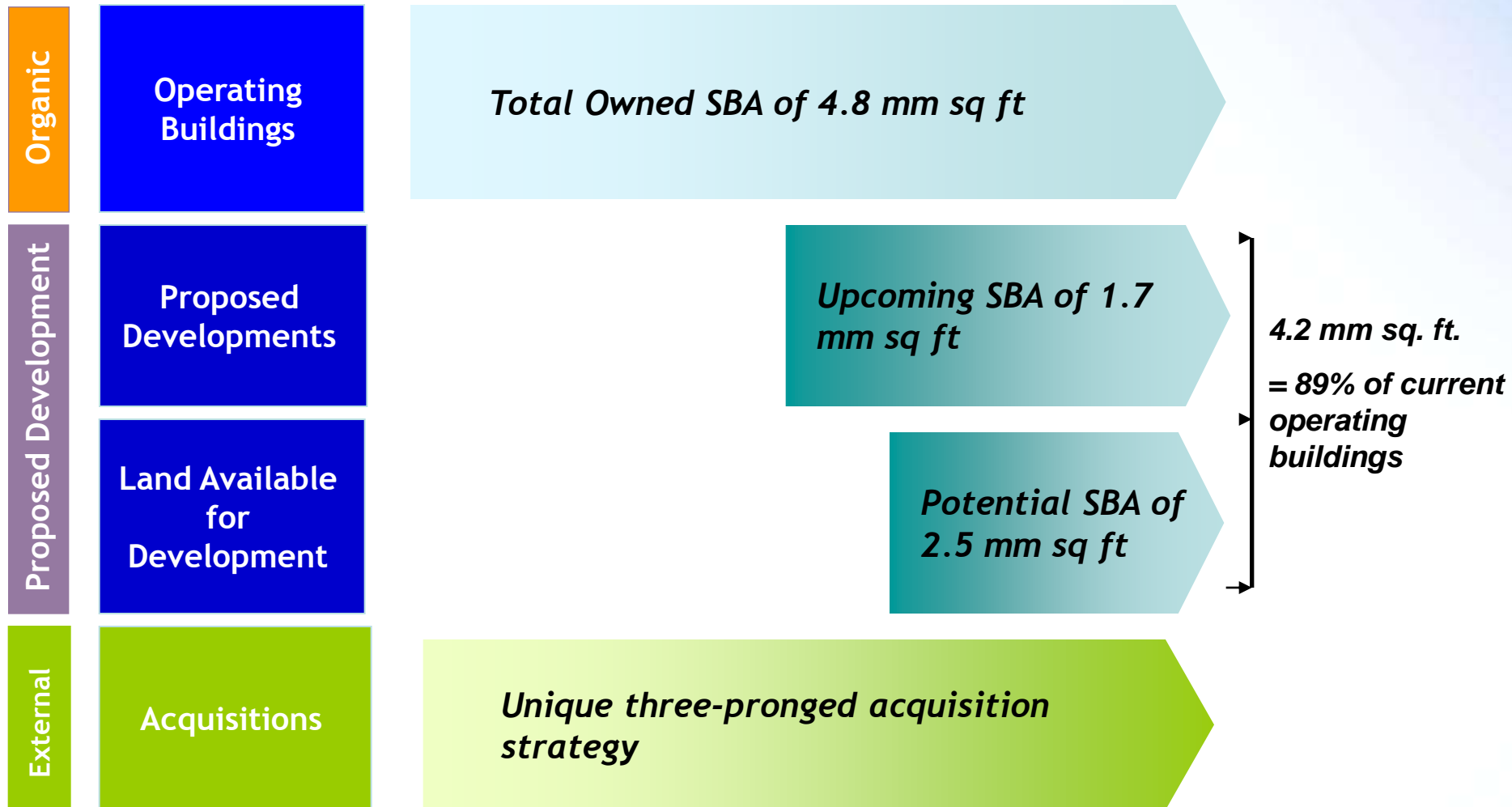
- 12 May 2010: Units traded ex-distribution
- 26 May 2010: Payment

Distributions are paid on semi-annual basis, for the six-month periods ending 31 March and 30 September of each year

# Agenda

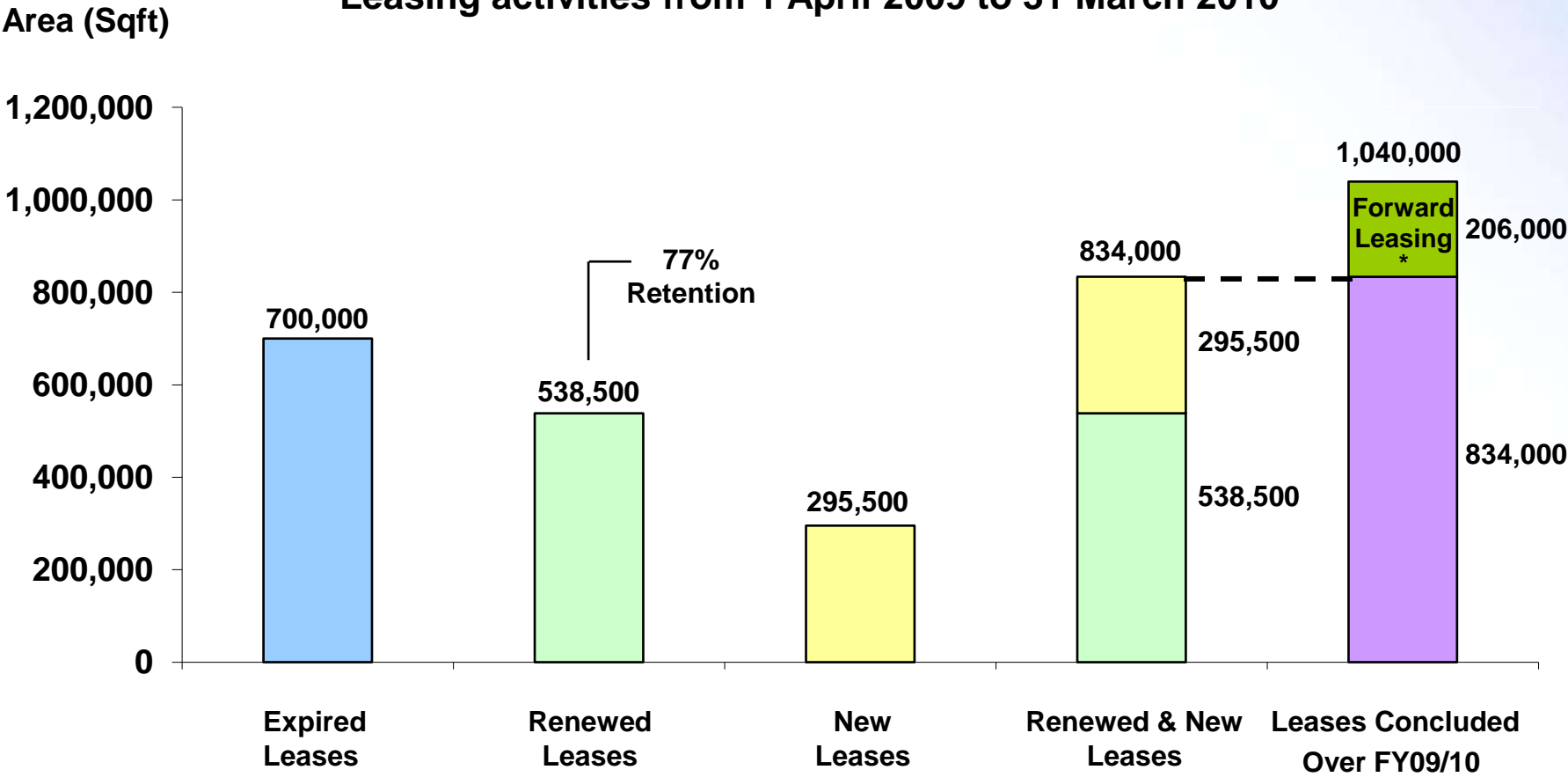
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# Growth Strategy



# Organic Growth

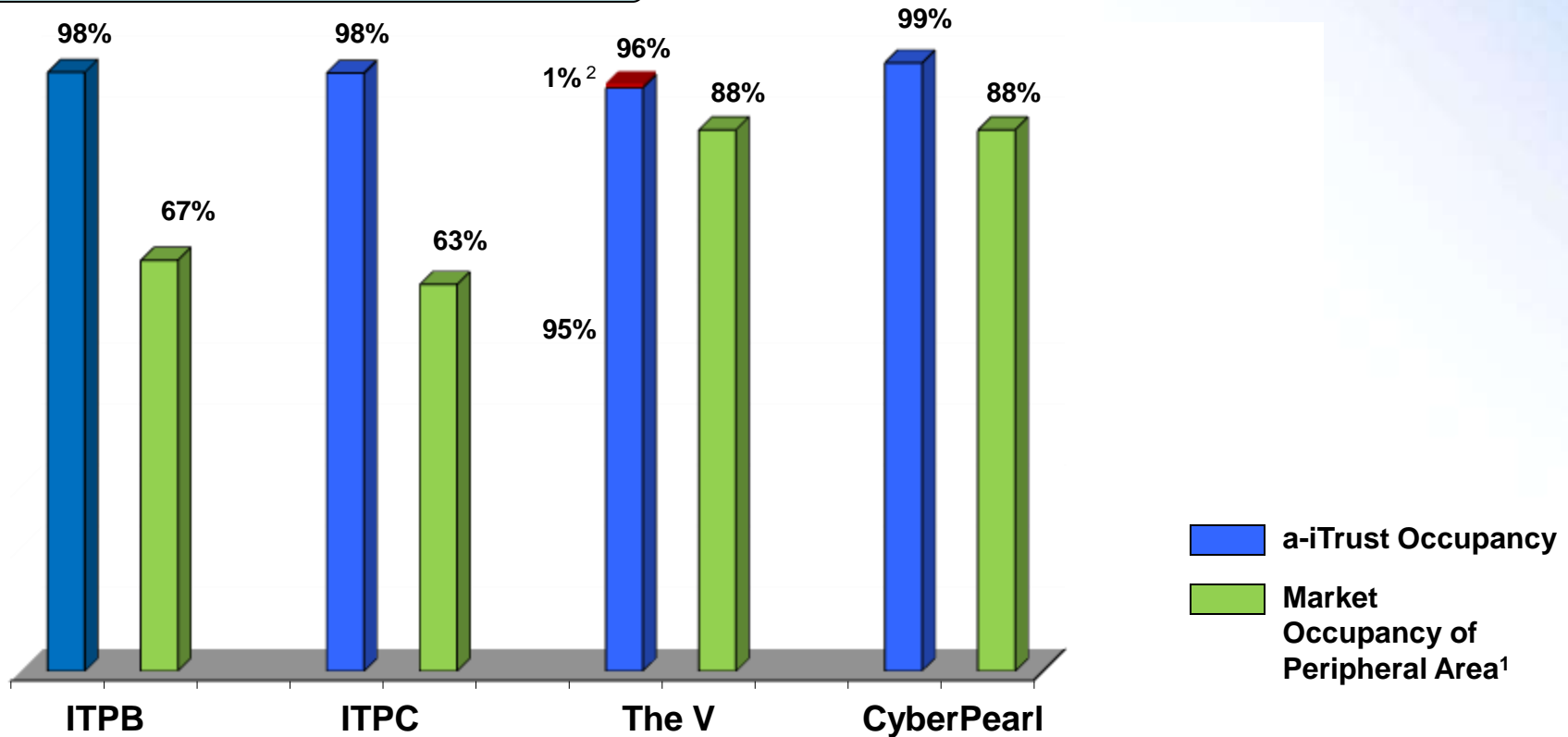
Leasing activities from 1 April 2009 to 31 March 2010



\* Signed leases which have not commenced

# Organic Growth - Stability

## Maintaining High Occupancy Rates



**Portfolio Weighted Average Occupancy as at 31 March 2010 was 97%**

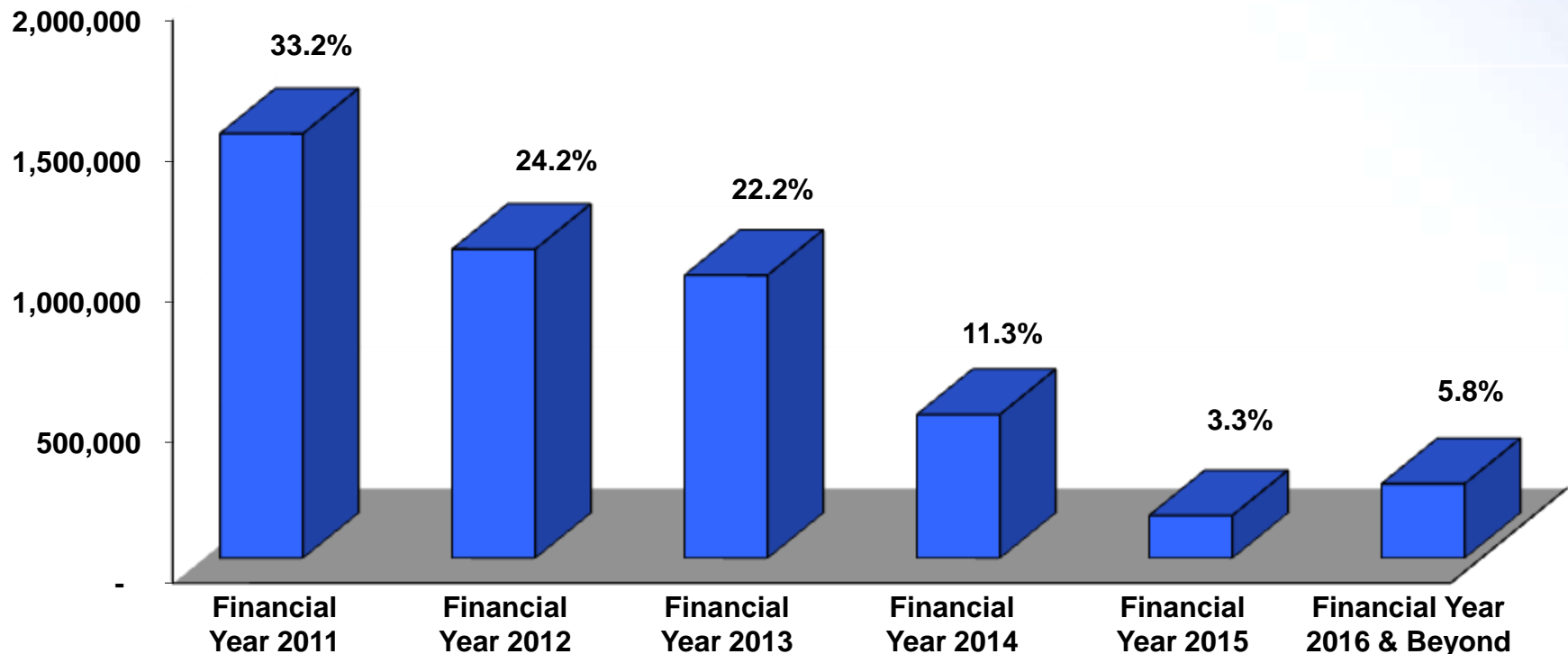
<sup>1</sup> Jones Lang LaSalle Market Report as at 31 March 2010

<sup>2</sup> Additional 1% committed leases post 31 March 2010, bringing The V Occupancy to 96%

# Organic Growth - Lease Expiry Profile

## Portfolio Lease Expiry Profile

Sq ft expiring

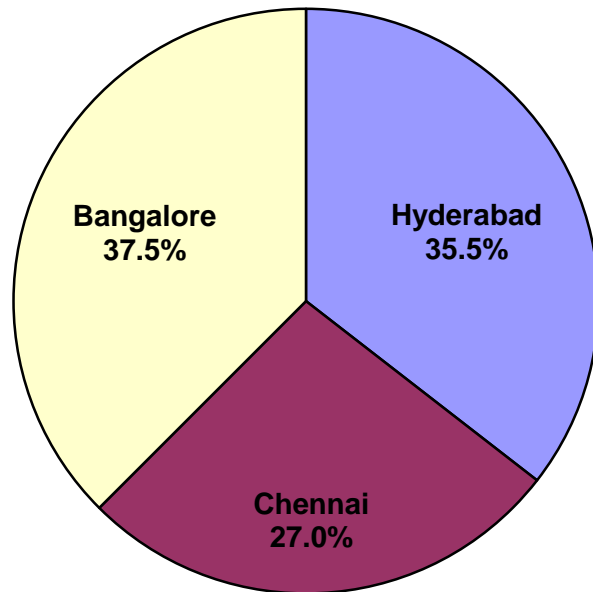


**Weighted Average Lease Term – 3.9 yrs as at 31 March 2010**

# Organic Growth - Stability

## Geographical Diversification of Properties

Operating Buildings of a-iTrust



Total Owned SBA = 4.8 million sq. ft.

## Strong Tenant Base

Total Number of Tenants

**248**

Average space  
per tenant

**18,303 sq. ft.**

**Largest tenant takes up  
about 4.6%  
of the portfolio base rent**

**31 March 2010**



# Portfolio Top 10 Tenants

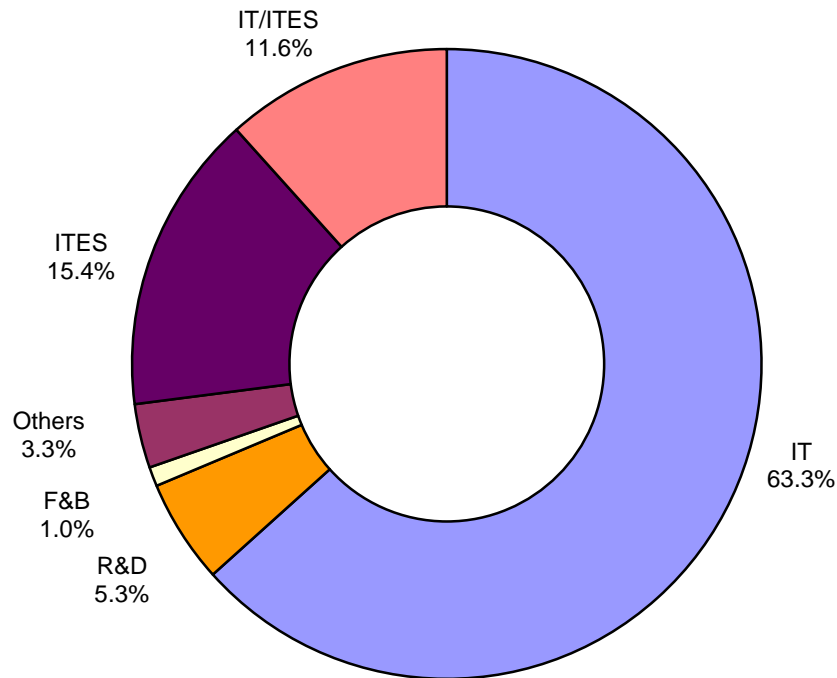
## Portfolio - Top Ten Tenants in Alphabetical Order

<b>Affiliated Computer Services of India Pvt. Ltd.</b>
<b>Applied Materials India Pvt. Ltd.</b>
<b>Cognizant Technology Solution (India) Pvt. Ltd.</b>
<b>General Motors India Pvt. Ltd.</b>
<b>iNautix Technologies India Pvt. Ltd.</b>
<b>Merrill Lynch (India) Technology Services</b>
<b>Paprikaas Interactive Services Pvt. Ltd.</b>
<b>Pfizer Pharmaceutical India Pvt. Ltd.</b>
<b>Tata Consultancy Services Ltd.</b>
<b>ZapApp / First Indian Corporation / First Advantage / First American (India)</b>

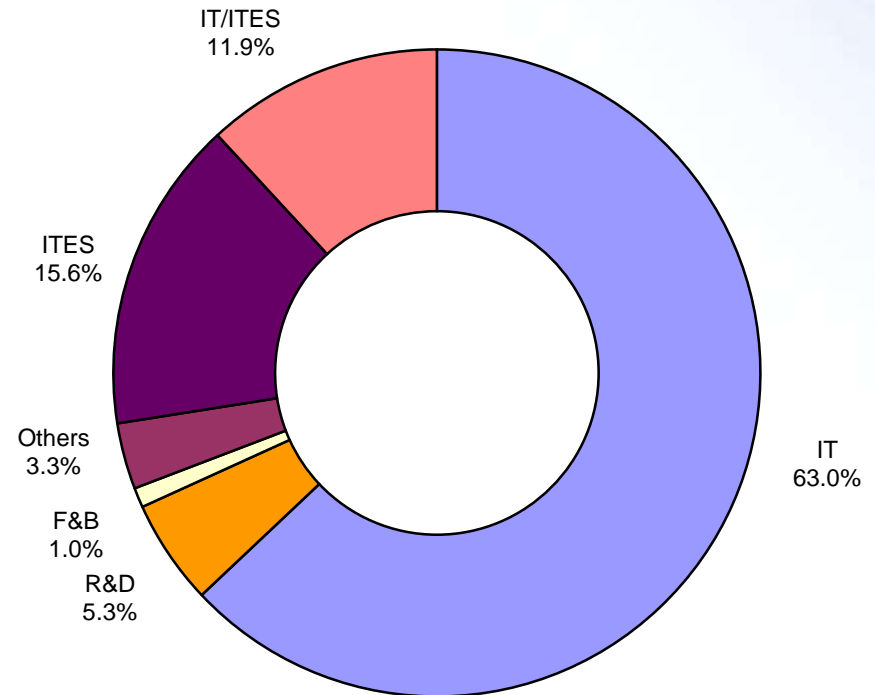
**Top 10 Tenants collectively accounted for about 31% of the portfolio base rent**

# Organic Growth - Tenant Development

## Tenant sector by base rental



**31 December 2009**

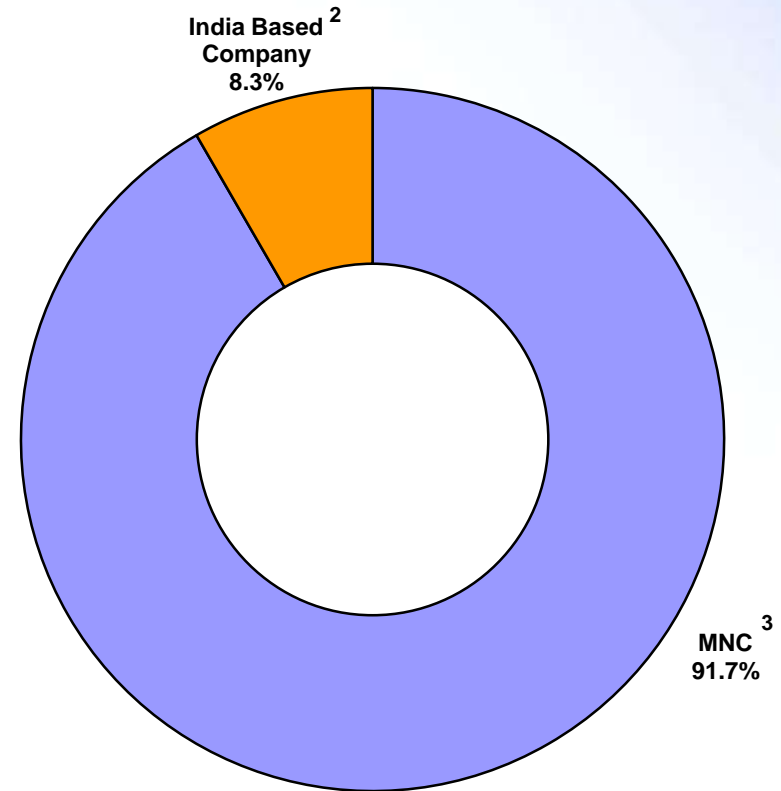
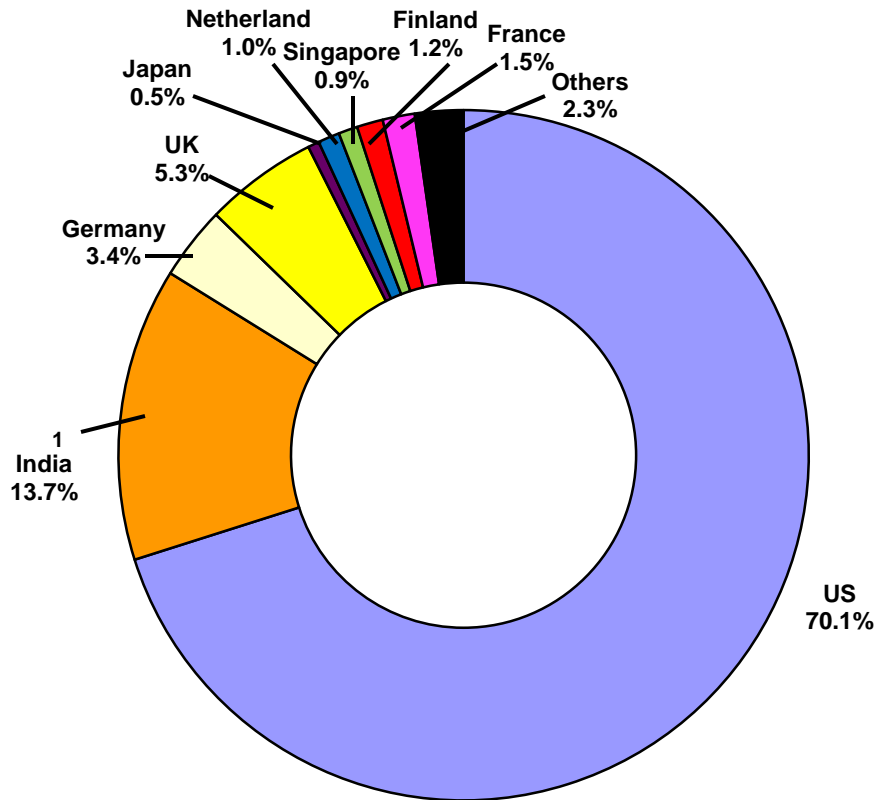


**31 March 2010**

\* IT - Information Technology; ITES - IT-Enabled Services; R&D: Research & Development; F&B – Food & Beverage

# Organic Growth - Tenant Development

## Tenants' country of origin & company structure by base rental



**31 March 2010**

- 1 Comprises Indian companies with operations within India and/or offshore
- 2 Comprises Indian companies with operations within India only
- 3 Multi-national corporations, including Indian companies with operations within India and offshore

# Work Live Play at the Parks



Healthy Lifestyle & Sports Meet in ITPB



Valentine's Day Celebration in ITPB



Women's Day in ITPB



# Work Live Play at the Parks



Thank God It's Friday Carnival at ITPC



Colours Talent Competition at the V



Blood Donation Camp at ITPB

# Development

## 3 property development in the parks – additional 1.7 mil sq ft

### Zenith 3<sup>rd</sup> building (ITPC)

- Construction in progress
- Expected completion in 2<sup>nd</sup> half 2010



**742,000 sq ft**

### Park Square Retail Mall (ITPB)

- Construction in progress
- Expected completion in 2<sup>nd</sup> half 2010



**450,000 sq ft**

### Multi-tenanted office building (ITPB)

- Contractor commenced work in Aug 2009
- Expected completion in mid 2011
- Within SEZ



**535,000 sq ft**

All areas being Super Built-up Area, which is the basis for leasing transactions.

# Development

## Further development in ITPB – additional 2.5 million sq. ft.

- Completed master plan to develop balance 2.5 million sq ft of space, mainly within SEZ





## 3 pronged acquisition strategy

1

### Right of First Refusal – Ascendas Land International Pte Ltd

➤ CyberVale is an IT SEZ in Chennai

➤ CyberVale represents an opportunity for a-iTrust to acquire 535,000 sq ft of income producing space and 4.4 acres of land (which can be developed into a 280,000 sq ft building)





## 3 pronged acquisition strategy

**2**

### Right of First Refusal – Ascendas India Development Trust

- AIDT focuses on integrated real estate development and has committed equity of S\$500 mil & target investment size of S\$1 billion
- About 10 mil sq ft of business space development potential in key cities such as Gurgaon and Coimbatore
- AIDT not fully invested and has capacity to make further investments
- This ROFR represents a strong acquisition pipeline for a-iTrust once AIDT progressively completes the development of space

## 3 pronged acquisition strategy



### Acquisition from the market



Trustee-Manager pursuing opportunities



a-iTrust has substantial debt capacity before reaching its voluntary gearing limits\*



Preference is to fund third-party properties acquisition or development beyond the said 1.7 mil sq ft of additional space within the portfolio via debt

\* Voluntary gearing limits stipulated in the trust deed. Business trusts have no gearing limit under the Business Trust Act.

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# Valuation of Investment Properties\*

INR m	Market Valuation as at 31 March 2010 <sup>1</sup>	Market Valuation as at 31 March 2009 <sup>2</sup>	Variance (%)
International Tech Park Bangalore	13,116	12,857 <sup>3</sup>	2%
International Tech Park Chennai	5,746	5,473	5%
The V	5,940	5,646	5%
CyberPearl	1,922	1,810	6%
Portfolio <sup>4</sup>	26,724	25,786	4%

\* Principally comprising completed buildings and interest in freehold land for currently undetermined future use, held for long term rental yields and capital appreciation

<sup>1</sup> Independent Market Valuation by Cushman & Wakefield

<sup>2</sup> Independent Market Valuation by Jones Lang LaSalle

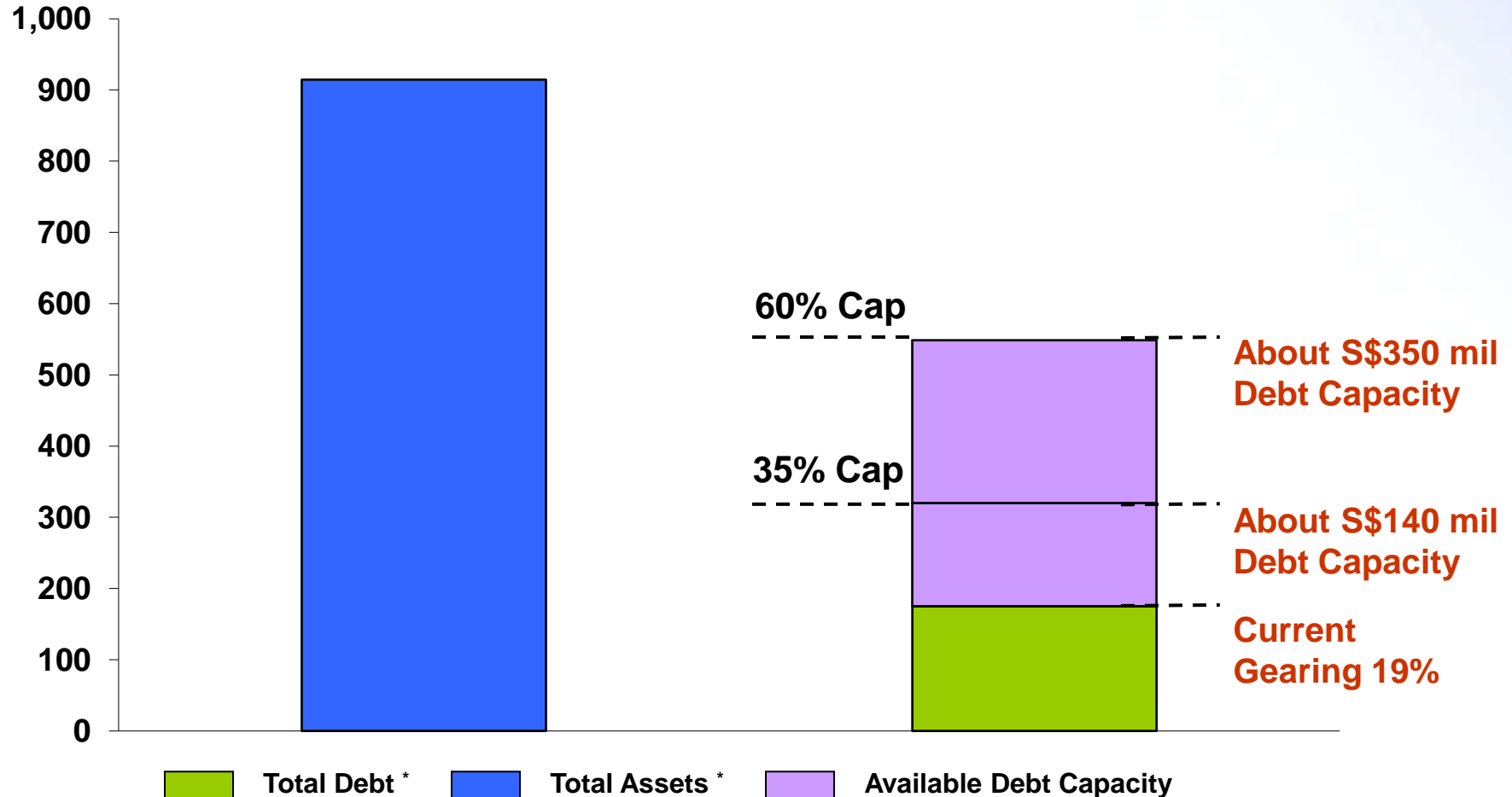
<sup>3</sup> For direct comparison, excluded the land valuation of Avesthegen, the proposed built-to-suit development, which has been terminated

<sup>4</sup> Higher valuation this year due to lower discount and capitalisation rates used. Rates were lowered this year to reflect stabilisation of the markets, after being increased last year when there was greater risk aversion. All valuations excluded Investment Properties Under Construction, which if included, combined valuation would have been about 9% higher in INR terms.

# Substantial Debt Headroom

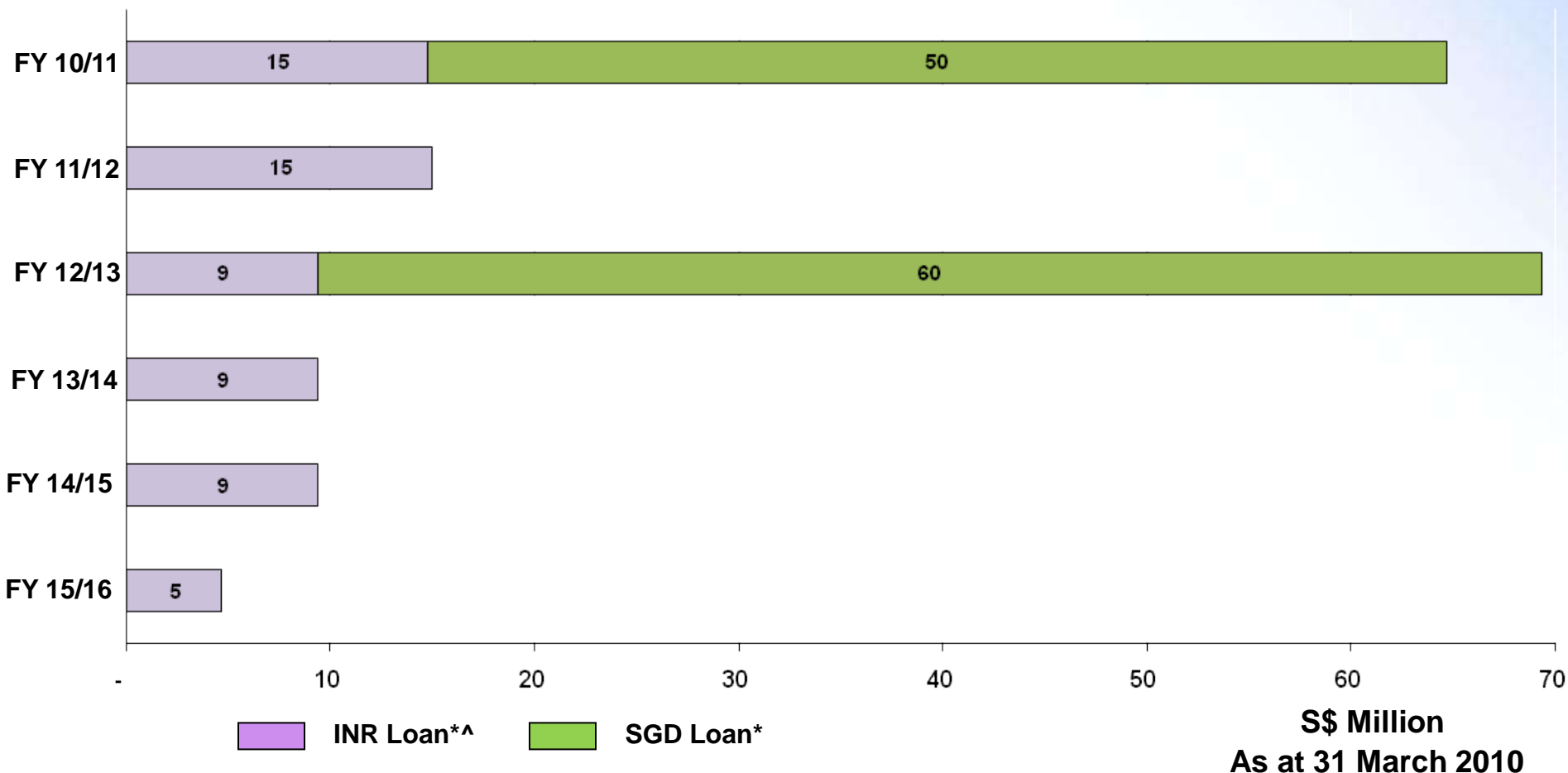
## Available Debt Capacity to 35% & 60% Leverage as at 31 March 2010

S\$ Million



\* Exclude Minority Interest

# Debt Maturity Profile



\* Exclude Minority Interest

^ Of this, S\$15 million was originally floating-rate JPY-denominated borrowings for which the Group has entered into a cross-currency swap to exchange into fixed-rate INR obligations

# Financial Indicators

Indicator	As at 31 Mar 10
Interest Service Coverage - (PAT+Depreciation+Interest)/Interest Expenses <sup>^</sup>	8.1 times (FY09/10)
Secured Borrowings / Asset Value	12.6%*
Effective Weighted Average Cost of Debt (Net of tax shield benefits)	6.2%

<sup>^</sup> Includes Capitalised Interest

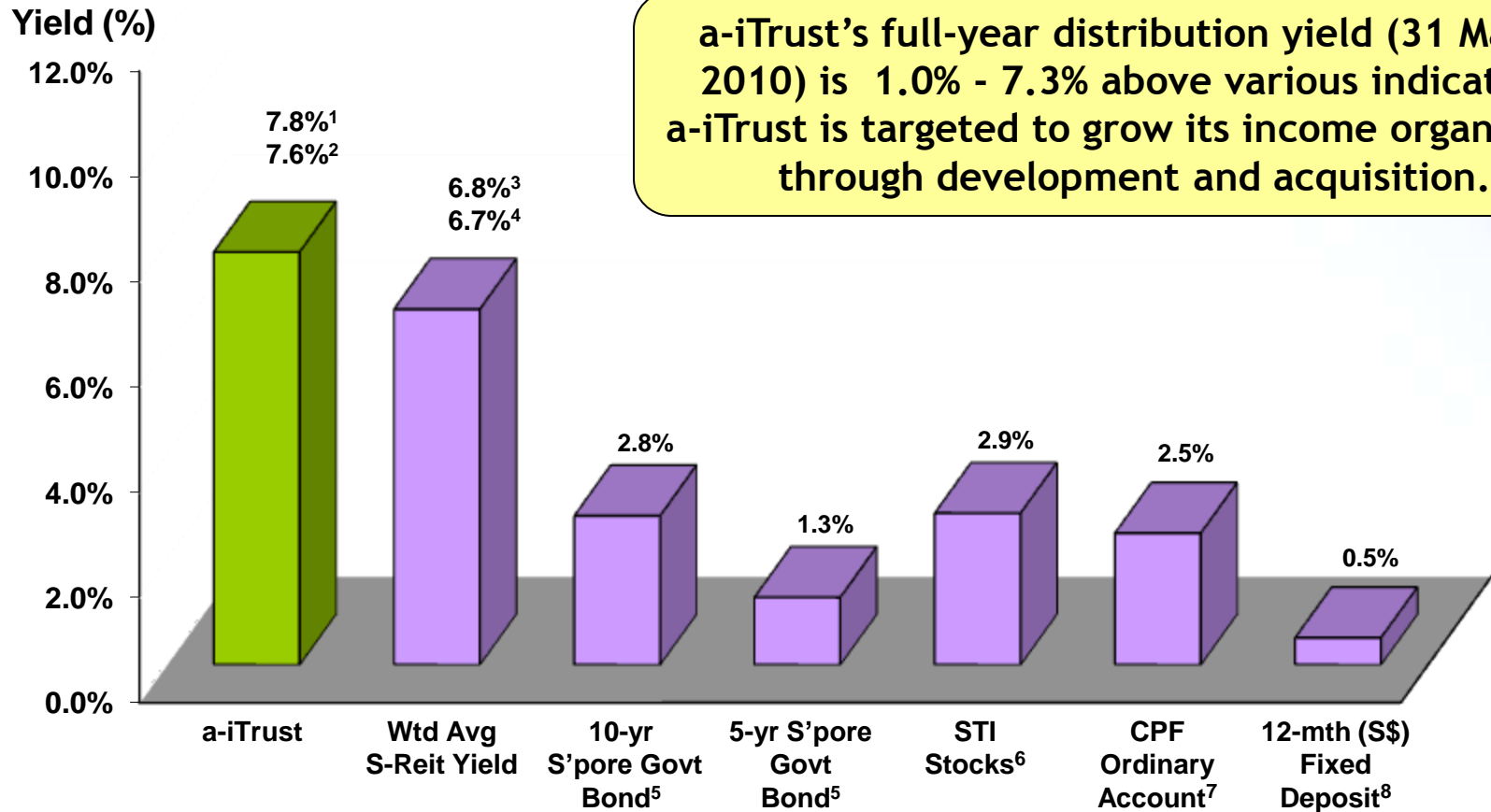
\* Exclude Minority Interest

# Hedging Strategy

- To manage currency visibility on the distribution to Unitholders, the Trustee-Manager had put in place forward contracts to hedge a substantial portion of the forecast repatriation from India to Singapore
- The Trustee-Manager does not intend to take speculative position on the currency market and had, as a matter of policy, continued to hedge at least 6 months prior to the planned repatriation date
- The rate hedged for May 2010 distribution is Rs 33.47 to S\$ 1



# Delivering Attractive Yield



a-iTrust's full-year distribution yield (31 March 2010) is 1.0% - 7.3% above various indicators. a-iTrust is targeted to grow its income organically, through development and acquisition.

1 Distribution yield based on full-year DPU of 7.55 cents for FY 09/10 at closing price of S\$0.97 per unit as at 31 March 2010

2 Distribution yield based on full-year DPU of 7.55 cents for FY 09/10 at closing price of S\$1.00 per unit as at 28 April 2010

3 Average 12-month dividend yield of SGX listed Reits, as at 31 March 2010

4 Average 12-month dividend yield of SGX listed Reits as at 28 April 2010

5 As at 31 March 2010

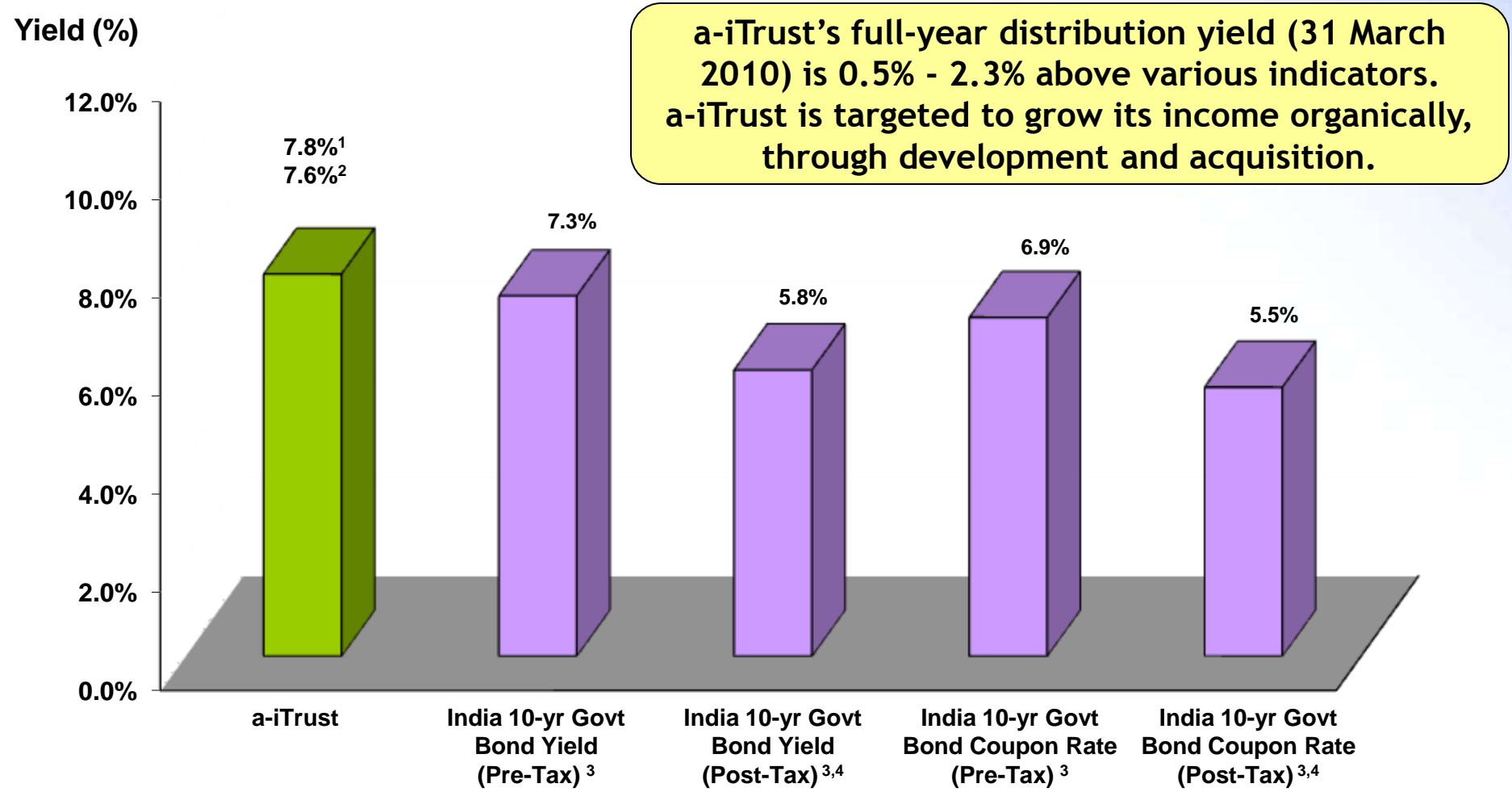
6 Average 12-month dividend yield of SGX listed stocks under STI, as at 31 March 2010

7 Prevailing CPF Ordinary Account saving rate

8 As at March 2010

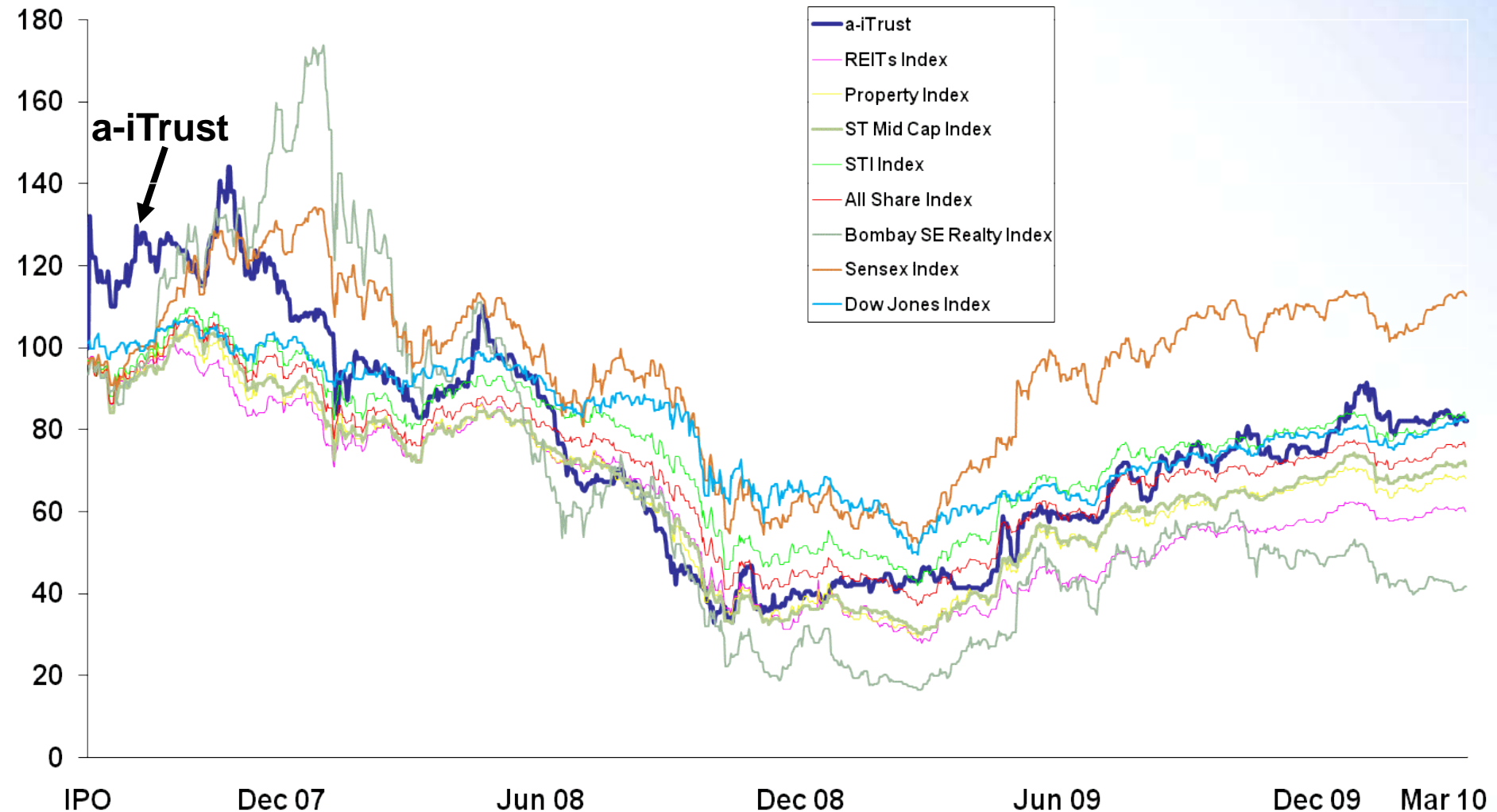
Source: MAS, CPF, Bloomberg

# Delivering Attractive Yield



1 Distribution yield based on full-year DPU of 7.55 cents for FY 09/10 at closing price of S\$0.97 per unit as at 31 March 2010  
 2 Distribution yield based on full-year DPU of 7.55 cents for FY 09/10 at closing price of S\$1.00 per unit as at 28 April 2010  
 3 As at 30 March 2010  
 4 Reflects the post tax, interest on securities of 20.6% for investments in Government of India securities by registered foreign institutional investors

# Trading Price (Indexed)

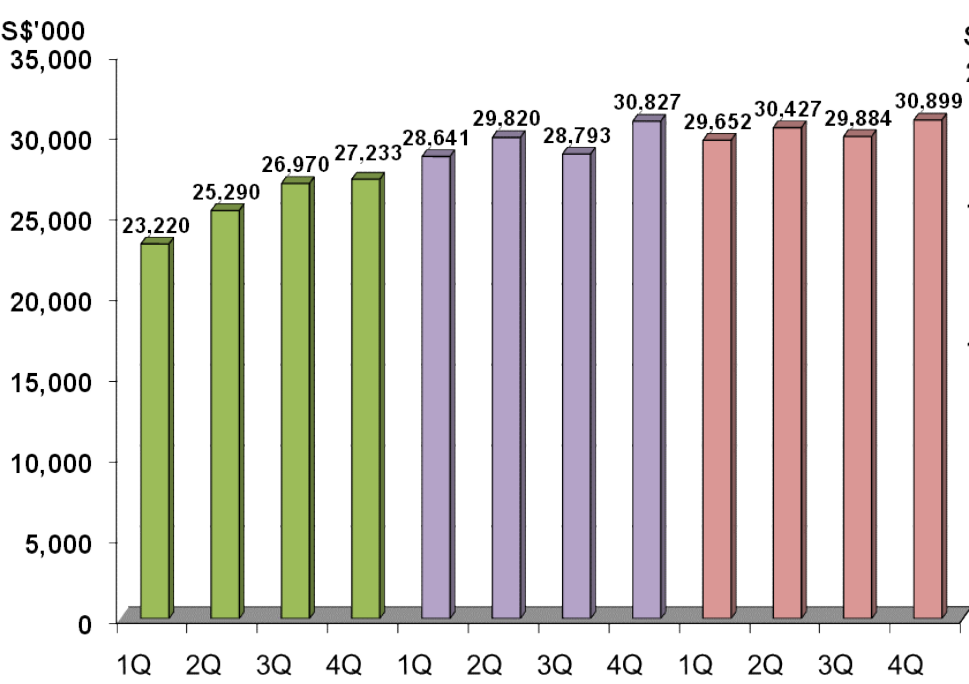


# Trading Price vs Equities (Indexed)

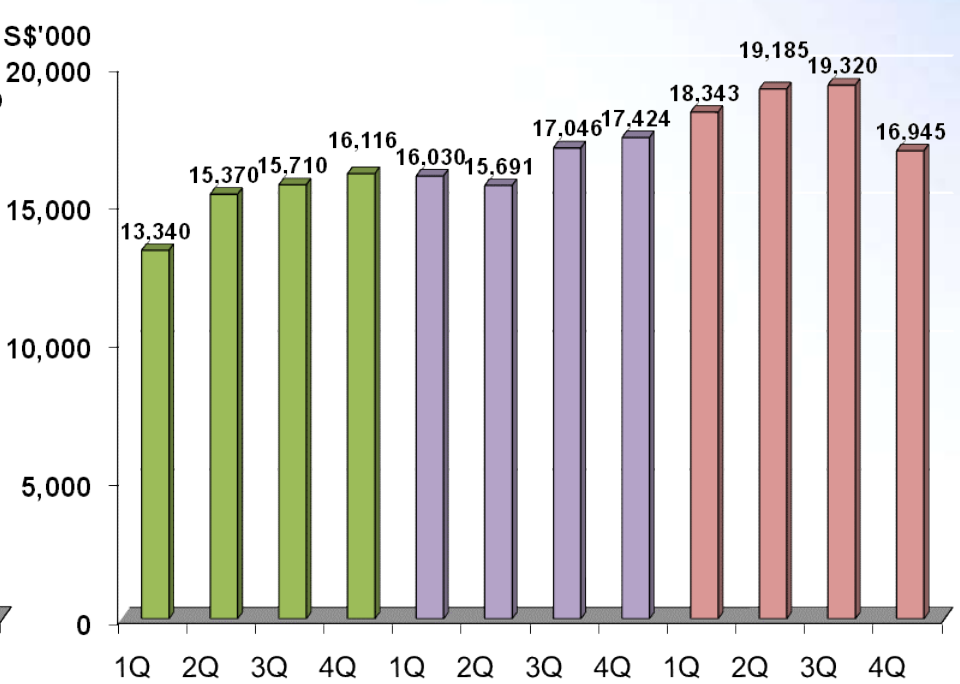


# Maintain Stable Performance

Total Property Income



Net Property Income

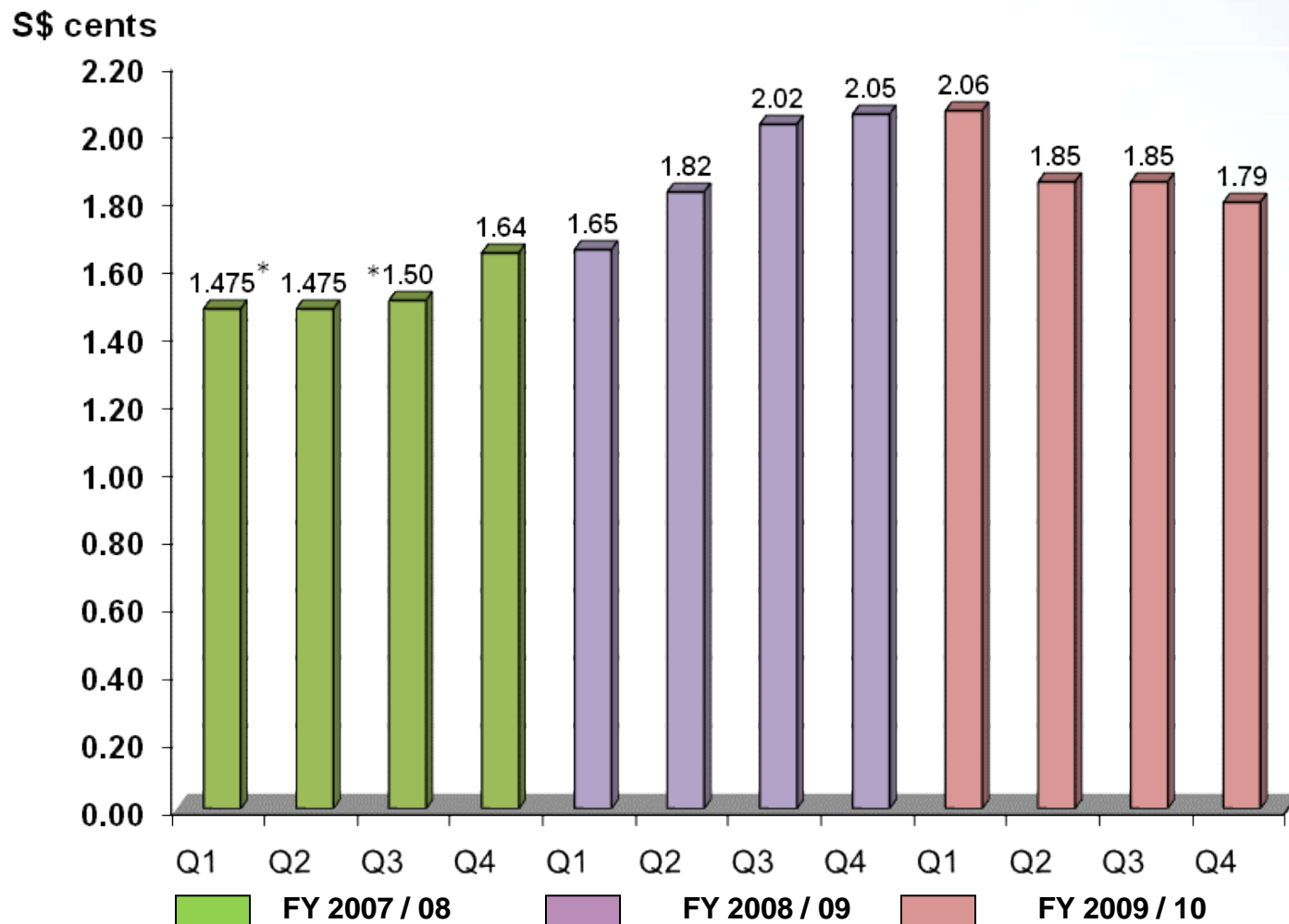


**FY 2007 / 08**

**FY 2008 / 09**

**FY 2009 / 10**

# DPU Growth



\* DPU for first and second quarters of FY 2007/08 were reported together, post listing of a-iTrust. The reported DPU was split equally between the 2 quarters for illustrative purposes.

# Putting things in perspective

➤ **India's investment scenario remains attractive:**

- **Fourth largest economy (purchasing power parity basis)**
- **India's GDP growth estimated to be 7.2% in fiscal 2009/10. India Government target growth of 8.25%-8.75% in 2010/11**
- **Large population, being 28% of Asia's population**

➤ **According to NASSCOM, in FY2010/11:**

- **IT-BPO exports revenues to grow by 13-15%:**
  - ❖ **India offshoring to achieve 13% CAGR\* through FY2020**
  - ❖ **Market size to continue increasing as new sectors (eg. healthcare) & regions (eg. Europe) adopt offshoring**
- **IT-BPO domestic revenues to grow by 15-17%:**
  - ❖ **Consumption power from expanding middle income class expected to grow 12 times by 2025 (Mckinsey Global Institute)**
  - ❖ **Government IT spend to increase from INR 150 billion in 2009 to INR 250 billion by 2011**

➤ **Bangalore, Chennai and Hyderabad among 7 leading Indian locations for IT-BPO after considering factors e.g. skill set availability, infrastructure and business environment (NASSCOM)**

\* CAGR – Compounded Annual Growth Rate

# Putting things in perspective

- India remained a leader in the outsourcing industry because of skilled labour, positive business environment and low cost.





Salary for IT / software engineers / developer / programmer (1 to 4 years experience)

Countries	Local Currency	US Dollar (p.a.)
<b>India</b>	<b>319,587</b>	<b>7,111</b>
Malaysia	37,517	11,501
China	87,297	12,789
Hong Kong	178,045	22,931
Korea	26,433,639	23,432
Singapore	36,105	25,797
Japan	3,006,782	32,186
UK	25,718	39,049
Australia	53,309	48,898
US	59,743	59,743

Source : PayScale (provider of global online compensation data), March 2010



# Putting things in perspective

-  **Despite challenging conditions, a-iTrust has achieved :**
  - **High portfolio occupancy rate of 97%**
  - **Approximately 1 million sq ft of space renewed / leased during FY 09/10**
  - **Retention rate of 77% for FY 09/10**
-  **Portfolio continues to be well positioned to serve target market of MNCs, with ideal quality space and service**
-  **Low single client exposure**
-  **Substantial gearing capacity to aid potential portfolio growth through development and new acquisition**

# THANK YOU

**Ascendas Property Fund Trustee Pte Ltd  
(Trustee-Manager of a-iTrust)**

**[www.a-itrust.com](http://www.a-itrust.com)**

# Portfolio in India



CyberPearl, Hyderabad



The V, Hyderabad



International Tech Park Bangalore



International Tech Park Chennai



## Park Statistics

- **Site area:** 69 acres
- **Operating buildings:** 1.8 mm sq ft Owned SBA
- **Proposed Development:** 985,000 sq ft SBA
- **Land Available for Development:** 23 acres or 2.5 million sq ft SBA (based on plot ratio of 2.5)
- **Park Population:** 25,000 people



# International Tech Park Chennai



## Park Statistics

- **Site area:** 15 acres
- **Proposed Development:** 742,000 sq ft SBA
- **Operating Buildings:** 1,258,000 sq ft Owned SBA
- **Park Population:** 18,000 people

# CyberPearl, Hyderabad



## Park Statistics

- **Site area:** 6 acres
- **Operating Buildings:** 431,000 sq ft Owned SBA
- **Park Population:** 5,000 people



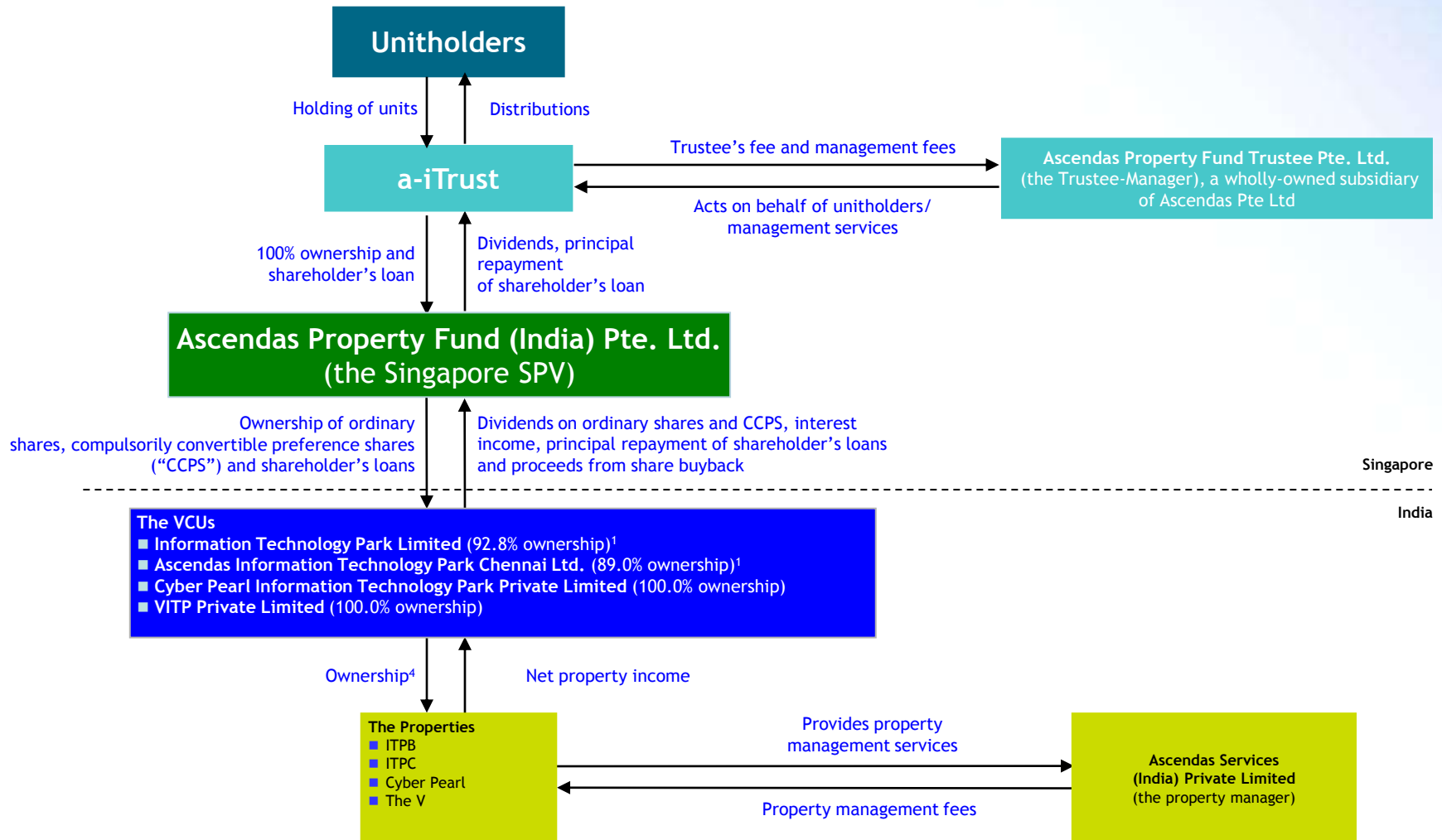
# The V, Hyderabad



## Park Statistics

- **Site area:** 19 acres
- **Park Population:** 10,000 people
- **Operating Buildings:** 1,288,000 sq ft
- Owned SBA

# Structure of Ascendas India Trust



<sup>1</sup> ITPB is 7.2% owned by Karnataka State Government and ITPC is 11.0% owned by Tamil Nadu State Government respectively



# REIT-like characteristics enhance stability of distributions

## Permissible Investment

Adherence to safeguarding provisions on allowable investments under Property Fund Guidelines



## Distributable income

Minimum 90%



## Gearing

$\leq 35\%$  of deposited property  
( $\leq 60.0\%$  with credit rating)



## Tax-free distributions

Distribution exempt from Singapore tax



a-iTrust will possess key safeguarding provisions while retaining upside potential through 20% development limit

# Currency average exchange rate

Derived weighted average exchange rates<sup>(1)</sup> for total property income and net property income

1 Singapore dollar buys:	Q1	Q2	Q3	Q4
<b>Indian Rupee</b>				
FY09/10	33.0	33.7	33.3	32.6
FY08/09	31.0	31.6	33.0	32.9
<i>Change (last corresponding period)</i>	6.5%	6.6%	0.9%	-0.9%

Note:

- (1) These rates represent the derived weighted average exchange rates for Singapore dollars for the period to date.

# About Ascendas Group

Ascendas is Asia's premier provider of business space solutions with a significant presence in the region. Ascendas develops, manages and markets IT Parks, industrial parks (manufacturing, logistics and distribution centres), business parks, science parks, hi-tech facilities, office and retail space. Among its flagships are the Singapore Science Park, International Tech Park Bangalore, Ascendas-Xinsu in Suzhou and Dalian-Ascendas IT Park. More than 1,800 of the world's leading companies, many in the Fortune 500 list, have made Ascendas properties their preferred address in Asia.

Ascendas is also a leading real estate fund management player focused on the management of public-listed property trusts and private real estate funds, investing in a diverse range of industrial and commercial real estate properties across Asia. Listed on the main board of Singapore Exchange Securities Trading Limited are Ascendas Real Estate Investment Trust (A-REIT), Singapore's first business space trust, and Ascendas India Trust (a-iTrust), Asia's first Indian property trust. The Ascendas Group also manages a range of private real estate funds which invest in business space in India, China, South Korea and ASEAN. All the funds are supported by Ascendas' strong fund management and real estate expertise, and are testament to its commitment to each of its markets.

[www.ascendas.com](http://www.ascendas.com)