



PROPOSED ACQUISITION OF CYBERVALE

1. INTRODUCTION

Ascendas Property Fund Trustee Pte. Ltd. as trustee-manager of Ascendas India Trust ("**a-iTrust**"), and the trustee-manager of a-iTrust, the "**Trustee-Manager**") wishes to announce that Cyber Pearl Information Technology Park Private Limited (the "**Purchaser**"), a wholly-owned subsidiary of a-iTrust, has on 9 February 2015 entered into a conditional sale and purchase agreement ("**SPA**") with Ascendas Land International Pte Ltd ("**Ascendas Land**") and Crystal Clear Limited ("**CCL**", and together with Ascendas Land, the "**Vendors**"), pursuant to which the Vendors have agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Vendors, all the 750,000 equity shares in Ascendas IT SEZ (Chennai) Private Limited ("**AISCPL**") (representing 100% of the total issued and paid-up capital of AISCPL) (the "**Sale Shares**") (the "**Proposed Acquisition**").

2. PARTICULARS OF THE VENDORS, AISCPL AND CYBERVALE

2.1 The Vendors

Ascendas Land is a company incorporated in Singapore. As a wholly-owned subsidiary of Ascendas Pte Ltd, Ascendas Land is an asset holding vehicle of Ascendas Pte Ltd. Ascendas Land develops and owns office buildings and business and IT parks across China, India, South Korea and Southeast Asia. As at the date of this Announcement, Ascendas Land holds 99.9999% of the Sale Shares.

CCL is an investment holding company incorporated in the Cayman Islands. It is a wholly-owned subsidiary of Ascendas Pte Ltd. As at the date of this Announcement, CCL holds 0.0001% of the Sale Shares.

2.2 AISCPL and CyberVale

AISCPL is a private limited company incorporated in India and it is in the business of developing and managing Special Economic Zones. AISCPL currently holds the legal and beneficial interest in an IT Special Economic Zone in Chennai, India ("**CyberVale**"). CyberVale comprises two (2) buildings, known as "Lakeview" and "Springfield" with a total leasable area of about 567,480 square feet of super built-up area¹ and includes vacant land to an extent of approximately 4.4 acres with a development potential of 371,000 square feet (collectively the "**Property**"). The Property had occupancy level of 100%² as at 31 December 2014, and its tenants comprised multi-national companies such as Renault Nissan and Cap Gemini.

The Property is a 99-year leasehold property with the lease commencing on 12 January 2006. Pursuant to the supplemental agreements to the lease deeds between Mahindra World City Developers Limited ("**Mahindra**") and AISCPL (the "**Lease Deeds**"), the lease can be renewed for a further period of 99 years, on the terms and conditions as provided in the Lease Deeds, and subject to payment of a fixed renewal lease premium by AISCPL to Mahindra.

¹ In super built-up area terms, which is 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.

² As at the date of this Announcement, AISCPL has served a legal notice on a tenant occupying approximately 27,000 square feet of the Property for rent arrears.

3. THE SALE AND PURCHASE AGREEMENT

3.1 Consideration

The Trustee-Manager has commissioned an independent property valuer, DTZ International Property Advisers Private Limited ("**DTZ**") to value the Property. The valuation report of DTZ dated 14 January 2015 (the "**DTZ Valuation Report**") stated that as at 20 December 2014, the market value of the Property is INR³ 1,625.0 million (S\$35.4 million)⁴, comprising INR 1,595.0 million (S\$34.7 million) for operational office space and INR 30.0 million (S\$0.7 million) for the vacant land.

The agreed consideration for the Property is INR 1,615.1 million (\$35.2 million) (the "**Purchase Consideration**"). The Purchase Consideration was arrived at on a willing-buyer and willing-seller basis after taking into account, *inter alia*, the independent valuation of DTZ as at 20 December 2014, the current state of the Property, and the tenancy profile of the Property. The Purchase Consideration of INR 1,615.1 million (S\$35.2 million) is at a discount of 0.6% to DTZ's valuation.

Under the SPA, the Purchaser is acquiring the Sale Shares from the Vendors. The consideration for the Sale Shares (the "**Sale Shares Consideration**") is based on a formula as set out in the SPA, which takes into account, *inter alia*, the agreed Property value of INR 1,615,109,255 (taking into account various components), the aggregate rental income generated by the Property, the current assets and liabilities of AISCPL, and the loans of AISCPL. As the Sale Shares Consideration cannot be finalised until the closing of the Proposed Acquisition, for purposes of this Announcement, the Purchase Consideration has been deemed to be the consideration for the Proposed Acquisition.

The total cost of the Proposed Acquisition is currently estimated to be approximately INR 1,649.6 million (S\$35.9 million), comprising:

- (a) the Purchase Consideration of INR 1,615.1 million (S\$35.2 million);
- (b) the acquisition fee payable to the Trustee-Manager pursuant to the trust deed dated 7 December 2004 (as amended) constituting a-iTrust in respect of the Proposed Acquisition which amounts to approximately INR 16.2 million (S\$0.4 million); and
- (c) the estimated professional and other fees and expenses incurred or to be incurred by a-iTrust in connection with the Proposed Acquisition which amount to approximately INR 18.4 million (S\$0.4 million).

The Trustee-Manager intends to fund the Proposed Acquisition through debt financing.

3.2 Conditions Precedent

The obligation of the Purchaser to purchase the Sale Shares and pay the Purchase Consideration and complete the Proposed Acquisition is conditional upon the fulfilment or (where permissible) waiver by the Purchaser, of a number of conditions, including without limitation the following:

- (a) the Trustee-Manager having obtained the approval from the unitholders of a-iTrust (the "**Unitholders**") for the Proposed Acquisition;

³ Indian Rupee

⁴ Except where the exchange rate between the Indian Rupee and the Singapore dollar is expressly stated otherwise, the Indian Rupee amounts in this Announcement have been translated into Singapore dollars based on the fixed exchange rate of INR 45.92 = S\$1.00 as at 6 February 2015.

- (b) AISCPL having obtained the requisite approval of the Board of Approval as provided under the Special Economic Zones Act, 2005 for the consummation of the transactions under the SPA;
- (c) the Vendors and AISCPL having procured the requisite approvals (including the requisite approval from Mahindra) for the consummation of the transactions under the SPA;
- (d) the warranties provided by the Vendors and AISCPL to the Purchaser shall have been true, complete and correct on the date of SPA and continuing to be true, complete and correct as on the closing date of the Proposed Acquisition, and all undertakings and covenants made by any of the Vendors or AISCPL under the SPA shall have been duly performed;
- (e) there being no event that is materially adverse to the business, operations and condition of AISCPL, or that adversely impacts, amongst others, the consummation of the transactions under the SPA; and
- (f) the Vendors having procured a letter of closure of loan from Housing Development Finance Corporate Limited ("**HDFC**"), confirming that AISCPL has repaid the outstanding loan amount along with interest, that HDFC has no claims against AISCPL, and that all charges and liens created in favour of HDFC by AISCPL may be released.

The closing of the Proposed Acquisition shall take place on a date not later than seven (7) business days from the satisfaction of the conditions precedent under the SPA, as may be mutually agreed between the Purchaser and the Vendors in writing.

4. THE RATIONALE FOR THE PROPOSED ACQUISITION

The Trustee-Manager believes that the Proposed Acquisition will bring the following key benefits to the Unitholders:

4.1 DPU Accretion

The Proposed Acquisition represents a yield accretive opportunity for a-iTrust. The pro forma financial effect of the Proposed Acquisition on the Distribution Per Unit ("**DPU**") of a-iTrust for the financial year ended 31 March 2014 is estimated to be an additional 0.06 cents per Unit.⁵

4.2 Consistent with the Trustee-Manager's Investment Strategy

The Proposed Acquisition is in line with the Trustee-Manager's investment strategy to invest in quality income-producing business space properties to deliver stable distributions to Unitholders.

4.3 Deepen Presence in Chennai

The Proposed Acquisition augments a-iTrust's presence in Chennai, increasing its total floor area from 2.0 million square feet to 2.5 million square feet.

Chennai, capital of Tamil Nadu state, is one of the largest metropolitan cities of India and an established business centre with a major port. Chennai is well connected both domestically and internationally by rail and air links. The city is an established manufacturing hub for automobiles, auto components, textiles, cement, engineering and pharmaceuticals. Chennai is

⁵ Based on the assumptions that (a) a-iTrust had purchased, held and operated the Property for the whole of Financial Year 2013/14 (based on the enlarged portfolio); and (b) in respect of the Proposed Acquisition, the Trustee-Manager had elected to receive 50% of its base management fee in cash and 50% in Units.

one of the leading IT hubs in India and is home to global multi-national companies such as IBM, Accenture and McKinsey Knowledge Centre.

4.4 Competitive Strengths of the Property

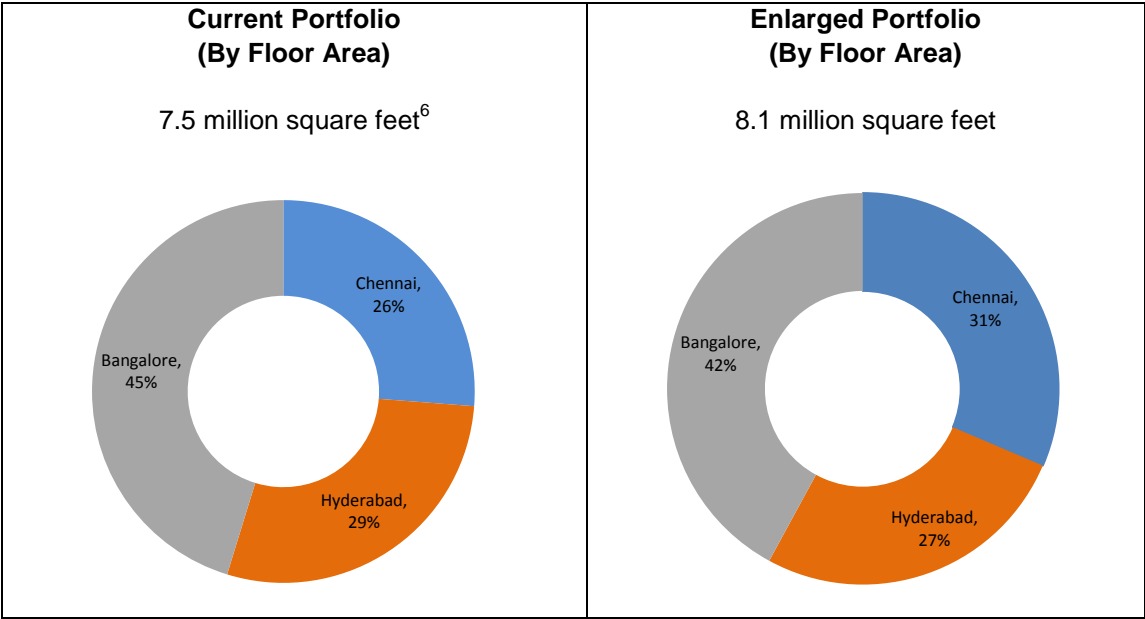
The Property is a quality asset with high occupancy and reputable tenants such as Renault Nissan and Cap Gemini. The Property is strategically located within Mahindra World City ("MWC"), a 1,550 acre integrated business city in Chennai. MWC is well connected by road and suburban rail and has excellent infrastructure and facilities, including an onsite power station and a dedicated train station. Software giants including Wipro and Infosys Technologies have established large campuses within MWC. MWC is one of only two operational Special Economic Zones located at GST Road and it is the nearest Special Economic Zone to Oragadam, the car manufacturing hub of Chennai. GST Road is one of the major growth corridors of Chennai for manufacturing sector. It is also one of the busiest National Highways in Southern India.

4.5 Provide Further Development Potential

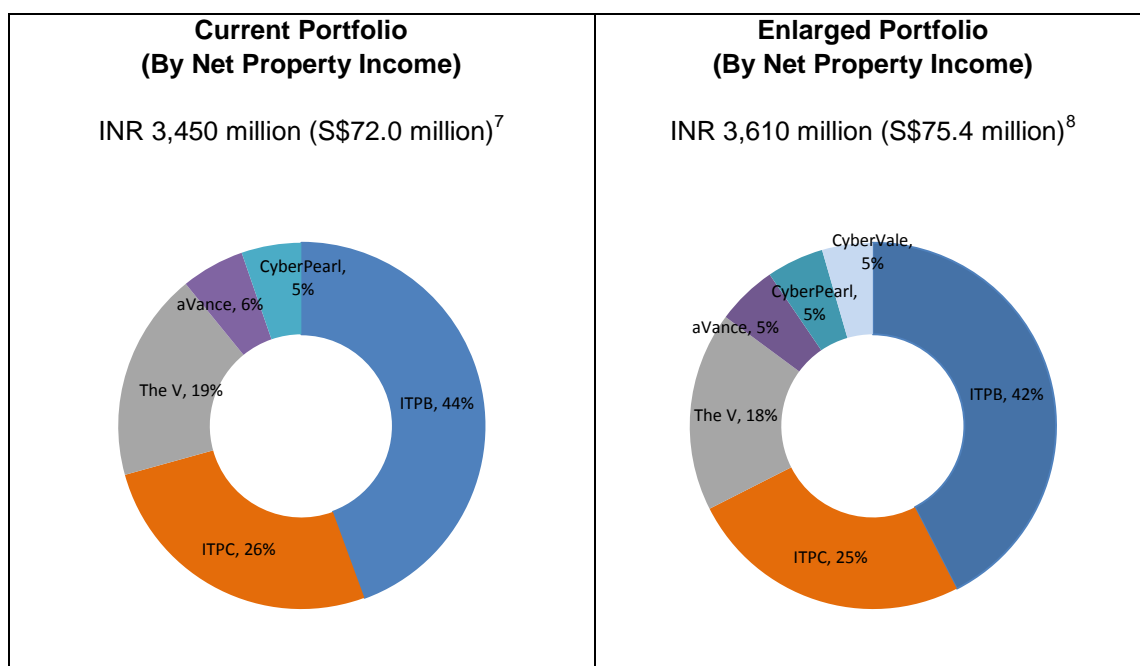
The Property includes 4.4 acres of vacant land that can be developed into a 371,000-square-foot IT building. The timing to commence development will be based on market demand.

4.6 Greater Income and Geographic Diversification

The Proposed Acquisition will improve income diversification and reduce the reliance of a-iTrust's income stream from any single property. The Trustee-Manager expects the maximum contribution to a-iTrust's net property income by a single property within its portfolio to decrease from 44% to 42% after the Proposed Acquisition. Correspondingly, the number of tenants of a-iTrust will increase post-acquisition as the Property's major tenants, including Renault Nissan and Cap Gemini, are not in a-iTrust's existing portfolio. The Proposed Acquisition will also allow a-iTrust to diversify its portfolio geographically and gain additional exposure to the Chennai IT market.



⁶ As at 31 March 2014.



5. REQUIREMENT FOR UNITHOLDERS' APPROVAL

5.1 Relative figures computed on the bases set out in Rule 1006 of the Listing Manual

The relative figures for the Proposed Acquisition computed using the bases set out in Rules 1006(b) and 1006(c) of the Listing Manual of Singapore Exchange Securities Trading Limited (the "Listing Manual") are set out in the table below.

Comparison of:	CyberVale	a-iTrust	Relative figure (%)
Net Profits attributable to the assets (S\$'000)	2,603 ⁹	47,953 ¹⁰	5.4%
Purchase Consideration against market capitalisation (S\$'000)	35,175	820,093 ¹¹	4.3%

The Trustee-Manager is of the view that the Proposed Acquisition is in the ordinary course of a-iTrust's business as the Property being acquired is within the investment policy of a-iTrust and does not change the risk profile of a-iTrust. Specific approval of Unitholders for the Proposed Acquisition is therefore not required under Chapter 10 of the Listing Manual even if the relative figures had exceeded 20%.

⁷ The figure is based on the audited results of a-iTrust for the financial year ended 31 March 2014; translated using average exchange rate of INR 47.89:S\$1.00.

⁸ The figure is based on the audited results of a-iTrust and AISCPL for the financial year ended 31 March 2014; translated using average exchange rate of INR 47.89:S\$1.00.

⁹ The figure is based on the unaudited results of AISCPL for the nine-month period ended 31 December 2014; translated using average exchange rate of INR 47.95:S\$1.00.

¹⁰ The figure is based on the unaudited results of a-iTrust for the nine-month period ended 31 December 2014; translated using average exchange rate of INR 47.95:S\$1.00.

¹¹ The figure is based on a-iTrust's volume weighted average price of S\$0.89 on the market day preceding the date of the SPA.

5.2 Transaction as an Interested Person Transaction

As at the date of this Announcement, Ascendas Pte Ltd is deemed to be interested in 183,279,388 Units held by Ascendas Land and 31,642,318 Units held by the Trustee-Manager (collectively comprising 23.3% of the existing Units), and is therefore regarded as a "controlling unitholder" of a-iTrust under the Listing Manual.

As the Vendors are indirect wholly-owned subsidiaries of Ascendas Pte Ltd, each of the Vendors (being a subsidiary of a "controlling unitholder") is an "interested person" of a-iTrust for the purpose of the Listing Manual.

Therefore, the Proposed Acquisition will constitute an "interested person transaction" under Chapter 9 of the Listing Manual.

Given that the Purchase Consideration is S\$35.2 million (which is 5.9% of the latest audited consolidated net tangible assets ("**NTA**") of a-iTrust and its subsidiaries (the "**Group**") as at 31 March 2014), the value of the Proposed Acquisition will exceed 5% of the Group's latest audited NTA. Accordingly, the Proposed Acquisition is required to be approved by the Unitholders under Chapter 9 of the Listing Manual.

For the purposes of Chapter 9 of the Listing Manual, the interested person and any associate of the interested person must not vote on the resolution approving the Proposed Acquisition (the "**Resolution**"). This voting exclusion will apply to the following associates of Ascendas Pte Ltd in respect of the following number of Units:

Name of Entity	Number of Units	Percentage of Total Units (%)
Ascendas Land International Pte Ltd (the Vendor)	183,279,388	19.89
Ascendas Property Fund Trustee Pte Ltd (the Trustee-Manager)	31,642,318	3.43
Total	214,921,706	23.32

As the Vendors and the Trustee-Manager are wholly-owned subsidiaries of Ascendas Pte Ltd, they have undertaken to abstain from voting on the Resolution.

5.3 Existing Interested Person Transactions

Prior to the date of this Announcement, a-iTrust had entered into interested person transactions totalling S\$12.2 million during the course of the current financial year. The interested person transactions took place during the period from April to December 2014.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the date of this Announcement, the interests of the Directors and the substantial Unitholders in Units, based on the register of interest of Directors and the register of Substantial Unitholders respectively, are as follows:

	Number of Units		Number of Units	
	Direct Interest	%	Deemed Interest	%
Director				
Mr Philip Yeo Liat Kok	300,000	0.033	-	-
Mr David Lim Tik En	150,000	0.016	210,000	0.023
Mr Michael Grenville Gray	200,000	0.022	-	-
Mr Rakesh Kumar Aggarwal	-	-	5,000	0.001
Mr Girija Prasad Pande	27,000	0.003	-	-
Substantial Unitholder				
Jurong Town Corporation ⁽¹⁾	-	-	214,921,706	23.324
Ascendas Pte Ltd ⁽¹⁾	-	-	214,921,706	23.324
Ascendas Land International Pte Ltd	183,279,388	19.89	-	-
Matthews International Capital Management, LLC ⁽²⁾	-	-	90,034,000	9.771
Matthews International Funds ⁽²⁾	-	-	76,481,000	8.300
Massachusetts Financial Services Company ⁽³⁾	-	-	64,660,000	7.017
Kabouter Management, LLC ⁽⁴⁾	-	-	46,125,235	5.006

Notes:

- (1) Jurong Town Corporation and Ascendas Pte Ltd are deemed to be interested in the Units held by Ascendas Land International Pte Ltd and Ascendas Property Fund Trustee Pte Ltd.
- (2) Matthews International Capital Management, LLC ("**MICM**") is a USA-registered investment advisor and Matthews International Funds ("**MIF**") is a USA-registered investment trusts. MICM acts as an investment advisor to MIF and its other clients. MICM has discretionary authority over its clients' Units.
- (3) Massachusetts Financial Services Company ("**MFS**") is deemed interested in the Units held by its multiple subsidiaries and its other clients for which it or one of its subsidiaries serves as investment manager. MFS has investment and/or voting discretion over its clients' units.
- (4) Kabouter Management, LLC is deemed to be interested in the units held through funds managed by Kabouter Management, LLC.

7. STATEMENT FROM THE AUDIT COMMITTEE

The Trustee-Manager's audit committee is obtaining an opinion from an independent financial adviser before forming its view on the Proposed Acquisition, which will be announced subsequently.

8. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Trustee-Manager at 61 Science Park Road, #04-01 The Galen, Singapore 117525 from the date of this Announcement up to and including the date falling three months after the date of this announcement:

- (a) the SPA; and
- (b) the DTZ Valuation Report.

By Order of the Board
Mary J. de Souza
Company Secretary
9 February 2015

Important Notice

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Trustee-Manager to redeem their Units while the Units are listed. It is intended that Unitholders of a-iTrust may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of a-iTrust is not necessarily indicative of the future performance of a-iTrust.

This release 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 costs), 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.