MAXIMISING POTENTIAL

ANNUAL REPORT 2014/15

AT A GLANCE

WHO WE ARE

Ascendas India Trust ("a-iTrust" or the "Trust") is a property trust which owns six IT parks in India valued at S$1 billion as at 31 March 2015. With a 8.1 million sq ft portfolio spread across Bangalore, Chennai and Hyderabad, a-iTrust is well positioned to capitalise on the fast growing IT and business process management industries in India.

Our strategy is simple – to generate superior portfolio returns for unitholders by investing in IT parks and office properties in key Indian cities. Our properties provide quality and reliable business space to our discerning tenants. This differentiation helps us attract and retain prominent tenants that commit to long leases, thereby fostering a stable income profile for the Trust.

Our growth is founded on a prudent approach to capital management. We are geared towards maintaining a strong balance sheet that meets the liquidity needs of the business.

KEY STATISTICS

6
IT parks

8.1
million sq ft

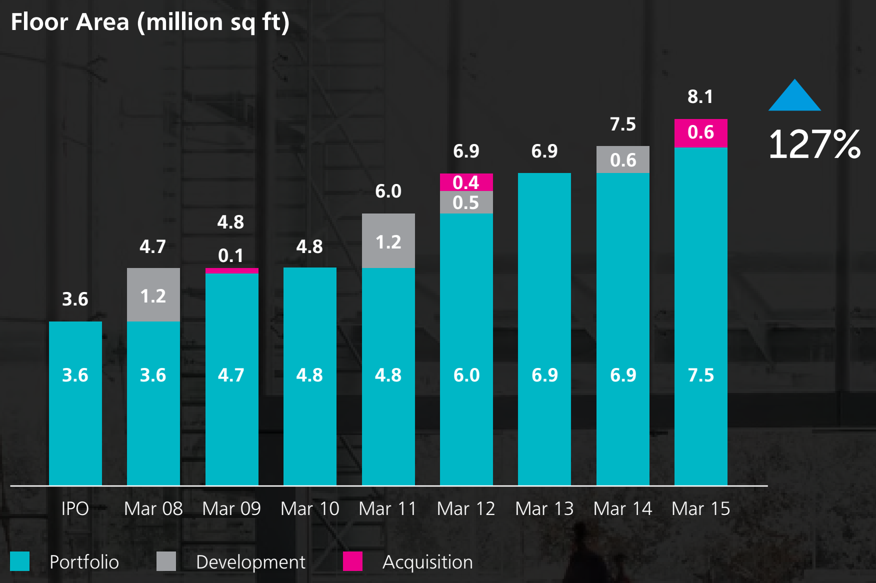
3.6
million sq ft of potential floor area in land bank

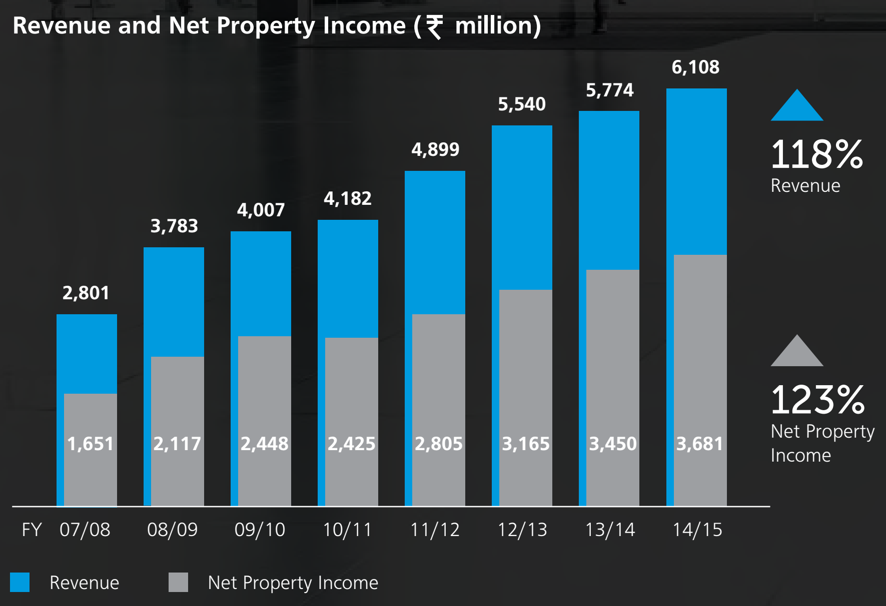
324
tenants

85,000
park employees

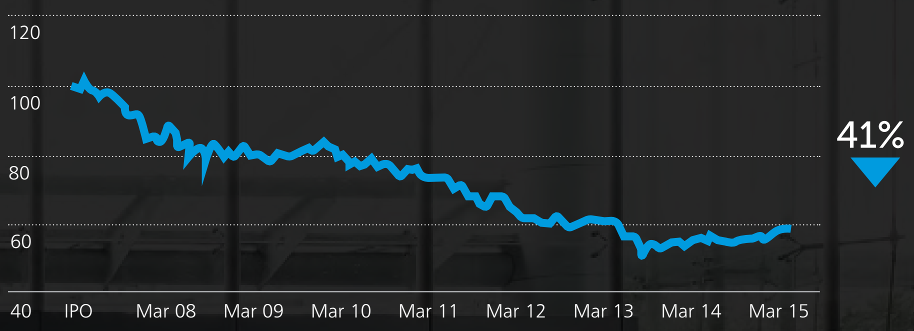
97%
committed occupancy

PERFORMANCE SINCE LISTING

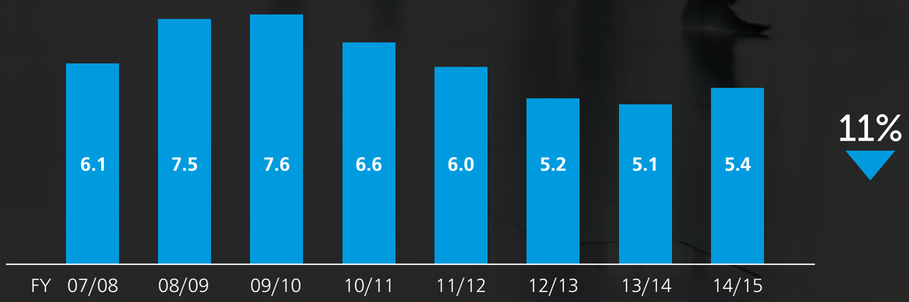




₹/S$ Exchange Rate (Indexed)



Distribution Per Unit (S¢), (Based on 100% Income Payout Ratio*)



* 10% of distributable income was retained from FY12/13 onwards

Notes:
- All information as at 31 March 2015 unless otherwise stated.
- All measurements of floor area are defined herein as “Super Built-up Area” or “SBA”, which is the sum of the floor area enclosed within the walls, the area occupied by the walls, the common areas such as the lobbies, lift shafts, toilets and staircases of that property, and in respect of which rent is payable.
- The Indian Rupee and Singapore dollar are defined herein as “INR/₹” and “SGD/S$” respectively.
- Any discrepancy between individual amounts and total shown in this annual report is due to rounding.

BUSINESS MODEL

WHAT AFFECTS US.

Market Factors
- Indian economy
- IT industry
- Office market

WHAT WE DO.

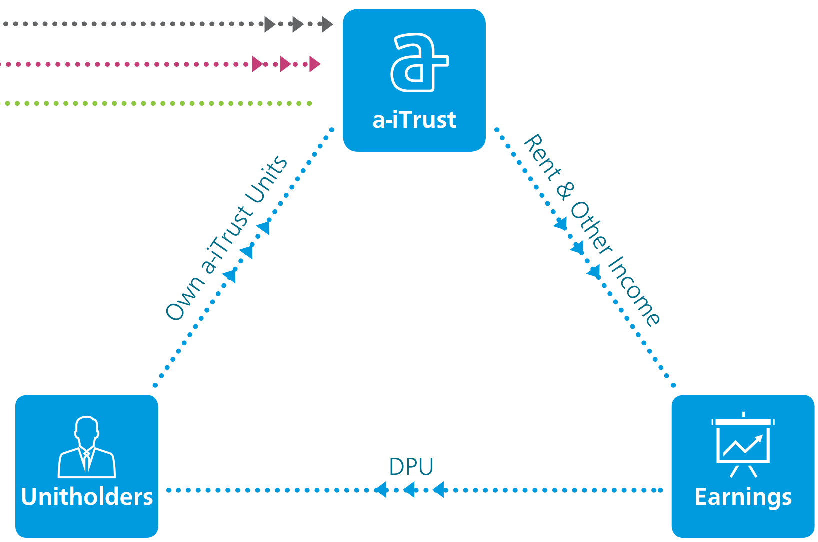
Investment Management

Asset Management

Capital Management

WHAT SUSTAINS OUR BUSINESS.

Sustainability
- Financial stability
- Good governance
- Social responsibility
- Environmental awareness



Market Factors

The Indian economy, IT industry, and office market are key factors that influence the performance of our properties.

Investment Management

We grow by developing our land bank, and buying stabilised properties from third parties and our sponsor.

Asset Management

We provide quality space that is managed to international standards.

Capital Management

We aim to maintain financial flexibility while retaining our strong financial position as we grow.

WHY GO ONLINE?

Our corporate website contains detailed information about the Trust and is frequently updated as additional details become available. You can sign up for email alerts of our latest news and keep track of the latest events on the Event Calendar page.

Our corporate website **www.a-itrust.com**

a-iTrust

a-iTrust is a business trust and has voluntarily adopted certain regulations governing real estate investment trusts to provide stable distributions to unitholders.

Earnings

The bulk of our income comprises rental income earned from leasing our properties.

Unitholders

We are committed to timely and transparent communications with unitholders.

Sustainability

Sustainability is a key goal in all our business endeavours; it embodies our desire to operate in an economically, socially and environmentally responsible manner.

NOTE TO UNITHOLDERS

"With the Indian economy poised for faster growth, we want to maximise our potential by capitalising on the rising demand for quality IT space."

Philip Yeo
Chairman

Dear Unitholders

The Financial Year ended 31 March 2015 ("FY14/15") marked a period of firm growth for a-iTrust.

We remained focussed on providing the right product, at the right price point, to our customers while creating value for our unitholders. Our efforts have resonated with our customers as reflected in the portfolio's committed occupancy of 97% as at 31 March 2015. In FY14/15, we signed leases totalling 2.3 million sq ft as we leased out space that became available through expiries. In Chennai, we achieved strong rental reversions on expiries as there was a dearth of supply in that location. Demand remained stable in Bangalore. We progressively recognised income from Aviator, a new multi-tenanted building in Bangalore that received its occupation permit in January 2014. All of the above factors helped us grow our FY14/15 revenue by 6% to ₹6.1 billion compared to the previous year. In terms of the Trust's FY14/15 distribution per unit, we recorded year-on-year growth of 7% to 4.86 Singapore cents.

In India, macroeconomic indicators are pointing towards a resurgent Indian economy. Aided by lower oil prices, inflation in India has fallen from 8.3% in March 2014 to 5.0% as at February 2015[1]. India's current account deficit is forecast to decrease from its peak of 4.9% in FY11/12 to 1.3% in FY14/15[2]. The current growth forecast for India's GDP in 2015 is encouraging at 7.5%[3]. These developments have helped stabilise the Indian Rupee. Compared to March 2014, the Indian Rupee has strengthened by 6% against the Singapore dollar in March 2015. A stable Indian Rupee bodes well for a-iTrust as we convert rentals earned in Indian Rupees into Singapore dollars and pay out Singapore dollar distributions to our unitholders.

With the Indian economy poised for faster growth, we want to maximise our potential by capitalising on the rising demand for quality IT space. We currently have land banks in Bangalore, Chennai and Hyderabad that can yield in total 3.6 million sq ft of potential floor area. In Bangalore, we have started constructing Victor, a 0.6 million sq ft IT building that is expected to be completed in 2016. In Hyderabad, we are developing a new 0.4 million sq ft IT building and a multi-level car park with 660 car park lots to meet demand in that city. In Chennai, CyberVale, which was recently acquired by the Trust, has vacant land that will be developed into a 0.4 million sq ft building when we have clear visibility of leasing demand.

On the acquisition front, in December 2014, we announced the acquisition of BlueRidge Phase II ("BlueRidge"), a 1.5 million sq ft IT SEZ for approximately S$133.0 million (₹6.4 billion)[4]. The acquisition of BlueRidge will take place over phases. Currently, we have provided construction financing to the vendor, and we expect to assume control by December 2016 provided the vendor meets pre-agreed conditions. BlueRidge marks our entry into Pune, an important market for both existing and potential clients.

In March 2015, we also completed the acquisition of CyberVale, a 0.6 million sq ft IT SEZ in Chennai, from Ascendas Group for around S$35.9 million (₹1.7 billion)[4]. CyberVale has high occupancy, multinational tenants and is located close to Oragadam, the car manufacturing hub of Chennai.

1 Source: Ministry of Statistics and Programme Implementation
2 Source: Reserve Bank of India
3 Source: International Monetary Fund, April 2015
4 Amount translated into Singapore dollars using spot exchange rate at the time of investment.
5 Source: National Association of Software and Services Companies

In Hyderabad, aVance Business Hub provides a pipeline of assets that may be acquired by us. We have already invested about S$48.6 million (2.2 billion)[4] through construction financing loans in aVance 3, and we expect to acquire the building in the near term. Besides the third building, aVance Business Hub provides us additional access to approximately 2.4 million sq ft of acquisition targets.

We continue to actively seek out suitable acquisition opportunities in the market. The recent turnaround in India's economy has prompted global property funds to look at India's commercial real estate sector seriously. Despite the heightened competition, we will remain financially disciplined when making new acquisitions.

With our extensive land bank and a large pipeline of acquisition targets, a-iTrust is well positioned to grow its portfolio in the coming years.

On another note, you may have heard about the pending merger between a-iTrust's sponsor, Ascendas Pte. Ltd. and Singbridge Group. We wish to inform you that it will be business as usual for the Trust.

On behalf of the Board, we would like to thank Mr Jonathan Yap, who ably led a-iTrust since listing and has relinquished his Board position. We express our appreciation to him for building a strong platform for continued growth.

On behalf of the Board and management, we would also like to express our heartfelt appreciation to you, our shareholders, for your continued support and confidence in a-iTrust. We also want to thank our directors and staff for their unstinting commitment and dedication.

Philip Yeo
Chairman

Sanjeev Dasgupta
CEO

Q&A WITH CEO

1. What is your outlook on the Indian economy?
The Indian GDP is forecast to grow at 7.5% in 2015 and 2016. In comparison, the Indian economy grew at 7.2% in 2014[3]. Lower inflation, a stable Indian Rupee and enhanced regulatory clarity are some of the key factors driving the stronger economic growth going forward. On the IT and Business Process Management sectors, revenue growth is expected to remain robust at 13-15% in FY15/16[5], as India continues to maintain its leadership position as a global IT offshoring and outsourcing hub.

2. How does a-iTrust differentiate its properties from competitors?
We believe in going beyond providing simple bricks and mortar offices to our tenants through our asset management initiatives. Our new buildings offer large and efficient floor plates built to international specifications, to meet the needs of our discerning tenants. We apply the latest green technologies and practices to reduce the environmental impact from our construction activities and daily operations. We help our tenants reduce their operating costs by lowering their staff turnover rate. We keep our tenants' employees engaged and happy by organising regular social activities in our IT parks throughout the year. We also provide extensive amenities, such as banking facilities, food courts and retail offerings in our IT parks, so that the employees can enjoy an international business lifestyle. These initiatives pay off, as most of our tenants who have been with us, tend to stay with us. In the last three years, our average tenant retention rate was 86%.

3. How does the new Indian REIT regulation affect a-iTrust?
In the near term, we do not foresee any significant impact on a-iTrust. The new Indian REIT regulations represent an important step towards making Indian REITs a reality. As Indian REITs get listed, we will closely monitor the situation to evaluate our strategic alternatives. We will carefully consider the repercussions on current unitholders, how it affects our overall cost of capital, and whether it enhances our unitholders' returns.

Sanjeev Dasgupta
CEO

ECONOMIC & MARKET REVIEW

Source: Cushman & Wakefield India Pvt. Ltd.

INDIAN ECONOMY

- India ranks as the tenth largest economy by market exchange rates and the third largest economy when adjusted for purchasing power parity[1].
- The Indian GDP is forecast to grow 7.2% in 2014 and 7.5% in 2015 (calculated at a factor cost of 2011 to 2012 prices)[2]. This is based on the view of declining inflation and improved fiscal management and business climate.
- With the improved outlook, Consumer Price Index ("CPI") came down to 4.4% in November 2014 from 11.2% in November 2013[3]. The CPI has remained stable at 5.0% from December 2014 to February 2015[3]. Wholesale Price Index came down to nearly 0.0% in November 2014 and remained at that level from December 2014 to February 2015[3]. Currency volatility also moderated and stabilized at current trading range of INR 60-62 and INR 46-49 against the US Dollar and Singapore dollar respectively in the last one year after touching an all-time low of INR 68 against US Dollar in August 2013.

INDIAN GOVERNMENT

- In May 2014, India elected a new Central Government that won a clear majority in the lower house of Parliament, the first time in 30 years. Led by Prime Minister Narendra Modi, the National Democratic Alliance has enthused investors and business confidence in the Indian economy, both nationally as well as internationally. The new Government has announced various measures and started implementing various reforms that focus on improving business sentiments, streamlining the administrative process, easing restrictions on foreign direct investments and enhancing the country's infrastructure.
- One major policy reform introduced in FY14/15 was the introduction of Real Estate Investment Trust ("REIT"). The Securities and Exchange Board of India approved REITs regulations in September 2014. This is expected to provide better access to funding for developers, better valuations for commercial properties and a more structured and transparent commercial real estate market.
- In India's FY15/16 budget, the Government proposed various incentives to promote the successful launch of REITs in India. The proposal includes the pass through of rental income from the REIT's assets, concessional tax relating to capital gains for the REIT's sponsor and tax exemption on units' sales by other unit holders. (For other unitholders, tax is exempted for the sale of units that are held for at least 36 months.) Recently the Government through its amendment of Finance Bill on 30 April 2015, has provided relaxation for the sponsors of REIT by exempting Minimum Alternative Tax on notional gains on transfer of shares of Special Purpose Vehicle ("SPV") to the REIT trust in exchange of units of REIT trust. Further Government also approved foreign investment in REITs. This approval enables the foreign investment inflows in to the completed rent generating assets. However further clarity is required on tax issues such as dividend distribution tax, corporate tax for the assets held by REIT controlled SPV's. Nonetheless, a successful REIT's launch will also depend on the quality of the assets it holds and the income stream that is expected from its portfolio.

[1] Source: World Bank, 2013
[2] Source: International Monetary Fund
[3] Source: Ministry of Statistics and Programme Implementation

IT/IT ENABLED SERVICES ("ITES") INDUSTRY

- The IT/ITES industry in India is a growth engine for the economy, contributing substantially to the increase in the GDP, urban employment and exports. The Federal and the State Governments have played a major role in positioning India as the IT/ITES hub and a major outsourcing location in Asia.
- According to the National Association of Software and Services Companies ("NASSCOM"), it expects revenues from the IT/ITES and Business Process Management ("BPM") sector to reach US$225 billion by 2020. India's IT and BPM sector exports are estimated to grow by 11.4% to US$98 billion in FY14/15 and domestic revenues are estimated to grow by 14.3% to US$48 billion for the same period. For FY15/16, NASSCOM forecasts that the Indian IT and BPM sector would grow by 13-15% to US$165-168 billion.

OFFICE MARKET OUTLOOK

Bangalore

- In the last eight years, Bangalore and Whitefield micro-market had witnessed steady supply and absorption of office space. Compared to other major cities in India (such as Mumbai, NCR, Pune, Chennai and Hyderabad), Bangalore witnessed the highest quantum of office space absorption over the last 4 to 6 years. Bangalore's total absorption in 2014 was 12.6 million sq ft and Whitefield micro-market accounted for 23% of the transacted space.
- Bangalore's commercial office vacancy was 14% in 2013 and 13% in 2014. The vacancy trend is expected to remain at the current level due to upcoming supply. Rentals in the peripheral markets, including Whitefield, are also anticipated to remain stable as they remain the preferred occupier destination due to the availability of large contiguous spaces.

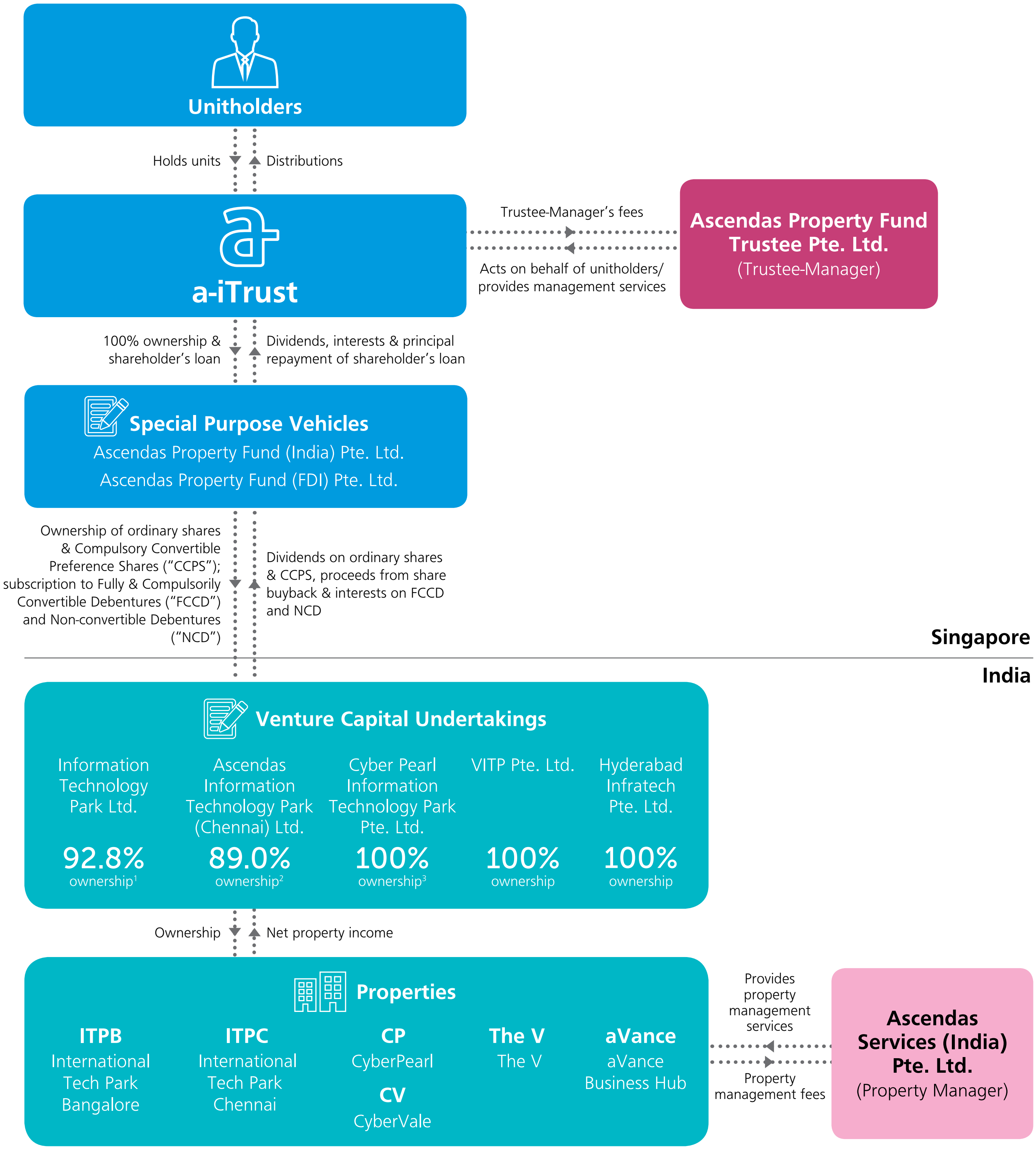
Chennai

- The average commercial office space absorption in Chennai has been approximately 4.2 million sq ft per year during the last six years. Absorption in 2014 was around 4.0 million sq ft. Due to the high vacancy witnessed during 2009 to 2011, there was a decline in the supply of commercial office space in 2011 to 2014. Vacancy level decreased from 16% in 2013 to 14% in 2014 due to the limited supply.
- The overall supply of office space across the next two to three years in Chennai is anticipated to be approximately 5.0 million sq ft. Due to the limited supply of IT Special Economic Zone ("SEZ") closer to the city, SEZ spaces in suburban locations are expected to witness heightened demand in the near future. This could exert upward pressure on rentals.

Hyderabad

- Hyderabad witnessed approximately 4-5 million sq ft of office space absorption per year from 2009 to 2014 and the Madhapur micro-market accounted for 50-60% of transactions. While the overall vacancy level in Hyderabad was 18% in 2014, Madhapur micro-market remained tight with a 5% vacancy rate.
- Demand for office space is expected to increase moderately in the next two years driven by improved economic conditions and stable political scenario in the State. Rentals are expected to rise in the suburban micro-market, due to the limited vacant commercial space and remain stable in the short term for the other micro-markets.

TRUST STRUCTURE



[1] Karnataka Industrial Area Development Board owns 7.2% of Information Technology Park Ltd..
[2] Tamil Nadu Industrial Development Corporation Limited owns 11.0% of Ascendas Information Technology Park (Chennai) Ltd..
[3] Cyber Pearl Information Technology Park Pte. Ltd. owns 100% of Ascendas IT SEZ (Chennai) Pte. Ltd..

OVERVIEW

Enhanced Stability

Although a-iTrust is structured as a business trust, we have voluntarily adopted the following restrictions to enhance the stability of distributions to unitholders:

- Adherence to safeguarding provisions on allowable investments as defined under Monetary Authority of Singapore's Property Fund Guidelines;
- Gearing ratio capped at 40% without credit rating and 60% with credit rating;
- Property development activities limited to 20% of Trust property; and
- Minimum 90% of distributable income to be distributed.

Tax-Exempt Distributions

Distributions made by a-iTrust, being a registered business trust, are exempt from Singapore income tax in the hands of all unitholders, i.e. regardless of whether they are corporates or individuals, foreign or local. Our distributions are free of Singapore withholding tax or tax deducted at source.

Asset and Property Management

a-iTrust is managed by Ascendas Property Fund Trustee Pte. Ltd. ("Trustee-Manager"), a wholly-owned subsidiary of Ascendas Group. The Trustee-Manager has the dual responsibility of safeguarding the interests of unitholders, and managing the business conducted by a-iTrust.

Ascendas Services (India) Private Limited ("Property Manager") is responsible for managing the daily operations and maintenance of our properties.

RISK MANAGEMENT

It is our policy that a-iTrust implements a consistent risk management approach and methodology across its entities, recognising that risk management is integral and essential to achieving our strategic goals and business outcomes.

a-iTrust has minimal direct employees. Ascendas Property Fund Trustee Pte. Ltd. and Ascendas Services (India) Private Limited act as the Trustee-Manager and Property Manager respectively. Hence the risk management processes and practices will be executed by Ascendas Property Fund Trustee Pte. Ltd., Ascendas Services (India) Private Limited and such other parties providing services to a-iTrust, for or on behalf of a-iTrust.

a-iTrust accepts, as an organisational philosophy, that:

- Management of risk is critical to governance and forms part of management's responsibilities at all levels within the Trust (Board, senior management and, ultimately, all staff);
- Guidance for discharge of these responsibilities will be provided via key strategic and operational risk management principles applicable throughout the Trust; and
- External assistance may be engaged periodically to independently verify implementation of this policy and review key risk management principles.

Enterprise-wide risk management process is put in place to ensure potential risks are identified and key controls to mitigate these risks are established and implemented. This is continuously assessed, monitored and reviewed in light of changing circumstances and regulatory requirements, and realigned as required.

Risk management information is integrated throughout the different sections of our Annual Report and is highlighted with the ! logo. This provides readers with insights into the critical linkages between the different risks faced by the Trust, and the key measures taken to mitigate them as we manage our daily operations.

BOARD OF DIRECTORS

Mr Philip Yeo Liat Kok
Chairman & Independent Director

Date of Appointment as Director
11 June 2007

Date of Appointment as Chairman of the Board
11 June 2007

Length of Service as Director
7 years and 11 months

Board Committees Served on
- Nominating Committee (Chairman)
- Human Resource & Remuneration Committee (Chairman)

Academic & Professional Qualifications
- Bachelor of Applied Science (Industrial Engineering) and an Honorary Doctorate in Engineering, University of Toronto, Canada
- Honorary Doctorate in Medicine, Karolinska Institutet, Sweden
- Master of Science (Systems Engineering), the then-University of Singapore
- Master of Business Administration, Harvard University, USA
- Doctor of Science, Imperial College London, UK
- Honorary Doctor of Letters, National University of Singapore
- Honorary Doctor of Law, Monash University, Australia

Present Directorships
Listed Companies
- Accuron Technologies Ltd (Chairman)
- City Development Limited
- Hitachi Ltd (Japan)
- Kerry Logistics Network Limited

Others
- Hexagon Development Advisors Pte. Ltd. (Chairman)
- MTIC Holdings Pte. Ltd. (Chairman)
- Singapore Aerospace Manufacturing Pte. Ltd. (Chairman)
- Economic Development Innovations Singapore Pte. Ltd. (Chairman)
- P*YEO Investments Pte. Ltd.
- Spring Equity Investments Pte. Ltd.
- IGlobe Partners (II) Pte. Ltd.
- IGlobe Platinum Fund Limited
- Baiterek National Managing Holding
- Advanced Materials Technologies Pte. Ltd.
- Veredus Laboratories Pte. Ltd.

Major Appointments
- Standards, Productivity and Innovation Board (SPRING) (Chairman)
- St. Joseph's Institution Foundation for the Lasallian Mission Ltd.

Past Directorships in Listed Companies Held Over the Last 3 Years
- United Overseas Bank Limited
- Bumi PLC

Mr David Lim Tik En
Deputy Chairman & Independent Director

Date of Appointment as Director
11 June 2007

Date of Appointment as Deputy Chairman of the Board
24 April 2014

Length of Service as Director
7 years and 11 months

Board Committees Served on
- Investment Committee (Chairman)
- Audit Committee (Member)
- Nominating Committee (Member)
- Human Resource & Remuneration Committee (Member)

Academic & Professional Qualifications
- Bachelor of Engineering (First Class Honours), University of Melbourne, Australia
- Master of Business Administration, National University of Singapore
- Programme for Management Development, Harvard University, USA

Present Directorships
Listed Companies
- Wheelock Properties (Singapore) Ltd

Others
- Economic Development Innovations Singapore Pte. Ltd.

Major Appointment
Nil

Past Directorships in Listed Companies Held Over the Last 3 Years
Nil

Note: All information dated as at 31 May 2015.

Mr Michael Grenville Gray
Independent Director

Date of Appointment as Director
16 November 2009

Length of Service as Director
5 years and 6 months

Board Committees Served on
- Audit Committee (Chairman)

Academic & Professional Qualifications
- Bachelor of Science (Maritime Studies), University of Plymouth, UK
- Master of Arts (South East Asia Studies), National University of Singapore
- Fellow of the Institute of Chartered Accountants in England and Wales
- Fellow of the Institute of Singapore Chartered Accountants
- Fellow of the Singapore Institute of Directors

Present Directorships
Listed Companies
- Avi-Tech Electronics Limited
- GSH Corporation Ltd (f.k.a. JEL Corporation (Holdings) Ltd)
- VinaCapital Vietnam Opportunity Fund Limited

Others
- Raffles Marina Holdings Ltd
- UON Singapore Pte. Ltd.
- Tras Street Property Investment Ltd
- TGY Property Investments Pte. Ltd.
- Asian Cruising Pte. Ltd.
- The Masonic Hall Board Ltd

Major Appointment
Nil

Past Directorships in Listed Companies Held Over the Last 3 Years
- Grand Banks Yachts Limited

Mr Rakesh Kumar Aggarwal
Independent Director

Date of Appointment as Director
16 November 2009

Length of Service as Director
5 years and 6 months

Board Committees Served on
- Investment Committee (Member)

Academic & Professional Qualifications
- Master of Business Administration, Indian Institute of Management, Ahmedabad, India
- Bachelor of Technology (Mechanical Engineering), Indian Institute of Technology, New Delhi, India

Present Directorships
Listed Companies
- Mortice Group Ltd

Others
- Atlas Equifin Pvt Ltd
- Grandway Global Holdings Ltd
- Novatech Finvest (India) Pvt Ltd
- World Media Group Pte. Ltd.
- Bay Capital Partners Pte. Ltd.
- Alauda Securities Limited
- Apace Communications Ltd
- Multivest Offshore Limited
- New Horizon Ventures Group Ltd.
- IL&FS Wind Power Management Pte. Ltd.
- Singular India Growth Fund, Mauritius
- Valti Energy Trading Pte. Ltd.

Major Appointment
Nil

Past Directorships in Listed Companies Held Over the Last 3 Years
- Mortice Limited

BOARD OF DIRECTORS

Mr T.V. Mohandas Pai
Independent Director

Date of Appointment as Director
1 December 2011

Length of Service as Director
3 years and 6 months

Board Committees Served on
- Audit Committee (Member)
- Investment Committee (Member)

Academic & Professional Qualifications
- Bachelor's Degree in Commerce, St. Joseph's College of Commerce, Bangalore, India
- Bachelor's Degree in Law, Bangalore University, India
- Fellow of Institute of Chartered Accountants of India

Present Directorships

Listed Companies
- Havells India Limited

Others
- Manipal Global Education Private Limited (Chairman)
- Manipal Health Enterprises Private Limited
- CSIR-Tech Private Limited
- MEMG International India Private Limited

Major Appointment
Nil

Past Directorships in Listed Companies Held Over the Last 3 Years
Nil

Mr Girija Prasad Pande
Independent Director

Date of Appointment as Director
15 January 2013

Length of Service as Director
2 years and 4 months

Board Committees Served on
- Investment Committee (Member)

Academic & Professional Qualifications
- Bachelor of Engineering, Birla Institute of Technology and Science at the Pilani Campus, India
- Master of Business Administration, Indian Institute of Management, Ahmedabad, India

Present Directorships

Listed Companies
- Micro-Mechanics (Holdings) Ltd

Others
- Apex Avalon Consulting Pte. Ltd. (Chairman)
- Tata Communications International Pte. Ltd.
- IIA Technologies Pte. Ltd.
- Apex Advisors Pte. Ltd.

Major Appointments
- Singapore International Chamber of Commerce
- National Council of Social Services
- Singapore Indian Development Association (Board of Trustee)
- Singapore Management University School of Business (Board of Advisors)

Past Directorships in Listed Companies Held Over the Last 3 Years
Nil

Mr Ng Eng Leng
Independent Director

Date of Appointment as Director
1 April 2013

Length of Service as Director
2 years and 2 months

Board Committees Served on
- Audit Committee (Member)

Academic & Professional Qualifications
- Bachelor's Degree in Law (Honours), National University of Singapore
- Master of Laws, National University of Singapore
- Advocate and Solicitor, Singapore
- Advocate and Solicitor, West Malaysia
- Roll of Solicitors, England & Wales

Present Directorship

Listed Companies
Nil

Others
Nil

Major Appointment
- Partner, Rodyk & Davidson LLP

Past Directorships in Listed Companies Held Over the Last 3 Years
Nil

Note: All information dated as at 31 May 2015.

Mr Khiatani Manohar Ramesh
Non-Executive Director

Date of Appointment as Director
1 June 2013

Length of Service as Director
1 year and 11 months

Board Committees Served on
- Investment Committee (Member)
- Nominating Committee (Member)
- Human Resource & Remuneration Committee (Member)

Academic & Professional Qualifications
- Master's Degree (Naval Architecture), University of Hamburg, Germany
- Advanced Management Program, Harvard Business School, USA

Present Directorships
Listed Companies
- SIA Engineering Company Limited
- Ascendas Funds Management (S) Limited (As manager of Ascendas Real Estate Investment Trust)
- Ascendas Hospitality Fund Management Pte. Ltd. (As manager of Ascendas Hospitality REIT)
- Ascendas Hospitality Trust Management Pte. Ltd. (As trustee-manager of Ascendas Hospitality BT)

Others
- Ascendas Pte. Ltd.
- Ascendas Investment Pte. Ltd.
- Ascendas Land International Pte. Ltd.
- Ascendas Land (Singapore) Pte. Ltd.
- Ascendas Development Pte. Ltd.
- Ascendas Frasers Pte. Ltd.
- Ascendas-Citramas Pte. Ltd.
- Nusajaya Tech Park Sdn Bhd
- Carmelray-JTCI Corporation
- Ascendas Group Companies

Major Appointment
Nil

Past Directorships in Listed Companies Held Over the Last 3 Years
Nil

Mr Sanjeev Durjhati Prasad Dasgupta
Executive Director & CEO

Date of Appointment as Director
1 October 2014

Length of Service as Director
8 months

Board Committees Served on
- Investment Committee (Member)

Academic & Professional Qualifications
- Bachelor of Commerce, Mumbai University, India
- Master of Business Administration, London Business School, UK
- Qualified Chartered Accountant and Graduate Company Secretary, India

Present Directorships
Listed Companies
Nil

Others
- Ascendas Property Fund (India) Pte. Ltd.
- Ascendas Property Fund (FDI) Pte. Ltd.
- Information Technology Park Ltd
- True Developers Private Limited
- Onehub (Chennai) Private Limited
- Cyber Pearl Information Technology Park Private Limited
- VITP Private Limited
- Hyderabad Infratech Private Limited
- G.P. Realtors Private Ltd
- Dr Fresh SEZ Phase 1 Private Limited
- Ascendas IT SEZ (Chennai) Private Limited

Major Appointment
Nil

Past Directorships in Listed Companies Held Over the Last 3 Years
Nil

TRUSTEE-MANAGER

Sanjeev Dasgupta
Executive Director & CEO

Tan Si Sian
Executive Secretary

Arthur Tan
Chief Financial Officer

Gary Ong
Assistant Manager, Finance

Alice Ong
Senior Accounts Executive, Finance

Emma Tan
Senior Manager, Finance

Jaslyn Poon
Accountant, Finance

Ram Soundararajan
Head, Asset & Investment Management

Nitin Sathasivam
Assistant Manager,
Asset & Investment Management

Joel Oei
Assistant Manager,
Asset & Investment Management

James Goh
Head, Investor Relations &
Deputy Head, Asset Management

Malcolm Ong
Analyst, Asset Management

Mary De Souza
Joint Company Secretary

Ho How Wai
Head, Compliance

Edwin Kung
Joint Company Secretary

PROPERTY MANAGER

BANGALORE HEADQUARTERS

CEO, Ascendas Services (India) Pte. Ltd.
Lee Fu Nyap

Communications
Anirban Choudhury

Project Management
Pradeep Dwivedi

Property Services
Pradeep P B

Finance
Foo Chek Kiang

Legal & Secretarial
J Ammaiappan

Marketing & Customer Service
Joey Khoo

Human Resource & Administration
Chidambar R S

IT
Rajshekar Patil

Corporate Planning
Rahul Nibandhe

Business Development
Bhavesh Madeka

BANGALORE OPERATIONS

City Head
Ashwin Shetty

Communications
Anshu Bhardwaj

Project Management
Rajesh A

Property Services
Rajesh A

Finance
Govardhan Chawla

Legal & Secretarial
Sheetal LM

Marketing & Customer Service
Adarsh Rai
Beena Bharath

Human Resource & Administration
Mary Sathiya

Retail Mall Operations
Thrinath Babu

CHENNAI OPERATIONS

City Head
Balaji V V

Communications
Arun Prasath

Property Services
Seenuvasan G

Finance
Lakshmi Narasimhaiah

Legal & Secretarial
Senthil Kumar A

Marketing & Customer Service
Ramesh M

Human Resource & Administration
Srividya P

HYDERABAD OPERATIONS

Deputy City Head
Subrata Sharma

Communications
Ajay B

Project Management
Sudhir Kumar

Property Services
Naresh Yadav

Finance
Govardhan Chawla

Legal & Secretarial
Ajit Verma
VVMS Rao

Marketing & Customer Service
Umesh C S

Human Resource & Administration
D Srivalli

INVESTMENT MANAGEMENT

"Our investment in BlueRidge Phase II in Pune and acquisition of CyberVale in Chennai enhances a-iTrust's portfolio earnings and diversification."

Sanjeev Dasgupta
CEO

DEVELOPMENT STRATEGY

Since listing, a-iTrust has developed 3.55 million sq ft of commercial space from its land bank. The Trust continues to hold substantial vacant land in Bangalore, Chennai and Hyderabad, with total development potential of 3.64 million sq ft.

In August 2014, we commenced the construction of Victor, a 0.62 million sq ft multi-tenanted IT building. The building is expected to be completed by June 2016. Excluding Victor, we have the capacity to build an additional 2.24 million sq ft of commercial space in Bangalore. This sizeable land bank will be developed in phases to meet market demand.

In Chennai, the recently acquired CyberVale has a 4.4 acres vacant plot with the potential to build a 0.37 million sq ft IT building. Construction will commence when we have clear visibility of leasing demand in that micro-market.

Lastly in Hyderabad, we are redeveloping The V in phases to gain additional floor area. We will be constructing a new multi-tenanted IT building with floor area of 0.41 million sq ft and a multi-level car park that accommodates 660 cars. The new IT building is expected to be completed by the second half of 2017. These new developments will cater to the growing expansion needs of new and existing tenants in Hyderabad.

ACQUISITION STRATEGY

We seek acquisitions that enhance the diversification of the portfolio and enhance risk-adjusted returns to unitholders.

We have targeted Bangalore, Chennai, Hyderabad, Mumbai, National Capital Region (comprising Delhi, Gurgaon and Noida) and Pune for new acquisitions. These cities were chosen because of their sound infrastructure, sizeable pool of talented workforce, and substantial economic base.

When sourcing for third party properties, we leverage on Ascendas Group's presence in India and access to market information to gain a competitive advantage.

We focus on the following criteria when evaluating new acquisitions:

- Location – Its proximity to residential developments, social infrastructure, and access to public transportation and skilled workforce.
- Tenancy profile – The credit standing of its tenants and diversification of tenant base.
- Design and specification – The quality of the property, including its size, age, and state of maintenance.
- Land title and land tenure – Whether there are disputes or claims over the title, and remaining tenure of land.
- Rental and capital growth prospects – Its passing rent and capital value compared to comparable properties; the overall market outlook.
- Opportunity to add value – The potential to increase rental/occupancy rates or enhance value through selective renovations and/or other enhancement works.

Investment Risk

Investment risk arises when a-iTrust develops existing land within the portfolio, acquires new properties, or does not divest existing investments when it is timely to do so. Such risks encompass market risk as well as the impact of the investment on the existing portfolio.

We adopt the following measures to mitigate investment risk:

- A research-driven investment approach focusing on the relevant national macroeconomic outlook, analysis of the relevant micro real estate markets (including supply and demand, vacancy and rental), and detailed asset analysis;
- Detailed property and technical due diligence prior to any new acquisition;
- Independent valuation as a guide to the purchase price;
- Detailed evaluation of the impact of the proposed acquisition on the portfolio income, geographical and tenant diversification, and lease expiry profile; and
- Review and approval of the investment by the Investment Committee and Board of Directors.

INVESTMENT MANAGEMENT

Sponsor Pipeline

Acquisition of CyberVale

On 31 March 2015, a-iTrust completed the acquisition of CyberVale from its sponsor, Ascendas Group, for a purchase consideration of INR 1.65 billion (S$35.9 million)[1]. CyberVale is strategically located in Mahindra World City, a 1,550 acres integrated business city in Chennai. Mahindra World City is the closest special economic zone to Oragadam, the car manufacturing hub of Chennai. The property comprises two operational buildings with 0.57 million sq ft, and vacant land that can yield a 0.37 million sq ft IT development. CyberVale has a stable income profile with Renault-Nissan as its anchor tenant.

Besides CyberVale, Ascendas Group has granted a-iTrust with the Right Of First Refusals ("ROFR") to acquire income-producing properties from the following entities:

- Ascendas Land International Pte. Ltd., which holds International Tech Park Pune, an IT SEZ in Pune with 0.66 million sq ft of completed space and land with development potential of 1.61 million sq ft. Construction of Phase II has commenced and is expected to add another 0.62 million sq ft of space.
- Ascendas India Development Trust, a real estate fund that develops greenfield projects. It has committed equity of S$500 million and land in Gurgaon, Chennai and Coimbatore.
- Ascendas India Growth Programme ("AIGP"), a real estate investment programme that targets business space developments and pre-stabilised completed business space assets. It has a target asset size of S$600 million. The ROFR covers Ascendas Group's stake in the assets of AIGP.

Third-Party Acquisitions

BlueRidge Phase II

The recent upturn in India's economy coupled with the election of a new reform-minded Indian Government has rekindled institutional investors' interest in the commercial real estate sector. With growing competition for quality income-producing assets, a-iTrust has adopted a different investment strategy to leverage on our lower financing costs. Unlike other office asset investors in India, we are able to lower our financing costs by borrowing Singapore dollar-denominated loans in Singapore and swapping them into Indian Rupee loans. This allows us to provide construction funding to vendors to secure acquisition targets.

In December 2014, we agreed to acquire BlueRidge Phase II, a 1.52 million sq ft IT SEZ in Pune, an important hub for IT companies. The property is currently under construction and is expected to be completed by the second half of 2015. It is located in Hinjewadi in Pune, the preferred location for many top IT companies. The acquisition of BlueRidge Phase II is structured via a two-stage process:

- a-iTrust had first subscribed to Non-convertible Debentures ("NCDs") amounting to ₹2,600 million (S$54 million)[1] issued by the co-developer of BlueRidge Phase II. The proceeds from the NCDs will be used to fund the construction of the property. The coupon on the NCDs is higher than a-iTrust's Indian Rupee-denominated borrowing costs.
- Upon meeting the pre-specified property leasing threshold of 90% or by 31 December 2016, whichever is earlier, a-iTrust will proceed to complete the acquisition of BlueRidge Phase II. The acquisition price will be determined in accordance with an agreed formula which takes into account the rental, rental escalation, and leasing level at the time of sale. The total acquisition price is not expected to exceed ₹6,404 million (S$133 million)[1].

[1] Amount translated into Singapore dollars using spot exchange rate at the time of investment.

CyberVale, Chennai

INVESTMENT MANAGEMENT

Case Study: aVance Business Hub Pipeline

Our agreement with Phoenix Infocity Pvt Ltd ("Vendor") gives us the right to acquire five buildings individually as and when they are completed. The buildings are part of an IT Park located in Hyderabad named aVance Business Hub.

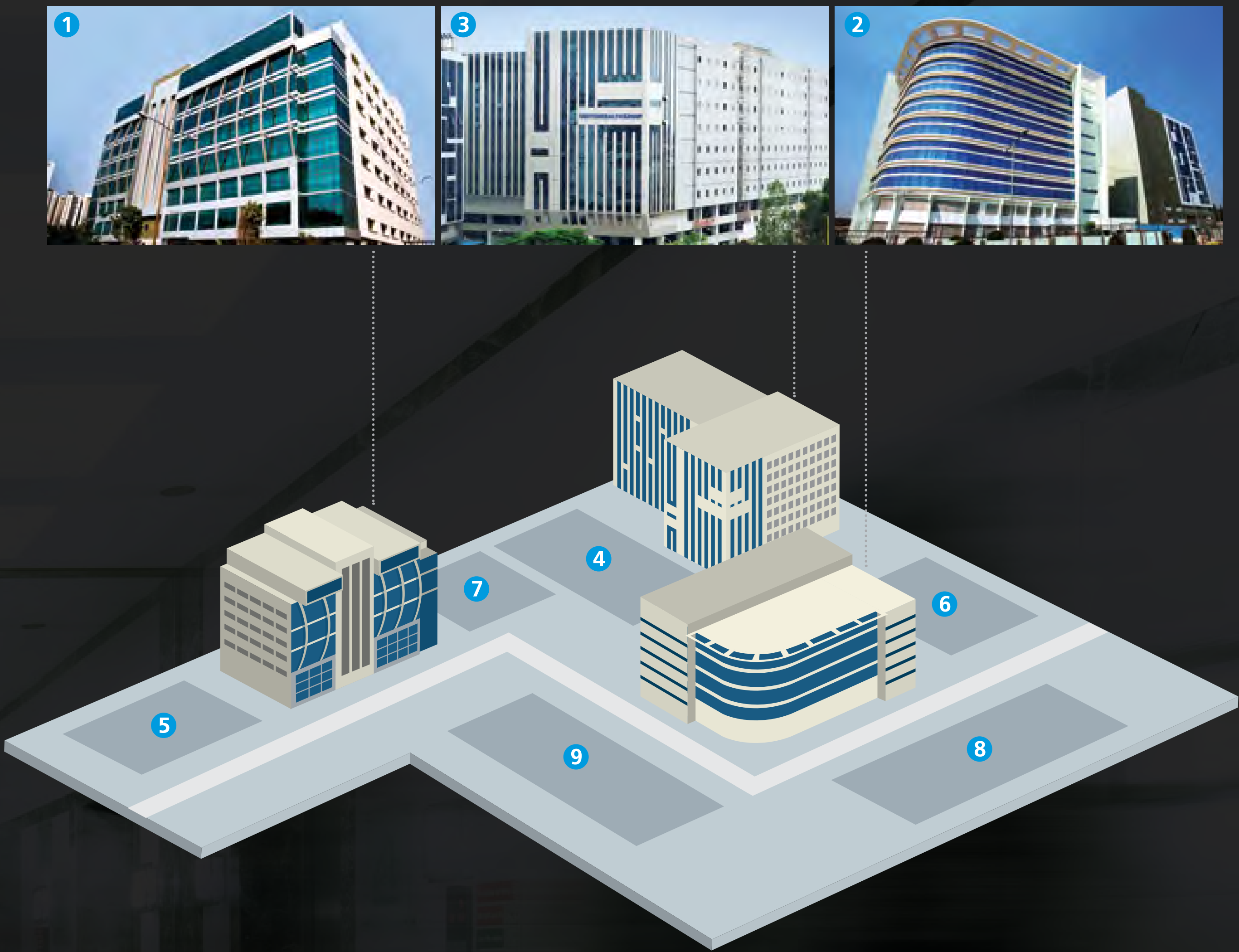
In February 2012, we acquired aVance 1 and 2 for ₹1,765 million (S$45 million)[1] from the Vendor. These two buildings have a total floor area of 0.43 million sq ft, and were fully occupied at the point of acquisition. In June 2013, the Vendor completed the construction of a 0.68 million sq ft building named aVance 3. As part of our agreement, we invested ₹1,750 million (S$40 million)[1] in March 2013 and ₹420 million (S$8.6 million)[1] in January 2014 after the Vendor met pre-specified leasing milestones for aVance 3. As at 31 March 2015, the building was 86% committed and we intend to buy over the building in the near term. Besides aVance 3, we have rights to acquire two other buildings to be constructed by the Vendor totaling 1.24 million sq ft.

In addition to the agreement with the Vendor, a-iTrust was granted a ROFR to acquire four other buildings within aVance Business Hub. These four buildings totalling 1.16 million sq ft are owned by parties not related to the Vendor.

To ensure that new buildings built by the Vendor meet our requirements, a-iTrust and the Vendor has set up a project committee to oversee the design and development of new buildings. The committee is also responsible for securing the desired tenant profile by prequalifying the tenant list, setting the rental range, and specifying other material terms of the lease contracts. Lastly, a-iTrust has the rights (through its appointed property manager) to manage buildings not owned by it to maintain the level of standard that our customers have come to expect across the entire IT Park.

	Building	Floor Area (million sq ft)	Status
a-iTrust Properties	aVance 1	0.20	Acquired
	aVance 2	0.23	Acquired
	Total	**0.43**	
Right to Acquire	aVance 3	0.68	Completed
	aVance 4	0.39	Under construction
	aVance 5	0.85	Not built
	Total	**1.92**	
Right of First Refusal to Acquire	aVance 6	0.23	Completed
	aVance 7	0.30	Completed
	aVance 8	0.20	Completed
	aVance 9	0.43	Under construction
	Total	**1.16**	

[1] Amount translated into Singapore dollars using spot exchange rate at the time of investment.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ASSET MANAGEMENT

"We provide one-stop real estate solutions to our tenants so that they can focus on their business."

Ram Soundararajan
Head, Asset & Investment Management

OVERVIEW

We offer quality space that is built to international specifications and standards. Our IT Parks have won multiple awards for their distinguished quality; foremost amongst them are two Gold awards from the FIABCI Prix d'Excellence Award. Both International Tech Park Bangalore and International Tech Park Chennai have received this top accolade, affirming our ability to construct and manage world class properties.

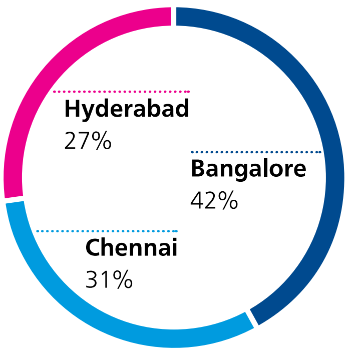
We differentiate ourselves by providing reliable solutions to customers. Our tenants are assured of smooth and uninterrupted infrastructure support within our IT Parks. We have installed backup generators to provide continuous power to our facilities. We also implement best practices in the key areas of safety, fire, utilities and security systems and processes as part of our business continuity plan. Lastly, we provide an international business lifestyle within our properties that inspires knowledge workers. Extensive amenities are provided within aesthetically landscaped settings incorporating lush gardens and artworks. Amenities on our IT Parks include gymnasium and fitness facilities, large food courts, restaurants and delis. Conveniences range from automated teller machines, 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.

CALENDAR OF EVENTS

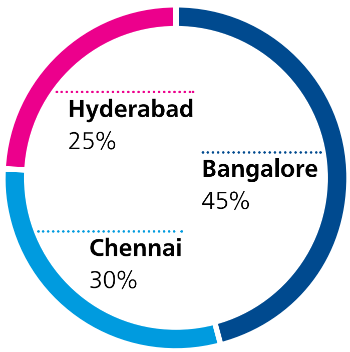
Quarter	Location	Event
1	Chennai & Hyderabad	Go Green Month
	Hyderabad	Livewire 2014
2	Chennai	Livewire 2014
	Hyderabad	Ascendas Connect 2014, Independence Day Celebrations, Movie Screening
3	Bangalore & Hyderabad	Christmas Celebrations
	Bangalore	Ascendas Connect 2014, Soul Sante 2014
	Chennai	Ascendas Sports Meet 2014, Diwali Celebrations
	Hyderabad	Healthy Lifestyle And Sports Meet
4	Bangalore	Ascendas Sports Meet 2014, Interface 2015
	Chennai	CEO Night, Rangoli Competition 2014, Women's Day Celebration
	Hyderabad	Arts Exhibition, Colors 2014, Interface 2015

ASSET PORTFOLIO

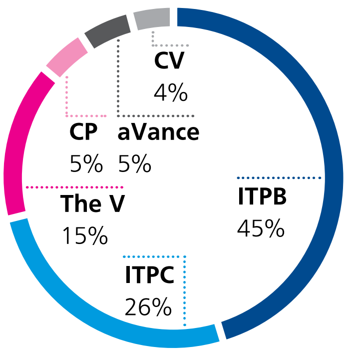
Portfolio Floor Area by City



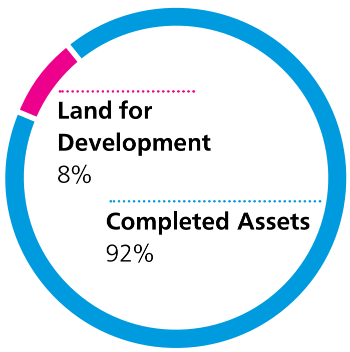
Portfolio Valuation by City



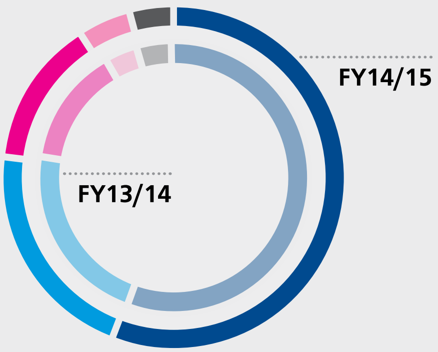
Portfolio Valuation by Property



Portfolio Valuation by Type

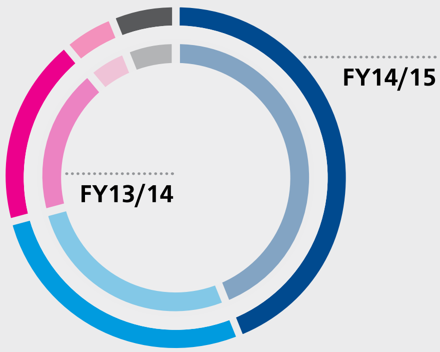


Total Property Income (₹ million)



Property	FY14/15	FY13/14
ITPB	3,410 (56%)	3,232 (56%)
ITPC	1,325 (22%)	1,222 (21%)
The V	849 (14%)	820 (14%)
CP	274 (4%)	267 (5%)
aVance	250 (4%)	233 (4%)
Total	**6,108 (100%)**	**5,774 (100%)**

Net Property Income (₹ million)



Property	FY14/15	FY13/14
ITPB	1,637 (44%)	1,532 (44%)
ITPC	1,002 (27%)	907 (27%)
The V	661 (18%)	636 (18%)
CP	171 (5%)	182 (5%)
aVance	210 (6%)	193 (6%)
Total	**3,681 (100%)**	**3,450 (100%)**

ASSET PORTFOLIO

Property	International Tech Park Bangalore	International Tech Park Chennai	CyberVale
City	Bangalore	Chennai	Chennai
Site Area (acres)	68.5	15.0	13.9
Land Tenure	Freehold	Freehold	99 years[1]
Stake	92.8%[3]	89.0%[4]	100.0%
Floor Area Owned by a-iTrust (million sq ft)	3.4	2.0	0.6
Number of Buildings	9	3	2
Park Population	35,600	21,050	6,600
Development Potential of Land Bank (million sq ft)	2.86	–	0.37
Committed Occupancy	93%	100%	100%
Purchase Price (₹ million) (S$ million)[5]	 13,670 478.5	 5,533 193.7	 1,651 35.9
March 2014 Valuation (₹ million) (S$ million)[6]	 20,318 424.6	 10,740 224.5	 – –
March 2015 Valuation (₹ million) (S$ million)[7]	 20,671 456.8	 11,809 261.0	 1,653 36.5

[1] One 99-year lease term renewable for further 99-year as provided in the lease deed.
[2] One 33-year lease term renewable for further 33-year lease terms at the Trust's option at nominal rates.
[3] Remaining 7.2% owned by Karnataka Industrial Area Development Board.
[4] Remaining 11.0% owned by Tamil Nadu Industrial Development Corporation Limited.

CyberPearl	The V	aVance Business Hub
Hyderabad	Hyderabad	Hyderabad
6.1	19.4	25.7
Freehold	Freehold	Freehold[2]
100.0%	100.0%	100.0%
0.4	1.3	0.4
2	5	2
4,500	12,000	5,000
–	0.41	–
100%	99%	98%
2,001 70.0	5,439 190.4	1,765 44.8
2,024 42.3	6,450 134.8	2,051 42.9
2,145 47.4	6,875 151.9	2,149 47.5

5 Based on exchange rate of S$1:₹28.6 for ITPB, ITPC, The V and CP, S$1:₹39.4 for aVance and S$1:₹46.0 for CV.
6 Based on exchange rate of S$1:₹47.8.
7 Based on exchange rate of S$1:₹45.2.

ASSET REVIEW

Case Study: Helping Tenants Get Their Employees to Office

International Tech Park Bangalore is located in Whitefield, a bustling IT hub situated 20 kilometres to the east of Bangalore city centre. While Whitefield today is a self-sustaining IT hub with numerous retail malls and residential developments, many of the employees who work in International Tech Park Bangalore live in other parts of Bangalore. Although several arterial roads link Whitefield to the rest of Bangalore, key traffic junctions become choke points during peak hours. In Whitefield, the lack of a metro network further reduces the transportation options for our park employees.

To help our park employees get to work, we struck a strategic cooperation with Bangalore Metropolitan Transport Corporation (the State transport authority) to provide dedicated bus services from our park. At International Tech Park Bangalore, we built a bus depot within the park that can accommodate forty buses at any one time. There are in total 88 different bus routes operating to and from our park, covering most of the major residential areas within Bangalore city. On average, 6,000 park employees use this bus service daily. The provision of these dedicated bus services reduces the average travelling time of our park employees by 25%.

International Tech Park Bangalore, Bangalore

ASSET REVIEW

OPERATIONAL RISK

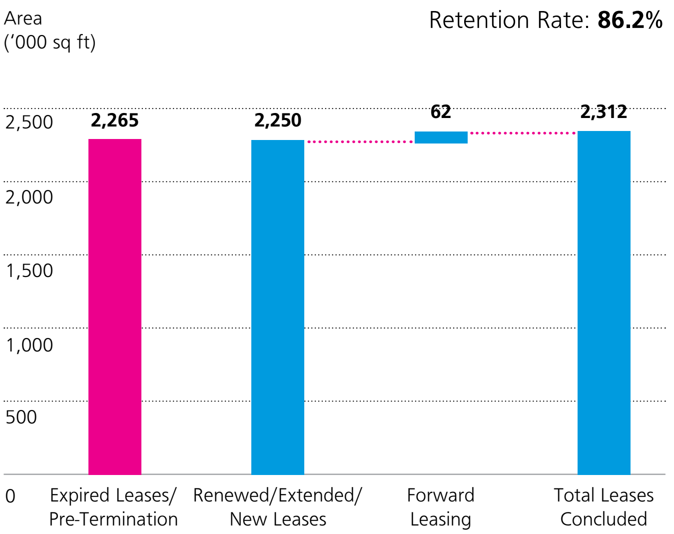
We integrate risk management measures into our day-to-day activities across all functions. These include comprehensive operating, reporting and monitoring controls put in place to manage risks arising from leasing, management and maintenance activities of the Trust. We monitor and review such controls regularly and improve them where necessary.

LEASING REPORT

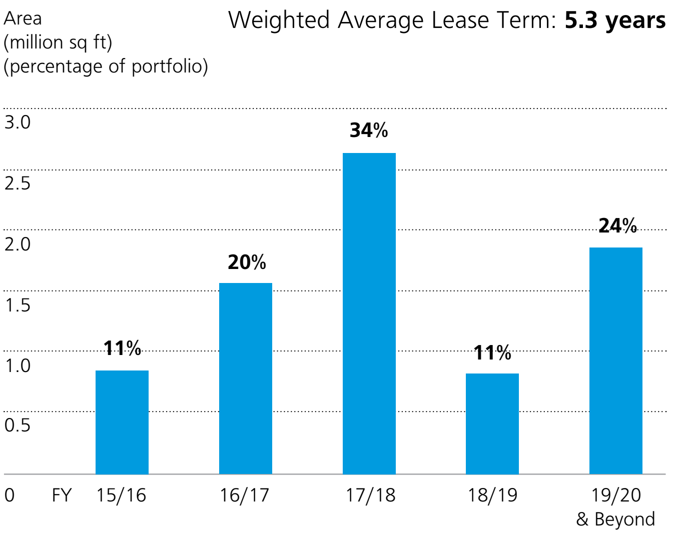
Leasing remained healthy in FY14/15. Over 2.3 million sq ft of floor space was leased or renewed in FY14/15, exceeding the floor space freed up by expired or pre-terminated leases. We retained 86% of leases that expired during the financial year.

11% or 0.8 million sq ft of leases would expire in FY15/16. We commence lease renewal negotiations with our tenants six months prior to the expiry of their leases. This gives us time to secure a replacement tenant should the existing customer choose not to renew their lease.

Leasing Activities from 1 April 2014 to 31 March 2015



Lease Expiry Profile



CREDIT RISK

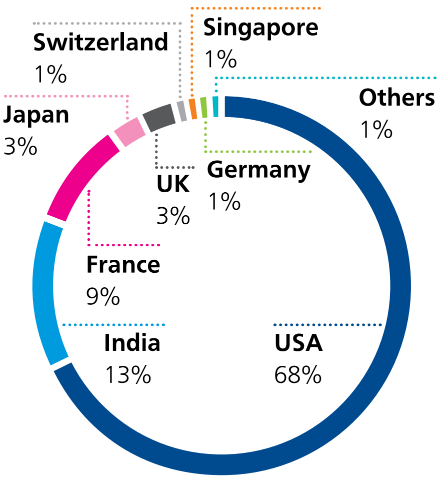
Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Trust, as and when they fall due.

The property manager conducts financial assessments on tenants before entering into lease agreements. Tenants are required to place significant amount of security deposits for lease and fit-out rentals. The property manager monitors their account receivable balances on an ongoing basis to minimise the impact of a defaulting customer on the performance of the property. Accounting provision for impairment is made when rental arrears exceeds the security deposits.

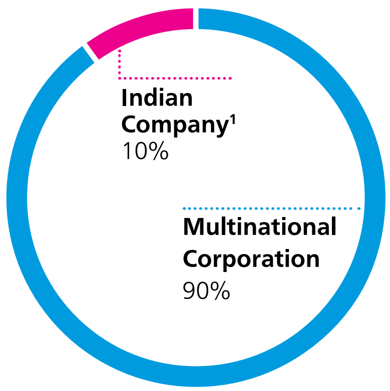
The table shows our top ten tenants in alphabetical order, with the name of their parent company on the right-hand column. All of our top ten tenants, many of whom are on the Fortune 500 list, are multinational companies with excellent credit standing.

No.	Top Ten Tenants (in Alphabetical Order)	Parent Company
1	Affiliated Computer Services of India Pvt. Ltd.	Xerox
2	Applied Materials India Pvt. Ltd.	Applied Materials
3	BA Continuum Pvt. Ltd.	Bank of America Merrill Lynch
4	Cognizant Technology Solution (India) Pvt. Ltd.	Cognizant
5	General Motors India Pvt. Ltd.	General Motors
6	iNautix Technologies India Pvt. Ltd.	BNY Mellon
7	Mu Sigma Business Solutions Pvt. Ltd.	Mu Sigma
8	Renault Nissan Technology & Business Centre Pvt. Ltd.	Renault & Nissan
9	Societe Generale Global Solution Centre Pvt. Ltd.	Societe Generale
10	Technicolor India Pvt. Ltd.	Technicolor

Tenant Country of Origin (by Base Rental)



Tenant Company Structure (by Base Rental)



[1] Comprises Indian companies with local operations only.

ASSET REVIEW

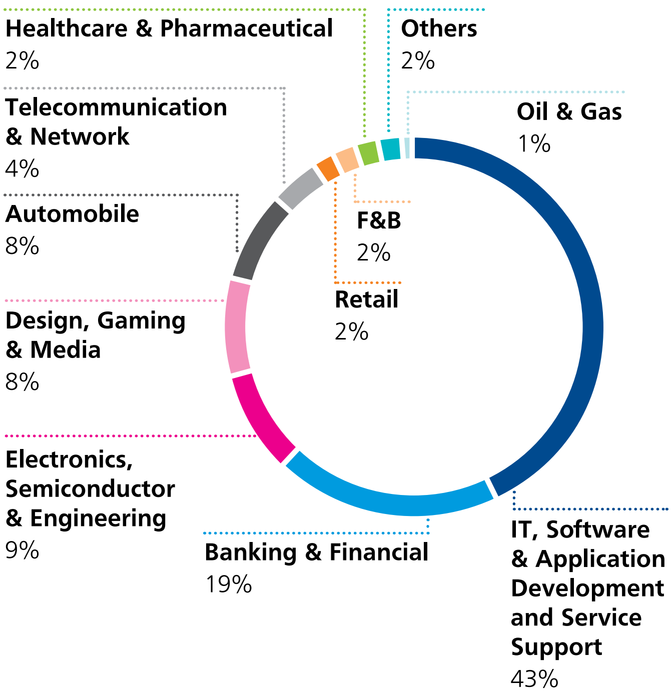
! TENANT CONCENTRATION RISK

We minimise tenant concentration risk by diversifying our tenant base extensively. We had in total 324 tenants as at 31 March 2015. On average, a single tenant takes up 24,250 sq ft of space. Our largest tenant accounted for 5% of portfolio base rents. Collectively, the top 10 tenants contributed 36% of portfolio base rents.

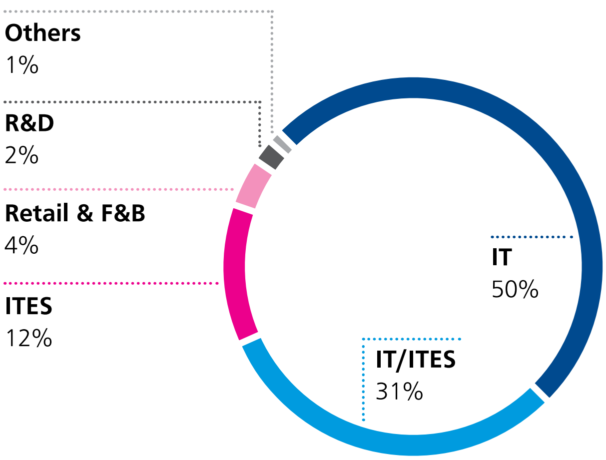
Our tenants came from a wide range of industries. IT & Software development companies make up around 43% of our tenant base. The rest of our tenants come from diverse industries such as banking, gaming and automotive sectors.

In terms of the type of business activity that is undertaken in our portfolio, close to half of our tenants conduct IT-related work solely. The IT category refers to services rendered at the top end of the IT value chain, including software and application development, animation, and gaming design. ITES, which means IT Enabled Services, captures lower value-added services such as call centres and business process outsourcing functions. Since listing, we have limited our exposure to ITES customers as they tend to be more cost concious and require office space with lower specifications. The segment IT/ITES refers to tenants who undertake both types of activities within their premises.

Tenant Core Business (by Base Rental)



Tenant Activity (by Base Rental)



Livewire Competition, Hyderabad

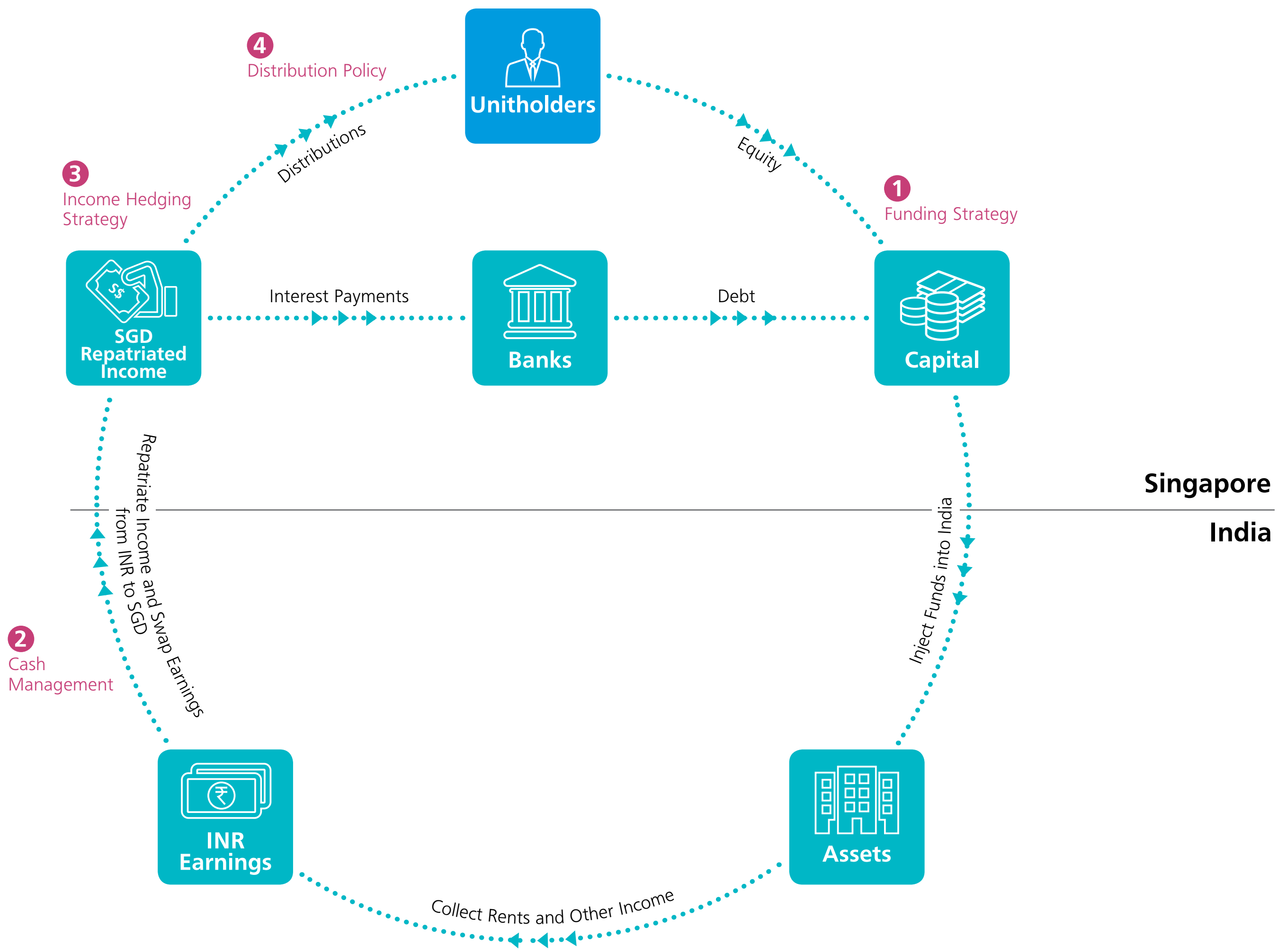
Soul Sante, Bangalore

CAPITAL MANAGEMENT

"We have mitigated refinancing risk for a-iTrust in the coming year by securing credit facilities to refinance all borrowings expiring in FY15/16."

Arthur Tan
CFO

SUMMARY



OVERVIEW

Key Indicators

Indicator	As at 31 March 2015
Gearing Ratio	25%[1]
Interest Service Coverage (EBITDA[2]/ Interest Expenses)	4.2 times
Percentage of Indian Rupee Debt	67%
Percentage of Fixed Rate Debt	100%
Secured Borrowings/ Asset Value	2.0%[3]
Effective Weighted Average Cost of Debt	6.7%

Objectives

Our key capital management objectives are:

- Employ the appropriate strategy to manage currency risk;
- Diversify our funding sources;
- Maintain a healthy balance sheet by keeping gearing at a sensible level; and
- Ensure sufficient liquidity to meet our business requirements.

! Currency Risk

The Trust is exposed to foreign currency risk as a result of having operations in two countries. Whilst the distribution to unitholders is made in Singapore dollar (reporting currency), the Trust's income is earned in Indian Rupee (functional currency). Please see the section on income hedging strategy for detailed explanation of measures used to lower the exposure of distributable income to currency risk.

The currency exposure as a result of borrowing in Singapore dollar to fund developments and/or acquisitions in India is managed through currency swaps. The Trust's policy is to hedge at least 50% of its borrowings to Indian Rupee. This limits the maximum value-at-risk to currency movement at 20%[4] as a-iTrust has a gearing limit of 40%. As at 31 March 2015, only 8% of the Trust's asset value was exposed to currency risk[5]. We will periodically review the policy, and make adjustments if changes in prevailing market conditions warrant it.

1 FUNDING STRATEGY

Our strategy is to diversify funding sources from financial institutions and capital markets to reduce the Trust's reliance on any single source of funding. The Trust has a S$500 million Medium Term Note ("MTN") programme and its principal bankers include DBS Bank, Citibank, Mizuho Bank, HSBC and Standard Chartered Bank. As at 31 March 2015, the Trust has total effective borrowings[6] of S$312.1 million, comprising S$136.5 million of MTN notes and S$175.6 million of bilateral loans.

Our approach to equity raising is predicated on maintaining a strong balance sheet by keeping the Trust's gearing ratio at a sensible level. We will carefully consider the impact on a-iTrust's DPU and net asset value before making any decision on raising equity.

1 Ratio of effective borrowings to the value of deposited properties.
2 Earnings before interest, tax, depreciation & amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation of forward foreign exchange contracts).
3 Excludes non-controlling interests.
4 Value-at-risk is calculated by multiplying (i) the percentage of Singapore dollar effective borrowings with (ii) gearing ratio. 50% X 40% = 20%.
5 Value-at-risk is calculated by multiplying (i) the percentage of Singapore dollar effective borrowings with (ii) gearing ratio. 33% X 25% = 8%.
6 Calculated by adding/(deducting) derivative financial instruments liabilities/(assets) to/from gross borrowings.

CAPITAL MANAGEMENT

We lower the Trust's borrowing cost by having a mix of Indian Rupee and Singapore dollar borrowings. As at 31 March 2015, 67% of the Trust's effective borrowings were denominated in Indian Rupee with the remaining 33% in Singapore dollar. The weighted average interest cost of Singapore dollar and Indian Rupee borrowings were 3.6% and 8.2% respectively as at 31 March 2015. a-iTrust's overall weighted average cost of debt was 6.7% as at 31 March 2015.

! Interest Rate Risk

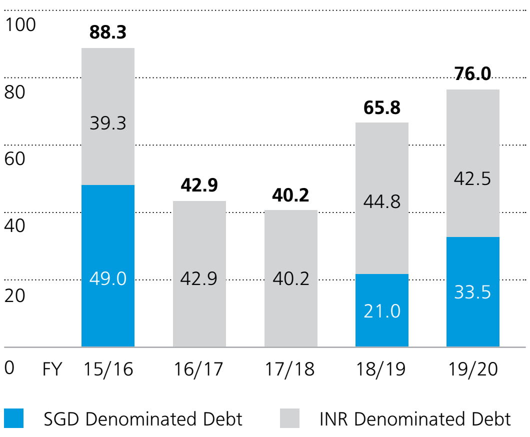
The Trust's exposure to changes in interest rates relates primarily to interest-earning financial assets and interest-bearing financial liabilities. The Trust has entered into interest rate swaps to hedge its entire floating-rate borrowings into fixed-rate obligations.

As at 31 March 2015, 100% of the Trust's borrowings carry fixed-rate interest.

! Refinancing Risk

We aim to achieve an optimal balance between reducing interest costs by taking shorter tenure borrowings, and spreading out the expiry profile of the Trust's borrowings to reduce refinancing risk. The weighted average debt expiry is 2.6 years as at 31 March 2015 and the expiry of the Trust's borrowings is spread out over the next five years. There is minimal refinancing risk over the next 12 months as we have secured credit facilities to refinance all the borrowings expiring in FY15/16.

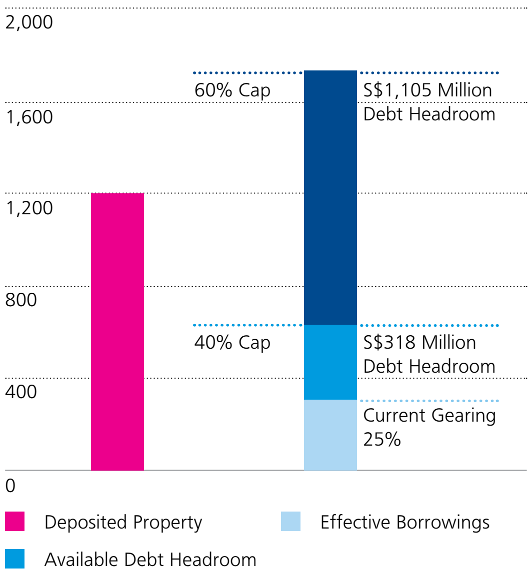
Debt Expiry Profile (S$ million)



Debt Headroom

As at 31 March 2015, the Trust may increase its borrowings by S$318 million before reaching the 40% gearing limit. This provides the Trust with significant resources to fund potential acquisitions and developments using additional borrowings. Should a-iTrust obtain a credit rating, the Trust may increase its borrowings by an additional S$787 million to S$1,105 million.

Debt Headroom (S$ million)



2 CASH MANAGEMENT

The Trust monitors and maintains a level of cash and cash equivalents deemed adequate to meet the Trust's operations as well as to meet any short term liabilities. The cash generated from operations at Indian entities are placed in bank fixed deposits to maximise interest income prior to the intended repatriation event.

! Liquidity Risk

The Trust maintains sufficient cash and cash equivalents to meet the normal operating cash requirement. The Trust regularly monitors and observes bank covenant for borrowings.

Operating Activities

Net cash generated from operating activities for FY14/15 increased to S$80 million, compared to S$77 million in the preceding financial year.

Investing Activities

During the year, S$12 million was invested to fund the development of (1) Victor, a new IT building in International Tech Park Bangalore, and (2) a new IT building and multi-level car park in The V, Hyderabad. An additional S$5 million worth of capital expenditure was spent on refurbishing existing properties.

In terms of new investment, the Trust invested S$57 million towards the acquisition of BlueRidge Phase II, a 1.5 million sq ft IT SEZ in Pune, via the subscription of Non-convertible Debentures ("NCDs") issued by the vendor. The subscription of NCDs is part of a multi-stage acquisition process which will be completed by 31 December 2016 if pre-agreed conditions have been met. The Trust had also completed the acquisition of CyberVale, a 0.6 million sq ft IT SEZ in Chennai, from Ascendas Group for around S$35 million.

In the preceding financial year, the Trust invested S$18 million to complete the construction of Aviator while S$18 million of capital expenditure was spent on refurbishing existing properties.

Financing Activities

During the year, the Trust raised loans of S$131 million, of which S$50 million went towards the refinancing of an existing loan.

3 INCOME HEDGING STRATEGY

We hedge the Trust's distributable income as we do not speculate on currency movements. Income is distributed semi-annually in May and November. The Trust enters into forward contracts on a monthly basis to hedge a substantial portion of income, tying six forward contracts to each semi-annual repatriation of income. This mitigates the risk of large currency fluctuations in the period before income is repatriated to Singapore.

The gain or loss associated with the forward contract before its expiry or termination is recognised as unrealised fair value gain or loss on derivative financial instruments in the income statement. On expiry or termination of the forward contract, the gain or loss is recognised as realised fair value gain or loss on derivative financial instruments in the income statement.

4 DISTRIBUTION POLICY

The Trust's policy is to distribute at least 90% of its distributable income. Since April 2012, a-iTrust has retained 10% of its distributable income to provide greater flexibility in growing the Trust. a-iTrust makes distributions to unitholders on a semi-annual basis for every six-month period ending 31 March and 30 September.

INVESTOR RELATIONS

"We say it as it is. We do not embellish our facts or figures. Being open and honest with our investors is how we do business at a-iTrust."

James Goh, CFA
Head, Investor Relations
Deputy Head, Asset Management

OVERVIEW

We value our relationships with all analysts and investors. We are committed to timely and transparent communications to keep the investment community apprised of significant developments of a-iTrust.

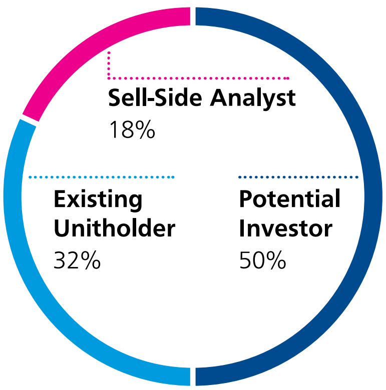
Care is exercised to ensure that we avoid selective disclosure of material information. All price sensitive information is released to investors at the same time via the Singapore Exchange and a-iTrust's corporate website, in accordance with regulatory requirements.

We closely monitor investors' perceptions and expectations of a-iTrust and actively convey that information to our Board of Directors ("Directors"). Major unitholders' views are canvassed in a detailed investor survey which is conducted annually by an external consultant. The investor perception report is sent in its entirety to Directors so that they may take into consideration investors' views when reviewing our performance and planning our strategy.

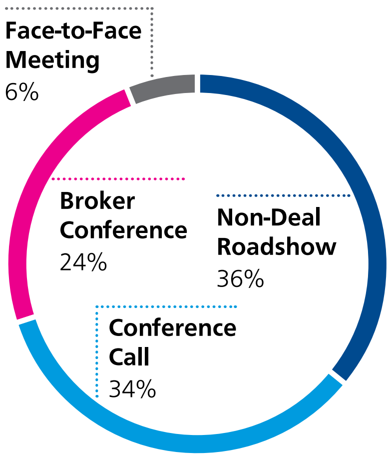
We actively engage sell-side analysts and institutional investors via face-to-face meetings and conference calls. All requests from institutional investors to meet management are met insofar as our schedules permit. Besides quarterly earnings conference calls, we participate in local and overseas investor conferences and non-deal roadshows to meet unitholders and potential investors. Apart from such discussions, we also conduct site visits to our properties in India for fund managers and analysts. These visits provide them with first-hand insight into the overall quality of a-iTrust's portfolio. Individual unitholders are given the opportunity to meet and seek clarification from Directors and management at each annual general meeting. We focus on responding to all queries from individual unitholders in a timely fashion.

In FY14/15, we met or spoke to 174 analysts and investors. The charts show the breakdown in terms of the investor type, meeting type and location that we met them.

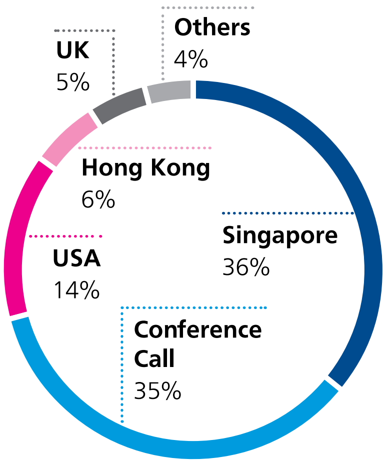
Investor Type



Meeting Type



Meeting Location



Case Study: Investor Views (Extracts from November 2014 Investor Perception study)

What drives your investment in a-iTrust?
"Access to the right business space in India, and good corporate governance."

"We have a favourable view of the Indian property market. We chose a-iTrust in particular because of the management quality and its brand name."

What are a-iTrust's core strengths?
"a-iTrust delivers on its promises."

"In our opinion, management is very trustworthy."

Give one factor that you think would be different between a-iTrust and other Indian REITs that could come to the market?
"Corporate governance, without a doubt; for a-iTrust it is impeccable, no one questions that."

"The large number of relationships a-iTrust has as well as the dominance and reliability of a-iTrust are the factors that set the company apart."

INVESTOR RELATIONS

WEBSITE

Our corporate website is constantly updated to ensure that investors can access relevant and up-to-date information about a-iTrust. All information uploaded on the Singapore Exchange website is made available on our website. Investors may also view webcasts of our half and full year results presentation online.

URL: www.a-itrust.com

Webcasts:
http://aitrust.listedcompany.com/webcast.html

RESEARCH COVERAGE

Three brokerage firms cover a-iTrust as at end March 2015. We maintain open channels of communication to ensure that the analyst community understand and are kept updated on our performance and strategy.

Brokerage Firm

1. Citigroup
2. DBS Vickers
3. JP Morgan

Go online for details of analysts who cover a-iTrust:
http://aitrust.listedcompany.com/research.html

MEDIA

We focus on increasing a-iTrust's media exposure by ensuring all press releases are distributed to key media agencies, including print, online and broadcast medium, in Singapore and India. In addition, we maintain good relationships with media agencies and respond promptly to media requests for information or interviews.

Go online to view our press releases and announcements:
http://aitrust.listedcompany.com/newsroom.html/cat/522

FINANCIAL CALENDAR (TENTATIVE)

July 2015	1Q FY15/16 results announcement
October 2015	2Q FY15/16 results announcement
November 2015	1H FY15/16 distribution to unitholders
January 2016	3Q FY15/16 results announcement
April 2016	4Q FY15/16 results announcement
May 2016	2H FY15/16 distribution to unitholders
June 2016	Annual general meeting

Go online to view the dates of upcoming events:
http://aitrust.listedcompany.com/financial_calendar.html

ENQUIRIES

Unitholders with queries relating to a-iTrust or their unitholding may contact:

The Trustee-Manager

Ascendas Property Fund Trustee Pte. Ltd.
James Goh, CFA
Head, Investor Relations
Deputy Head, Asset Management
Phone: (65) 6774 1033
Email: james.goh@a-itrust.com

Unit Registrar

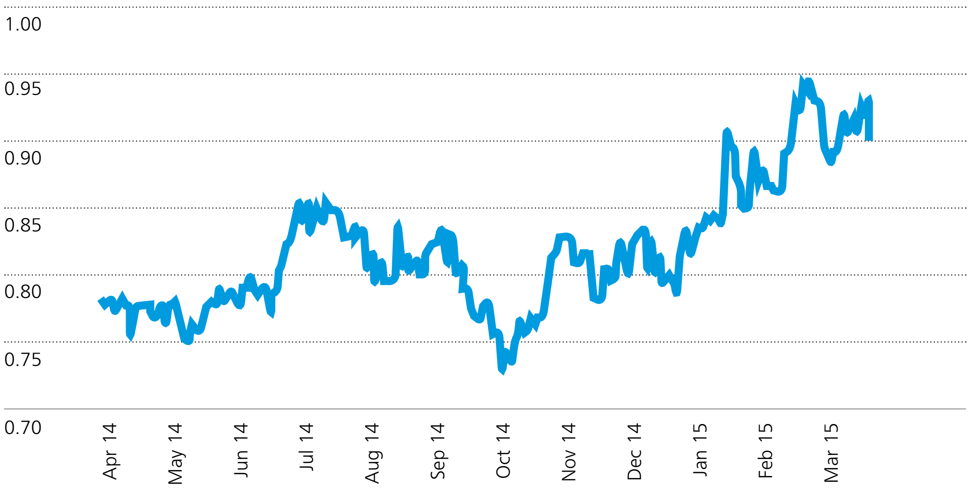
Boardroom Corporate & Advisory Services Pte. Ltd.
Phone: (65) 6536 5355
Fax: (65) 6536 1360
Website: www.boardroomlimited.com

Go online for leasing enquiries:
www.a-itrust.com/contact_leasing.html

Go online to sign up for free email alerts:
http://aitrust.listedcompany.com/email_alerts.html

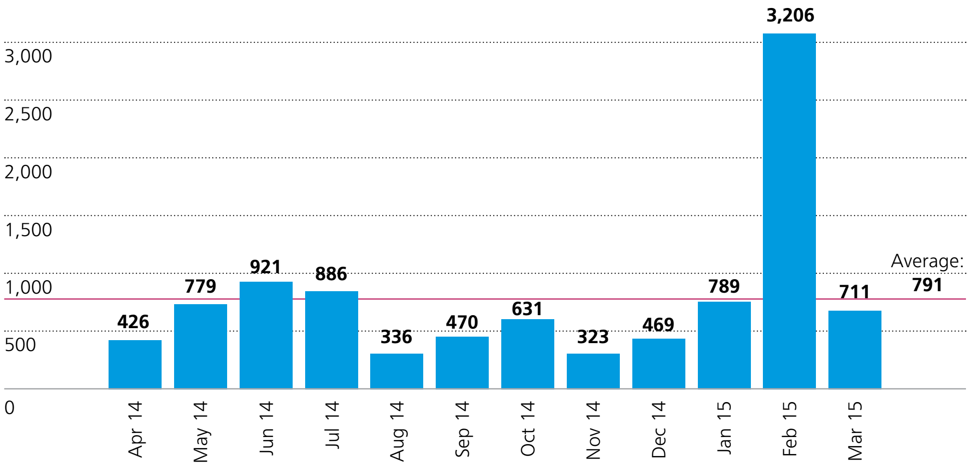
UNIT PRICE REVIEW

a-iTrust Unit Price Chart from 1 April 2014 to 31 March 2015



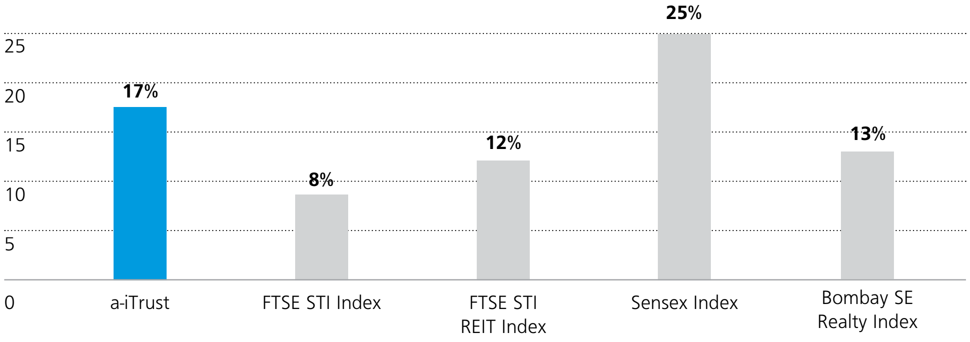
Period Open	S$0.79
Period Close	S$0.90
Period High	S$0.95
Period Low	S$0.73

Average Monthly Trading Volume ('000)



Go online to download a-iTrust's historical trading price and volume data:
http://aitrust.listedcompany.com/historical_price.html

a-iTrust FY14/15 Unit Price Performance Compared to Market Indices



EARNINGS REVIEW

a-iTrust's functional currency is the Indian Rupee, which is the currency that its earnings are denominated in. The reporting currency for the Trust is Singapore dollar as distribution to unitholders is made in Singapore dollar.

	FY14/15 S$'000[1]	FY14/15 ₹ million	FY13/14 ₹ million	INR YoY Change	Comparison of FY14/15 to FY13/14 for Indian Rupee Earnings
Total Property Income					
Base Rental Income	76,692	3,637	3,350	9%	Base rental income improved as a result of positive rental reversions in ITPC and recognition of rental income from Aviator building, which became operational in January 2014.
Amenities Income Income from leasing amenity space, including canteen and business centre.	1,986	94	92	3%	Amenities income increased by 3% to ₹94 million.
Fit-out Rental Income Income from providing fit-outs (including renovations and furnishings) to tenants.	1,659	79	86	(8%)	The decrease was due to the expiry of fit-out rental for some leases.
Operations, Maintenance and Utilities Income Income from providing O&M services and utilities.	42,894	2,036	2,006	1%	Operations and maintenance ("O&M") income remained stable at ₹2,036 million.
Car Park and Other Income Includes miscellaneous income such as kiosk rental and advertising revenue.	5,528	262	240	9%	The increase was mainly due to the higher utilisation of car parking facilities in our properties.
Total Property Income	128,759	6,108	5,774	6%	Total property income increased by 6% to ₹6,108 million.
Property Expenses					
Operations, Maintenance and Utilities Expense Costs incurred for the day-to-day running and upkeep of our properties, which are recovered via O&M fee from tenants. It includes the cost of electricity supplied to tenants from the dedicated power plant in ITPB.	(35,949)	(1,708)	(1,661)	3%	The increase was largely due to increased portfolio floor area as Aviator building commenced operations in January 2014.
Service and Property Tax	(2,679)	(127)	(120)	6%	Service and property tax increased by 6% mainly due to Aviator building becoming operational in FY14/15.
Property Management Fee Fees paid to the Property Manager, which includes property management fees, lease management fees, marketing services commissions and project management fees.	(6,261)	(297)	(299)	(1%)	Property management fee was stable at ₹297 million.
Other Property Operating Expenses Includes general management and other administration expenses.	(6,268)	(296)	(243)	22%	The increase was largely due to higher professional and consultancy fees, and an increase in provisions for rental arrears in FY14/15.
Total Property Expenses	(51,157)	(2,427)	(2,324)	4%	Total property expenses increased by 4% to ₹2,427 million.

[1] Based on exchange rate of S$1:₹47.5.

	FY14/15 S$'000[1]	FY14/15 ₹ million	FY13/14 ₹ million	INR YoY Change	Comparison of FY14/15 to FY13/14 for Indian Rupee Earnings
Net Property Income	77,602	3,681	3,450	7%	Net property income increased by 7% to ₹3,681 million as revenue grew faster than expenses.
Trustee-Manager's Fees Fees paid to the Trustee-Manager, which includes base fees (0.5% of Trust property value) and performance fees (4.0% of net property income).	(7,271)	(345)	(320)	8%	The increase was in line with higher portfolio valuation and net property income.
Other Trust Operating Expenses	(1,084)	(52)	(56)	(8%)	The decrease was mainly due to tax advisory fees incurred in the previous year.
Realised Fair Value Gain on Derivative Financial Instruments Derivative financial instruments include forward currency contracts used to hedge income repatriated from India to Singapore and cross-currency swaps used to hedge Singapore dollar-denominated debt to Indian Rupee-denominated debt. Fair value changes on derivatives are realised when the instruments expire or are terminated.	2,202	109	4	N.M.	Realised gain on derivatives increased as a gain of ₹187 million was recognised upon the refinancing of an Singapore dollar-denominated loan facility. The above gain was offset by realised loss of ₹78 million on forward currency contracts used to hedge income repatriated from India as the contracted rates were unfavourable compared to the prevailing exchange rates on settlement in May 2014 and November 2014.
Realised Exchange Loss Realised foreign exchange gain or loss arises mainly from loan settlements or inception of hedges, cash balances and borrowings not denominated in Indian Rupee.	(8,773)	(427)	(45)	N.M.	Realised exchange loss increased as a loss of ₹427 million was realised from the settlement of Singapore dollar-denominated loans.
Finance Cost	(16,457)	(780)	(637)	22%	Finance cost increased mainly due to additional borrowings taken to finance the investment in BlueRidge Phase II.
Interest Income	13,620	646	450	44%	The increase was due to interest income from the investment in aVance 3, BlueRidge Phase II, higher interest rates on cash deposits in India, and interest on income tax refunds.
Ordinary Profit Before Tax[2]	59,839	2,832	2,845	–	Ordinary profit before tax remained stable at ₹2,832 million.

[2] Profit before change in fair value of investment properties, and unrealised loss/gain on derivative financial instruments and foreign exchange.

EARNINGS REVIEW

	FY14/15 S$'000	FY14/15 ₹ million	FY13/14 ₹ million	INR YoY Change	Comparison of FY14/15 to FY13/14 for Indian Rupee Earnings
Ordinary Profit Before Tax	59,839	2,832	2,845	–	
Distribution Statement Distribution Adjustments As a Business Trust, a-iTrust computes distribution to unitholders based on cash flow generated from operations, rather than accounting profit. To derive the income available for distribution, adjustments are made to accounting profit to remove primarily non-cash accounting entries.					
Current Income Tax Expense Current income tax expense excludes deferred income tax expense.	(14,907)	(708)	(691)	2%	The increase was mainly due to higher net property income and dividend distribution taxes.
Trustee-Manager Fees Paid in Units The Trustee-Manager has elected to receive 50% of its base fee and performance fee in units and 50% in cash; hence 50% of the fees are added back to the income available for distribution.	3,553	168	156	8%	The increase was in line with higher portfolio valuation and net property income.
Depreciation Depreciation is a non-cash accounting entry that does not affect cash flow.	81	4	5	(19%)	Depreciation was lower at ₹4 million.
Amortisation of Marketing Amortisation is a non-cash accounting entry that does not affect cash flow.commission	–	–	2	N.M.	The marketing commission has been fully amortised.
Realised Exchange Loss (On Settlement of Loan)	4,899	239	48	397%	The net realised exchange loss of ₹239 million in FY14/15 arose from the refinancing of a Singapore dollar-denominated loan facility. This comprised realised exchange loss of ₹427 million offset by realised gain on a currency swap of ₹187 million. The appreciation of the Singapore dollar in the periods between the inception and refinancing of this loan led to an increase in the loan amount in Indian Rupee terms. However, since there is no impact on cash flow, the loss is added back to the income available for distribution.
Non-Controlling Interest Income due to non-controlling interest is deducted from income available for distribution.	(3,645)	(173)	(154)	12%	The increase was due to higher income available for distribution.

	FY14/15 S$'000	FY14/15 ₹ million	FY13/14 ₹ million	INR YoY Change	Comparison of FY14/15 to FY13/14 for Indian Rupee Earnings
Total Distribution Adjustments	(10,019)	(470)	(635)	(26%)	Total distribution adjustments of ₹470 million was subtracted from FY14/15 ordinary profit before tax. In FY13/14, ₹635 million was subtracted from ordinary profit before tax.
Income Available for Distribution	49,820	2,362	2,210	7%	Income available for distribution increased by 7% to ₹2,362 million.

	FY14/15 S$'000	FY13/14 S$'000	SGD YoY Change	Comparison of FY14/15 to FY13/14 for Singapore Dollar Earnings
Singapore Dollar/Indian Rupee FX Rate	47.5	47.9	(1%)	The Singapore dollar depreciated by 1% against the Indian Rupee.
Income Available for Distribution	49,820	46,131	8%	Income available for distribution increased by 8% mainly due to higher net property income.
Distribution to Unitholders 10% of income available for distribution was withheld to provide greater flexibility in growing a-iTrust.	44,838	41,518	8%	The increase was in line with the growth in income available for distribution.
DPU (Income Available for Distribution) (S¢) Computed by dividing income available for distribution by the weighted average number of units in the financial year.	5.41	5.05	7%	DPU (Income available for distribution) increased in line with the growth in income available for distribution
DPU (Distribution to Unitholders) (S¢) Computed by dividing distribution to unitholders by the weighted average number of units in the financial year.	4.86	4.56	7%	DPU (Distribution to unitholders) was 4.86S¢ in FY14/15.

SUSTAINABILITY REPORT

To us, good performance is not just about profit. It is about running our business in a sustainable and responsible way. Here are four elements of sustainability that we have identified as having a material impact on our business:

Financial Soundness
Financial Sustainability, Investors & Customers

Good Governance
Code of Ethics and Conduct & Corporate Governance Report

Social Responsibility
People, Health & Safety & Community

Environmental Awareness
Energy Conservation, Carbon Emissions, Water Consumption & Green Building Certification

FINANCIAL SOUNDNESS

Financial Sustainability

There are two aspects of financial sustainability – ensuring that our operations remain profitable; and that our capital structure remains robust and is able to meet financial commitments when due. Analysis of a-iTrust's profitability can be found in the Earnings Review section on page 42, while you may refer to page 34 of the Capital Management section for information on the Trust's capital structure.

Investors

Our unitholders provide us with capital which is used to fund our operations. We actively engage both potential and existing investors via face-to-face meetings and conference calls. In addition, our website provides updated operational and financial information to help investors better assess a-iTrust. More information on our investor relations efforts may be found on page 38.

Go to our website: www.a-itrust.com

Customers

To attract quality customers that are willing to commit to long leases, we offer innovative and integrated solutions that go beyond meeting their basic requirements. Throughout their tenure with us, we maintain open communications to ensure smooth operations, and in the process, forge enduring relationships with our customers. This way, our customers can take their minds off their real estate needs and be able to focus on, and compete more effectively in their business.

We actively engage our partners and customers through various networking events and meetings. 'Ascendas Interface' is one such event that allows us to socialise and interact with our partner property agents. We show our appreciation for their support by giving out awards and prizes to the top performing agents. Every year, over 300 property agents attend this event across Bangalore, Chennai and Hyderabad. 'Ascendas Connect' is another annual function that is organized for our customer's top management team to gather and have a chat with us over cocktails and entertainment. In FY14/15, over 100 customers came together in Chennai for this event.

We constantly work on improving our products and services. Every year, we commission an independent consultant to conduct a detailed survey to solicit customer feedback. Our customers are asked to rate our performance on five factors, namely property management, lease, finance, marketing and company image. The results from the survey are then reviewed, and improvements are made to address specific concerns highlighted by customers.

GOOD GOVERNANCE

Code of Ethics and Conduct

As an externally managed business trust, a-iTrust has no employees, and is managed by Ascendas Property Fund Trustee Pte. Ltd. ("Trustee-Manager"), which is based in Singapore. The properties in India are managed on the ground by Ascendas Services (India) Pte. Ltd. ("Property Manager"). All references to employees refer to the staff of the Trustee-Manager and/or Property Manager.

The employees of both the Trustee-Manager and Property Manager are committed to complying with Ascendas Group's Code of Ethics and Conduct. This ensures that our employees exhibit high standards of discipline and integrity when conducting official duties on behalf of the Trust.

Corporate Governance

We believe in establishing a strong and effective corporate governance culture to protect the interests of our unitholders. In recognition of our efforts to enhance transparency and corporate governance, we have twice received the Merit award at the Singapore Corporate Governance Award in recent years.

For full details of our corporate governance matters, please refer to the Corporate Governance Report which can be found on page 52.

SOCIAL RESPONSIBILITY

People

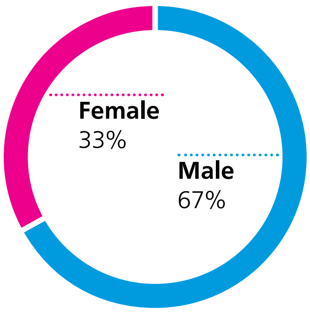
Our employees underpin our competitiveness and success. We aim to attract, retain and develop the brightest and best people in our industry. We provide a stimulating, challenging and rewarding environment in which our people can work and be supported in developing their career paths and skill sets.

As a fair employer, we are committed to the five principles of fair employment:

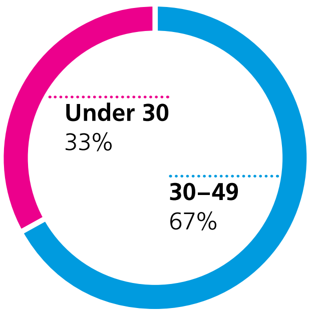
1) Recruit and select employees on the basis of merit (such as skills, experience or ability to perform the job), and regardless of age, race, gender, religion, family status or disability.
2) Treat employees fairly and with respect and implement progressive human resource management systems.
3) Provide employees with equal opportunity to be considered for training and development based on their strengths and needs, to help them achieve their full potential.
4) Reward employees fairly based on their ability, performance, contribution and experience.
5) Abide by labour laws and adopt Tripartite Guidelines, which promote fair and responsible employment practices.

Employees in Singapore

Breakdown by Gender

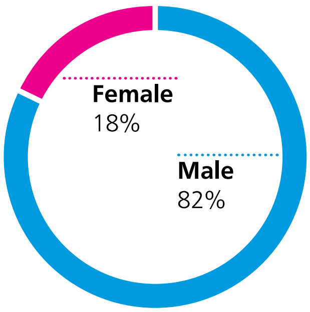


Breakdown by Age

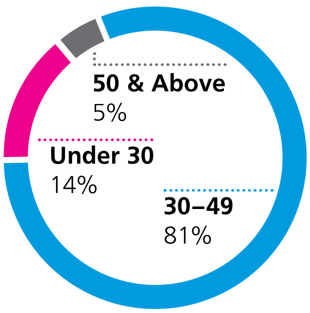


Employees in India

Breakdown by Gender



Breakdown by Age



SUSTAINABILITY REPORT

As a forward-looking employer, we invest in our people by encouraging them to go for relevant courses and programmes to upgrade their skills and deepen their industry knowledge. To build a performance-driven culture, we have adopted a systematic approach in performance management. At the organisational level, we use a balanced scorecard approach for performance targets setting, and these are cascaded to departments and individual performance objectives. Balanced scorecard targets are tracked and reviewed on a quarterly basis.

Our reward and recognition strategy aims to inculcate the right values and reinforce positive behaviours to drive employee performance. We reward staff based on their contributions by adopting a 'Pay for Performance' approach to strengthen our performance-driven culture.

Besides the formal reward and recognition through salary adjustment and variable bonus, there are other forms of rewards and recognition to encourage outstanding performance and reinforce positive behaviours:

- Long Service Awards
- Service Excellence Awards
- Qualification Awards
- Innovation Awards

Health and Safety

Workplace health and safety is a key measure for us and in FY14/15 we are happy to report that we have maintained our compliance to Ascendas Group's Workplace Safety and Health Management System policy. No health and safety incidents were reported at any of our locations. We have also surveyed our contractors' compliance and are pleased to report that there have been no reported incidents of non-compliance in FY14/15. To date, we have recorded no incidents or fines for non-compliance related to environmental laws.

We will continue to assess the health and safety impact of our operations through the life cycle of our activities, from project development through property management to property enhancement stages. In our development and enhancement activities, we ensure that we work with qualified contractors and we hold them responsible for the management of required health and safety standards.

Community

We are committed to supporting the communities in which we operate. We seek to engage positively with community stakeholders and work in partnership with them. By volunteering and donating our resources and expertise to support a myriad community and charity efforts, we hope to make an impact in our key focus areas of arts, community and environment. In FY14/15, we spent a total of 1,026 working hours in volunteer activities at various beneficiaries in India.

Arts

We support and nurture budding local artists by holding various exhibitions in our parks to showcase their work. In addition, by giving our park employees up close and personal interactions with the art pieces, we hope to enrich and grow audiences to support the development of local arts. In February 2015, unique art exhibitions were held at The V and CyberPearl in Hyderabad. The exhibitions showcased photographs and art images that were collected over the past three years from our 'Click' photography and 'Stroke' painting competitions. Park employees voted for their favourite photographs and paintings in the People's Choice Award contest during the exhibitions. The contest received an overwhelming response, with over 3,500 votes pouring in from The V, CyberPearl and aVance.

Youth

We equip children and youths in our local communities with the necessary resources so that they have equal opportunities to unlock their potential and succeed in life.

Environment

We support and nurture education or awareness programmes to protect the natural biodiversity. Ascendas Go Green 2014 was celebrated at Bangalore, Chennai and Hyderabad, spread over the months of May and June 2014. Various "Go Green" initiatives like tree planting, recycled art contest, green expo, organic food counters, sale of saplings, vehicle health check camp, eco-bazaar and art workshops were organised in the month long event.

Case Study: Going Back to School for a Good Cause

At the start of 2015, our Bangalore team visited Divine Light School of the Blind, located close to International Tech Park Bangalore. The school is currently home to over 80 children with special needs. Our team was warmly greeted by the excited children who put up a specially designed cultural show demonstrating their skills and capabilities in academics, singing, dancing and craft making.

Besides contributing cash donations to the school, our team also carried out renovation and maintenance work in the school campus. In addition, our team donated uniforms for the students and uninterrupted power supply systems for the school's computer laboratory.

Divine Light School of the Blind

SUSTAINABILITY REPORT

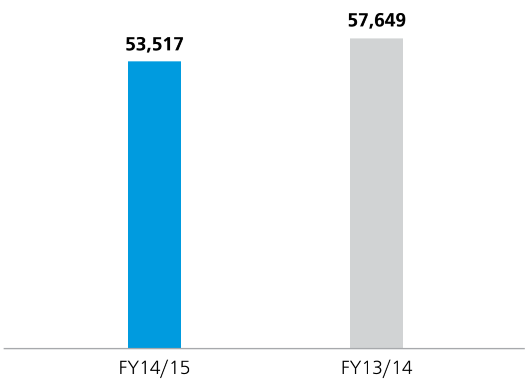
ENVIRONMENTAL AWARENESS

We take a holistic view of our real estate business to reduce our environmental footprint. We ensure that our IT Parks are energy efficient, and minimise the environmental impact through the entire life cycle, starting from design to building maintenance and operations.

Energy Conservation

In FY14/15, we made considerable investments in our properties for energy saving initiatives which generated energy savings of 4,132 MWh in the year. This represented a 7% decline from the previous year to 53,517 MWh[1]. We proactively conduct periodic energy audits and carry out energy-saving initiatives in our properties to improve energy efficiency. These include projects to optimise our air-conditioning and chiller system as well as to retrofit our lighting system.

Total Energy Consumed (MWh)[1]



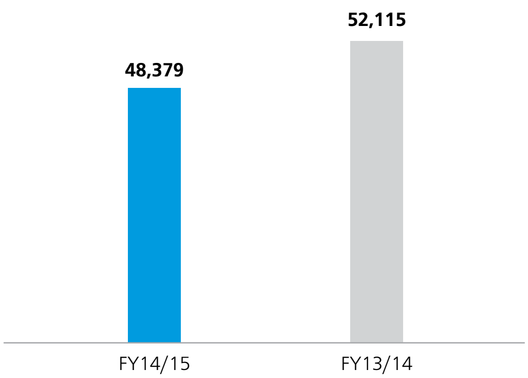
Carbon Emissions

We track our carbon footprint in terms of the total carbon emissions generated through our operations. We used the Greenhouse Gas Protocol calculation tool for GHG emissions from purchased electricity with reference to Table 9 of the WRI GHG Emission Factors from Cross Sector Tools (August 2012). In FY14/15, our total carbon emissions decreased by 7% to 48,379 tonnes[1] compared to FY13/14.

We comply with all local Pollution Control Board regulations for our operations. We routinely monitor source emissions from our utilities by laboratory tests to ensure they are within the norms; we also contribute to lowering our carbon footprint by continuously striving to reduce total energy consumption in our properties.

As most of our greenhouse gas emissions come from indirect sources such as purchased electricity, we will step up our energy conservation initiatives in a continued effort to minimise our carbon footprint.

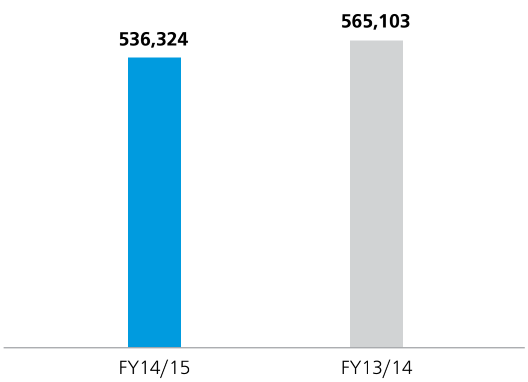
Carbon Emissions (tonnes CO_2)[1]



Water Consumption

The overall water consumption has decreased compared to the previous year. In FY14/15, 536,324m^3 of water[1] was consumed by our portfolio which represents a 5% decline from FY13/14.

Water Consumption (m^3)[1]



[1] FY13/14 figures include CyberVale which was acquired on 31 March 2015.

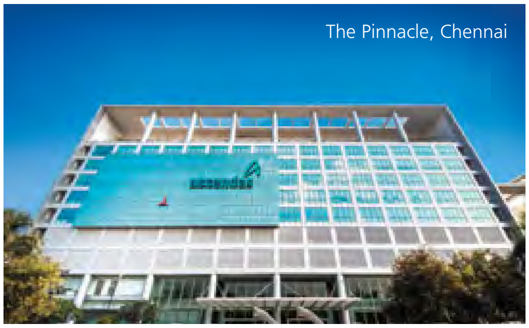
Green Building Certification

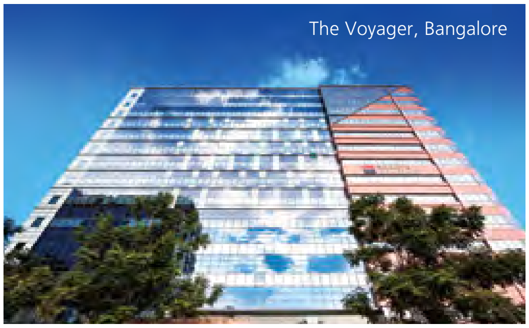
We target to achieve U.S. Green Building Council ("USGBC") Leadership in Energy & Environmental Design ("LEED") Gold certification for all of our new buildings. LEED is a green building certification program that recognises best-in-class building strategies and practices. To receive LEED certification, building projects satisfy prerequisites and earn points to achieve different levels of certification.

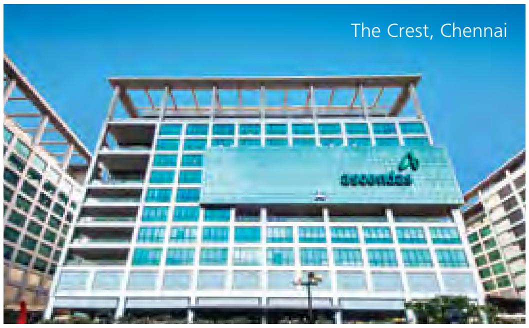
In FY14/15, we are pleased to have been awarded the LEED Platinum certification for the Zenith building at International Tech Park Chennai, bringing the number of LEED certified buildings in our portfolio to five in total.

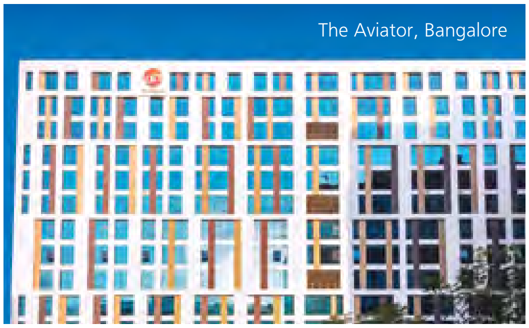
Year	Project	Award
2011	The Pinnacle, Chennai	USGBC LEED Silver, Operations and Maintenance
2011	The Voyager, Bangalore	IGBC LEED Silver, Core and Shell
2012	The Crest, Chennai	USGBC LEED Gold, Operations and Maintenance
2014	The Aviator, Bangalore	IGBC Platinum, Core and Shell
2014	The Zenith, Chennai	USGBC Platinum, Operations and Maintenance

Where possible, we will source for green building materials and technologies to reduce the environmental impact of our construction and operation activities. We will also consistently apply green technology and sustainable practices across all of our properties and offices.


The Pinnacle, Chennai


The Voyager, Bangalore


The Crest, Chennai


The Aviator, Bangalore


The Zenith, Chennai

CORPORATE GOVERNANCE

INTRODUCTION

Ascendas India Trust ("Trust") is a Business Trust constituted under Singapore's Business Trusts Act, Chapter 31A, and is listed on the Main Board of SGX-ST. It is principally regulated by:

(a) The Securities and Futures Act, Chapter 289 ("SFA");

(b) The Business Trusts Act ("BTA");

(c) The Listing Manual of SGX-ST ("Listing Manual"); and

(d) The Trust Deed.

The Trust has also voluntarily adopted certain key provisions of the Code on Collective Investment Schemes ("CIS"), issued by the Monetary Authority of Singapore ("MAS"), in particular, the Property Funds Appendix under Appendix 6 of the CIS.

The Trust is managed by Ascendas Property Fund Trustee Pte. Ltd., the Trustee-Manager. The Trustee-Manager recognises that a strong and effective corporate governance culture is critical to safeguard the interests of the Trust's unitholders ("Unitholders") as a whole and is committed to maintaining high standards of corporate governance. The Trustee-Manager also ensures that applicable requirements, laws and regulations, including those mentioned above are complied with, and that the Trustee-Manager's obligations under the Trust Deed are properly carried out.

This section describes the main corporate governance policies and practices that the Trustee-Manager has implemented and abides by, with reference to the revised Code of Corporate Governance 2012 ("2012 Code").

(A) BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Primary Functions of the Board of Directors of the Trustee-Manager

The primary function of the Board of Directors of the Trustee-Manager ("Board") is to oversee the management of the Trust's assets and liabilities for the benefit of Unitholders, including generating rental income and enhancing assets so as to maximise returns from investments over time. It is the responsibility of the Board to set the strategic direction of the Trust, provide guidance towards achieving effective and efficient management of the Trust, review and approve annual business plans, budgets, investments and funding of the Trust, for the long term success of the Trust. The Board has established a framework of prudent and effective risk management practices and internal control procedures to assess and manage business risks and ensure compliance with applicable laws. The Board's role includes ensuring that obligations to Unitholders are understood and met.

Delegation by the Board

The Board has delegated the day-to-day operations of the Trust to an experienced and qualified team ("Management") headed by Mr Sanjeev Dasgupta, Executive Director and CEO of the Trustee-Manager. The Board is also assisted by Board Committees in the discharge of its functions, namely the Audit Committee ("AC"), the Investment Committee ("IC"), the Nominating Committee ("NC") and the Human Resource and Remuneration Committee ("HRRC"), each of which operates under written terms of reference that set out the authority and duties of each Committee. For more information on these Committees, please refer to page 58 (AC), page 53 (IC), page 55 (NC) and page 56 (HRRC).

Board and Committee Meetings

The Board meets at least five times a year to discuss and review the key activities, strategies, policies, potential acquisitions and financial performance of the Trust, including approving the quarterly and full-year financial results. As and when necessary, Board meetings are also supplemented by resolutions circulated to directors for decisions.

The proposed meetings for the Board and all Board Committees for each new calendar year are set out in a schedule of meetings, which is sent to all the Board members before the start of each calendar year with a view to facilitate attendance by Board members. A record of directors' attendance at Board and Committees meetings for FY14/15 is shown below:

Name of Director	Board Meeting	Audit Committee Meeting	Investment Committee Meeting	Nominating Committee Meeting	Human Resource and Remuneration Committee Meeting
Mr Philip Yeo Liat Kok	3	–	1[(iii)]	1	2
Mr David Lim Tik En	5	4	5	1	2
Mr Michael Grenville Gray	5	4	2[(iii)]	–	–
Mr Rakesh Kumar Aggarwal	5	–	5	–	–
Mr T.V. Mohandas Pai	5	4	5	–	–
Mr Girija Prasad Pande	5	–	5	–	–
Mr Ng Eng Leng	5	4	3[(iii)]	–	–
Mr Khiatani Manohar Ramesh	5	–	5	1	2
Mr Sanjeev Durjhati Prasad Dasgupta[(i)]	3	2[(iii)]	3	–	–
Mr Jonathan Yap Neng Tong[(ii)]	2	2[(iii)]	2	1[(iii)]	2[(iii)]
Total Number of Meetings Held	5	4	5	1	2

(i) Mr Sanjeev Dasgupta was appointed as Director and a member of IC on 1 October 2014
(ii) Mr Jonathan Yap retired as Director on 1 October 2014 and ceased to be a member of IC on the same day.
(iii) Attended by invitation.

Records of all such meetings including discussions on key deliberations and decisions taken are maintained by the Company Secretary of the Trustee-Manager ("Company Secretary"). The Trustee-Manager's Articles of Association and the Board Committee's written terms of reference allow for the meetings of the Board and Board Committees to be held via teleconferencing.

Internal Guidelines

The Board has adopted a set of internal guidelines and financial regulations, which set out approval limits for, amongst others, capital expenditure, new investments and divestments, the operation of bank accounts, and bank borrowings. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to the Investment Committee. For transactions below a certain level, the authority is further delegated to Management to facilitate operational efficiency.

The internal guides adopted by the Board also set out key matters that are specifically reserved for approval by the Board, such as a-iTrust's long term objectives and strategy, its policies and annual budgets, risk management framework and internal controls to safeguard the Unitholders' interests and assets, major capital projects, policies for compliance with legislative and regulatory requirements or other requirements with similar effect, the formation of Board Committees and their terms of reference (including delegation of Board duties to such Committees with or without limit) and any other matters which require the Board's approval as prescribed under relevant legislation, regulations or the provisions of the Trust Deed.

The Board is assisted by the Investment Committee in the evaluation and approval (within designated limits) of investments, divestments, financing and bank facilities. The IC also reviews and provides recommendations to the Board on investment policies and the strategic direction of the Trust. The IC comprises 6 directors, namely Mr David Lim as Chairman, Mr Rakesh Aggarwal, Mr Manohar Khiatani, Mr Mohandas Pai, Mr Girija Pande and Mr Sanjeev Dasgupta. Save for Mr Khiatani and Mr Dasgupta, all IC members are considered

CORPORATE GOVERNANCE

independent. The terms of reference of the IC require at least two Committee members to be independent of Management and business relationships with the Trustee-Manager and every substantial shareholder of the Trustee-Manager.

Board Orientation and Training
Every newly appointed director of the Board receives a formal letter of appointment and an induction pack containing information and documents relating to the role and responsibilities of a director, Board processes, the Trustee-Manager's corporate governance practices and relevant policies and procedures.

The Trustee-Manager also conducts an induction programme for newly appointed directors to familiarise them with the Trustee-Manager's Board processes and a-iTrust's business, internal controls and governance practices.

Directors are provided with regular updates and/or briefings from time to time by professional advisers, auditors, Management and the Company Secretary in areas such as directors' duties and responsibilities, regulatory requirements, corporate governance practices, risk management issues, changes in financial reporting standards and tax, including Indian tax, laws and practices. A director may also contact Management and the Company Secretary if additional information or clarification is required relating to the aforementioned matters.

Principle 2: Board Composition and Guidance

Board Composition
There are nine directors on the Board, seven of whom (including the Chairman) are independent. Independence of the Board is maintained based on the following principles in accordance with the Business Trusts Regulations 2005 and the 2012 Code:

(i) At least the majority of the Board shall be independent of Management and business relationships with the Trustee-Manager;

(ii) At least one-third of the Board shall be independent of Management and business relationships with the Trustee-Manager and every substantial shareholder of the Trustee-Manager; and

(iii) At least the majority of directors shall be independent of any single substantial shareholder of the Trustee-Manager.

The directors as a group provide an appropriate balance and diversity of skills, experience and knowledge to the Trust. They are experienced business leaders and professionals with diverse backgrounds including real estate, accounting and finance, legal, business, management and strategic planning. They actively participate in setting and developing strategies and goals for Management and in reviewing and assessing Management's performance. There is a consistent and robust exchange of ideas and views between the Board and Management which ensures that diverse and objective perspectives on issues are carefully examined when making decisions on transactions and in shaping the Trust's strategy.

The composition of the Board is reviewed annually to ensure that the Board has the appropriate size and mix of expertise and experience. The Board is of the view that the current number of directors, the composition of the Board and the balance between non-independent and independent directors are appropriate and effective, taking into consideration the scope and nature of operations of the Trust and its subsidiaries.

The profiles of all directors are set out on pages 12 to 15 of this Annual Report.

Board Independence
The Board has conducted an annual review of each director's independence in accordance with the principles referred to above, taking into account the views of the NC. The following directors are considered independent:

Mr Philip Yeo Liat Kok;
Mr David Lim Tik En;
Mr Michael Grenville Gray;
Mr Rakesh Kumar Aggarwal;
Mr T. V. Mohandas Pai;
Mr Girija Prasad Pande; and
Mr Ng Eng Leng
(collectively, the "Independent Directors").

Mr Manohar Khiatani and Mr Sanjeev Dasgupta are considered non-independent directors. Mr Khiatani is a director on the Board of Ascendas Pte. Ltd., a deemed controlling Unitholder of the Trust and the ultimate holding company of the Trustee-Manager, and Mr Dasgupta is CEO of the Trustee-Manager.

The Statement on Composition of the Board of Directors of the Trustee-Manager pursuant to Regulation 12(8) of the Business Trusts Regulations 2005 can be found on Page 73 of this Annual Report.

Principle 3: Chairman and Chief Executive Officer

The positions of Chairman and CEO are held by two different persons to ensure an appropriate balance of power and authority, increased accountability and greater capacity of the Board for independent decision-making. The division of responsibilities between the Chairman and the CEO have been clearly established, set out in writing and agreed by the Board. The Chairman and the CEO are not immediate family members.

The Chairman's responsibilities include setting the agenda and ensuring that adequate time is available for discussion of all agenda items including strategic issues, ensuring that the Board engages Management in constructive debate on strategy, business operations, enterprise risk and other plans, facilitating the effective contribution of non-executive directors and promoting high standards of corporate governance.

The CEO is responsible for working with the Board to determine the strategy for a-iTrust and has full executive responsibilities over the business and operational decisions in the day-to-day management of the Trustee-Manager.

The CEO and Management of the Trustee-Manager are accountable to the Board.

Principle 4: Board Membership

The Nominating Committee is responsible for making recommendations to the Board on all appointments and re-appointments to the Board and oversees the succession and leadership development plan of the Trustee-Manager. The NC also reviews the independence of directors annually. The NC comprises Mr Philip Yeo, an Independent Director, as Chairman, Mr David Lim, who is also an Independent Director, and Mr Manohar Khiatani.

New directors are appointed by way of a Board resolution after the NC recommends their appointments to the Board for approval. The search for candidates to be appointed to the Board is conducted through search by and referral to the Trustee-Manager. Suitable candidates are carefully evaluated by the NC in accordance with the criteria set out in the written terms of reference of the NC so that decisions made on appointments are objective and well supported. In recommending the appointment of new Directors, the NC takes into consideration the current Board size and composition, including the diversity of skills, experience, gender and knowledge which the new Director can provide to the Trust.

Principle 5: Board Performance

A review of the Board's performance is carried out annually to assess the effectiveness of the Board as a whole and the contributions of each director. The review allows each director to express his personal and confidential assessment of the Board's overall effectiveness in accomplishing its goals and discharging its responsibilities. It provides insights into the functioning of the Board, whilst identifying areas that might need strengthening and development. The review covers the Board size, composition, independence, access to information, processes, accountability and oversight, and standards of conduct.

Accordingly, at the conclusion of FY14/15, each director was required to complete a Board performance evaluation questionnaire. Based on the questionnaire returned by each director, a consolidated report was prepared for presentation to the NC. The NC will recommend to the Board on proposed changes, if necessary, to maintain the effectiveness and efficiency of the Board. The Board is satisfied that it has achieved its performance objectives for FY14/15 and all directors have demonstrated full commitment to their roles and contributed effectively to the discharge of their duties.

Principle 6: Access to Information

Management provides the Board with complete and adequate information prior to Board meetings. The information provided includes the background and relevant details on matters to be brought before the Board, updates on financial results, business updates, property information, changes to regulations including India taxation, accounting standards and other relevant matters. In addition, Management provides monthly management accounts to the directors to keep them updated on the financial performance, position and outlook of the Trust.

At quarterly Board meetings, directors are updated on developments and changes in the operating environment, including changes in the accounting standards, changes in Singapore and India taxation, and laws and regulations affecting the Trust and/or the Trustee-Manager.

In addition, the Board has independent access to Management, the Company Secretary, internal and external auditors, at all times. Where necessary, the Board will request for independent professional advice to enable directors to discharge their duties effectively.

The role of the Company Secretary has been clearly defined by the Board. The Company Secretary administers, attends and prepares minutes of Board meetings and

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proceedings of all Board Committees. He/she advises the Board on all corporate governance matters and assists the Chairman of the Board and the Board Committees in implementing proper procedures for compliance with the Trust Deed and relevant rules, regulations, best practices and internal policies. Under the direction of the Chairman of the Board and the Board committees, the Company Secretary is responsible for ensuring information flows within and among the Board, the Board Committees and Management. The Company Secretary also works with Management to ensure that Board and Board Committee papers are provided to each director ahead of meetings. The Company Secretary and the CEO are the primary channels of communication between the Trustee-Manager and SGX-ST.

(B) REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies
Principle 8: Level and Mix of Remuneration
Principle 9: Disclosure on Remuneration

All fees and remuneration payable to directors, key executives and staff of the Trustee-Manager in respect of services rendered to the Trustee-Manager, will be paid by the Trustee-Manager and not out of the property of the Trust.

The structure of directors' fees for Non-Executive Directors comprises a base fee for serving as a director and additional fees for serving on Board committees. It takes into account the following:

- Financial performance of the Trust and the Trustee-Manager;
- Directors' responsibilities and contributions; and
- Industry practices and norms on remuneration, including the guidelines set out in the Statement of Good Practice issued by the Singapore Institute of Directors.

Directors' fees paid to each of the following Non-Executive Directors for FY14/15 did not exceed S$250,000:

Mr Philip Yeo Liat Kok;
Mr David Lim Tik En;
Mr Michael Grenville Gray;
Mr Rakesh Kumar Aggarwal;
Mr Ng Eng Leng;
Mr T. V. Mohandas Pai;
Mr Girija Prasad Pande; and
Mr Khiatani Manohar Ramesh.

The Trustee-Manager advocates a performance-based remuneration system for key executives of the Trustee-Manager. The system is responsive to the market and based on individual employee's performance. The remuneration structure is designed as such to retain, reward and motivate the individual to stay competitive and relevant. The total remuneration mix of key executives comprises a fixed annual salary and performance incentives. The fixed annual salary component includes the annual basic salary plus fixed allowances. The annual performance incentives are tied to the individual employee's performance and the performance of the Trust. This sought to align employee performance to the goals of the Trust.

No compensation is payable to any director, senior management or staff of the Trustee-Manager in the form of options in units or pursuant to any bonus or profit-sharing plan or any other profit-linked agreement or arrangement under the service contracts.

Directors' fees and the remuneration of key executives of the Trustee-Manager are reviewed and approved by the HRRC. The members of the HRRC are Mr Philip Yeo, who is an Independent Director, as Chairman, Mr David Lim, who is also an Independent Director, and Mr Manohar Khiatani.

(C) ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Board is responsible for providing a balanced and comprehensive assessment of the Trust's performance, position and prospects, including interim and other price sensitive public reports and reports to the regulators, if required. Financial reports and other price sensitive information are disseminated to Unitholders through announcements via SGXNET, press releases, the Trust's website, media and briefings to analysts. The Annual Report is sent to all Unitholders and is accessible on the Trust's website.

As stated above, the Board has unrestricted access to information from Management and Management regularly provides the Board with reports on the Trust's performance, position and prospects. Such reports include the Consolidated Income Statement, the Statement of Financial Position, a comparison of actuals against budgets and explanatory notes for significant variances for the month and year-to-date performance.

Principle 11: Risk Management and Internal Controls

The key risks and internal controls of the Trust have been identified by the Board working with Management and with assistance from KPMG LLP ("KPMG"), the appointed internal auditor. The risks are categorised under strategic, financial, operational and compliance risk areas. There are documented procedures in place that cover certain management accounting, financial reporting, project appraisal, compliance and other risk management issues. The Board's approach to risk management and the identified financial risk factors are outlined in Note 27 of the Financial Statements of the Trust.

The Board regularly reviews the business risks of the Trust and examines liability management and risks including those relating to the India property sector. The overall framework established by the Board to enhance the soundness of the Trust's financial reporting, risk management, compliance and internal control systems includes:

- Formulation and implementation of an enterprise risk management framework which comprises a risk register and related internal controls to mitigate such risks which is regularly reviewed by the Board;
- Audits performed by an internal auditor in accordance with the audit plan;
- Process improvement initiatives undertaken by the asset companies;
- Implementation of formal policies and procedures relating to the delegation of authority;
- Involvement of experienced and suitably qualified employees who take responsibility for important business functions; and
- Segregation of key functions which may give rise to possible errors or irregularities.

The AC assists the Board in examining the effectiveness of the Trust's risk management policies to ensure that a robust risk management system is maintained. The AC reviews and guides Management in the formulation of risk policies and processes to effectively identify evaluate and manage any material risk. The AC reports to the Board on material findings and makes recommendations in respect of any material risk issues.

To support the AC in its review of the internal controls, Management completes a checklist verifying that adequate internal controls were in place to monitor financial, legal and other relevant risks quarterly and at the end of the financial year.

In the course of their statutory audit, the external auditor had considered the risk assessment conducted by the internal auditor. Any material non-compliance and internal control weakness, together with the internal auditor's recommendations to address them, are reported to the AC.

The Trust also has both a comprehensive insurance coverage and a business continuity plan.

Whistleblowing Policy

The Trustee-Manager adopts a zero tolerance approach towards fraud. The Board has put in place a whistle-blowing policy and procedures which provide employees with well-defined and accessible channels for reporting suspected fraud, corruption, dishonest practices or other similar matters and for appropriate follow-up action to be taken. The policy and procedures aim to encourage the reporting of such matters in good faith, with confidence on the part of employees making such reports, that they will be treated fairly and, to the extent possible, be protected from reprisal.

Directors' Opinion on Internal Controls

The CEO and the Chief Financial Officer ("CFO") have provided their assurance to the Board that to the best of their knowledge, based on outcomes of on-going reviews on risk management and internal controls, and in the absence of contradictory evidence, the system of risk management and internal controls is adequate, financial records have been properly maintained and the financial statements give a true and fair review of the Trust's operations and finances.

The Board recognises the importance of sound internal controls and risk management practices for good corporate governance. The Board affirms its overall responsibility for systems of internal controls and risk management of the Trust and its subsidiaries, and for reviewing the adequacy and integrity of those systems on an annual basis. The internal control and risk management functions are performed by key executives and are reported to the AC for review.

The internal control systems include the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulations and best practices, and the identification and containment of business risks. Such systems are designed to manage rather than to eliminate the risk of failure to achieve business objectives and provide only reasonable, and not absolute, assurance against material misstatement of loss. The Board also notes that all internal control systems contain inherent limitations and no system of internal controls can

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provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error losses, fraud or other irregularities.

Based on the system of risk management and internal controls established and maintained within the Trust and its subsidiaries, work performed by the internal and external auditors, and reviews performed by Management, various Board Committees and the Board, and the assurance from the CEO and the CFO, the Board, with the concurrence of the Audit Committee, are of the opinion that the system of risk management and internal controls addressing material financial, operational, compliance and information technology risks of the Trust and its subsidiaries were adequate and effective as at 31 March 2015 in addressing material risks.

Principle 12: Audit Committee

The Audit Committee comprises Mr Michael Gray as Chairman, Mr David Lim, Mr Mohandas Pai and Mr Ng Eng Leng. All AC members, including the Chairman, are considered independent.

The Board is of the view that the members of the AC are appropriately qualified to discharge their responsibilities. Between Mr Gray, Mr Lim, Mr Pai and Mr Ng, they have extensive accounting related financial management and legal expertise and experience.

The AC's primary role is to assist the Board in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, business and financial risk management. The AC's responsibilities include:

- Reviewing the procedures put in place to address any conflict that may arise between the interests of the Unitholders and the interests of the Trustee-Manager, including interested person transactions, the indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees and charges payable out of the Trust property;
- Reviewing with the external auditors and internal auditors, the audit plans and reports and the evaluation of the system of internal accounting controls, based on the recommendations and observations of the auditors;
- Reviewing significant financial reporting issues and treatments so as to ensure the integrity of the financial statements of the Trust and recommending to the Board the financial statements for release to the SGX-ST;
- Reviewing the scope of internal audits, the reports and its cost effectiveness, which includes ensuring that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by the Management;
- Reviewing policies and practices put in place by Management to ensure compliance with applicable laws, regulations, guidelines and constitutional documents of the Trust;
- Recommending the appointment, re-appointment and removal of the external or internal auditors to the Board;
- Reviewing the independence and objectivity of the external auditors annually, including considering the nature and extent of the non-audit services performed by them;
- Meeting external and internal auditors, without the presence of the Management, at least once annually;
- Reviewing and reporting to the Board on any inadequacies, deficiencies or matters of concern of which the AC becomes aware or that it suspects, arising from its review of internal financial controls, operational and compliance controls and risk management policies and systems of the Trustee-Manager and the Trust;
- Reviewing and reporting to the Board any breach of applicable laws and regulations that the AC becomes aware of or that it may suspect;
- Reporting to MAS if the AC is of the view that the Board has not taken, or does not propose to take, appropriate action to deal with any matter reported by the AC to the Board;
- Undertaking such other functions as may be agreed to by the AC and the Board; and
- Investigating any matters within the AC's terms of reference, whenever it deems necessary.

For FY14/15, the AC held four meetings during the year. The AC has reviewed the external and internal auditors' findings. The AC also met with the external and internal auditors without the presence of the Management. The AC is satisfied with the processes put in place to mitigate fraud risk exposure in the Trust. The AC is also satisfied that the whistle blowing arrangements put in place by Management provide a channel through which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The external and internal auditors have updated the AC members on changes to accounting standards and issues which have a direct impact on financial statements during the AC meetings in FY14/15.

External Audit

Ernst & Young LLP ("EY") was appointed as the external auditor for the Trust and its subsidiaries. Unitholders' approval was obtained for their re-appointment at the last Annual

General Meeting ("AGM") on 10 July 2014. EY will hold office until the conclusion of the coming AGM. The AC has assessed the performance of the external auditor based on factors such as the performance and quality of their audit and the independence of the auditor.

The Trustee-Manager confirms that it has complied with Rules 712(1) and 715 of the Listing Manual of the SGX-ST as EY is registered with the Accounting and Corporate Regulatory Authority.

To assess the independence of the external auditor, the AC also reviewed the non-audit services provided by the external auditor during the financial year and the quantum of fees paid for such services. The AC is satisfied that the independence of the external auditor was not compromised in any way by the provision of such non-audit services.

The table below sets out the fees and expenses paid/accrued to EY for FY14/15:

Nature of Services	S$'000	%
Audit Fees	276	81
Other Services	64	19
Total	340	100

On the basis of the above, the AC has recommended to the Board the re-appointment of EY as the independent external auditor of the Trust and its subsidiaries at the coming Annual General Meeting of the Unitholders.

Principle 13: Internal Audit

The internal auditors assist the AC in ensuring that Management maintains a sound system of internal controls by regular monitoring of key controls and procedures and ensuring their continued effectiveness. In the financial year under review, the internal audit function of the Trust was carried out by KPMG.

Staffed by qualified executives, KPMG has unrestricted access to the AC. KPMG reports to the Chairman of the AC and is guided by the Standards for the Professional Practice of Internal Auditing. During the year, KPMG adopted a risk-based auditing approach covering financial, operational and compliance controls. Internal audits were carried out on all the Venture Capital Undertakings of the Trust. Internal audit reports were submitted to the AC for review and the summary of findings and recommendations were discussed at the AC meetings.

The AC has reviewed the internal audit function in the financial year under review and is satisfied of its adequacy and independence from the activities it audits.

(D) UNITHOLDERS' RIGHTS

Principle 14: Unitholders' Rights
Principle 15: Communication with Unitholders
Principle 16: Conduct of Unitholders' Meetings

The Trustee-Manager is committed to open and regular communication with the investment community, in particular, with its Unitholders. Quarterly results with detailed financial and operational metrics are publicly available on the Trust's and SGX-ST's websites. The Trust's website also contains the Trust's disclosed financial information, annual reports, investor presentation slides, distribution notices, press releases and other material developments announced through the SGX-ST's website.

Investor relations matters are handled by Management's investor relations team. Management meets with analysts and institutional investors regularly to promote the Trust, communicate its business performance and developments, and gather views and feedback. Management participates in local and overseas conferences organised by securities houses and banks. Management also addresses queries raised by retail Unitholders via phone calls, emails or the website. Such regular interactions allow Management to consider feedback from the investment community before formulating capital management strategies and Unitholders' resolutions. An investor relations policy has been put in place as part of Management's commitment to provide timely and transparent information to the investment community.

For the forthcoming AGM, the Board will be in attendance to address Unitholders' queries. EY, the external auditor for the Trust, has also been invited to attend the AGM and assist directors in addressing queries from Unitholders relating to the conduct of the audit and the preparation and content of the audited financial statements of the Trust.

The Board fully supports Unitholders' participation at AGMs and Unitholders are accorded the opportunity to raise relevant questions and to communicate their views. A registered Unitholder may, through proxy forms sent in advance, appoint up to 2 proxies to attend and vote. To ensure transparency, the Trustee-Manager had employed electronic poll voting since the AGM in 2012. All votes cast for or against and their respective percentages will be displayed "live" immediately at the meeting after the conduct of each poll. It also promptly

CORPORATE GOVERNANCE

issues a detailed announcement of the poll results (both in absolute numbers and percentages of votes cast for and against a resolution) on SGX-ST's website after the close of the general meeting.

The Company Secretary prepares minutes of Unitholders' meetings, which incorporate substantial comments or queries from Unitholders and responses from the Board and Management. These minutes are available to Unitholders upon request in writing.

(E) ADDITIONAL INFORMATION

Dealings in Units

The Trust has adopted a trading policy based on SGX-ST's best practices on dealings in securities. Directors and employees of the Trustee-Manager and relevant employees of the Trustee-Manager's related corporations have been informed about the prohibition from dealing in the Units as follows:

- During the period commencing one month before the public announcement of the Trust's annual financial results and two weeks before the public announcement of the Trust's quarterly financial results, and ending on the date of announcement of the relevant results; and
- At any time while in possession of price sensitive information.

The policy also discourages trading on short-term considerations.

Each director of the Trustee-Manager is required to give notice in writing to the Trustee-Manager of his acquisition of Units or changes to the number of Units held in his interests, within two business days after such director is appointed or upon the occurrence of any of the aforesaid events.

All dealings in Units by directors will be announced via SGXNET, with the announcement to be posted on the internet on SGX-ST's website http://www.sgx.com and the Trust's website http://www.a-itrust.com.

In addition, the Trustee-Manager will announce to the SGX-ST the particulars of its holdings in the Units and any changes thereto, by the end of the business day following the day on which it acquires or disposes of any Units.

a-iTrust FINANCIAL STATEMENTS

Ascendas India Trust

Contents

REPORT OF THE TRUSTEE-MANAGER

For the financial year ended 31 March 2015

The directors of Ascendas Property Fund Trustee Pte. Ltd., the Trustee-Manager of Ascendas India Trust (the "Trustee-Manager"), are pleased to present their report to the Unitholders of Ascendas India Trust (the "Trust") and its subsidiaries (together referred to as the "Group"), together with the audited financial statements of the Group. The audited financial statements comprise the balance sheets of the Group and the Trust as at 31 March 2015, the consolidated income statement, the consolidated statement of comprehensive income, the distribution statement, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS

The directors of the Trustee-Manager in office at the date of this report are as follows:

Mr Philip Yeo Liat Kok
Mr David Lim Tik En
Mr Michael Grenville Gray
Mr Rakesh Kumar Aggarwal
Mr T.V. Mohandas Pai
Mr Girija Prasad Pande
Mr Ng Eng Leng
Mr Khiatani Manohar Ramesh
Mr Sanjeev Durjhati Prasad Dasgupta (appointed on 1 October 2014)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE UNITS AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Trustee-Manager a party to any arrangement whose objective was to enable any or all directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in, or debentures of, the Trust.

DIRECTORS' INTERESTS IN UNITS AND DEBENTURES

According to the register of directors' unitholdings and for the purpose of section 76 of the Singapore Business Trusts Act, only those directors as shown below hold units in or debentures, of the Trust:

	Numbers of Units Holding as at			
	1 April 2014		31 March 2015	
Name of Director	Direct	Deemed	Direct	Deemed
Mr Philip Yeo Liat Kok	**300,000**	–	**300,000**	–
Mr David Lim Tik En	**150,000**	210,000	**150,000**	210,000
Mr Michael Grenville Gray	**200,000**	–	**200,000**	–
Mr Rakesh Kumar Aggarwal	**–**	5,000	**–**	5,000
Mr Girija Prasad Pande	**27,000**	–	**27,000**	–

There was no change in any of the above-mentioned interests in the Trust between the end of the financial year and 21 April 2015.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in units, unit options, warrants or debentures of the Trust, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit in the Trust by reason of a contract made by the Trustee-Manager, on behalf of the Trust or a related corporation, with the director, or with a firm of which the director is a member or with a company in which the director has a substantial financial interest.

UNIT OPTIONS

There were no options granted during the financial year to acquire unissued units in the Trust.

No units have been issued during the financial year by virtue of the exercise of options to take up unissued units in the Trust.

There were no unissued units in the Trust under option as at the end of the financial year.

AUDIT COMMITTEE

The Audit Committee ("AC") comprises four independent directors. The members at the end of the financial year were as follows:

Mr Michael Grenville Gray (Chairman)
Mr David Lim Tik En
Mr T.V. Mohandas Pai
Mr Ng Eng Leng

The AC carried out its functions in accordance with Regulation 13(6) of the Singapore Business Trusts Regulations, including the following:

- Reviewing with the external and internal auditors, the audit plans and audit reports and the auditors' evaluation of the system of internal accounting controls, based on the recommendations and observations of the auditors;
- Reviewing the quarterly and annual financial statements and the external auditor's report on the annual financial statements of the Trust before submission to the Board of Directors;
- Reviewing the assistance given by the Management of the Trustee-Manager to the auditors of the Trust;
- Reviewing the policies and practices put in place by the Management of the Trustee-Manager to ensure compliance with the applicable laws, regulations, guidelines and constitutional documents of the Trust;
- Reviewing the procedures put in place to address any conflict that may arise between the interests of the Unitholders and those of the Trustee-Manager, including interested person transactions, the indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees and charges payable out of the trust property;
- Reporting to the Board of Directors of the Trustee-Manager on any inadequacies, deficiencies or matters of concern of which the AC becomes aware or that it suspects, arising from its review of the above described;
- Reporting to the Board of Directors of the Trustee-Manager on any breach of the Singapore Business Trusts Act or any breach of the provisions of the Trust Deed of which the AC becomes aware or that it suspects;
- Reporting to the Monetary Authority of Singapore if the AC is of the view that the Board of Directors of the Trustee-Manager has not taken, or does not propose to take, appropriate action to deal with a matter reported by the AC to the Board of Directors;

REPORT OF THE TRUSTEE-MANAGER

For the financial year ended 31 March 2015

AUDIT COMMITTEE (CONTINUED)

- Reviewing the independence and objectivity of the external auditor annually, including considering the nature and extent of non-audit services performed by the external auditor;

- Meeting with the external and internal auditors, without the presence of the Management of the Trustee-Manager, at least once annually;

- Recommending the appointment, re-appointment or removal of the external or internal auditors to the Board;

- Investigating any matters within the AC's terms of reference, whenever it deems necessary; and

- Undertaking such other functions as may be agreed to by the AC and the Board of Directors of the Trustee-Manager.

To assess the independence of the external auditor, the AC also reviewed the non-audit services provided by the external auditor during the financial year and the quantum of fees paid for such services. The AC is satisfied that the independence of the external auditor was not impaired by the provision of those non-audit services. The AC has also conducted a review of interested person transactions.

The AC convened four meetings during the year, and attendances of members are listed in the Corporate Governance Report.

The AC has recommended to the Board of Directors the reappointment of Ernst & Young LLP as the independent external auditor of the Trust at the coming annual general meeting of the Unitholders.

AUDITOR

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

For and on behalf of the Trustee-Manager,
Ascendas Property Fund Trustee Pte. Ltd.

KHIATANI MANOHAR RAMESH
Director

SANJEEV DURJHATI PRASAD DASGUPTA
Director

29 April 2015

STATEMENT BY THE TRUSTEE-MANAGER

For the financial year ended 31 March 2015

We, Khiatani Manohar Ramesh and Sanjeev Durjhati Prasad Dasgupta, being two of the directors of the Trustee-Manager, do hereby state that, in the opinion of the directors,

(a) the accompanying balance sheets of the Group and the Trust, the consolidated income statement, the consolidated statement of comprehensive income, the distribution statement, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows as set out on pages 75 to 141 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Trust as at 31 March 2015, and of the results of the business, changes in Unitholders' funds and cash flows of the Group, for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Trustee-Manager will be able to fulfil, out of the trust property of the Trust, the liabilities of the Trust as and when they fall due.

For and on behalf of the Trustee-Manager,
Ascendas Property Fund Trustee Pte. Ltd.

KHIATANI MANOHAR RAMESH
Director

SANJEEV DURJHATI PRASAD DASGUPTA
Director

29 April 2015

TRUSTEE-MANAGER'S CERTIFICATE

For the financial year ended 31 March 2015

The directors of Ascendas Property Fund Trustee Pte. Ltd. as Trustee-Manager (the "Trustee-Manager") of Ascendas India Trust (the "Trust") hereby certify that:

- The fees or charges paid or payable out of the trust property of the Trust to the Trustee-Manager are in accordance with the Trust Deed of the Trust;
- The interested person transactions are not detrimental to the interests of all the Unitholders of the Trust as a whole based on the circumstances at the time of the transactions; and
- The Board of Directors of the Trustee-Manager is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or the interest of all the Unitholders of the Trust as a whole.

For and on behalf of the Trustee-Manager
Ascendas Property Fund Trustee Pte. Ltd.

KHIATANI MANOHAR RAMESH
Director

SANJEEV DURJHATI PRASAD DASGUPTA
Director

29 April 2015

STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER

For the financial year ended 31 March 2015

I, the Chief Executive Officer of Ascendas Property Fund Trustee Pte. Ltd., as Trustee-Manager (the "Trustee-Manager") of Ascendas India Trust (the "Trust"), in my personal capacity, certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the Unitholders of the Trust as a whole.

SANJEEV DURJHATI PRASAD DASGUPTA
Chief Executive Officer

29 April 2015

STATEMENT ON POLICIES AND PRACTICES

In Relation to the Management and Governance of the Trust Pursuant to Section 87 of the Business Trusts Act, Chapter 31A of Singapore

The Board of Directors of Ascendas Property Fund Trustee Pte. Ltd. as Trustee-Manager (the "Trustee-Manager") of Ascendas India Trust (the "Trust") is responsible for safeguarding the interests of the Unitholders as a whole and managing the business of the Trust. The Trustee-Manager has general power of management over the business and assets of the Trust and its main responsibility is to manage the Trust's assets and liabilities for the benefit of the Unitholders as a whole. In the event of a conflict between the interests of the Unitholders as a whole and its own interests, the Trustee-Manager will give priority to the interests of the Unitholders as a whole over its own interests.

The Board of the Trustee-Manager ("Board"), in exercising its power and carrying out its duties as Trustee-Manager of Trust, has put in place measures to ensure that the following are met:

- The property of the Trust is properly accounted for and is kept distinct from the property held by Trustee-Manager in its own capacity;
- Adherence with the business scope of the Trust as set out in the Trust Deed;
- Potential conflicts between the interests of the Trustee-Manager and the interests of the Unitholders of the Trust as a whole are appropriately managed;
- Interested person transactions are transparent, properly recorded and reviewed;
- Expenses and cost allocations payable to the Trustee-Manager out of the property of the Trust, and that fees and expenses charged to the Trust are appropriate and in accordance with the Trust Deed; and
- Compliance with the Business Trusts Act and with the Listing Rules of Singapore Exchange Securities Trading Ltd.

TRUST PROPERTY PROPERLY ACCOUNTED FOR

Towards ensuring that the property of the Trust is properly accounted for and is kept distinct from the property held by the Trustee-Manager in its own capacity, the accounting records of the Trust are kept by a team of accounting professionals separate from the team that keeps the accounting records of the Trustee-Manager.

ADHERENCE TO BUSINESS SCOPE

The Trust is established to invest in real estate (which may be by way of direct ownership of real estate or by way of holding shares or units or interests in special purpose vehicles), real estate related assets and/or such other authorised investments and the Trustee-Manager manages the property of the Trust so that the principal investments of the Trust are real estate. The Investment Committee ("IC") assists the Board in ensuring adherence to the business scope. The responsibilities of the IC are set out in the Corporate Governance Report.

POTENTIAL CONFLICTS OF INTEREST

As the Trustee-Manager is a related company of Ascendas Land International Pte Ltd, the Sponsor and controlling Unitholder of the Trust, there may be potential conflicts of interest between the Trust, the Trustee-Manager and the Sponsor.

The Trustee-Manager has instituted, amongst others, the following procedures to deal with issues of conflicts of interest:

- A Board comprising seven independent directors, who form at least three-quarters of the Board;
- All executive officers are directly employed by the Trustee-Manager;
- All resolutions in writing of the directors in relation to matters concerning the Trust must be approved by majority of the independent directors;
- Where appropriate, strict compliance with the relevant provisions of the Code of Corporate Governance;
- 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; and
- Where matters concerning the Trust relate to transactions to be entered into by the Trustee-Manager for and on behalf of the Trust with a related party of the Trustee-Manager, the AC 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 the Trust and the Unitholders.

PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS

(i) Property Management Agreement

The Trustee-Manager, on behalf of the Trust, has entered into a Master Property Management Agreement and an Initial Properties Management Agreement with a related corporation, Ascendas Services (India) Pte Ltd ("ASIPL") (the "Property Manager") for management of properties of a-iTrust. The Trustee-Manager believes that the terms of these agreements, established since the listing of the Trust, are made on normal commercial terms and are not prejudicial to the interests of the Trust and the Unitholders. The Trustee-Manager believes that the Property Manager has the necessary expertise and resources to perform property management, lease management and marketing services for the Trust under these agreements.

(ii) Exempted Agreements

The fees and charges payable by the Trust to the Trustee-Manager under the Trust Deed and to the Property Manager under the property management agreements, are interested person transactions which are deemed to have been specifically approved by the Unitholders upon subscription for the Units, 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 would adversely affect the Trust.

STATEMENT ON POLICIES AND PRACTICES

In Relation to the Management and Governance of the Trust Pursuant to Section 87 of the Business Trusts Act, Chapter 31A of Singapore

PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS (CONTINUED)

(iii) Future Interested Person Transactions

Depending on the materiality of the transaction, the Trust may make a public announcement of such transaction or obtain Unitholders' prior approval for such a transaction. If necessary, the Board may make a written statement in accordance with the resolution of the Board and signed by at least two directors on behalf of the Board certifying that, inter alia, such interested person transaction is not detrimental to the interests of the Unitholders of the Trust as a whole, based on the circumstances at the time of the transaction.

The Trustee-Manager may, in future, seek an annual general mandate from the Unitholders for recurrent transactions of revenue or trading nature or those necessary for its day-to-day operations with interested persons, and all transactions would then be conducted under such a general mandate for the relevant financial year. In seeking such an annual general mandate, the Trustee-Manager may appoint an independent financial adviser to render an opinion as to whether the methods or procedures for determining the transaction prices 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 the Trust and the Unitholders.

When the Trust acquires assets from the Sponsor or parties related to the Sponsor in future, the Trustee-Manager will obtain valuations from independent parties. In any event, interested person transactions entered into by the Trust, depending on the materiality of such transactions, may be publicly announced or, as the case may be, approved by Unitholders, and will, in addition, be:

- Reviewed and recommended by the Audit Committee of the Trustee-Manager, which comprises only independent directors; and
- Decided by the Board, of which at least two-thirds of the directors are independent directors.

INTERESTED PERSON TRANSACTIONS IN FY14/15

The interested person transactions in FY2014/2015 are set out below:

Name of Interested Person	Aggregate Value of All Interested Person Transactions During the Financial Period Under Review (Excluding Transactions Less Than $100,000 and Transactions Conducted Under Shareholders Mandate Pursuant to Rule 920)	
	2015 S$'000	2014 S$'000
Ascendas Property Fund Trustee Pte. Ltd.*		
– Trustee-Manager's fees paid/payable	**7,622**	6,692
Ascendas Services (India) Pte Ltd ("ASIPL")*		
Fees received/receivable by ASIPL from a-iTrust		
– Property management services	**2,415**	2,407
– Lease management services	**1,207**	1,203
– Marketing services	**2,374**	3,280
– Project management services	**309**	459
– General management services	**2,648**	2,586
Office rental income received/receivable by a-iTrust from ASIPL	**303**	316
Ascendas Land International Pte Ltd ("ALIPL")		
Acquisition of 100% equity interest in Ascendas IT SEZ (Chennai) Private Limited ("AISCPL"), which owns CyberVale, from ALIPL and its affiliates	**35,173**	–
Jurong Consultants (India) Pte Ltd		
Procurement of consultancy services, including architecture & landscape, civil & structural, M&E engineering design rendered to Information Technology Park Limited	–	21

* Refer to "Exempted Agreements" in paragraph (ii) above

FEES AND EXPENSES CHARGED TO THE TRUST ARE APPROPRIATE AND IN ACCORDANCE WITH THE TRUST DEED

FEES PAYABLE TO THE TRUSTEE-MANAGER

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 the property of the Trust; and
- A Performance Fee at the rate of 4% per annum of the Net Property Income of the Trust in the relevant financial year (calculated before accounting for the Performance Fee in that 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 are payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect). The Trustee-Manager has elected to receive 50% of both Base Fee and Performance Fee in Units and the remainder in cash for FY14/15.

STATEMENT ON POLICIES AND PRACTICES

In Relation to the Management and Governance of the Trust Pursuant to Section 87 of the Business Trusts Act, Chapter 31A of Singapore

FEES PAYABLE TO THE TRUSTEE-MANAGER (CONTINUED)

For transactions, the Trustee-Manager is entitled to:

- 1% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants purchased by the Trustee-Manager on behalf of the Trust, whether directly or indirectly through a special purposes vehicle ("SPV"), or 1% of the acquisition price of any authorised investment acquired by the Trustee-Manager on behalf of a-iTrust; and

- 0.5% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) 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 authorised investment sold or divested by the Trustee-Manager on behalf of the Trust.

The acquisition fee and the divestment fee are 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 the Trust acquires or disposes of real estate from 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 price, and, if received in the form of Units by the Trustee-Manager, such Units shall not be sold within one year from the date of issuance.

Any payment to third party agents or brokers in connection with the acquisition or divestment of any asset of the Trust shall be paid by the Trustee-Manager to such persons out of the property of the Trust 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.

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 property of the Trust.

Any increase in the maximum permitted amount or any change in the structure of the trustee 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.

The table below sets out the fees earned by the Trustee-Manager for the financial year ended 31 March 2015:

	Amount ($'000)
Management Fee	4,181
Performance Fee	2,925
Trustee Fee	165
Acquisition Fee	351
Total	7,622

The Board meets every quarter to review the expenses charged to the Trust against the budget approved by the Board.

The expenses charged to the Trust for the financial year ended 31 March 2015 are set out below:

	Amount ($'000)
Travel & Entertainment	77

COMPLIANCE WITH THE BUSINESS TRUSTS ACT AND LISTING RULES

The Joint Company Secretaries and Compliance Officer monitor compliance by the Trust with the Business Trusts Act and Listing Rules.

STATEMENT ON COMPOSITION OF THE BOARD OF DIRECTORS

In accordance with Rule 12(8) of the Business Trust Regulations 2005, the Board of Directors of Ascendas Property Fund Trustee Pte. Ltd. as Trustee-Manager (the "Trustee-Manager") of Ascendas India Trust (the "Trust") has determined that the following directors are independent from management and business relationships with the Trustee-Manager, and independent from every substantial shareholder of the Trustee-Manager:

Mr Philip Yeo Liat Kok;
Mr David Lim Tik En;
Mr Michael Grenville Gray;
Mr Rakesh Kumar Aggarwal;
Mr T. V. Mohandas Pai;
Mr Girija Prasad Pande; and
Mr Ng Eng Leng.

Mr Khiatani Manohar Ramesh and Mr Sanjeev Durjhati Prasad Dasgupta are considered non-independent directors by the Board of Directors of the Trustee-Manager. Mr Khiatani is a director on the Board of Ascendas Pte Ltd, a deemed controlling Unitholder of the Trust and the ultimate holding company of the Trustee-Manager. Mr Dasgupta is the Chief Executive Officer of the Trustee-Manager.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 March 2015

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Ascendas India Trust (the "Trust") and its subsidiaries (collectively the "Group") set out on pages 75 to 141, which comprise the balance sheets of the Group and the Trust as at 31 March 2015, the consolidated income statement, the consolidated statement of comprehensive income, the distribution statement, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Trustee-Manager's Responsibility for the Financial Statements

The Trustee-Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Business Trusts Act, (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet of the Trust are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Trust as at 31 March 2015, and of the results, changes in unitholders' fund and cash flows of the Group for the financial year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Trustee-Manager on behalf of the Trust, have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and Chartered Accountants

Singapore, 29 April 2015

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 March 2015

	Note	Group 2015 $'000	Group 2014 $'000
Property Income			
Base rent		**76,692**	70,066
Amenities income		**1,986**	1,920
Fit-out rental income		**1,659**	1,795
Operations, maintenance and utilities income		**42,894**	41,908
Car park and other income		**5,528**	5,020
Total property income		**128,759**	120,709
Property Expenses			
Operations, maintenace and utilities expenses		**(35,949)**	(34,755)
Service and property taxes		**(2,679)**	(2,506)
Property management fees		**(6,261)**	(6,254)
Other property operating expenses	5	**(6,268)**	(5,088)
Total property expenses		**(51,157)**	(48,603)
Net Property Income		**77,602**	72,106
Trustee-Manager's fees		**(7,271)**	(6,692)
Other trust operating expenses		**(1,084)**	(1,182)
Finance costs	6	**(16,457)**	(13,306)
Interest income	4	**13,620**	9,372
Fair value gain on derivative financial instruments – realised		**2,202**	17
Exchange loss – realised		**(8,773)**	(912)
Profit Before Change in Fair Value of Investment Properties, and Unrealised Gain/(Loss) on Derivative Financial Instruments and Foreign Exchange		**59,839**	59,403
Fair value gain/(loss) on derivative financial instruments – unrealised		**303**	(420)
Exchange gain/(loss) – unrealised		**10,576**	(6,772)
Fair value gain on investment properties	18, 19	**38,596**	33,013
Profit Before Income Tax		**109,314**	85,224
Income tax expense	7	**(38,297)**	(30,364)
Net Profit After Tax		**71,017**	54,860
Attributable To:			
Unitholders of the Trust		**65,911**	50,107
Non-controlling interests		**5,106**	4,753
		71,017	54,860
Earnings per unit attributable to unitholders of the Trust, expressed in cents per unit – basic and diluted	8	**7.16**	5.47

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2015

	Group	
	2015 $'000	2014 $'000
Net profit after tax	**71,017**	54,860
Other Comprehensive Income:		
Items that may be reclassified subsequently to profit or loss:		
– Cash flow hedges	**(94)**	(977)
– Fair value gain on available-for-sale financial assets	**2,477**	–
– Translation differences arising from the conversion of functional currency into presentation currency	**34,948**	(57,484)
Other comprehensive income for the year	**37,331**	(58,461)
Total comprehensive income for the year	**108,348**	(3,601)
Total Comprehensive Income Attributable To:		
Unitholders of the Trust	**100,675**	(4,647)
Non-controlling interests	**7,673**	1,046
	108,348	(3,601)

The accompanying notes form an integral part of these financial statements.

DISTRIBUTION STATEMENT

For the financial year ended 31 March 2015

	Note	Group	
		2015	2014
		$'000	$'000
Profit Before Change in Fair Value of Investment Properties, and Unrealised Gain/(Loss) on Derivative Financial Instruments and Foreign Exchange		**59,839**	59,403
Income tax expense – current	7	**(14,907)**	(14,438)
Trustee-Manager's fees payable in units	9	**3,553**	3,268
Depreciation		**81**	98
Amortisation of marketing commission		**–**	31
Realised exchange loss	9	**4,899**	995
Non-controlling interests		**(3,645)**	(3,226)
Distribution Adjustments		**(10,019)**	(13,272)
Income Available for Distribution		**49,820**	46,131
10% retention		**(4,982)**	(4,613)
Income to be Distributed		**44,838**	41,518
DPU (Income available for distribution) (cents)		**5.41**	5.05
DPU (Income to be distributed) (cents)		**4.86**	4.56

The accompanying notes form an integral part of these financial statements.

BALANCE SHEETS

As at 31 March 2015

	Note	Group		Trust	
		2015	2014	**2015**	2014
		$'000	$'000	**$'000**	$'000
Assets					
Current Assets					
Cash and cash equivalents	10	**69,661**	74,376	**9,676**	2,864
Inventories	11	**738**	706	**–**	–
Other assets	12	**4,771**	690	**586**	92
Loans to subsidiaries	13	**–**	–	**419,623**	375,817
Trade and other receivables	14	**22,798**	20,324	**13,962**	4,891
Derivative financial instruments	16	**1,850**	3,928	**1,850**	3,928
Current income tax recoverable	7	**6,991**	9,260	**–**	–
		106,809	109,284	**445,697**	387,592
Non-current Assets					
Other assets	12	**6,938**	8,293	**900**	–
Investment in available-for-sale financial assets	15	**108,129**	45,353	**–**	–
Equipment	17	**260**	413	**–**	–
Investment properties under construction	18	**32,628**	–	**–**	–
Investment properties	19	**979,247**	869,085	**–**	–
Goodwill	20	**16,916**	15,997	**–**	–
Investment in subsidiaries	21	**–**	–	**11,382**	10,764
Derivative financial instruments	16	**5,893**	14,220	**5,893**	14,220
		1,150,011	953,361	**18,175**	24,984
Total assets		**1,256,820**	1,062,645	**463,872**	412,576
Liabilities					
Current Liabilities					
Trade and other payables	22	**42,567**	39,343	**11,495**	9,414
Borrowings	23	**89,914**	49,937	**89,914**	49,937
Derivative financial instruments	16	**713**	967	**713**	967
		133,194	90,247	**102,122**	60,318
Non-current Liabilities					
Trade and other payables	22	**53,757**	45,106	**900**	–
Borrowings	23	**225,255**	184,426	**225,255**	184,426
Derivative financial instruments	16	**4,662**	2,199	**4,662**	2,199
Deferred income tax liabilities	7	**163,865**	132,556	**–**	–
		447,539	364,287	**230,817**	186,625
Total liabilities		**580,733**	454,534	**332,939**	246,943
Net Assets		**676,087**	608,111	**130,933**	165,633

The accompanying notes form an integral part of these financial statements.

	Note	Group		Trust	
		2015	2014	**2015**	2014
		$'000	$'000	**$'000**	$'000
Unitholders' Funds					
Units on issue	24	**706,432**	703,050	**706,432**	703,050
Foreign currency translation reserve	25(a)	**(328,309)**	(360,690)	**(201,224)**	(207,704)
Fair value reserve	25(b)	**2,477**	–	**–**	–
Hedging reserve	25(c)	**1,568**	1,662	**1,568**	1,662
Other reserves	25(d)	**60,672**	57,173	**–**	–
Retained earnings	25(e)	**183,990**	164,971	**(375,843)**	(331,375)
Net assets attributable to unitholders		**626,830**	566,166	**130,933**	165,633
Non-controlling interests		**49,257**	41,945	**–**	–
		676,087	608,111	**130,933**	165,633

CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS

For the financial year ended 31 March 2015

	Attributable to Unitholders of the Trust								
	Units on Issue $'000	Foreign Currency Translation Reserve $'000	Fair Value Reserve $'000	Hedging Reserve $'000	Other Reserves $'000	Retained Earnings $'000	**Total $'000**	Non-Controlling Interests $'000	**Total $'000**
2015									
Balance at beginning of financial year	**703,050**	**(360,690)**	**–**	**1,662**	**57,173**	**164,971**	**566,166**	**41,945**	**608,111**
Profit for the year	–	–	–	–	–	65,911	**65,911**	5,106	**71,017**
Other comprehensive income for the year	–	32,381	2,477	(94)	–	–	**34,764**	2,567	**37,331**
Transfer to other reserves	–	–	–	–	3,499	(3,499)	**–**	–	**–**
Issue of new units	3,382	–	–	–	–	–	**3,382**	–	**3,382**
Distribution to unitholders (Note 9)	–	–	–	–	–	(43,393)	**(43,393)**	–	**(43,393)**
Dividends paid to non-controlling interests	–	–	–	–	–	–	**–**	(361)	**(361)**
Balance at end of financial year	**706,432**	**(328,309)**	**2,477**	**1,568**	**60,672**	**183,990**	**626,830**	**49,257**	**676,087**
2014									
Balance at beginning of financial year	**699,768**	**(306,913)**	**–**	**2,639**	**52,406**	**159,799**	**607,699**	**40,899**	**648,598**
Profit for the year	–	–	–	–	–	50,107	**50,107**	4,753	**54,860**
Other comprehensive income for the year	–	(53,777)	–	(977)	–	–	**(54,754)**	(3,707)	**(58,461)**
Transfer to other reserves	–	–	–	–	4,767	(4,767)	**–**	–	**–**
Issue of new units	3,282	–	–	–	–	–	**3,282**	–	**3,282**
Distribution to unitholders (Note 9)	–	–	–	–	–	(40,168)	**(40,168)**	–	**(40,168)**
Balance at end of financial year	**703,050**	**(360,690)**	**–**	**1,662**	**57,173**	**164,971**	**566,166**	**41,945**	**608,111**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2015

	Note	Group 2015 $'000	2014 $'000
Operating Activities			
Net profit after tax		**71,017**	54,860
Adjustments for:			
Income tax expenses	7	**38,297**	30,364
Depreciation of equipment	17	**81**	98
Interest income	4	**(13,620)**	(9,372)
Finance costs	6	**16,457**	13,306
Equipment written off		**253**	–
Loss on disposal of investment properties	19	**8**	–
Unrealised (gain)/loss on derivative financial instruments		**(303)**	420
Fair value gain on investment properties	18,19	**(38,596)**	(33,013)
Allowance for doubtful receivables (net)	5	**693**	132
(Write-back)/Allowance for doubtful advances	5	**(125)**	244
Trustee-Manager's fees paid and payable in units		**3,553**	3,268
Unrealised exchange (gain)/loss		**(10,576)**	6,772
Others		**9,325**	3,057
Operating cash flows before changes in working capital		**76,464**	70,136
Changes in Working Capital			
Inventories		**77**	225
Other assets		**(1,956)**	92
Trade and other receivables		**1,241**	5,524
Trade and other payables		**4,368**	8,389
Cash Generated From Operations		**80,194**	84,366
Interest received		**11,733**	4,338
Income tax paid (net)		**(12,352)**	(11,271)
Net cash generated from operating activities		**79,575**	77,433
Investing Activities			
Purchase of equipment	17	**(4)**	(6)
Additions to investment properties under construction	18	**(12,234)**	(17,717)
Additions to investment properties	19	**(5,491)**	(17,751)
Net cash outflow from acquisition of subsidiary	21	**(34,392)**	–
Proceeds from disposal of investment properties		**81**	43
Investment in available-for-sale financial assets	15	**(57,363)**	(8,603)
Net cash (used in) investing activities		**(109,403)**	(44,034)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2015

	Note	Group	
		2015	2014
		S$'000	S$'000
Financing Activities			
Repayment of borrowings		**(50,000)**	–
Distribution to unitholders		**(43,393)**	(40,168)
Dividends paid to non-controlling interests		**(361)**	–
Interest paid		**(15,900)**	(11,216)
Proceeds from borrowings		**80,647**	28,883
Proceeds from medium term notes		**49,850**	–
Net cash generated from/(used in) financing activities		**20,843**	(22,501)
Net (decrease)/increase in cash and cash equivalents		**(8,985)**	10,898
Cash and cash equivalents at beginning of financial year		**74,376**	69,856
Effects of exchange rate changes on cash and cash equivalents		**4,270**	(6,378)
Cash and cash equivalents at end of financial year	10	**69,661**	74,376

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Ascendas India Trust (the "Trust") is a Singapore-domiciled trust originally constituted as a private trust pursuant to the Trust Deed dated 7 December 2004, with Ascendas Property Fund Trustee Pte. Ltd. as its Trustee-Manager. The Trust Deed was amended by an Amending and Restating Deed dated 28 June 2007 ("Trust Deed") to comply with the requirements of, among others, the Monetary Authority of Singapore ("MAS") and the Singapore Exchange Securities Trading Limited ("SGX-ST"), for a listed Business Trust. The Trust is a registered business trust constituted by the Trust Deed and is principally regulated by the Securities and Futures Act ("SFA") and the Singapore Business Trusts Act. The Trust Deed is governed by the laws of the Republic of Singapore.

On 3 July 2007, the Trust was registered as a Business Trust and on 1 August 2007, the Trust was listed on the Main Board of the SGX-ST.

The registered office of Ascendas Property Fund Trustee Pte. Ltd. is at 61 Science Park Road, #04-01 The Galen, Singapore 117525.

The principal activity of the Trust is owning income producing real estate used primarily as business space in India and real estate related assets in relation to the foregoing. The Trust may acquire, hold and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion. The principal activities of the subsidiaries are as disclosed in Note 21 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgment 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 judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The financial statements are presented in Singapore Dollars (SGD or $) and all values in the tables are rounded to the nearest thousand ($'000), except when otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for financial periods beginning on 1 April 2014. The Group does not have any material non-controlling interest and the adoption of the new and revised standards did not have any effect on the financial statements.

2.3 Standards Issued But Not Yet Effective

The Group has not adopted the following standards that have been issued but not yet effective:

Description	Effective For Periods Beginning On or After
Amendments to FRS 19 *Defined Benefits Plans: Employee Contributions*	1 July 2014
Improvements to FRSs (January 2014)	
(a) Amendments to FRS 102 *Share Based Payment*	1 July 2014
(b) Amendments to FRS 103 *Business Combinations*	1 July 2014
(c) Amendments to FRS 108 *Operating Segments*	1 July 2014
(d) Amendments to FRS 16 *Property, Plant and Equipment and* FRS 38 *Intangible Assets*	1 July 2014
(e) Amendments to FRS 24 *Related Party Disclosures*	1 July 2014
Improvements to FRSs (February 2014)	
(a) Amendments to FRS 103 *Business Combinations*	1 July 2014
(b) Amendments to FRS 113 *Fair Value Measurement*	1 July 2014
(c) Amendments to FRS 40 *Investment Property*	1 July 2014
Improvements to FRSs (November 2014)	
(a) FRS 107 *Financial Instruments: Disclosures*	1 January 2016
(b) FRS 19 *Employee Benefits*	1 January 2016
(c) FRS 34 *Interim Financial Reporting*	1 January 2016
Amendments to FRS 16 and FRS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Amendments to FRS 1: *Disclosure Initiative*	1 January 2016
FRS 115 *Revenue from Contracts with Customers*	1 January 2017
FRS 109 *Financial Instruments*	1 January 2018

Except for FRS 115 and FRS 109 which the Management of the Trustee-Manager is presently assessing their impact on the financial statements, the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments, net of applicable 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 granted are recognised in profit or loss on a straight-line basis and 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 space utilised as amenities such as canteen and business centre.

Fit-out rental income is rental revenue earned from the fit-out provisions for the tenants at the properties. Fit-out rents typically arise from the additional 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, maintenance and utilities income

Operations, maintenance and utilities income is recognised when the services are rendered. Operations and maintenance income is revenue earned from the operation and maintenance of the properties.

(c) Car park and other income

Car park income includes revenue earned from the operations of the parking facilities, which is recognised when the services are rendered.

Other income includes miscellaneous income earned from the properties such as kiosks and advertising revenue, which is recognised when the services are rendered.

(d) Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Basis of Consolidation And Business Combinations

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries (including special purpose entities) as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Trust. Consistent accounting policies are applied to the like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses of a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

(i) derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;

(ii) derecognises the carrying amount of any non-controlling interest;

(iii) derecognises the cumulative translation differences recorded in unitholders' funds;

(iv) recognises the fair value of the consideration received;

(v) recognises the fair value of any investment retained;

(vi) recognises any surplus or deficit in profit or loss;

(vii) reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Basis of Consolidation and Business Combinations (Continued)

(b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date.

On an acquisition by acquisition basis, the Group may elect to recognise any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Please refer to Note 2.12 for the accounting policy on goodwill impairment.

(c) Transactions with non-controlling interests

Non-controlling interests represents the equity in subsidiaries not attributable, directly or indirectly, to unitholders of the Trust.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as equity transactions. Any difference between the change in the carrying amounts of the non-controlling interest and fair value of the consideration paid or received is recognised directly in unitholders' funds and attributed to the unitholders of the Trust.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 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 ("functional currency"). The functional currency of the Trust is Indian Rupee ("INR"). The presentation currency is the SGD 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 ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in unitholders' funds. The foreign currency translation reserve is reclassified from unitholders' funds to profit or loss of the Group on disposal of the foreign operation.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has a 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 exchange rates at the reporting date; and

(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).

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Equipment

(a) Measurement

Equipment is 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.

(b) Depreciation

Depreciation on computers, furniture and 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 10 years

The residual values, estimated useful lives and depreciation method of equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when 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. All other repair and maintenance expenditure are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other property operating expenses".

2.8 Investment Properties Under Construction

All investment properties under construction where fair values are reliably determinable are measured at fair value. The difference between the fair value and the carrying amount is recognised in profit or loss. Investment properties under construction for which the fair value cannot be reliably measured at present, but for which in future the fair value would be reliably determinable is accounted for at cost.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investment Properties

Investment properties of the Group, principally comprising completed office buildings and interest in freehold land held for a currently undetermined future use, are held for long-term rental yields and capital appreciation.

Investment properties are initially recognised at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value, determined on an annual basis by an independent professional valuer on the highest-and-best-use basis. Changes in fair values are recognised in profit or loss. Investment properties are not subject to depreciation.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.10. Investment in Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Trust's balance sheet. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.11 Borrowing Costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Impairment of Non-Financial Assets

(a) Goodwill

Goodwill, recognised separately as an intangible asset is tested for impairment annually and whenever there is 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. The 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 as an expense and is not reversed in a subsequent period.

(b) Investment in subsidiaries

Investment in subsidiaries is tested for impairment whenever there is any objective evidence or indication that the asset may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) 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, the 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 difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

In assessing the value-in-use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by capitalisation rates or other available fair value indicators.

The Group bases its impairment calculation on detailed rent-rolls and projections which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These rent rolls and projections are generally covering a period of 5 years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

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 this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Inventories

Inventories are carried at the lower of cost and net realisable value. 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 less the estimated costs of completion and applicable variable selling expenses.

2.14 Financial Instruments

(a) Non-derivative financial assets

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

When the financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

The Group classifies non-derivative financial assets into the following categories:

(i) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

(ii) Available-for-sale financial assets

Available-for-sale financial assets include investments in equity and debt instruments. Equity instruments classified as available-for-sale are those which are neither classified as held for trading nor designated at fair value through profit or loss. Debt instruments in this category are those which are intended to be held for an indefinite period of time.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment loss, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from unitholders' funds to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Investment in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Financial Instruments (Continued)

(b) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is presented in the balance sheets when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(c) Non-derivative financial liabilities

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

(d) Derivative financial instruments and hedging activities

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 method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either: (i) fair value hedge; or (ii) cash flow hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

(i) Fair value hedge

The Group has entered into currency forwards that are fair value hedges for currency risk arising from its firm commitments for purchases and sales denominated in foreign currencies. The fair value changes on the hedged item resulting from currency risk are recognised in profit or loss. The fair value changes on the effective portion of currency forwards designated as fair value hedges are recognised in profit or loss within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of currency forwards are recognised separately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Financial Instruments (Continued)

(d) Derivative financial instruments and hedging activities (continued)

(ii) Cash flow hedge

Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges of the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of the interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

Currency swaps

The Group has entered into currency swaps that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. The fair value changes on the effective portion of the currency swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and transferred to either the cost of a hedged non-monetary asset upon acquisition or profit or loss when the hedged forecast transactions are recognised.

The fair value changes on the ineffective portion of currency swaps are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in other comprehensive income are reclassified to profit or loss immediately.

2.15 Impairment of Financial Assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The impairment loss is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Impairment of Financial Assets (Continued)

(a) Financial assets carried at amortised cost (continued)

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(b) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost had been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(c) Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged declined in the fair value of the investment below its costs.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increases can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Leases

(a) When the Group is the lessee:

The Group leases certain equipment from non-related parties.

Lessee – Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

(b) When the Group is the lessor:

The Group leases investment properties to non-related parties.

Lessor – Operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease lock-in period.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

2.17 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in unitholders' funds. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Taxes (Continued)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

(i) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

(i) Where the deferred tax asset relating to the deductible temporary difference arises 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 the accounting profit nor taxable profit or loss; and

(ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Taxes (Continued)

(b) Deferred tax (continued)

Deferred tax items are recognised in correlation to the underlying transaction or event. The deferred tax effect will be:

(i) Recognised in the profit or loss, if the underlying transaction or event is recognised in profit or loss,

(ii) Recognised directly in unitholders' funds, if the underlying transaction or event is recognised in unitholders' funds, and

(iii) Recognised as an adjustment to goodwill (or negative goodwill) if the underlying transaction or event arises from a business combination.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

(i) Where the sales tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

2.18 Provisions

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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 profit or loss as finance cost.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Employee Benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

2.20 Units on Issue and Unit Issuance Expenses

Proceeds from issuance of units are recognised as units on issue in unitholders' funds. Incremental costs directly attributable to the issuance of units are deducted against units on issue.

2.21 Distributions to Trust's Unitholders

Distributions to the Trust's unitholders are recognised when the distributions are declared payable by the Trustee-Manager.

2.22 Transfer to Other Reserves

Other reserves represent profits statutorily transferred to the dividend distribution reserve and capital redemption reserve of the Indian subsidiaries under Indian regulatory provisions.

2.23 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.24 Related Parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Trust if that person:

(i) has control or joint control over the Trust;

(ii) has significant influence over the Trust; or

(iii) is a member of the key management personnel of the Trustee-Manager or of a parent of the Trust.

(b) An entity is related to the Group and the Trust if any of the following conditions applies:

(i) the entity and the Trust are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third party;

(v) the entity is a post-employment benefit plan for the benefit of employees of an entity related to the Trust. If the Trust is itself such a plan, the sponsoring employers are also related to the Trust;

(vi) the entity is controlled or jointly controlled by a person identified in (a); or

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements Made in Applying Accounting Policies

Determination of lease classification

The Group has entered into commercial property leases on its investment properties. The Group has determined, based on an evaluation of the terms and conditions of the arrangements such as the lease term not constituting a substantial portion of the economic life of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

3.2 Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Fair value of available-for-sale financial instruments

Where the fair values of financial instruments recorded on the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flow model. The inputs to these models are derived from observable market data where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of liquidity and model inputs regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The valuation of financial instruments is described in more detail in Note 28.

(b) Valuation of investment properties and investment properties under construction

The Group carries its investment properties and investment properties under construction at fair value, with changes in fair values being recognised in profit or loss.

The fair values of investment properties and investment properties under construction are determined by real estate valuation experts using recognised valuation techniques. These techniques comprise both the income capitalisation method and the discounted cash flow method.

The determination of the fair values of the investment properties and investment properties under construction require the use of estimates such as future cash flows from assets (such as lettings, tenant's profiles, future revenue streams, capital values of fixtures and fittings, plant and machinery, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. These estimates are based on local market conditions existing at the end of each reporting date.

The carrying amount and key assumptions used to determine the fair value of the investment properties and investment properties under construction are further explained in Note 28. The Trustee-Manager is of the view that the valuation methods and estimates are reflective of the current market condition.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

3.2 Key Sources of Estimation Uncertainty (Continued)

(c) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax provisions already recorded.

The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective entity's domicile.

Deferred tax assets are recognised for all unused tax losses and Minimum Alternative Tax ("MAT") credits to the extent that it is probable that taxable profit will be available against which the losses and MAT credits can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

Under Section 80IA of the India Income Tax Act, a subsidiary is eligible to claim deduction of an amount equal to one hundred percent of the profits and gains derived from industrial park developed. The deduction specified, may at the option of the subsidiary, be claimed for any ten consecutive years out of fifteen years beginning from the year in which the industrial park commences operation. To avail such deduction, the subsidiary is required to get the industrial park approved by the tax authorities as an eligible undertaking as defined under Section 80IA of the India Income Tax Act.

As at 31 March 2015, the application for deduction under Section 80IA by Ascendas IT Park (Chennai) Limited is pending approval by the tax authorities and the cumulative potential tax benefit is estimated to be INR 740 million (equivalent to $16,354,000) (2014: INR 586 million which is equivalent to $12,247,000).

4. INTEREST INCOME

	Group	
	2015	2014
	$'000	$'000
Interest income		
– Financial institutions	**5,740**	3,970
– Investment in available-for-sale financial assets	**6,202**	4,545
– Others	**1,678**	857
	13,620	9,372

5. PROPERTY OPERATING EXPENSES

	Group	
	2015	2014
	$'000	$'000
Advertising and publication	**413**	550
Depreciation of equipment	**81**	98
Employee benefits	**118**	105
Insurance	**203**	215
General management fee	**2,648**	2,586
Travel and hotel accomodation	**67**	30
Professional fee	**1,294**	602
Allowance for doubtful receivables	**693**	132
(Write-back)/Allowance for doubtful advances recoverable from regulatory authorities	**(125)**	244
Equipment written off	**253**	–
Other direct costs	**623**	526
	6,268	5,088

6. FINANCE COSTS

	Group	
	2015	2014
	$'000	$'000
Interest expense		
– Financial institutions	**8,560**	7,299
– Medium term notes	**7,873**	6,007
– Others	**24**	–
	16,457	13,306

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

7. INCOME TAXES

(a) Income tax expense

	Group	
	2015	2014
	$'000	$'000
Tax expense attributable to profit is made up of:		
Current Income Tax Expense		
– Based on current year's results	**14,980**	14,446
– Over provision in respect of prior years	**(73)**	(8)
	14,907	14,438
Deferred Income Tax Expense		
– Based on current year's results	**19,706**	14,404
– Effects of change in deferred tax rate	**3,684**	2,401
– Over provision in respect of prior years	**–**	(879)
	38,297	30,364

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 March 2015 and 2014 is as follows:

	Group	
	2015	2014
	$'000	$'000
Profit before tax	**109,314**	85,224
Tax calculated at tax rate of 33.99% (2014: 33.99%)	**37,156**	28,968
Effects of:		
– Expenses not deductible for tax purpose	**3,906**	3,105
– Tax incentives	**(4,927)**	(3,252)
– Income not subject to tax	**(5,393)**	(3,493)
– Effect of change in deferred tax rate	**3,684**	2,401
– Dividend distribution tax and withholding tax	**3,778**	4,206
– Over provision in respect of prior years	**(73)**	(887)
– Others	**166**	(684)
	38,297	30,364

7. INCOME TAXES (CONTINUED)

(a) Income tax expense (continued)

In financial year 2015, the corporate tax rate applicable in India has remained constant at 33.99%. The corporate tax rate applicable to the subsidiaries in India will be increased to 34.61% for the financial year 2016 onwards and deferred tax assets and/or liabilities of the Group are based on the rates applicable then.

Tax incentives comprise tax holiday benefit available for Indian entities where investment properties are located in the notified industrial park and/or special economic zones.

Dividend distribution tax is levied on any dividend payments by the subsidiaries in India while withholding tax is payable by the subsidiaries in India on interest payments made to the intermediate holding companies in Singapore.

Minimum Alternate Tax ("MAT")

Under the Indian income tax law, MAT will be payable only where tax liability, as computed is less than 20.96% (2014: 20.96%) of the book profits in the profit or loss account and after making certain specified adjustments. Further, in view of amendments made in Finance Act, 2009, MAT paid in respect of assessment years 2006-07 and onwards in excess of tax payable under other provisions of Indian income tax law, being a MAT credit, will be allowed for carry forward and set-off for a period of 10 years. Set-off of MAT credit is allowed in a particular year on the difference between the tax liability under normal provisions and tax liability under MAT provisions for such years.

(b) Movements in current income tax recoverable

	Group	
	2015	2014
	$'000	$'000
Balance at beginning of financial year	**9,260**	13,696
Tax charge for the year	**(14,980)**	(14,446)
Over provision in respect of prior years	**73**	8
Arising from acquisition of subsidiary	**(30)**	–
Tax paid during the year (net)	**3,106**	2,042
Tax deducted at source	**9,246**	9,229
Translation differences	**316**	(1,269)
Balance at end of financial year	**6,991**	9,260

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

7. INCOME TAXES (CONTINUED)

(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 tax authority. The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2015 $'000	2014 $'000
Deferred income tax assets:		
– To be settled after one year	**(10,043)**	(13,246)
Deferred income tax liabilities:		
– To be settled after one year	**173,908**	145,802
Deferred income tax liabilities – net	**163,865**	132,556
The above comprises the following:		
– Fair value gains on investment properties	**173,908**	145,802
– Minimum alternate tax credit	**(10,043)**	(13,246)
	163,865	132,556

The movements in the deferred income tax assets and liabilities are as follows:

	Fair Value Gains on Investment Properties $'000	Minimum Alternate Tax Credit $'000	Total $'000
2015			
Balance at beginning of financial year	**145,802**	**(13,246)**	**132,556**
Tax charged to income statement	**17,877**	**5,513**	**23,390**
Arising from acquisition of subsidiary	**1,863**	**(1,549)**	**314**
Translation differences	**8,366**	**(761)**	**7,605**
Balance at end of financial year	**173,908**	**(10,043)**	**163,865**
2014			
Balance at beginning of financial year	141,630	(13,422)	128,208
Tax charged to income statement	16,967	(1,041)	15,926
Translation differences	(12,795)	1,217	(11,578)
Balance at end of financial year	145,802	(13,246)	132,556

Deferred income tax assets are recognised for minimum alternate tax credit available and tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

7. INCOME TAXES (CONTINUED)

(d) Dividend distribution tax on undistributed earnings

At the reporting date, the Group had potential dividend distribution tax liability amounting to $19,300,000 (2014: $16,000,000) associated with undistributed earnings of subsidiaries. No deferred tax liabilities have been recognised in respect of these differences because the Group is in a position to control the dividend policies of these subsidiaries and provision is made only when there is a plan for dividend distribution.

8. EARNINGS PER UNIT

The calculation of basic earnings per unit is based on:

	Group	
	2015	2014
Total profit attributable to unitholders ($'000)	**65,911**	50,107
Weighted average number of units outstanding during the year ('000)	**920,071**	915,711
Earnings per unit (cents)	**7.16**	5.47

Diluted earnings per unit are the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial year.

9. DISTRIBUTION TO UNITHOLDERS

	Group and Trust	
	2015 $'000	2014 $'000
Distribution paid:		
Exempt distribution of 2.15 cents per unit paid on 28 May 2013	**–**	19,638
Exempt distribution of 2.24 cents per unit paid on 28 November 2013	**–**	20,530
Exempt distribution of 2.32 cents per unit paid on 27 May 2014	**21,293**	–
Exempt distribution of 2.40 cents per unit paid on 10 December 2014	**22,100**	–
	43,393	40,168

A tax-exempt distribution of 2.46 cents per unit amounting to $22,683,000 was approved on 29 April 2015 by the Board of Directors of the Trustee-Manager. These financial statements do not reflect this distribution, which will be accounted for in Unitholders' funds as an appropriation of retained earnings in the financial year ending 31 March 2016.

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For the financial year ended 31 March 2015

9. DISTRIBUTION TO UNITHOLDERS (CONTINUED)

Distribution adjustments

The Trustee-Manager had elected to receive 50% of its base fee and performance fee in units and 50% in cash. The 50% fees payable in units does not affect cash flow and has been added back to the income available for distribution. Trustee-Manager's fees payable in units amounted to $3,553,000 (2014: $3,268,000).

During the financial year, net realised exchange loss of $4,899,000 arose from the refinancing of an SGD-denominated loan. This comprised realised exchange loss of $8,800,000 offset by realised gain on a currency swap of $3,900,000. In last financial year, the realised exchange loss on inception of a currency hedge on an outstanding SGD-denominated loan was $995,000.

Exchange gain or loss is recognised when borrowings that are denominated in currencies other than the INR are revalued. The exchange gain or loss is realised when the borrowing matures, is prepaid, or swapped to INR denomination. Such exchange gain or loss does not affect cash flow and has been deducted from or added to the income available for distribution.

10. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Cash at bank and on hand	**15,669**	9,197	**9,676**	2,864
Fixed deposits	**53,992**	65,179	**–**	–
	69,661	74,376	**9,676**	2,864

The exposure of cash and cash equivalents to interest rate risks and currency risks is disclosed in Note 27.

Fixed deposits at the balance sheet date had an average maturity of 6 months (2014: 6 months). Fixed deposits with maturities in excess of 3 months, upon early-termination, will earn interest at the stipulated rate up to the actual period of deposit, and are subject to an insignificant risk of change in value.

As at 31 March 2015, certain companies of the Group had cash and deposit balances denominated in INR amounting to approximately $59,598,000 (2014: $71,475,000) which are deposited with financial institutions in India. Cash and deposit balances which are denominated in INR, a controlled currency, are not freely convertible into foreign currencies.

11. INVENTORIES

	Group	
	2015	2014
	$'000	$'000
Operational supplies	**738**	706

The cost of inventories recognised as expense and included in "Operations, maintenance and utilities expenses" amounted to $15,384,000 (2014: $16,575,000).

12. OTHER ASSETS

	Group		Trust	
	2015	2014	**2015**	2014
	$'000	$'000	**$'000**	$'000
Current				
Deposits	**3,946**	420	**–**	5
Prepayments	**825**	270	**586**	87
	4,771	690	**586**	92
Non-current				
Deposits	**6,027**	8,285	**–**	–
Prepayments	**911**	8	**900**	–
	6,938	8,293	**900**	–

The carrying amounts of deposits, denominated in INR, approximate their fair values.

13. LOANS TO SUBSIDIARIES

	Trust	
	2015	2014
	$'000	$'000
Loans to subsidiaries		
– Non-interest bearing	**189,230**	227,427
– Interest bearing	**230,393**	148,390
	419,623	375,817

As at 31 March 2015, the loans to subsidiaries are unsecured, repayable on demand and approximate their fair values. The interest bearing loans carry interest rates ranging from 2.58% to 9.15% (2014: 2.58% to 9.15%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

14. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Trade receivables	**9,015**	7,915	**–**	–
Less: Allowance for impairment of receivables	**(3,230)**	(2,358)	**–**	–
Trade receivables – net	**5,785**	5,557	**–**	–
Other receivables				
Advances recoverable from regulatory authorities	**2,585**	2,562	**–**	–
Less: Allowance for impairment of receivables	**(2,585)**	(2,562)	**–**	–
Other receivables – net	**–**	–	**–**	–
Amounts owing from subsidiaries	**–**	–	**13,874**	4,866
Non-related parties				
– Advances to suppliers	**2,125**	2,179	**–**	–
– Interest receivable	**10,769**	8,243	**–**	–
– Service input tax recoverable	**3,877**	3,298	**–**	–
– Others	**242**	1,047	**88**	25
	22,798	20,324	**13,962**	4,891

Amounts owing from subsidiaries are unsecured, interest-free and repayable on demand.

The carrying amounts of trade and other receivables approximate their fair values.

The exposure of trade and other receivables to currency risks is disclosed in Note 27.

Allowance for doubtful receivables of $693,000 (2014: $132,000) and a write-back of allowance for doubtful advances recoverable from regulatory authorities of $125,000 (allowance made in 2014: $244,000) were included in "Other property operating expenses".

15. INVESTMENT IN AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2015	2014
	$'000	$'000
Balance at beginning of financial year	**45,353**	40,250
Additions	**57,139**	8,603
Transaction cost capitalised	**224**	–
Fair value gain (Note 25)	**2,477**	–
Translation differences	**2,936**	(3,500)
Balance at end of financial year	**108,129**	45,353

The investment in available-for-sale financial assets pertains to the subscription of interest-bearing Fully and Compulsorily Convertible Debentures ("FCCD") in Phoenix Hitec City Private Limited ("PHCPL") and Non-Convertible Debentures ("NCD") in Flagship Developers Private Limited ("FDPL").

FCCD

As at 31 March 2015, the FCCD amounting to INR 2,285 million (equivalent to $50,505,000) (2014: INR 2,170 million which is equivalent to $45,353,000) may be fully converted into equity shares of the PHCPL any time before the 15th anniversary after issuance, at the option of the Group. The FCCD, however, will be mandatorily converted into equity shares of the PHCPL at the 15th anniversary after issuance.

This investment is to fund the construction of the third aVance Business Hub property ("aVance 3"), an IT building with a total floor area of 690,520 sq ft located in Hyderabad. The subscription to the FCCD is a multi-stage process to eventually acquire aVance 3. The Group would complete the acquisition of aVance 3, upon the building's completion and satisfaction of all conditions precedent, by purchasing the issued and paid up capital of PHCPL.

The FCCD is stated at fair value, which is based on the fair value of aVance 3 determined by valuation performed by Cushman & Wakefield India Pte. Ltd. as at 31 March 2015. The details of the valuation techniques and inputs used are disclosed in Note 28.

NCD

As at 31 March 2015, the NCD amounting to INR 2,607 million (equivalent to $57,624,000) (2014: NIL) issued by FDPL is to fund the construction of the 3 IT buildings, with a total floor area of approximately 1.5 million sq ft, located in Hinjewadi, Pune. The property is currently under construction by FDPL and subscription to the NCD is a multi-stage process to eventually acquire the property.

The NCD is carried at cost because the cost approximates its fair value.

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For the financial year ended 31 March 2015

16. DERIVATIVE FINANCIAL INSTRUMENTS

	Group and Trust					
	2015			2014		
	Contract/ Notional Amount	**Fair Values Assets**	**Fair Values Liabilities**	Contract/ Notional Amount	Fair Values Assets	Fair Values Liabilities
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Current						
Cash flow hedges						
– Interest rate swaps	**49,000**	**130**	**(54)**	27,500	–	(51)
– Currency swaps	**41,000**	**1,714**	**–**	22,500	3,928	–
Non-hedging instruments						
– Currency forwards	**16,600**	**6**	**(659)**	16,800	–	(916)
		1,850	**(713)**		3,928	(967)
Non-current						
Cash flow hedges						
– Interest rate swaps	**6,000**	**9**	**–**	34,000	–	(463)
– Currency swaps	**170,500**	**5,884**	**(4,662)**	130,000	14,220	(1,736)
		5,893	**(4,662)**		14,220	(2,199)
Total		**7,743**	**(5,375)**		18,148	(3,166)

No cash flow hedges of expected transactions were assessed to be ineffective under FRS 39 and recognised in the profit or loss accounts for the Group and the Trust for the years ended 31 March 2015 and 2014.

The Group held interest rate swaps to exchange floating-rate interest, on SGD loans of $55,000,000 (2014: $61,500,000), into fixed-rate interest at an average rate of 3.53% (2014: 3.43%) per annum.

The Group entered into currency swaps to exchange floating-rate SGD loans of $120,000,000 (2014: $83,500,000) for INR obligations at average fixed-rate of 7.75% (2014: 8.30%) per annum and also currency swaps to exchange fixed-rate medium term notes of $91,500,000 (2014: $69,000,000) for fixed-rate INR obligation at average fixed-rate of 8.67% (2014: 9.08%) per annum.

The rationale for entering into currency forwards is disclosed in Note 27(a)(i).

Period when cash flows on cash flow hedges are expected to occur or affect profit or loss

Currency and interest rate swaps are entered to hedge currency and interest rate fluctuations. Fair value gains and losses on the currency and interest rate swaps recognised in the hedging reserve are transferred to profit or loss as realised fair value gain or loss on derivative financial instruments upon maturity. Net interest paid on the currency and interest rate swaps is taken to profit or loss as part of interest expense over the period of borrowings.

17. EQUIPMENT

	Group Computers, Furniture and Equipment	
	2015	2014
	$'000	$'000
Cost		
Balance at beginning of financial year	**7,111**	7,819
Additions	**4**	6
Acquisition of subsidiary (Note 21)	**156**	–
Disposals/write-offs	**(331)**	–
Translation differences	**406**	(714)
Balance at end of financial year	**7,346**	7,111
Accumulated Depreciation		
Balance at beginning of financial year	**6,698**	7,265
Depreciation charge	**81**	98
Disposals/write-offs	**(78)**	–
Translation differences	**385**	(665)
Balance at end of financial year	**7,086**	6,698
Net Book Value		
Balance at end of financial year	**260**	413
Balance at beginning of financial year	**413**	554

18. INVESTMENT PROPERTIES UNDER CONSTRUCTION

	Group	
	2015	2014
	$'000	$'000
Balance at beginning of financial year	**–**	31,625
Additions during the year	**12,234**	17,717
Transfer from / (to) investment properties	**15,161**	(55,448)
Fair value gain	**3,818**	8,770
Translation differences	**1,415**	(2,664)
Balance at end of financial year	**32,628**	–

Freehold land was transferred at fair value to “Investment properties under construction” for the construction of a multi-tenanted building in Information Technology Park Limited, Bangalore. In addition, residual valuation was performed to determine the value of development rights in VITP Private Limited. Construction costs are taken to approximate the fair value of the building under construction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

19. INVESTMENT PROPERTIES

	Group	
	2015	2014
	$'000	$'000
Balance at beginning of financial year	**869,085**	847,947
Additions during the year	**5,491**	17,751
Acquisition of subsidiary (Note 21)	**36,124**	–
Disposals/write-offs	**(89)**	(43)
(Amortisation)/capitalisation of marketing fee	**(254)**	632
Straightlining of rent free period	**(385)**	294
Transfer (to)/from investment properties under construction	**(15,161)**	55,448
Fair value gain	**34,778**	24,243
Translation differences	**49,658**	(77,187)
Balance at end of financial year	**979,247**	869,085

It is the intention of the Trustee-Manager to hold the investment properties for the long term.

Investment properties are stated at fair value, which has been determined based on valuations performed by Cushman & Wakefield India Pte. Ltd. as at 31 March 2015. The details of the valuation techniques and inputs used are disclosed in Note 28.

20. GOODWILL

	Group	
	2015	2014
	$'000	$'000
Balance at beginning of financial year	**15,997**	17,604
Translation differences	**919**	(1,607)
Balance at end of financial year	**16,916**	15,997

Impairment test for goodwill

Goodwill has been allocated to cash-generating unit (“CGU”). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The carrying values of goodwill remain unchanged except for translation differences. The goodwill arose from the acquisition of Ascendas IT Park (Chennai) Limited and Cyber Pearl Information Technology Park Private Limited amounting to $14,916,000 (2014: $14,106,000) and $2,000,000 (2014: $1,891,000) respectively.

Goodwill balances result from the requirement on acquisition to recognise a deferred tax liability, calculated as the difference between the tax effect of the fair value of the acquired assets and liabilities and their tax bases. For the purpose of testing this goodwill for impairment, the related deferred tax liabilities recognised on acquisition that remain at balance sheet date are treated as part of the relevant CGU.

21. INVESTMENT IN SUBSIDIARIES

The details of the Trust's subsidiaries are as follows:

Subsidiaries	Principal Activities	Country of Incorporation/ Place of Business	Class of Shares	Percentage of Equity Held By the Trust 2015 %	Percentage of Equity Held By the Trust 2014 %	Trust Cost of Investment **2015 $'000**	Trust Cost of Investment 2014 $'000
Direct Subsidiaries							
Ascendas Property Fund (India) Pte. Ltd.*	Investment vehicle of listed trust	Singapore	Ordinary	100	100	**11,382**	10,764
Ascendas Property Fund (FDI) Pte. Ltd. *	Investment vehicle of listed trust	Singapore	Ordinary	100	100	**#**	#
Indirect Subsidiaries							
VITP Private Limited **	Development, owning and management of information technology parks in Hyderabad	India	Ordinary	100	100		
Information Technology Park Limited **	Development, owning and management of information technology parks in Bangalore	India	Ordinary	92.8	92.8		
Cyber Pearl Information Technology Park Private Limited **	Development, owning and management of information technology parks in Hyderabad	India	Ordinary	100	100		
Ascendas IT Park (Chennai) Limited **	Development, owning and management of information technology parks in Chennai	India	Ordinary	89	89		
Hyderabad Infratech Private Limited **	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	100	100		
Ascendas IT SEZ (Chennai) Private Limited **	Development, owning and management of information technology parks in special economic zones in Chennai	India	Ordinary	100	–		

\# Less than $1,000
* Audited by Ernst & Young LLP, Singapore.
** Audited by member firm of EY Global in India

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

21. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Acquisition of subsidiary

On 31 March 2015 (the "acquisition date"), the Group's subsidiary, Cyber Pearl Information Technology Park Private Limited ("CP"), acquired 100% equity interest in Ascendas IT SEZ (Chennai) Private Limited ("AISCPL") for a consideration of INR 1,613 million (equivalent to $35,173,000). The acquisition augments the Trust's presence in Chennai and is in line with the investment strategy to invest in quality income-producing assets.

The costs of the identifiable assets and liabilities of ASICPL as at the acquisition date were:

	Cost Recognised on Acquisition $'000
Investment properties	36,124
Equipment	156
Other assets	251
Inventories	68
Trade and other receivables	422
Cash and cash equivalents	1,769
	38,790
Trade and other payables	(3,277)
Current income tax payable	(30)
Deferred income tax liablities (net)	(310)
	(3,617)
Total identifiable net assets	35,173
Transaction costs capitalised	988
	36,161
Consideration Transferred for the Acquisition of AISCPL:	
Cash paid	35,173
Transaction costs	988
	36,161
Less: Cash and cash equivalents acquired	(1,769)
Net cash outflow from acquisition of subsidiary	34,392

22. TRADE AND OTHER PAYABLES

	Group	
	2015	2014
	$'000	$'000
Current		
Trade payables	**841**	1,487
Other payables		
– Non-related parties		
– Interest payable	**4,955**	4,463
– Construction cost payable	**1,278**	917
– Advances	**868**	426
– Companies controlled by a unitholder that has significant influence over the Group	**4,680**	1,877
Accruals	**9,876**	11,479
Rental deposits	**18,556**	17,005
Others	**1,513**	1,689
	42,567	39,343
Non-current		
Rental deposits	**49,820**	42,966
Others	**3,937**	2,140
	53,757	45,106
Total	**96,324**	84,449

	Trust	
	2015	2014
	$'000	$'000
Current		
Other payables		
– Non-related parties	**5,877**	5,379
– Companies controlled by a unitholder that has significant influence over the Group	**4,567**	3,749
Accruals	**1,051**	286
	11,495	9,414
Non-current		
Accruals	**900**	–
	12,395	9,414

The amounts owing to companies controlled by a unitholder that has significant influence over the Group are unsecured, interest-free and repayable on demand. The amounts pertain mainly to fees payable to the Trustee-Manager and Property Manager, and are trade in nature.

The carrying amounts of trade and other payables approximate their fair values.

The exposure of trade and other payables to currency risks is disclosed in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

23. BORROWINGS

	Group and Trust	
	2015	2014
	$'000	$'000
Current		
Secured bank loans	**25,000**	–
Less: Unamortised transaction costs	**(11)**	–
	24,989	–
Unsecured bank loans	**65,000**	50,000
Less: Unamortised transaction costs	**(75)**	(63)
	64,925	49,937
Total current borrowings	**89,914**	49,937
Non-current		
Secured bank loans	**–**	25,000
Less: Unamortised transaction costs	**–**	(93)
	–	24,907
Unsecured bank loans	**86,000**	70,000
Less: Unamortised transaction costs	**(368)**	(185)
	85,632	69,815
Medium term notes	**140,000**	90,000
Less: Unamortised transaction costs	**(377)**	(296)
	139,623	89,704
Total non-current borrowings	**225,255**	184,426
Total borrowings	**315,169**	234,363

23. BORROWINGS (CONTINUED)

Debt repayment schedule

	Group and Trust		
	Total **$'000**	Within 1 Year $'000	After 1 Year But Within 5 Years $'000
2015			
Secured bank loans			
– Variable rate SGD term loans	**24,989**	**24,989**	**–**
	24,989	**24,989**	**–**
Unsecured bank loans			
– Variable rate SGD term loans	**150,557**	**64,925**	**85,632**
	150,557	**64,925**	**85,632**
Unsecured SGD notes			
– 5 year notes	**74,825**	**–**	**74,825**
– 6 year notes	**64,798**	**–**	**64,798**
	139,623	**–**	**139,623**
Total	**315,169**	**89,914**	**225,255**
2014			
Secured bank loans			
– Variable rate SGD term loans	24,907	–	24,907
	24,907	–	24,907
Unsecured bank loans			
– Variable rate SGD term loans	119,752	49,937	69,815
	119,752	49,937	69,815
Unsecured SGD notes			
– 5 year notes	24,945	–	24,945
– 6 year notes	64,759	–	64,759
	89,704	–	89,704
Total	234,363	49,937	184,426

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

23. BORROWINGS (CONTINUED)

Security granted

As at 31 March 2015, the SGD term loan is secured by a pledge over the total issued share capital of Ascendas Property Fund (India) Pte. Ltd. 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

	Group and Trust	
	2015	2014
Secured SGD bank loans	**3.16%**	3.09%
Unsecured SGD bank loans	**2.33%**	1.98%
Unsecured SGD notes		
– 5 year notes	**3.70%**	3.50%
– 6 year notes	**3.80%**	3.80%

Undrawn borrowing facility

The Trustee-Manager monitors the cash flow position and the working capital of the Group to ensure that there are adequate liquid reserves in terms of cash and credit facilities to meet short-term obligations. Steps have been taken to plan early for funding and expense requirements so as to manage cash position at any point in time. As at 31 March 2015, the Trust has undrawn committed loan facilities of $109,000,000 (2014: $15,000,000) towards the financing of:

(a) the general working capital requirements of the Group; and

(b) the repayment of outstanding bank loans.

These committed loan facilities are intended to refinance loans of $90,000,000 which are due within the next 12 months. In April 2015, the Group has drawn down $25,000,000 of the committed loan facilities to repay an outstanding bank loan.

23. BORROWINGS (CONTINUED)

Medium term notes

In March 2009, the Trust established a $500,000,000 Multicurrency Medium Term Note ("MTN") Programme. Under the MTN Programme, the Trust may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes in one or more tranches, on the same or different issue dates, in SGD or any other currency.

Each tranche of notes may be issued in various amounts and tenors, and may bear fixed, floating, or variable rates of interest. Hybrid notes, zero coupon notes or perpetual securities may also be issued under the MTN Programme.

The notes shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Trust ranking *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Trust.

The maximum aggregate principal amount of the notes outstanding at any time shall be $500,000,000, or such higher amount as may be determined pursuant to the MTN Programme.

The total notes issued by the Trust as at 31 March 2015, which still remains outstanding, is $140,000,000 (2014: $90,000,000), consisting of:

(a) $25,000,000 MTN 3, which bears a fixed interest rate of 3.50% per annum, payable semi-annually in arrears and matures on 7 October 2016.

(b) $65,000,000 MTN 4, which bears a fixed interest rate of 3.80% per annum, payable semi-annually in arrears and matures on 1 October 2018.

(c) $50,000,000 MTN 5, which bears a fixed interest rate of 3.80% per annum, payable semi-annually in arrears and matures on 27 August 2019.

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For the financial year ended 31 March 2015

24. UNITS ON ISSUE

	Group and Trust			
	2015		2014	
	Number of Units (In Thousands)	**$'000**	Number of Units (In Thousands)	$'000
Balance at beginning of financial year	**917,139**	**703,050**	912,791	699,768
Issue of new units				
– Fee paid in units	**4,314**	**3,382**	4,348	3,282
Balance at end of financial year	**921,453**	**706,432**	917,139	703,050

The holders of units are entitled to receive distribution as and when declared by the Trust. At any time, all the units in a class are of equal value and shall have equal rights and obligations.

All issued units are fully paid.

25. RESERVES

(a) Foreign currency translation reserve

	Group	
	2015 $'000	2014 $'000
Balance at beginning of financial year	**(360,690)**	(306,913)
Translation differences arising from the conversion of functional currency into presentation currency	**32,381**	(53,777)
Balance at end of financial year	**(328,309)**	(360,690)

	Trust	
	2015 $'000	2014 $'000
Balance at beginning of financial year	**(207,704)**	(186,746)
Translation differences arising from the conversion of functional currency into presentation currency	**6,480**	(20,958)
Balance at end of financial year	**(201,224)**	(207,704)

25. RESERVES (CONTINUED)

(b) Fair value reserve

	Group	
	2015 **$'000**	2014 $'000
Balance at beginning of financial year	**–**	–
Fair value gain on available-for-sale financial assets	**2,477**	–
Balance at end of financial year	**2,477**	–

Fair value reserve represents the cumulative fair value changes of available-for-sale financial assets.

(c) Hedging reserve

	Group and Trust	
	2015 **$'000**	2014 $'000
Balance at beginning of financial year	**1,662**	2,639
Fair value loss on cash flow hedges	**(94)**	(977)
Balance at end of financial year	**1,568**	1,662

(d) Other reserves

	Group	
	2015 **$'000**	2014 $'000
Balance at beginning of financial year	**57,173**	52,406
Transfer from retained earnings	**3,499**	4,767
Balance at end of financial year	**60,672**	57,173

Other reserve represent profits transferred to the statutory reserves of the Indian subsidiaries under Indian regulatory provisions.

(e) Retained earnings

	Trust	
	2015 **$'000**	2014 $'000
Balance at beginning of financial year	**(331,375)**	(271,952)
Loss for the year	**(1,075)**	(19,255)
Distribution to unitholders (Note 9)	**(43,393)**	(40,168)
Balance at end of financial year	**(375,843)**	(331,375)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

26. RELATED PARTY TRANSACTIONS

The Group has entered into several service agreements in relation to the management of the Trust and its property operations. These agreements are entered into with the Trustee-Manager and Ascendas Services (India) Pte. Ltd. (the "Property Manager"), which are companies that are controlled by a unitholder that has significant influence over the Group. The fee structures of these services are as follows:

(a) Trustee-Manager's fees

(i) Management fees

The Trustee-Manager is entitled under the Trust Deed to receive the following management fees:

– a Base Fee at the rate of 0.5% per annum of the value of the properties held by the Trust.

– a Performance Fee at the rate of 4% per annum of the net property income of the Trust.

(ii) Postponement, reduction of fees

The Trustee-Manager may postpone the receipt of any fee (or any part of a fee) or charge a lower fee than it is entitled to receive under the Trust Deed.

(iii) Trustee fees

The Trustee-Manager is entitled to receive a trustee fee of up to 0.02% per annum of the value of the properties held by the Trust.

(iv) Acquisition / divestment fees

The Trustee-Manager is entitled to a fee upon the acquisition of an asset by any subsidiary calculated as 1% of the acquisition value of the investment.

The Trustee-Manager is entitled to a fee upon the disposal / divestment of an asset by any subsidiary calculated as 0.5% of the sale value of the investment.

(b) Property Manager's management fees

(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 total property income of each property plus reimbursement of remuneration costs of the personnel employed by the Property Manager who are deployed on-site at the properties to provide property management services.

(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 total property income of each property.

(iii) General management services

For the general management services, the property owner will pay an apportioned amount of the remuneration cost of the centralized staff employed by the Property Manager for the purposes of providing general management services, plus an administrative fee of 20% of such cost.

26. 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:

a. One month's rent (including property and fit-out rental) for every lease with duration of less than one year;

b. One and a half months' rent (including property and fit-out rental) for every lease with a duration of between one and three years;

c. Two months' rent for every lease with duration of more than three but not exceeding ten years;

d. 2% of the total lease payment for the entire lease period for every lease with a duration exceeding ten years;

e. Renewal of an existing lease will be calculated at half of the above commission otherwise payable for a new tenancy; and

f. 2% of the total sale consideration for the sale of 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.

(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 to and alteration of or renovation carried out in the property.

In addition to the transactions disclosed elsewhere in the financial statements, the following are related party transactions during the financial year based on agreed terms:

	Group	
	2015	2014
	$'000	$'000
Companies Controlled By A Unitholder That Has Significant Influence Over The Group:		
Trustee-Manager's fees paid/payable	**7,622**	6,692
Property management services	**2,415**	2,407
Lease management services	**1,207**	1,203
General management fee	**2,648**	2,586
Marketing services	**2,374**	3,280
Project management fees	**309**	480
Rental income received/receivable	**(303)**	(316)

On 31 March 2015, the Group's subsidiary, CP acquired AISCPL from Ascendas Land International Pte Ltd and Crystal Clear Limited for a consideration of INR 1,613 million (equivalent to $35,173,000). An acquisition fee of INR 16 million (equivalent to $352,000) has been included in "Trustee-Manager's fees paid/payable".

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For the financial year ended 31 March 2015

27. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk in the normal course of its business. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group uses financial instruments such as currency forwards, interest rate and foreign currency swaps to hedge certain financial risk exposures.

The Trustee-Manager is responsible for setting the objectives and underlying principles of financial risk management for the Group. This is supported by comprehensive internal processes and procedures which are formalised in the Trustee-Manager's organisational and reporting structure, operating manuals and delegation of authority guidelines.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by the internal auditors. The internal auditors undertake both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(a) Market risk

(i) Currency risk

The Group is exposed to foreign currency risk on purchases and borrowings that are denominated in a currency other than the functional currency of the Trust and its subsidiaries. The currency giving rise to this risk is primarily the SGD.

The Group's distribution to unitholders is in SGD. To enhance the stability of distribution to unitholders, the Group entered into forward contracts to hedge a substantial portion of the cash flow it expects to receive. The hedging of INR cash flows receivable from the subsidiaries is effected through a forward sale of INR and purchase of SGD.

In respect of other monetary assets and liabilities held in currencies other than the INR, the Group ensures that the net exposure is kept to an acceptable level by buying and selling foreign currencies at spot rates, where necessary, to address short term imbalances.

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's main currency exposure based on the information provided to key management is as follow:

	INR $'000	SGD $'000	USD $'000	**TOTAL $'000**
2015				
Financial Assets				
Cash and cash equivalents	59,598	10,045	18	**69,661**
Trade and other receivables	16,670	86	40	**16,796**
Investment in available-for-sale financial assets	108,129	–	–	**108,129**
Other financial assets	9,973	85	–	**10,058**
Total financial assets	194,370	10,216	58	**204,644**
Financial Liabilities				
Trade and other payables	(83,142)	(12,497)	(134)	**(95,773)**
Borrowings	–	(315,169)	–	**(315,169)**
Total financial liabilities	(83,142)	(327,666)	(134)	**(410,942)**
Net Financial Assets/(Liabilities)	**111,228**	**(317,450)**	**(76)**	**(206,298)**
Less: Net financial liabilities denominated in the respective entities' functional currencies	(111,228)	–	–	**(111,228)**
Currency swaps	–	211,500	–	**211,500**
Currency forwards	–	16,600	–	**16,600**
Net Currency Exposure	**–**	**(89,350)**	**(76)**	**(89,426)**
2014				
Financial Assets				
Cash and cash equivalents	71,475	2,884	17	**74,376**
Trade and other receivables	14,847	–	–	**14,847**
Investment in available-for-sale financial assets	45,353	–	–	**45,353**
Other financial assets	8,700	5	–	**8,705**
Total financial assets	140,375	2,889	17	**143,281**
Financial Liabilities				
Trade and other payables	(73,684)	(10,009)	(12)	**(83,705)**
Borrowings	–	(234,363)	–	**(234,363)**
Total financial liabilities	(73,684)	(244,372)	(12)	**(318,068)**
Net Financial Assets/(Liabilities)	**66,691**	**(241,483)**	**5**	**(174,787)**
Less: Net financial liabilities denominated in the respective entities' functional currencies	(66,691)	–	–	**(66,691)**
Currency swaps	–	152,500	–	**152,500**
Currency forwards	–	16,800	–	**16,800**
Net currency exposure	**–**	**(72,183)**	**5**	**(72,178)**

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For the financial year ended 31 March 2015

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

If SGD changes against INR by 10% (2014: 10%) respectively with all other variables including tax rate being held constant, the effects on profit and loss from the net position will be as follow:

	2015	2014
	S$'000	S$'000
	<—— Increase/(Decrease)	——>
SGD Against INR		
– Strengthened	**(8,935)**	(7,218)
– Weakened	**8,935**	7,218
USD Against INR		
– Strengthened	**(8)**	1
– Weakened	**8**	(1)

(ii) Fair value interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group has minimal interest rate risk as the Group has substantially hedged its floating rate financial liabilities, and its profits after tax and operating cash flows are substantially independent of changes in market interest rates.

(b) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

The Trustee-Manager has established credit limits for customers and monitors their balances on an on-going basis. Credit appraisal is performed by the Trustee-Manager before lease agreements are entered into with customers. The risk is also mitigated due to customers placing significant amount of security deposits for lease and fit-out rentals. Cash and short-term bank deposits are placed with financial institutions which are regulated.

At the balance sheet date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the balance sheet.

The credit risk for trade receivables based on the information provided to key management is as follows:

(i) Financial assets that are neither past due nor impaired

Bank deposits are mainly deposits with banks which are regulated. Trade and other receivables that are neither past due nor impaired are substantially from companies with a good collection track record with the Group.

Deposits that are neither past due nor impaired are substantially due from the Indian Statutory Undertakings paid as guarantee deposits. Management does not foresee any uncertainty in ultimate collection of these amounts.

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables and advances recoverable.

The age analysis of trade receivables and advances recoverable past due but not impaired is as follows:

	2015 $'000	2014 $'000
Past due 0 to 3 months	**2,896**	3,630
Past due over 3 months	**2,889**	1,927
	5,785	5,557

The carrying amounts of trade receivables and advances recoverable determined to be impaired and the movement in the related allowance for impairment are as follows:

	2015 $'000	2014 $'000
Gross amount	**5,815**	4,920
Less: Allowance for impairment	**(5,815)**	(4,920)
	–	–
Beginning of financial year	**4,920**	4,983
Currency translation difference	**327**	(439)
Allowance made	**693**	376
Allowance written back	**(125)**	–
End of financial year	**5,815**	4,920

The Group establishes an allowance for impairment that represents its estimate of incurred losses of trade and other receivables. This allowance is a specific loss component that relates to individually significant exposures. The allowance account in respect of trade and other receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

(c) Liquidity risk

The Trustee-Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations. In addition, the Trustee-Manager also monitors and observes the bank covenants imposed by the banks on the various borrowings.

The table below analyses the maturity profile of the Group's financial liabilities (including derivative financial liabilities) based on contractual undiscounted cash flows.

	Less Than 1 Year $'000	Between 1 And 2 Years $'000	Between 2 And 5 Years $'000
2015			
Net-settled swaps	**(11,177)**	**(7,836)**	**(10,342)**
Net-settled currency forwards	**(842)**	**–**	**–**
Trade and other payables	**(42,386)**	**(52,887)**	**(500)**
Borrowings (including interest)	**(98,469)**	**(51,596)**	**(191,614)**
	(152,874)	**(112,319)**	**(202,456)**
2014			
Net-settled swaps	(8,543)	(7,151)	(7,389)
Net-settled currency forwards	(940)	–	–
Trade and other payables	(39,141)	(44,564)	–
Borrowings (including interest)	(55,748)	(79,117)	(116,151)
	(104,372)	(130,832)	(123,540)

The Group and Trust manage the liquidity risk by maintaining sufficient cash from borrowings and cash generated from operations to enable them to meet their capital expenditure and operating commitments.

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

(d) Capital risk

The Trustee-Manager's objective when managing capital is to optimise the Group's capital structure within the borrowing limits set out in the Trust Deed to fund future acquisitions and asset enhancement works at the Group's properties. To maintain or achieve an optimal capital structure, the Trustee-Manager may issue new units or source for additional borrowing from both financial institutions and capital markets.

The Trustee-Manager monitors capital based on gearing ratio. As provided for in the Trust Deed, the maximum gearing ratio is 40% or up to a maximum of 60% only if a credit rating is obtained. During the financial year, the gearing ratio is calculated as total effective borrowings, which takes into account the derivative financial instruments used to hedge borrowings, divided by value of Trust Property. Previously, borrowings did not take into account the value of derivative financial instruments.

	2015 $'000	2014 $'000
Total effective borrowings	**312,148**	234,363
Value of Trust Property	**1,256,820**	1,062,645
Gearing ratio	**25%**	22%

Trust Property consists of all property and rights of any kind whatsoever which are held on trust for the Unitholders, in accordance with the terms of the Trust Deed.

The Group is in compliance with the borrowing limit requirements imposed by the Trust Deed and all externally imposed capital requirements for the financial years ended 31 March 2015 and 2014.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

28. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

(a) Accounting classifications

The financial assets and liabilities, together with the carrying amounts shown in the balance sheets are as follow:

Group	Note	Fair Value Through Profit or Loss $'000	Fair Value – Hedging Instrument $'000	Loans and Receivables $'000	Available-For-Sale $'000	Other Financial Liabilities Within The Scope of FRS 39 $'000	**Total Carrying Amount $'000**
2015							
Financial Assets							
Cash and cash equivalents	10	–	–	69,661	–	–	**69,661**
Other financial assets		–	–	9,973	–	–	**9,973**
Trade and other receivables		–	–	16,796	–	–	**16,796**
Investment in available-for-sale financial assets	15	–	–	–	108,129	–	**108,129**
Currency forwards	16	6	–	–	–	–	**6**
Currency swaps	16	–	7,598	–	–	–	**7,598**
Interest rate swaps	16	–	139	–	–	–	**139**
		6	7,737	96,430	108,129	–	**212,302**
Financial Liabilities							
Trade and other payables		–	–	–	–	95,773	**95,773**
Borrowings	23	–	–	–	–	315,169	**315,169**
Currency forwards	16	659	–	–	–	–	**659**
Currency swaps	16	–	4,662	–	–	–	**4,662**
Interest rate swaps	16	–	54	–	–	–	**54**
		659	4,716	–	–	410,942	**416,317**

28. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES (CONTINUED)

(a) Accounting classifications (continued)

Group	Note	Fair Value Through Profit or Loss $'000	Fair Value – Hedging Instrument $'000	Loans And Receivables $'000	Available-For-Sale $'000	Other Financial Liabilities Within The Scope of FRS 39 $'000	**Total Carrying Amount $'000**
2014							
Financial Assets							
Cash and cash equivalents	10	–	–	74,376	–	–	**74,376**
Other financial assets		–	–	8,705	–	–	**8,705**
Trade and other receivables		–	–	14,847	–	–	**14,847**
Investment in available-for-sale financial assets	15	–	–	–	45,353	–	**45,353**
Currency swaps	16	–	18,148	–	–	–	**18,148**
		–	18,148	97,928	45,353	–	**161,429**
Financial Liabilities							
Trade and other payables		–	–	–	–	83,705	**83,705**
Borrowings	23	–	–	–	–	234,363	**234,363**
Currency forwards	16	916	–	–	–	–	**916**
Currency swaps	16	–	1,736	–	–	–	**1,736**
Interest rate swaps	16	–	514	–	–	–	**514**
		916	2,250	–	–	318,068	**321,234**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

28. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES (CONTINUED)

(a) Accounting classifications (continued)

Trust	Note	Fair Value Through Profit or Loss $'000	Fair Value – Hedging Instrument $'000	Loans and Receivables $'000	Available-For-Sale $'000	Other Financial Liabilities Within The Scope of FRS 39 $'000	**Total Carrying Amount $'000**
2015							
Financial Assets							
Cash and cash equivalents	10	–	–	9,676	–	–	**9,676**
Loans to subsidiaries	13	–	–	419,623	–	–	**419,623**
Trade and other receivables	14	–	–	13,962	–	–	**13,962**
Currency forwards	16	6	–	–	–	–	**6**
Currency swaps	16	–	7,598	–	–	–	**7,598**
Interest rate swaps	16	–	139	–	–	–	**139**
		6	7,737	443,261	–	–	**451,004**
Financial Liabilities							
Trade and other payables	22	–	–	–	–	12,395	**12,395**
Borrowings	23	–	–	–	–	315,169	**315,169**
Currency forwards	16	659	–	–	–	–	**659**
Currency swaps	16	–	4,662	–	–	–	**4,662**
Interest rate swaps	16	–	54	–	–	–	**54**
		659	4,716	–	–	327,564	**332,939**

28. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES (CONTINUED)

(a) Accounting classifications (continued)

Trust	Note	Fair Value Through Profit or Loss $'000	Fair Value – Hedging Instrument $'000	Loans and Receivables $'000	Available-For-Sale $'000	Other Financial Liabilities Within The Scope of FRS 39 $'000	**Total Carrying Amount $'000**
2014							
Financial Assets							
Cash and cash equivalents	10	–	–	2,864	–	–	**2,864**
Other financial assets		–	–	5	–	–	**5**
Loans to subsidiaries	13	–	–	375,817	–	–	**375,817**
Trade and other receivables	14	–	–	4,891	–	–	**4,891**
Currency swaps	16	–	18,148	–	–	–	**18,148**
		–	18,148	383,577	–	–	**401,725**
Financial Liabilities							
Trade and other payables	22	–	–	–	–	9,414	**9,414**
Borrowings	23	–	–	–	–	234,363	**234,363**
Currency forwards	16	916	–	–	–	–	**916**
Currency swaps	16	–	1,736	–	–	–	**1,736**
Interest rate swaps	16	–	514	–	–	–	**514**
		916	2,250	–	–	243,777	**246,943**

The carrying values of fixed rate medium term note approximate their fair values. The fair values are estimated using discounted cash flow analysis based on current rates for similar types of borrowing arrangements.

The carrying value less impairment provision of trade receivables and the carrying value of payables are assumed to approximate their fair values.

The carrying value of other financial assets (current and non-current), trade and other payables (current and non-current) and borrowings (current and non-current), are reasonable approximation of their fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

28. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(b) Fair value hierarchy

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

(i) Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;

(ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 – Unobservable inputs for the asset or liability.

(c) Fair value measurements

(i) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

Group	Significant Observable Inputs Other Than Quoted Prices (Level 2) $'000	Significant Unobservable Inputs (Level 3) $'000	**Total $'000**
2015			
Recurring Fair Value Measurements			
Assets			
Financial assets:			
Derivative financial instruments			
– Currency forwards	6	–	**6**
– Currency swaps	7,598	–	**7,598**
– Interest rate swaps	139	–	**139**
Investment in available-for-sale financial assets	–	50,505	**50,505**
Total financial assets	**7,743**	**50,505**	**58,248**
Non-Financial Assets:			
Investment properties	–	979,247	**979,247**
Investment properties under construction	–	32,628	**32,628**
Total non-financial assets	**–**	**1,011,875**	**1,011,875**
Liabilities			
Financial liabilities:			
Derivative financial instruments			
– Currency forwards	659	–	**659**
– Currency swaps	4,662	–	**4,662**
– Interest rate swaps	54	–	**54**
Total financial liabilities	**5,375**	**–**	**5,375**

28. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(c) Fair value measurements (continued)

(i) Assets and liabilities measured at fair value (continued)

Group	Significant Observable Inputs Other Than Quoted Prices (Level 2) $'000	Significant Unobservable Inputs (Level 3) $'000	Total $'000
2014			
Recurring Fair Value Measurements			
Assets			
Financial assets:			
Derivative financial instruments			
– Currency swaps	18,148	–	**18,148**
Total financial assets	**18,148**	**–**	**18,148**
Non-Financial Assets:			
Investment properties	–	869,085	**869,085**
Total non-financial assets	**–**	**869,085**	**869,085**
Liabilities			
Financial liabilities:			
Derivative financial instruments			
– Currency forwards	916	–	**916**
– Currency swaps	1,736	–	**1,736**
– Interest rate swaps	514	–	**514**
Total financial liabilities	**3,166**	**–**	**3,166**

(ii) Level 2 fair value measurements

As at 31 March 2015, the Group has currency forwards, interest rate swaps and currency swaps, which are categorised in Level 2. The fair value of currency forwards is determined using mark-to-market valuation, which is calculated on the basis of quoted forward exchange rates at the balance sheet date, received from respective banking and financial institutions. The fair values of interest rate swaps and currency swaps are also determined using mark-to-market valuation, which is calculated as the present value of the estimated future cash flows, received from respective banking and financial institutions. These derivative financial instruments are recognised at fair value in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

28. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(c) Fair value measurements (continued)

(iii) Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair Value at 31 March 2015 $'000	Valuation Techniques	Unobservable Inputs	Range
Recurring Fair Value Measurements				
– Investment properties	979,247	Discounted cash flow	– Discount rate	12-14%
– Investment properties under construction	32,628	Income capitalisation method	– Capitalisation rate	10-11%
– Investment in available-for-sale financial assets	50,505			

Description	Fair Value at 31 March 2014 $'000	Valuation Techniques	Unobservable Inputs	Range
Recurring Fair Value Measurements				
– Investment properties	869,085	Discounted cash flow	– Discount rate	12-14%
		Income capitalisation method	– Capitalisation rate	10-11%

(iii) Level 3 fair value measurements

The valuation is determined through the two approaches, income capitalisation and discounted cash flow. The income capitalisation approach involves capitalising a single year's net property income estimate by an appropriate yield, whereas, the discounted cash flow approach explicitly models future net income from the property which is then discounted to a present value at an appropriate discount rate. The final valuations determined are an average of the two approaches employed by Cushman & Wakefield India Pte. Ltd.

29. COMMITMENTS

As at the end of the financial year, the Group had the following commitments:

(a) Development and investment expenditure:

	2015 $'000	2014 $'000
Amounts approved and contracted for		
– Investment	**201,019**	112,588
– Development	**52,433**	3,371
Amounts approved but not contracted for		
– Development	**2,074**	31,533
	255,526	147,492

As at 31 March 2015, amount approved and contracted for includes:

(i) $117,000,000 (2014: $112,600,000) pertaining to the acquisition of three buildings in Hitec City 2 Special Economic Zone in Hyderabad. The three buildings are expected to be ready over the next 3 to 4 years.

(ii) $84,000,000 (2014: NIL) pertaining to the acquisition of the shares of FDPL.

(iii) $52,400,000 (2014: $3,400,000) pertaining to investment properties under construction in ITPL and VITP (Note 18).

(b) Operating lease commitments – where a group company is a lessor

The Group leases out investment properties under operating leases with varying terms, escalation clauses and renewal rights.

The future minimum lease receivable under operating leases contracted for at the balance sheet date but not recognised as receivables is analysed as follows:

	2015 $'000	2014 $'000
Lease receivables:		
– Within 1 year	**64,912**	48,464
– After 1 year but within 5 years	**86,620**	63,877
– After 5 years	**5,320**	6,431
	156,852	118,772

30. OPERATING SEGMENT

The Group's investment properties are primarily tenanted for use as business space and are located in India. The revenues from the Group are derived primarily from corporate tenants and no single major customer represents sales of more than 10%. Therefore, the Trustee-Manager considers that the Group operates within a single business segment and within a single geographical segment.

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For the financial year ended 31 March 2015

31. CONTINGENT LIABILITIES

(a) Income from house property or business income

Information Technology Park Limited ("ITPL") and Ascendas IT Park (Chennai) Limited ("AITPCL") account for rental and other income as business income. ITPL and AITPCL had received assessment orders from the taxation authorities treating the rental income under "Income from House Property" and correspondingly the admissible deductions and brought forward losses have been assessed at a lower amount.

ITPL had received assessment orders from the taxation authorities treating the rental income under "Income from House Property" from assessment years 1999-00 to 2009-10 and correspondingly the admissible deductions and brought forward losses have been assessed at a lower amount. ITPL had received favourable orders from Income Tax Appellate Tribunal, considering rental income as business income for assessment years 1999-00 to 2009-10. ITPL had also received favourable orders from the High Court of Karnataka for assessment years 1999-00, 2004-05, 2005-06 to 2009-10. However the income tax department has filed an appeal through special leave petition in Supreme Court. For assessment years subsequent to 2009-10, the assessment proceedings are under progress.

AITPCL had received assessment order for assessment years 2005-06 and 2007-08 to 2011-12 amounting to INR 116 million (equivalent to $2,559,000). AITPCL had received favourable orders from Income Tax Appellate Tribunal, considering rental income as business income for assessment years 2008-09 and 2009-10 respectively. However, the taxation authorities have the right to file an appeal against the Tribunal order in High Court, as evidenced by ITPL's case.

ITPL and AITCPL had obtained opinion from an independent legal counsel on the above matters stating that income generated is business income and not assessable under "Income from House Property", and accordingly no provision has been made.

(b) Service tax disputes

ITPL had received orders from the Commissioner of Service Tax disallowing the availment of service tax credit relating to construction costs, generation of electricity and maintenance of power plant and other miscellaneous items for the period from October 2006 to March 2011. The potential tax exposure, including penalty amounted to INR 62 million (equivalent to $1,373,000). ITPL had also received notice for the period April 2011 to September 2014 towards wrong availing of service tax credit and service tax not discharged on certain services amounting to INR 9 million (equivalent to $194,000). ITPL has obtained an opinion from its independent tax consultant who has expressed confidence in getting a favourable decision from the Tribunal.

AITPCL had received service tax assessment orders, including penalties and interest, disallowing the availment of service tax credit relating to construction costs used for renting of immovable property services for the period from October 2005 to March 2013 and demand of service tax on electricity, water charges and fit-out for the period from October 2005 to March 2013. As at 31 March 2015, the total service tax in dispute not recognised in the financial statements, including penalties and interest, amounts to INR 818 million (equivalent to $18,087,000). AITPCL has obtained an opinion from its independent tax consultant who is of the view that AITPCL is eligible to avail the credit relating to construction costs while electricity, water and fit-out charges are not subject to service tax. A petition against this assessment has been filed before the Central Excise and Service Tax Appellate Tribunal for the period October 2005 to March 2013 and Commissioner of Service Tax for the period April 2012 to March 2013.

VITP Private Limited ("VITP") and Cyber Pearl Information Technology Park Private Limited ("CP") had received service tax notices from the Service Tax Department on reimbursable expenditure, termination charges received from tenants and recovery of credit availed for the periods June 2007 to June 2013. The potential tax exposure, including penalty attributable to such demand notices is estimated to be INR 232 million (equivalent to $5,136,000) for VITP and INR 45 million (equivalent to $983,000) for CP. VITP and CP have obtained an opinion from its independent tax consultant who is of the view that the claims are not tenable and accordingly no provision has been made.

31. CONTINGENT LIABILITIES (CONTINUED)

(c) Value added tax on fit-out rental

VITP and CP had received demand notices from the Commercial Tax Department of Andhra Pradesh levying Value Added Tax ("VAT") on lease rentals attributable to fit-outs. VITP and CP had obtained opinion from an independent legal counsel who is of the view that VITP and CP are not liable to pay VAT and accordingly appeals against such demand notices have been filed. The potential tax exposure, attributable to such demand notices which are not recognised in these financial statements, is estimated to be INR 54 million (equivalent to $1,202,000) for VITP and INR 10 million (equivalent to $229,000) for CP.

(d) Transfer pricing disputes

VITP and ITPL had received demand notices arising from differences in valuation of consideration paid for the buyback of shares.

In VITP, the difference in buyback price and the fair value of the share as determined by the income tax department was treated as an unsecured loan to the holding company and consequential tax was computed on the notional interest income. The potential tax exposure attributable, not recognised in the financial statements is estimated to be INR 11 million (equivalent to $232,000).

In ITPL, the difference in buyback price and the fair value of the share was treated as income of ITPL. The redemption of preference shares is not an income bearing international transaction which affects the profitability of the ITPL and does not have any income implications. Though no additional tax is demanded in the order, the order will have an impact of reducing the recorded MAT credit entitlement and carried forward business loss by INR 111 million (equivalent to $2,443,000).

32. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Trustee-Manager, Ascendas Property Fund Trustee Pte. Ltd. on 29 April 2015.

TRUSTEE-MANAGER FINANCIAL STATEMENTS

Ascendas Property Fund Trustee Pte. Ltd.

Contents

DIRECTORS' REPORT

For the financial year ended 31 March 2015

The directors are pleased to present their report to the member together with the audited financial statements of Ascendas Property Fund Trustee Pte. Ltd. (in its personal capacity and not as Trustee-Manager of Ascendas India Trust) (the "Company") for the financial year ended 31 March 2015.

DIRECTORS

The directors of the Company in office at the date of this report are as follows:

Mr Philip Yeo Liat Kok
Mr David Lim Tik En
Mr Michael Grenville Gray
Mr Rakesh Kumar Aggarwal
Mr T.V. Mohandas Pai
Mr Girija Prasad Pande
Mr Ng Eng Leng
Mr Khiatani Manohar Ramesh
Mr Sanjeev Durjhati Prasad Dasgupta (appointed on 1 October 2014)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings required to be kept under section 164 of the Singapore Companies Act, Chapter 50, no director who held office at the end of the financial year had, interests in shares, or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except as disclosed in the accompanying financial statements, and except that certain directors receive remuneration as a result of their employment with related corporations.

DIRECTORS' REPORT
For the financial year ended 31 March 2015

SHARE OPTIONS

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company. There were no unissued shares of the Company under option at the end of the financial year.

INDEPENDENT AUDITOR

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

For and on behalf of the Board of Directors

KHIATANI MANOHAR RAMESH
Director

SANJEEV DURJHATI PRASAD DASGUPTA
Director

29 April 2015

STATEMENT BY DIRECTORS

For the financial year ended 31 March 2015

We, Khiatani Manohar Ramesh and Sanjeev Durjhati Prasad Dasgupta, being two of the directors of the Company, do hereby state that, in the opinion of the directors,

(a) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity, and cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and the results of the business, changes in equity and cash flows of the Company for the financial year ended on that date, and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

For and on behalf of the Board of Directors

KHIATANI MANOHAR RAMESH
Director

SANJEEV DURJHATI PRASAD DASGUPTA
Director

29 April 2015

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 March 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Ascendas Property Fund Trustee Pte. Ltd. (the "Company"), which comprise the balance sheet of the Company as at 31 March 2015, the statement of changes in equity, the statement of comprehensive income and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Company for the financial year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and Chartered Accountants

Singapore, 29 April 2015

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2015

	Note	2015 $'000	2014 $'000
Revenue	4	**7,622**	6,692
Other income	5	**1,393**	1,120
Expenses			
Depreciation of property, plant and equipment	9	**(10)**	(8)
Employee compensation	6	**(2,098)**	(2,467)
Other operating expenses	7	**(1,743)**	(1,115)
Total expenses		**(3,851)**	(3,590)
Profit Before Income Tax		**5,164**	4,222
Income tax expense	8	**(688)**	(558)
Nex Profit After Tax		**4,476**	3,664
Other Comprehensive Income, Net of Tax:			
Items that may be reclassified subsequently to Profit or Loss			
Available-for-sale financial assets			
– fair value gains/(losses)	10	**4,053**	(1,083)
Total comprehensive income for the year		**8,529**	2,581

The accompanying notes form an integral part of these financial statements.

BALANCE SHEET
As at 31 March 2015

	Note	2015 $'000	2014 $'000
Assets			
Non-current Assets			
Deferred income tax assets	8	**10**	13
Property, plant and equipment	9	**9**	13
Available-for-sale financial assets	10	**28,478**	21,042
		28,497	21,068
Current Assets			
Trade and other receivables	11	**5,205**	6,342
Prepayments		**54**	32
Deposits		**7**	7
		5,266	6,381
Total Assets		**33,763**	27,449
Liabilities			
Current Liabilities			
Trade and other payables	12	**2,028**	1,901
Current income tax liabilities	8	**890**	732
Total liabilities		**2,918**	2,633
Net Assets		**30,845**	24,816
Equity			
Share capital	13	**1,000**	1,000
Fair value reserve	14	**2,837**	(1,216)
Revenue reserve		**27,008**	25,032
Total Equity		**30,845**	24,816

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2015

	Note	Share Capital $'000	Fair Value Reserve $'000	Revenue Reserve $'000	**Total Equity $'000**
2015					
Beginning of financial year		**1,000**	**(1,216)**	**25,032**	**24,816**
Profit for the year		**–**	**–**	**4,476**	**4,476**
Other Comprehensive Income, Net of Tax:					
Available-for-sale financial assets					
– fair value gains		**–**	**4,053**	**–**	**4,053**
Total comprehensive income for the year		**–**	**4,053**	**4,476**	**8,529**
Dividends	15	**–**	**–**	**(2,500)**	**(2,500)**
End of financial year		**1,000**	**2,837**	**27,008**	**30,845**
2014					
Beginning of financial year		1,000	(133)	23,368	**24,235**
Profit for the year		–	–	3,664	**3,664**
Other Comprehensive Income, Net of Tax:					
Available-for-sale financial assets					
– fair value losses		–	(1,083)	–	**(1,083)**
Total comprehensive income for the year		–	(1,083)	3,664	**2,581**
Dividends	15	–	–	(2,000)	**(2,000)**
End of financial year		1,000	(1,216)	25,032	**24,816**

The accompanying notes form an integral part of these financial statements.

CASH FLOW STATEMENT

For the financial year ended 31 March 2015

	2015 $'000	2014 $'000
Operating Activities		
Net profit after tax	**4,476**	3,664
Adjustments for:		
Income tax expense	**688**	558
Depreciation of property, plant and equipment	**10**	8
Dividend income	**(1,393)**	(1,105)
Fund management fee received/receivable in units of listed property trust	**(3,553)**	(3,268)
Operating cash flows before changes in working capital	**228**	(143)
Changes in Working Capital		
Trade and other receivables	**1,307**	1,344
Prepayments	**(22)**	–
Trade and other payables	**125**	205
Cash Generated from Operations	**1,638**	1,406
Income tax paid	**(527)**	(501)
Net cash generated from operating activities	**1,111**	905
Investing Activities		
Purchase of property, plant and equipment	**(4)**	(10)
Dividends received	**1,393**	1,105
Net cash generated from investing activities	**1,389**	1,095
Financing Activity		
Dividends paid	**(2,500)**	(2,000)
Net cash (used in) financing activity	**(2,500)**	(2,000)
Net Increase in Cash and Cash Equivalents	**–**	–
Cash and cash equivalents at beginning of financial year	**–**	–
Cash and cash equivalents at end of financial year	**–**	–

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

1. CORPORATE INFORMATION

Ascendas Property Fund Trustee Pte. Ltd. (the "Company") is a limited liability company, which is domiciled and incorporated in Singapore. It is a wholly-owned subsidiary company of Ascendas Investment Pte Ltd, which is incorporated in Singapore and its ultimate holding entity is JTC Corporation ("JTC"), a body incorporated by statute in Singapore. The address of its registered office and the principal place of business of the Company is 61 Science Park Road, #04-01, The Galen, Singapore Science Park II, Singapore 117525.

The principal activities of the Company are those relating to investment advisor, property fund management and to act as fund manager and trustee for Ascendas India Trust ("a-iTrust"), a business trust listed on the Singapore Exchange Securities Trading Limited.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars and all values presented are rounded to the nearest thousand ($'000) except when otherwise indicated.

2.2 Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 April 2014. The adoption of these standards did not have any effect on the financial performance or position of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES

2.3 Standards Issued But Not Yet Effective

The Company has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective For Periods Beginning On or After
Amendments to FRS 19 *Defined Benefit Plans: Employee Contributions*	1 July 2014
Amendments to FRS 102 *Share Based Payment*	1 July 2014
Amendments to FRS 16 *Property, Plant and Equipment*	1 July 2014
Amendments to FRS 24 *Related Party Disclosures*	1 July 2014
Improvements to FRSs (February 2014)	
– FRS 103 *Business Combinations*	1 July 2014
– FRS 113 *Fair Value Measurement*	1 July 2014
– FRS 40 *Investment Property*	1 July 2014
FRS 114 *Regulatory Deferral Accounts*	1 January 2016
Amendments to FRS 27: *Equity Method in Separate Financial Statements*	1 January 2016
Amendments to FRS 16 and FRS 38: *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Amendments to FRS 16 and FRS 41: *Agriculture: Bearer Plants*	1 January 2016
Amendments to FRS 111: *Accounting for Acquisitions of Interests in Joint Operations*	1 January 2016
Amendments to FRS 110 and FRS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2016
Improvements to FRSs (November 2014)	
– FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*	1 January 2016
– FRS 107 *Financial Instruments: Disclosures*	1 January 2016
– FRS 19 *Employee Benefits*	1 January 2016
– FRS 34 *Interim Financial Reporting*	1 January 2016
Amendments to FRS 1: *Disclosure Initiative*	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28: *Investment Entities: Applying the Consolidation Exception*	1 January 2016
FRS 115 *Revenue from Contracts with Customers*	1 January 2017
FRS 109 *Financial Instruments*	1 January 2018

The management expects that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2.4 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

(a) Fees from provision of fund management (fund management fee, trustee fee, performance fee and acquisition fee from a-iTrust) and other consultancy services are recognised when the services have been rendered.

(b) Dividend income is recognised when the Company's right to receive payment is established.

2. SIGNIFICANT ACCOUNTING POLICIES

2.5 Property, Plant and Equipment

(a) Measurement

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses (Note 2.6).

The cost of an item of property, plant and 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.

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight line method to allocate their depreciable amounts over the estimated useful lives as follows:

	Useful lives
Renovations and improvements	5 years
Computers, furniture and equipment	3 to 5 years

(b) Depreciation

The residual values, depreciation method and estimated useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and 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 Company and the cost of the item can be measured reliably. All repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES

2.6 Impairment of Non-Financial Assets

Property, plant and equipment are reviewed for impairment at each balance sheet date or whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing of these assets, the asset's recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) 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, the recoverable amount is determined for the cash-generating unit ("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 difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

A previously recognised impairment loss is reversed if there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of accumulated depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.7 Financial Assets

(a) Classification

The Company classifies its financial assets in the following categories: loans and receivables and available-for-sale financial assets. The classification depends on the nature of the asset and the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing more than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as trade and other receivables and deposits on the balance sheet.

(ii) Available-for-sale financial assets

Available-for-sale financial assets include equity securities. Equity investment classified as available-for-sale are those which are neither classified as held for trading nor designated at fair value through profit or loss.

(b) Recognition and derecognition

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of the assets.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Financial Assets (Continued)

(c) Initial measurement

Financial assets classified in Note 2.7(a)(i) and (ii) are initially recognised at fair value plus directly attributable transaction costs.

(d) Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss.

When available-for-sale financial assets are sold or impaired, the accumulated fair value adjustments recognised in the fair value reserve are transferred to profit or loss as gain or loss.

Interest and dividend income on available-for-sale financial assets are recognised separately in profit or loss.

(e) Regular way purchase or sale of financial assets

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(f) Impairment

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset. Subsequent recovery of amounts previously written off is recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Financial Assets (Continued)

(f) Impairment (continued)

(ii) Available-for-sale financial assets

A significant or prolonged decline in the fair value of the investment below its cost are considered as indicators of impairment. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

In the case of available-for-sale financial assets carried at cost, if there is objective evidence that an impairment loss on the financial assets has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2.8 Financial Liabilities

(a) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

(b) Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost, using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

(c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.9 Fair Value Estimation of Financial Assets and Liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets held by the Company are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts due to their short-term nature.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Income Taxes

Current income tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

– Where the deferred tax liability arises 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 the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

– Where the deferred tax asset relating to the deductible temporary difference arises 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 the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Current and deferred taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax on temporary differences arising from fair value gains and losses on available-for-sale financial assets are charged or credited directly to equity in the same period the temporary differences arise.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

2.11 Provisions for Other Liabilities and Charges

Provisions for other liabilities and charges are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated.

Provisions are reviewed at the balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Employee Compensation

(a) Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the balance sheet date.

2.13 Currency Translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The Company's financial statements are presented in Singapore Dollars ("SGD"), which is also the Company's functional currency.

(b) Transactions and balances

Transactions in currencies other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences 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 profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. 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 measured. Currency translation differences on non-monetary items whereby the gains or losses are recognised directly in equity, such as equity investments classified as available-for-sale financial assets are included in the fair value reserve.

2.14 Cash and Cash Equivalents

For the purpose of presentation in the cash flow statement, cash and cash equivalents comprise cash at bank with financial institutions which are subject to an insignificant risk of change in value, but exclude balances which are subjected to restriction.

2.15 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against share capital.

2.16 Dividends

Interim dividends are recorded in the financial year in which the dividends are declared payable. Final dividends are recorded in the financial year in which the dividends are approved by the shareholders.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Grants are presented in profit or loss under "other income".

2.18 Related Parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions apply:

- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) both entities are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) the entity is controlled or jointly controlled by person identified in (a);
- (vii) a person is identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.19 Transfers Between Levels of the Fair Value Hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Critical Judgements in Applying the Entity's Accounting Policies

In the process of applying the Company's accounting policies, management has made the following judgement, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Impairment of available-for-sale financial assets

The Company records impairment charges on available-for-sale financial assets when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires judgement. The Company evaluates, among other factors, the duration and extent to which the fair value of a financial asset is below its cost, the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow. Management is of the view that the factors considered for purpose of determining impairment of available-for-sale financial assets are appropriate and meet the requirements of FRS 39.

4. REVENUE

	2015 $'000	2014 $'000
Fund management fee from a-iTrust	**4,181**	3,830
Trustee fee from a-iTrust	**165**	153
Performance fee from a-iTrust	**2,925**	2,709
Acquisition fee from a-iTrust	**351**	–
	7,622	6,692

5. OTHER INCOME

Other income comprise the following:

	2015 $'000	2014 $'000
Dividend income from a-iTrust	**1,393**	1,105
Government grant	**–**	15
	1,393	1,120

6. EMPLOYEE COMPENSATION

	2015 $'000	2014 $'000
Salaries, wages and employee benefits	**1,983**	2,350
Employer's contributions to defined contribution plans including Central Provident Fund	**115**	117
	2,098	2,467

7. OTHER OPERATING EXPENSES

Other operating expenses comprise the following:

	2015 $'000	2014 $'000
Professional fees		
– related company	**289**	–
– non-related parties	**47**	23
Travel-related expenses	**280**	154
Communication expenses	**51**	28
Insurance expenses	**55**	61
Directors' fees	**887**	614
Rental expenses paid to a related company	**72**	81
Others	**62**	154
	1,743	1,115

8. INCOME TAXES

(a) Income tax expense

	2015 $'000	2014 $'000
Tax expense attributable to profit is made up of:		
Current income tax		
– based on current year's results	**685**	554
– under provision in respect of prior years	**–**	7
Deferred income tax		
– current year	**3**	(3)
Income tax expense recognised in profit or loss	**688**	558

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

8. INCOME TAXES (CONTINUED)

(a) Income tax expense

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 March 2015 and 2014 is as follows:

	2015 $'000	2014 $'000
Profit before income tax	**5,164**	4,222
Income tax using the statutory tax rate of 17% (2014: 17%)	**878**	717
Effect of partial tax exemption	**(26)**	(26)
Tax effect of non-deductible expenses	**105**	87
Income not subject to tax	**(237)**	(190)
Effect of tax incentives	**(32)**	(38)
Under provision in respect of prior years	**–**	7
Others	**#**	1
Income tax expense recognised in profit or loss	**688**	558

\# Less than $1,000

(b) Movements in current income tax liabilities

	2015 $'000	2014 $'000
Beginning of financial year	**732**	672
Current income tax	**685**	554
Under provision in respect of prior years	**–**	7
Income tax paid	**(527)**	(501)
End of financial year	**890**	732

(c) Deferred income tax assets

	2015 $'000	2014 $'000
Deferred income tax assets		
– To be settled after one year	**(10)**	(13)
	(10)	(13)

Movements in the deferred income tax account are as follows:

	2015 $'000	2014 $'000
Beginning of financial year	**(13)**	(10)
Movement in temporary difference	**3**	(3)
End of financial year	**(10)**	(13)

9. PROPERTY, PLANT AND EQUIPMENT

	Renovations And Improvements $'000	Computers, Furniture And Equipment $'000	**Total $'000**
2015			
Cost			
Beginning of financial year	10	62	**72**
Additions	–	6	**6**
End of financial year	10	68	**78**
Accumulated Depreciation			
Beginning of financial year	10	49	**59**
Depreciation charge	–	10	**10**
End of financial year	10	59	**69**
Net Book Value			
End of financial year	–	9	**9**
2014			
Cost			
Beginning of financial year	10	52	**62**
Additions	–	10	**10**
End of financial year	10	62	**72**
Accumulated Depreciation			
Beginning of financial year	10	41	**51**
Depreciation charge	–	8	**8**
End of financial year	10	49	**59**
Net Book Value			
End of financial year	–	13	**13**

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2015 $'000	2014 $'000
Beginning of financial year	**21,042**	18,844
Additions	**3,383**	3,281
Fair value gains/(losses) recognised in equity (Note 14)	**4,053**	(1,083)
End of financial year	**28,478**	21,042
Non-current portion	**28,478**	21,042

Available-for-sale financial assets are analysed as follows:

	2015 $'000	2014 $'000
Quoted equity securities – Singapore	**28,478**	21,042

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

11. TRADE AND OTHER RECEIVABLES

	2015 $'000	2014 $'000
Trade receivables		
– a-iTrust	**4,410**	3,751
Other receivables		
– a-iTrust	**36**	–
– intermediate holding company	**728**	2,500
– other related companies	**28**	83
– non-related parties	**3**	8
	795	2,591
	5,205	6,342

Trade receivables are non-interest bearing and are to be settled in the form of cash and/or units from a-iTrust as the Company elects. As at 31 March 2015, trade receivables arising from a-iTrust amounting to $2,022,000 (2014: $1,850,000) are arranged to be settled via the issuance of units by a-iTrust.

Other receivables from intermediate holding company and other related companies are unsecured, interest-free and repayable on demand in cash.

12. TRADE AND OTHER PAYABLES

	2015 $'000	2014 $'000
Other payables		
– other related companies	**75**	34
– non-related parties	**1,202**	1,418
	1,277	1,452
Accrued operating expenses	**751**	449
Total financial liabilities carried at amortised cost	**2,028**	1,901

Other payables to other related companies are unsecured, interest-free and repayable on demand in cash.

Other payables to non-related parties represent mainly sundry payables and goods and services tax payable.

Included in accrued operating expenses is an amount of $654,000 (2014: $401,000) that relates to directors' fees for the current financial year.

13. SHARE CAPITAL

The Company's share capital comprises fully-paid up 1,000,000 (2014: 1,000,000) ordinary shares with no par value, amounting to a total of $1,000,000 (2014: $1,000,000).

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

14. FAIR VALUE RESERVE

	2015 $'000	2014 $'000
Beginning of financial year	**(1,216)**	(133)
Fair value gains/(losses) on available-for-sale financial assets (Note 10)	**4,053**	(1,083)
End of financial year	**2,837**	(1,216)

Fair value reserve represents the cumulative fair value changes of available-for-sale financial assets.

15. DIVIDENDS

	2015 $'000	2014 $'000
Declared And Paid During The Financial Year		
Dividends on ordinary shares:		
– Final tax exempt (one-tier) dividend for FY2015 paid of $2.50 (2014: $2.00) per share	**2,500**	2,000
Proposed But Not Recognised as A Liability as at 31 March		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
– Final tax exempt (one-tier) dividend proposed in respect of the financial year of $3.00 (2014: $2.50) per share	**3,000**	2,500

16. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions took place between the Company and related parties at terms agreed between the parties during the financial year:

	2015 $'000	2014 $'000
Directors Fees Paid to:		
– immediate holding company	**61**	72
– directors	**573**	537
	634	609
Key Management Personnel Compensation (Excluding Directors' Fees)		
– salaries and other short term employee benefits	**1,430**	1,114
– contribution to CPF	**46**	28
	1,476	1,142

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to market risk (including foreign currency risk, price risk and interest rate risk), credit risk, liquidity risk and capital risk. The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Company's financial performance. The Company sets policies, strategies and mechanism, which aim at effective management of these risks within its operating environment.

Risk management is carried out in accordance with established policies and guidelines approved by the board of directors. Management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management objectives and policies are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) Market risk

(i) Foreign currency risk

The Company's exposure to currency risk is minimal as its revenue, expenses, assets and liabilities are substantially denominated in SGD.

(ii) Price risk

As at 31 March 2015, the Company has available-for-sale investment in equity securities listed in Singapore and is exposed to price risk.

Sensitivity analysis for price risk

If prices for the equity securities listed in Singapore change by the percentages indicated below with all other variables including tax rates being held constant, the effects on profit after tax and equity will be as follows:

	2015		2014	
	Profit After Tax $'000	**Equity $'000**	Profit After Tax $'000	Equity $'000
Equity Securities Listed in Singapore				
– increased by 27% (2014: 22%)	**–**	**7,689**	–	4,629
– decreased by 27% (2014: 22%)	**–**	**(7,689)**	–	(4,629)

(iii) Interest rate risk

The Company is not exposed to any interest rate risk as its financial assets and liabilities are not interest-bearing.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Company, as and when they fall due. In managing credit risk exposure, credit review and approval processes as well as monitoring mechanism are applied.

For trade receivables, the Company adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other receivables, the Company deals only with high credit quality counterparties.

The maximum exposure to credit risk is represented by the carrying amount of that class of financial instruments presented on the balance sheet.

(i) Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are receivables from a-iTrust which represent the Company's maximum exposure to credit risk. a-iTrust has a relatively healthy financial position and management does not expect a-iTrust to fail to meet its obligations.

(ii) Financial assets that are past due and/or impaired

There are no financial assets that are either past due and/or impaired.

(c) Liquidity risk

Excess cash in the Company will be transferred to the intermediate holding company for efficient cash management. To meet payment obligations in a timely manner, the intermediate holding company makes fund transfers back to the Company as and when the need arises.

The Company's financial assets and liabilities based on contractual undiscounted cash flows, are due within 1 year from the balance sheet date.

(d) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholder, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on the debt equity ratio, which is calculated as total external borrowings divided by total equity. As at balance sheet date, the Company does not have any external borrowings.

The Company is not subject to any externally imposed capital requirements for the financial years ended 31 March 2015 and 2014.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value measurements

The Company classifies its fair value measurement of assets and liabilities using a fair value hierarchy that is dependent on the valuation inputs used as follows:

(i) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

(ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There have been no transfers between Level 1 and Level 2 fair value measurements during the financial years ended 2015 and 2014.

The following table presents the assets and liabilities measured at fair value at the end of the reporting period:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	**Total** **$'000**
Assets				
2015				
Financial Assets				
Available-for-sale financial assets				
– Quoted equity securities	**28,478**	**–**	**–**	**28,478**
2014				
Financial Assets				
Available-for-sale financial assets				
– Quoted equity securities	21,042	–	–	**21,042**

The carrying value of current trade and other receivables and payables approximate their fair values due to their short-term nature.

18. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements for the year ended 31 March 2015 were authorised for issue in accordance with a resolution of the directors on 29 April 2015.

UNITHOLDING STATEMENT

As at 6 May 2015

ANALYSIS OF UNITHOLDINGS

Number of Units Issued	:	922,060,909
Market Capitalisation	:	843,685,732
Voting Rights	:	One Vote per Unit

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	10	0.10	134	0.00
100 – 1,000	4,795	49.33	4,789,515	0.52
1,001 – 10,000	2,975	30.60	17,382,912	1.89
10,001 – 1,000,000	1,918	19.73	90,923,883	9.86
1,000,001 and above	23	0.24	808,964,465	87.73
Total	9,721	100.00	922,060,909	100.00

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	DBS Nominees (Private) Limited	184,261,872	19.98
2	Ascendas Land International Pte Ltd	183,279,388	19.88
3	Citibank Nominees Singapore Pte Ltd	139,498,403	15.13
4	DBSN Services Pte. Ltd.	80,168,223	8.69
5	Raffles Nominees (Pte) Limited	60,228,780	6.53
6	HSBC (Singapore) Nominees Pte Ltd	45,017,808	4.88
7	DBS Vickers Securities (Singapore) Pte Ltd	41,373,500	4.49
8	Ascendas Property Fund Trustee Pte. Ltd.	32,250,547	3.50
9	DB Nominees (Singapore) Pte Ltd	8,031,860	0.87
10	United Overseas Bank Nominees (Private) Limited	5,034,023	0.55
11	Bank of Singapore Nominees Pte. Ltd.	4,574,000	0.50
12	Merrill Lynch (Spore) Pte Ltd	4,566,475	0.50
13	Chng Seng Chye @ Chng Hung Seng	4,107,400	0.45
14	BNP Paribas Securities Services Singapore Branch	3,218,030	0.35
15	Morgan Stanley Asia (Singapore) Securities Pte Ltd	2,150,402	0.23
16	Yim Chee Chong	1,900,000	0.21
17	CIMB Securities (Singapore) Pte. Ltd.	1,559,754	0.17
18	Unitronic Components Pte Ltd	1,400,000	0.15
19	Ng Soo Boon or Ng Soo Boon @ Low Siew Koon @ Lau Siew Koon	1,377,000	0.15
20	OCBC Nominees Singapore Private Limited	1,327,000	0.14
	Total	805,324,465	87.35

UNITHOLDING STATEMENT

As at 6 May 2015

PUBLIC UNITHOLDERS

Pursuant to Rule 1207(9)(e) of the SGX-ST Listing Manual, based on the information available to the Trustee-Manager as at 6 May 2015, approximately 51.78% of the total number of Units issued is held by the public. Therefore, Rule 723 of the SGX-ST Listing Manual has been complied with.

SUBSTANTIAL UNITHOLDERS (AS AT 6 MAY 2015)

Name	Direct	Deemed	Total	%
Ascendas Land International Pte Ltd	183,279,388	–	183,279,388	19.88
Ascendas Pte Ltd	–	215,529,935	215,529,935	23.37
Jurong Town Corporation	–	215,529,935	215,529,935	23.37
Matthews International Capital Management, LLC	–	90,034,000	90,034,000	9.76
Matthews International Funds	–	76,481,000	76,481,000	8.29
Massachusetts Financial Services Company	–	64,660,000	64,660,000	7.01
Kabouter Management, LLC	–	57,605,819	57,605,819	6.25
J.P. Morgan Chase & Co	–	48,696,500	48,696,500	5.28
JF Asset Management Limited	47,278,400	–	47,278,400	5.13

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.

(5) J.P. Morgan Chase & Co. is deemed to be interested in the Units held by JF Asset Management Limited and other J.P. Morgan affiliates.

GLOSSARY

a-iTrust/the Trust Ascendas India Trust
AC Audit Committee
AGM Annual General Meeting
AIDT Ascendas India Development Trust
AIITPT Ascendas India IT Parks Trust
AITPCL Ascendas IT Park (Chennai) Limited
ALI /Sponsor Ascendas Land International Pte Ltd
APFT/Trustee-Manager/the Company Ascendas Property Fund Trustee Pte Ltd
ASIPL/Property Manager Ascendas Services (India) Pvt Ltd
aVance aVance Business Hub, Hyderabad
b/bn Billion
BFSI Banking, Financial Services and Insurance
Board Board of Directors
BPM Business Process Management
BT Business Trust
CAGR Compound Annual Growth Rate
CDP Central Depository (Pte) Limited
CEO Chief Executive Officer
CGU Cash Generating Unit
CIS Code on Collective Investment Schemes
CP CyberPearl, Hyderabad
CPF Central Provident Fund
CPITPPL CyberPearl Information Technology Park Pvt Limited
CV CyberVale, Chennai
DFI Derivative Financial Instrument
DPU Distribution per Unit
EY Ernst & Young
EBITDA Earnings Before Interest Expense, Tax, Depreciation and Amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation from settlement of loans)
FDI Foreign Direct Investment
FRS Singapore Financial Reporting Standards
FY Financial Year Ended/Ending 31 March
FY13/14 Financial Year Ended 31 March 2014
FY14/15 Financial Year Ended 31 March 2015
GDP Gross Domestic Product
Group a-iTrust and its subsidiaries
HIPL Hyderabad Infratech Pvt. Ltd.
HRRC Human Resource & Remuneration Committee
IC Investment Committee
INR/₹ Indian Rupee
INT FRS Interpretation to FRS
IT Information Technology
ITES Information Technology Enabled Services
ITPB International Tech Park Bangalore
ITPC International Tech Park Chennai
ITPL Information Technology Park Ltd
IT SEZ Information Technology Special Economic Zone
JIPL Jurong International Holdings Pte Ltd
KPMG Messrs KPMG
Listing Manual The Listing Manual of SGX-ST
m/mil Million
MAS Monetary Authority of Singapore
MNC Multinational Corporation
NC Nominating Committee
NCD Non-convertible Debentures
NPI Net Property Income
Pvt/Pte Ltd Private Limited
REIT Real Estate Investment Trust
ROFR Right of First Refusal
SBA Super Built-up Area
SEZ Special Economic Zone
SFA Singapore Securities and Futures Act
SGD/S$ Singapore Dollar
SGX-ST Singapore Exchange Securities Trading Limited
SPV Special Purpose Vehicle
Sq ft Square foot/feet
STPI Software Technology Parks of India
The V The V, Hyderabad
TIDCO Tamil Nadu Industrial Development Corporation Limited
Trust Deed Trust Deed Constituting a-iTrust (as amended on 28 June 2007)
UK United Kingdom
US/USA United States of America
USD United States Dollar
VAT Value Added Tax
VCU Venture Capital Undertaking
VITPPL VITP Pvt Ltd

MARKET RESEARCH REPORT

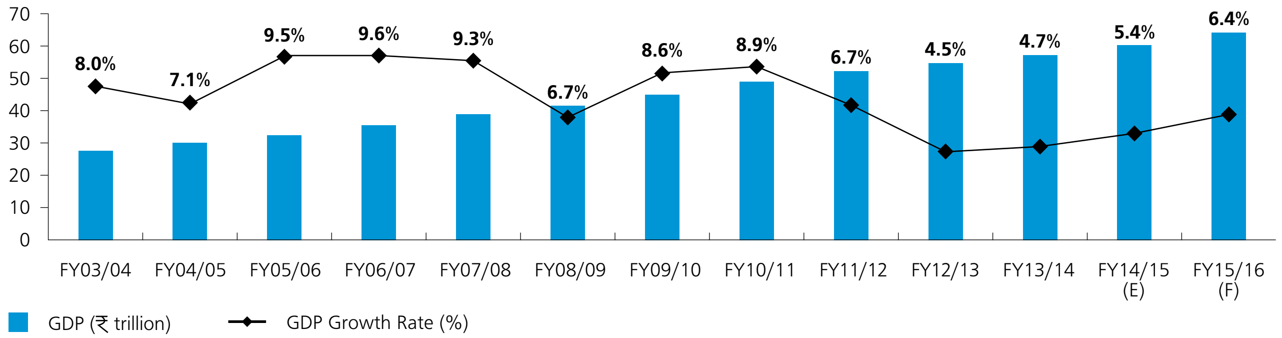
A INDIA: ECONOMIC & COMMERCIAL REAL ESTATE OVERVIEW

1 INDIA ECONOMIC OVERVIEW

India ranks as the tenth largest economy by market exchange rates and the third largest economy when adjusted for purchasing power parity[1]. India witnessed an average annual Gross Domestic Product ("GDP") growth of 8% during the period of FY03/04 and FY11/12. However GDP growth touched a decadal low of 4.5%[2] in FY12/13, due to a combination of international and domestic factors including the slowdown in US and European economies, high inflation and local structural and policy woes. The GDP growth rate recovered marginally to 4.7% in FY13/14 with the improvement in agricultural output.

The chart below highlights India's GDP and the GDP growth rate since FY03/04.

Gross Domestic Product (₹ trillion)



** GDP figures are at factor cost at 2004-05 prices*

Source: Reserve Bank of India

With an improved outlook, Consumer Price Index ("CPI") came down to 4.4%[2] in November 2014 from 11.2% in November 2013. The CPI has remained stable at 5.0% from December 2014 to February 2015. Wholesale Price Index came down to nearly 0.0%[3] in November 2014 and remained at that level from December 2014 to February 2015. Currency volatility also moderated and stabilised at current trading range of ₹60-62 and ₹46-49 against the US Dollar and Singapore dollar respectively in the last one year after touching an all-time low of ₹68.4 against USD in August 2013. The Reserve Bank of India ("RBI") has forecast that the Current Account Deficit for FY14/15 is estimated to be 1.3% of GDP as compared to 1.7% in FY13/14, due to net capital inflows supported by foreign direct inflows and external commercial borrowings. India's Forex reserves also touched an all-time high of US$330 billion in February 2015, surpassing the previous high of US$320 billion in October 2011.

As per RBI estimates, the Indian GDP is forecast to grow 5.4% in FY14/15 and 6.4% in FY15/16 (GDP figures are at calculated at a factor cost of 2004-05 prices). However on 30th January 2015, the Indian Government has revised the calculation of the GDP numbers using 2011-12 as the base year, in place of 2004-05. As per the revised GDP calculation, GDP is estimated to grow by 7.4%[4] in FY14/15 and 8.0% in FY15/16. Using the revised GDP calculations, the International Monetary Fund ("IMF") has forecasted India's GDP to grow at 7.2% in FY14/15 and 7.5% in FY15/16. This is based on the view of declining inflation, improved fiscal management and improved business climate.

New Indian Government

In May 2014, India elected a new Central Government that won a clear majority in the lower house of Parliament, the first time in 30 years. Led by Prime Minister Narendra Modi, the National Democratic Alliance has enthused investors and business confidence in the Indian economy, both nationally as well as internationally. The new Government has announced various measures and started implementing various reforms that focus on improving business sentiments, streamlining the administrative process, easing restrictions on Foreign Direct Investments ("FDI") and enhancing the country's infrastructure.

1 World Bank, 2013
2 Ministry of Statistics and Programme Implementation
3 Office of the Economic Adviser, Ministry of Commerce and Industry, Government of India
4 Ministry of Statistics and Programme Implementation

A INDIA: ECONOMIC & COMMERCIAL REAL ESTATE OVERVIEW

1 INDIA ECONOMIC OVERVIEW (CONTINUED)

New Indian Government (Continued)

According to the United Nations Conference on Trade and Development, India was ranked fourth most popular among global FDI destinations after China, US and Indonesia. In 2014, the new Government has taken several steps to liberalise policies for foreign investors. The FDI cap has been raised to 100%[5] in railway projects and 49% in the defense and insurance sector. From May 2014 to March 2015, the Indian Government has cleared 126 FDI proposals amounting to US$ 2.1 billion[6] (₹128.4 billion).

FDI norms for investing in real estate projects such as townships, housing and built-up infrastructure were also relaxed by the Government in October 2014[7]. This is likely to attract significant foreign fund inflows which will boost urbanisation especially in Tier II and III cities, which are struggling to develop large projects as developers are wary of taking up such ventures. During the FY14/15 union budget, the Government announced plans to develop 100 'smart' cities, and has committed an initial amount of US$115.7 million (₹7.1 billion) to meet its target. Formation of these cities will mobilise employment, development and create new real estate markets. A "Make In India" campaign[5] was also initiated to facilitate investment, foster innovation and build a world-class manufacturing infrastructure in the country. Additionally, in December 2014, the Government approved an ordinance[8] to amend the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Bill. This aims to speed up infrastructure enhancement projects by removing the barriers in land acquisition for sectors like rural infrastructure, affordable housing and industrial corridors.

Real Estate Investment Trusts (REITs)

The Securities and Exchange Board of India ("SEBI") approved Real Estate Investment Trusts ("REITs") regulations in September 2014. The introduction of REITs will provide access to funding for developers, better valuations for commercial properties and a more structured and transparent commercial real estate market. Globally, REITs have reduced individual speculation in real estate assets and allowed for more professional investment and management thereby increasing participation by multiple retail investors, invigorating transactions and bringing in more transparency.

With the ever-increasing property prices and huge capital amount needed for real estate investments, retail investors are finding it difficult to take exposure in the realty sector. REITs once launched, will provide retail investors a platform to partake in India's growing commercial realty market. Demand from institutional investors is also strongly expected as REITs are formally organised, and regulated. The introduction of REITs will provide more liquidity to the real estate sector and provide an opportunity for developers for an easy exit. With the need for REITs to be actively and professionally managed and regulated, it will also enhance transparency in the realty sector.

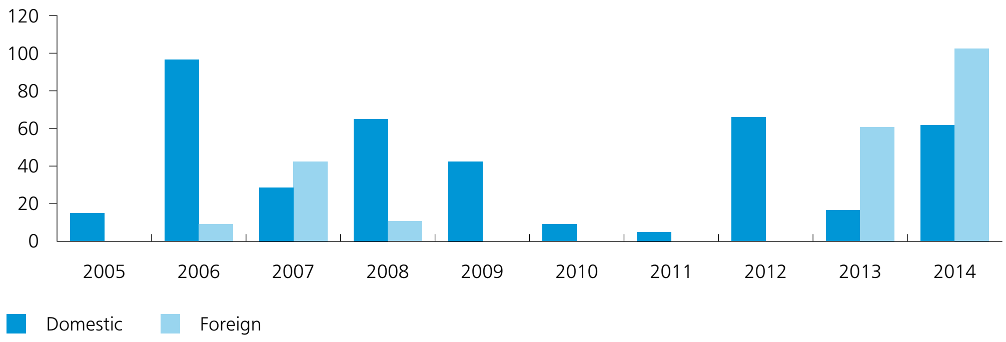
In its FY15/16 budget, the Indian Government proposed various incentives to promote the successful launch of REITs in India. A sponsor of the REIT is provided with the benefit of concessional tax relating to capital gains arising on the transfer of units sold on the exchange on which securities transaction tax is paid. For other unit holders, tax is exempted for the sale of units that are held for at least 36 months. The budget also proposed pass through on the rental income from assets held by REIT's directly. Recently Government of India (GOI) through its amendment of Finance Bill on April 30 2015, has provided relaxation for the sponsors of REIT by exempting Minimum Alternative Tax ("MAT") on notional gains on transfer of shares of Special Purpose Vehicle (SPV) to the REIT trust in exchange of units of REIT trust. Government also approved foreign investment in REITs. This approval enables the foreign investment inflows in to the completed rent generating assets. However REIT controlled SPVs are still subject to corporate tax and Dividend Distribution Tax ("DDT"), which limit the pass through nature of the REIT, thereby reducing the overall yield from REITs. Besides needing greater regulatory clarity on tax issues, the launch of a successful REIT will also depend on the quality of the assets it holds and the income stream that is expected from the holding assets.

[5] Department of Industrial Policy and Promotion ("DIPP"), August 2014
[6] Foreign Investment Promotion Board, Ministry of Finance, Government of India
[7] Press Information Bureau, Government of India
[8] Ministry of Law and Justice (Legislative Department), Government of India

2 PRIVATE EQUITY INVESTMENTS IN REAL ESTATE SECTOR

As per Cushman & Wakefield ("C&W") research, property valuations have become increasingly attractive from 2012 onwards. Given the stable yields and the current positive outlook of the economy, fundraising in the real estate sector has significantly improved since 2012. Foreign investors have shown a high interest in the Indian real estate sector in 2013 and 2014, registering a 79% and 62% share respectively in the overall capital raised in both years. Close to US$2.7 billion (₹165 billion) has been raised in 2014, registering a 113% growth as compared to 2013.

Funds Raised by PE Firms (₹ billion)



Source: C&W Research

A number of sovereign and pension funds have committed funds to Indian real estate such as All Pensions Group, Abu Dhabi Investment Authority, Qatar Investment Authority, Canada Pension Plan Investment Board, State General Reserve Fund of Oman, Government of Singapore Investment Corporation through fund managers such as Piramal Fund Management (Indiareit), Xander Advisors, Kota Realty Fund, JP Morgan, ASK Advisors and even through direct agreements with local developers to invest in projects. Although such a partnership entails higher risk due to limited diversification and higher commitment of funds, the potential for return increases manifold. This is a clear indication that foreign funds now have higher confidence in the Indian market.

Post the global economic slowdown in 2008, the RBI had discouraged banks from providing capital to the real estate sector. This led to an increase in cost of capital for developer borrowing from other funding sources. To meet capital requirements, developers are increasingly partnering with private equity funds.

As per C&W research, private equity funds have invested close to US$2.5 billion (₹154 billion) in the real estate sector in 2014, which is more than double the amount of US$1.2 billion (₹73.6 billion) invested during 2013. This substantial increase in investments has predominantly been in under-construction residential projects followed by acquisitions of leased office assets. The total number of deals also increased to 73 in 2014 as compared to 40 deals in 2013. While domestic fund contributed 57% of the overall investments in 2013, foreign funds dominated in 2014 with a 74% share in overall private equity investments.

A INDIA: ECONOMIC & COMMERCIAL REAL ESTATE OVERVIEW

3 OVERVIEW OF IT/ITES INDUSTRY IN INDIA

The IT/ITES[9] industry in India is a growth engine for the economy, contributing substantially to the increase in the GDP, urban employment and exports. The Federal and the State Governments have played a major role in positioning India as the IT/ITES hub and a major outsourcing location in Asia. The Indian Government had introduced several notable policies such as creation of Software Technology Parks of India ("STPI") in the past, which boosted the IT/ITES development in the country. And on the fiscal front, with the promulgation of Special Economic Zones ("SEZ"), companies were provided incentives such as duty-free imports of software and hardware products and exemptions in the corporate income tax. This promoted investment in the country and gave a further boost to employment.

Availability of quality talent at cost effective rates, rapidly developing infrastructure, an enabling innovation environment, supportive regulatory policies and a positive overall business environment – are all central pillars to India's value proposition.

The IT industry has been one of the most significant growth driver for the Indian economy, with revenue growing from US$100 million[10] in 1992 to US$146 billion in FY14/15. According to the National Association of Software and Services Companies ("NASSCOM"), it expects revenues from the IT/ITES and Business Process Management ("BPM") sector to reach US$225 billion by 2020. India's IT and BPM sector exports are estimated to grow by 11.4% to US$98 billion in FY14/15 and domestic revenues are estimated to grow by 14.3% to US$48 billion for the same period. For FY15/16, NASSCOM forecasts that the Indian IT and BPM sector would grow by 13-15% to US$165-168 billion.

The following table highlights the industry's performance over the last decade.

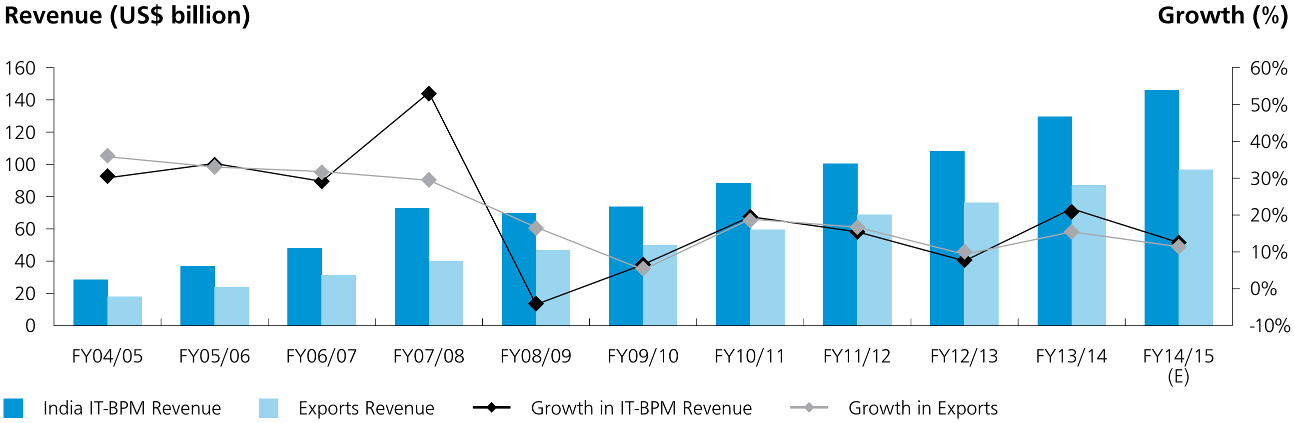
Particulars	Unit	FY-04/05	FY-05/06	FY-06/07	FY-07/08	FY-08/09	FY-09/10	FY-10/11	FY-11/12	FY-12/13	FY-13/14	FY-14/15 (E)
India IT-BPM Revenue	US$ billion	28.1	37.4	47.9	72.9	69.4	73.9	88.2	100.8	108.4	130.1	146.5
Growth in IT-BPM Revenue	%	30%	33%	28%	52%	-5%	6%	19%	15%	7%	20%	12%
Exports	US$ billion	18.2	24.2	31.7	40.9	47.5	50.1	59.4	69.1	76.2	88.0	98.5
Growth in Exports	%	36%	33%	31%	29%	16%	5%	19%	16%	10%	16%	11%
Exports % of Total	%	65%	65%	66%	56%	68%	68%	67%	68%	70%	68%	67%
Domestic Revenue	US$ billion	9.9	13.2	16.2	32	21.9	23.8	28.8	31.7	32.2	42.1	48.0
Increase in Domestic Revenue	%	21%	33%	23%	98%	-32%	9%	21%	10%	1%	31%	14%
Employment	('000)	1,058	1,293	1,621	2,010	2,196	2,300	2,540	2,776	2,964	3,289	3,520
Increase	%	27%	22%	25%	24%	9%	5%	10%	9%	7%	11%	7%

Source: NASSCOM

[9] Information Technology/Information Technology Enabled Services sectors
[10] NASSCOM

3 OVERVIEW OF IT/ITES INDUSTRY IN INDIA (CONTINUED)

As can be seen from the table, the IT/ITES industry has grown nearly fivefold in the last ten years showcasing India's continued and sustainable development in the sector. India's IT exports have witnessed tremendous growth in last ten years with a compounded annual growth rate ("CAGR") of 18%, while domestic revenues have increased by CAGR of 17% during the same period. India's IT/ITES sector revenues have grown from 1.2% of India's GDP in FY97/98 to 9.5%[11] of India's GDP in FY14/15.



Source: NASSCOM

According to NASSCOM's data, India's share of the global sourcing market has also increased from 51% in 2009 to 55% in 2014. The total direct employment from the industry reached nearly 3.5 million as of March 2015[11]. It is estimated that for every 1 direct employment, the industry generates indirect employment of 3-4 person translating to about 10-14 million indirect employment. For FY15/16, software and services export revenues and domestic revenues are expected to grow by 12-14% and 15-17% respectively.

The industry's vertical mix is well balanced across several mature (like BFSI[12], manufacturing, hi-tech/telecom) and emerging sectors (like retail, healthcare and utilities). Though BFSI vertical accounted for more than 40%[11] of the total IT exports in FY13/14, IT exports are also sustaining growth from new opportunities in sectors like hi-tech, manufacturing, retail, healthcare and Telecom. eCommerce is the major driver for growth in domestic IT-BPM revenue fuelled by unprecedented levels of global interest and funding.

Even though India has a 50-55%[11] market share of the global sourcing market, there is tremendous headroom for growth as current offshoring market is still a small part of the outsourcing industry. Significant opportunities exist in core vertical and geographic segments of Asia Pacific and US, and emerging geographies and vertical markets such as BFSI, retail, healthcare and government respectively. Development of these new opportunities can triple the current addressable market, and can lead Indian IT/ITES revenues to US$225 billion by 2020. The industry also has the potential to transform India by harnessing technology for inclusive growth. According to NASSCOM, by focusing on research and development ("R&D") and boosting innovation, the IT/ITES industry is expected to contribute an additional 2% to India's GDP by 2020.

The industry is expanding its scope of services to include complex processes such as knowledge, legal, games and design process outsourcing, among others. According to AT Kearney, India remains the most preferred destination for companies to offshore their IT and back-office operations on account of the cost advantage and availability of skilled people.

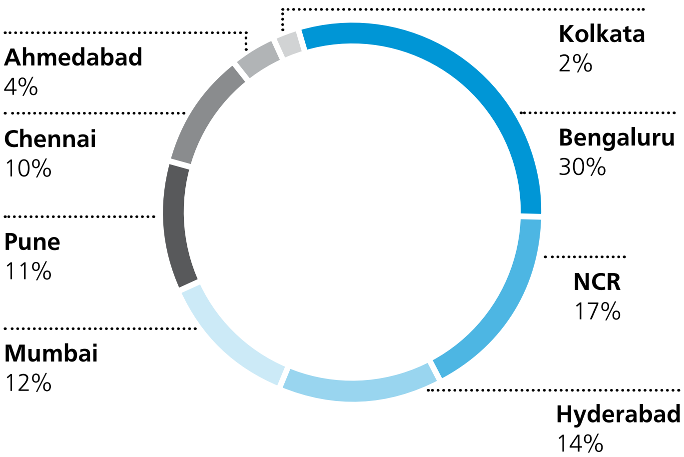
[11] NASSCOM
[12] Banking, Financial Services and Insurance

A INDIA: ECONOMIC & COMMERCIAL REAL ESTATE OVERVIEW

4 OVERVIEW OF OFFICE SPACE MARKET IN INDIA

Demand for office space picked up in most cities during 2014 due to improved occupiers' sentiment. Gross absorption across major 8 cities[13] for the year 2014 was 42.1 million sq ft, an increase of 13% compared to the 37.4 million sq ft absorption in 2013. Increase in absorption is due to the revival of demand from the IT-BPM, manufacturing, consulting and BFSI sectors which continue to grow at a healthy pace in tandem with economic growth. While Chennai, Kolkata, Mumbai and Pune witnessed lower level of gross absorption[14], Ahmedabad, Bangalore, NCR-Delhi and Hyderabad witnessed an increase in gross absorption. Nearly 20-25% of the absorption comprise relocations and/or consolidations, as many occupiers are increasingly leveraging on current market conditions to relocate to better quality, more efficient and cheaper office spaces in the suburbs and peripheral micro-markets across cities.

Gross Absorption 2014 – 42.1 million sq ft



Source: C&W Research

Bangalore registered the highest quantum of gross office space absorption at 12.6 million sq ft, which is approximately 30% of the total gross absorption. This is followed by NCR-Delhi region and Hyderabad with office space absorption of approximately 7.3 million sq ft and 6.0 million sq ft respectively.

In 2014, fresh pre-commitments increased by 80% (10.9 million sq ft) as compared to 2013, reflecting improved sentiments amongst corporate occupiers. Bangalore accounted for almost half of the share as it witnessed pre-commitments from major IT-BPM and consulting firms.

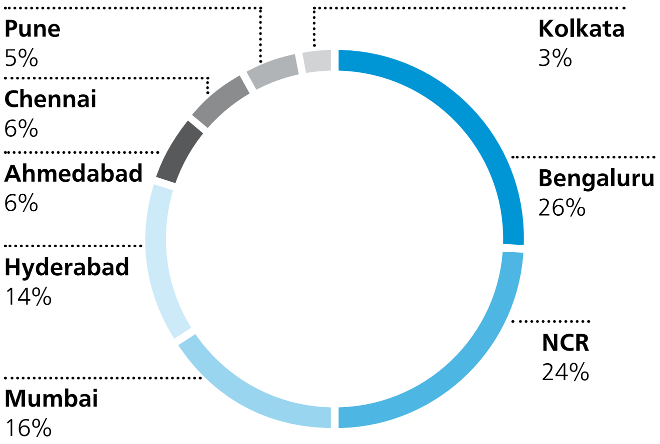
The commercial office sector witnessed about 36.6 million sq ft of supply across the top eight cities during 2014, an increase of 8.7% as compared to 2013. This increase was mainly due to the completion of some of the deferred projects across the cities. Bangalore witnessed the highest quantum of supply of office space with 9.4 million sq ft, followed by NCR-Delhi and Mumbai with supply of 8.7 million sq ft and 5.9 million sq ft respectively.

13 Ahmedabad, Bengaluru, Chennai, Hyderabad, Kolkata, Mumbai, NCR and Pune

14 Gross absorption is the total space occupied and includes new leases, relocations, expansion and consolidation and purchase of space for self use; does not include renewals of existing leases, sub leasing and investment purchases.

4 OVERVIEW OF OFFICE SPACE MARKET IN INDIA (CONTINUED)

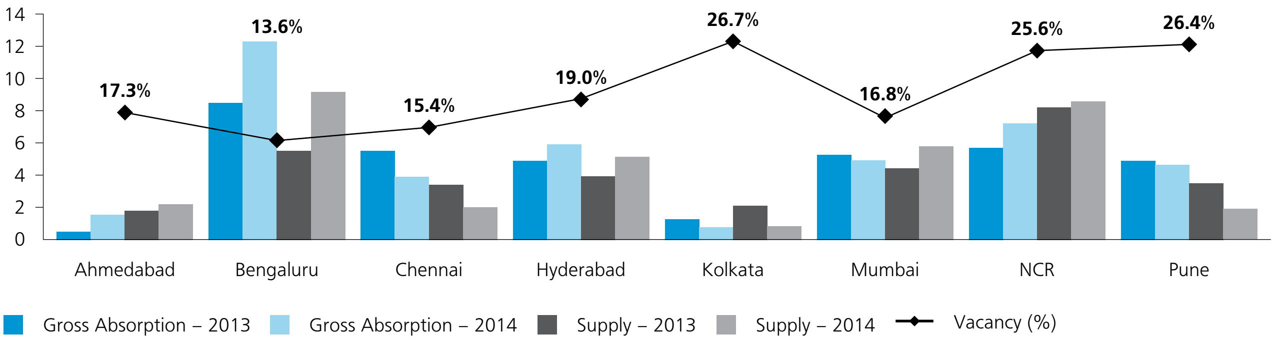
New Office Supply 2014 – 36.6 million sq ft



Source: C&W Research

Vacancy across the office market dropped by 0.5 percentage points from 2013 and was 18.5% as at the end of 2014. This is due to the narrowing of the supply-absorption gap as absorption increased by 12.7% whereas supply increased by 8.7% during 2014.

Area (million sq ft)



Source: C&W Research

Demand for office space is expected to improve in the next few years due to an anticipated improvement in India's economy. IT/ITES and BFSI sectors would be the primary drivers for new office space. Pharmaceutical, eCommerce and manufacturing sectors are also expected to contribute to new office space take up. Relocations and consolidation in large offices will continue as occupiers focus on space. Office space rentals are expected to remain largely stable in the next two years as the supply pipeline is strong and rentals are expected to increase thereafter.

5 OUTLOOK

Business sentiments revived significantly in 2014 due to the decisive election result favouring the growth and reform oriented Indian Government which is led by Narendra Modi. With the Government taking various policy steps to boost the Indian economy, the economic outlook seems positive and the real estate sector is expected to remain strong in 2015.

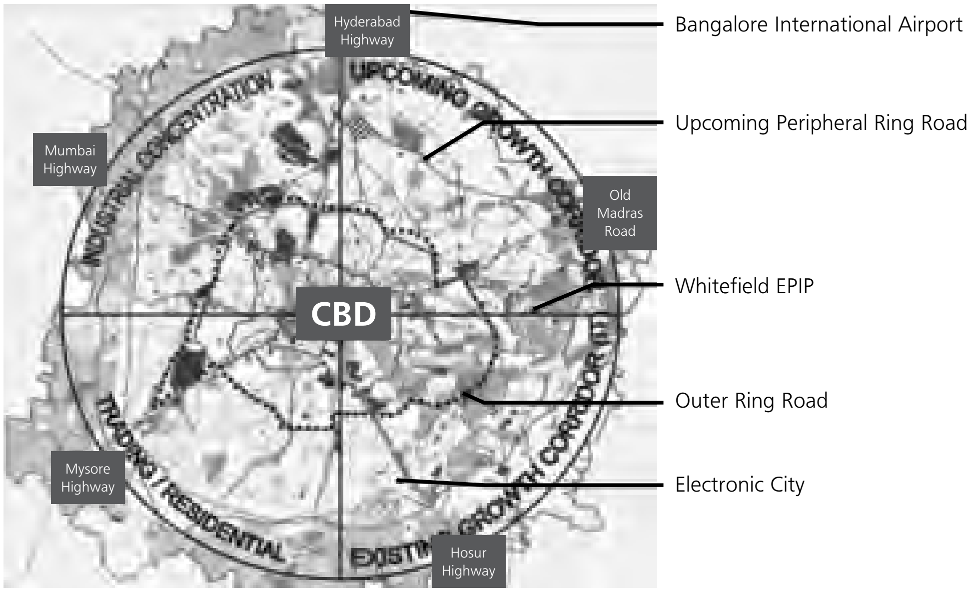
On top of that, the potential launch of REITs by developers and an expected reduction in interest rates by the central bank would improve commercial office space demand going forward. The same is also expected to lead the growth in the residential, retail and hospitality segment.

B BANGALORE COMMERCIAL MARKET OVERVIEW

1 BANGALORE CITY OVERVIEW

Bangalore is the capital of the State of Karnataka and is located in the south east of the state. Greater Bangalore is spread over a total area of over 786 sq km (conurbation area)[15] with a population of around 9.5 million (provisional 2011 census).

The city, known as Silicon Valley of India, has emerged as a favourite IT/ITES destination over the last 8-10 years. Home to companies like Microsoft, Yahoo, Wipro, Infosys, IBM, GE, Google, Accenture, TCS, the city has been the front runner in attracting technology companies.



Source: C&W Research

Apart from successfully attracting IT/ITES companies, Bangalore is considered to be a biotech destination as well. Bangalore houses some of the most prominent biotechnology research institutions of India like Indian Institute of Science and National Centre for Biological Resources. The other industries in Bangalore are related to manufacturing of aircraft, earthmoving equipment, watches, garments, silk, machine tools amongst others.

The city has prominent educational institutions like Indian Institute of Management, Indian Institute of Science, National Law School and a number of engineering/medical colleges offering talent pool to the existing corporations.

[15] www.bdabangalore.org

2 BANGALORE CITY REAL ESTATE – KEY DEMAND DRIVERS

Real estate development has evolved from the centre of the city, with the core business district (MG Road) located at the centre of the city. The development pattern of the city is undergoing a significant shift with development shifting from the central areas to the peripheral areas, mainly along the south eastern corridor owing to the IT/ITES companies and the northern corridor due to the international airport at Devanahalli. These corridors have witnessed large scale commercial as well as residential developments.

Eastern corridor comprising Whitefield, Outer Ring Road (Sarjapur – Marathahalli) and south eastern corridor comprising Hosur Road represents the largest clusters of IT/ITES companies in Bangalore. These peripheral areas have accounted for approximately 70-80% of the aggregate leasing in the city. The Central Business District ("CBD") and Off-CBD locations lose out to the suburban and peripheral locations because of the lack of large contiguous spaces. The subject property is located in the eastern corridor of the city.

The international airport at Devanahalli has led to a spurt in development along the northern quadrant of Bangalore. Numerous residential and commercial projects are under development in this micro-market.

The western and north western corridors of Bangalore city have been concentrated with industries. The major industrial presence is represented by Peenya Industrial Area along Bangalore – Tumkur Road (NH 4). The south western corridor has been a trading and residential hub with industrial presence being mainly represented by the Bidadi Industrial Development Area along the Bangalore-Mysore State Highway.

The development of Ring Roads is expected to boost real estate developments in the city. The development of the Outer Ring Road has contributed to the connectivity of the peripheral areas of the city. Further, a Peripheral Ring Road ("PRR") of about 110 km is proposed around Bangalore at a radial distance between 3-12 km from the existing Outer Ring Road ("ORR") and 14-22 km from the city centre. The south west corridor of the PRR of about 41 km is already operational. The PRR will link major highways at Tumkur Road, Mysore Road, Old Madras Road and the Hosur Road.

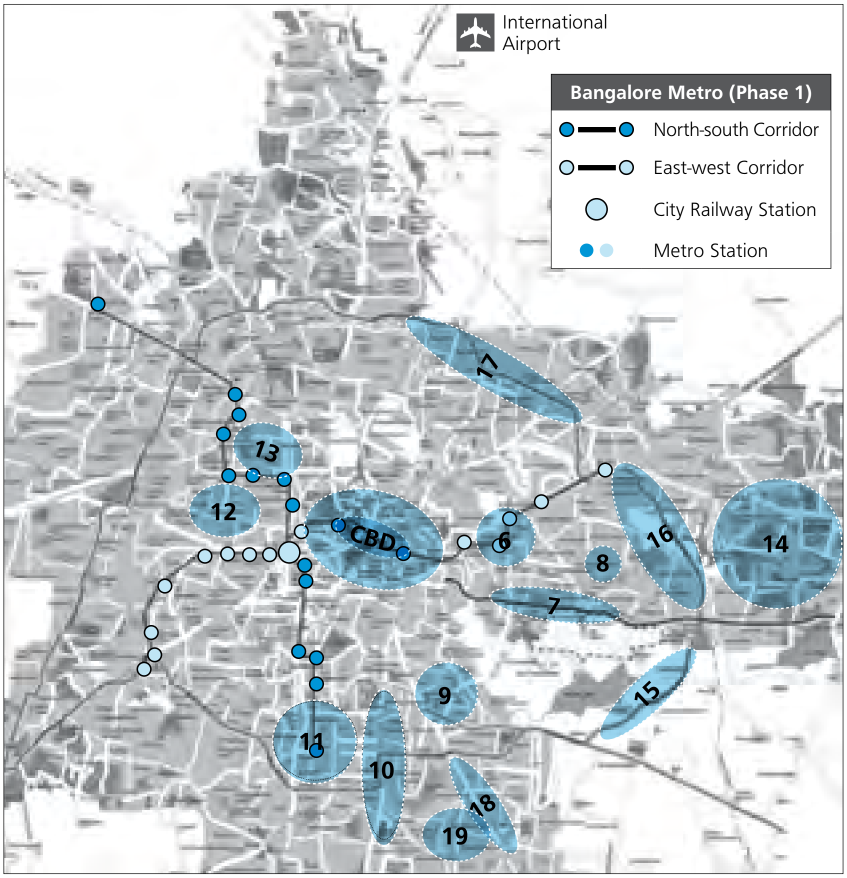
The proposed development of the Intermediate Ring Road and the Satellite Town Ring Road is expected to further improve the connectivity of the peripheral locations to the other parts of the city.

B BANGALORE COMMERCIAL MARKET OVERVIEW

3 COMMERCIAL REAL ESTATE

Bangalore micro-market classification and location for commercial sector is as below. There are primarily four commercial clusters in the city. Peripheral segment is the largest segment for the city and can be subclassified into:

- Whitefield
- ORR (Sarjapur Road – K.R. Puram)
- ORR (Hebbal) and North Bangalore
- Electronic City, Hosur Road and Mysore Road



CENTRAL BUSINESS DISTRICT
Mahatma Gandhi (M.G.) Road
OFF-CBD
1. Cunningham
2. Millers Road
3. Richmond Road
4. Residency Road
5. Lavelle
SUBURBAN
6. Indiranagar
7. Old Airport Road
8. C.V. Raman Nagar
9. Koramangala
10. Bannerghatta Road
11. Jayanagar
12. Rajajinagar
13. Malleswaram
PERIPHERAL
14. EPIP, Whitefield
15. Outer Ring Road (Sarjapur – Marathalli)
16. Outer Ring Road (Marathalli – K.R. Puram)
17. Outer Ring Road (K.R. Puram – Hebbal)
18. Hosur Road
19. Electronics City

3 COMMERCIAL REAL ESTATE (CONTINUED)

The characteristics of each of these segment is presented in the table below:

Micro-market	Locations	Description
CBD and Off-CBD	MG Road, Lavelle Road, Infantry Road, Vittal Mallya Road, Palace Road, Residency Road, Millers Road, Richmond Road, Queens Road, Cunningham Road, Ulsoor Road, Kasturba Road, Victoria Road, Brigade Road, Murphy Road	Being the foremost commercial business district of Bangalore, it houses major banks, financial institutes, insurance companies, few corporate and IT/ITES companies. As of 2014, the CBD and Off-CBD market has a total stock of approximately 10.38 million sq ft. The vacancy rate during 2014 was estimated at 14.4%. During 2014, the CBD/Off-CBD market attracted rentals in the range of ₹65-90/sq ft/month.
Suburban Business District ("SBD")	Koramangala including Adugodi (Hosur Road), Bannerghatta Road up to Outer Ring Road, Indiranagar, Hosur Road (till Silk Board Junction) Airport road including Intermediate Ring Road, CV Ramannagar, JP Nagar, Jayanagar and Old Madras Road	Located at a distance of 5-7 km from the CBD, these locations house many medium sized IT/ITES companies. As of 2014, the stock of office space in suburban markets can be estimated as 28 million sq ft. Vacancy in the suburban markets as of 2014 was registered at 7.9%. During 2014, the Suburban market attracted rentals in the range of ₹60-90/sq ft/month, based on the type of property and the location.
Peripheral Business District ("PBD")	Whitefield, Electronic City, Outer Ring Road (Hebbal Flyover – Sarjapur Road), Hosur Road (From Silk Board Junction – Electronic City), Hebbal and Bellary Road (including Yelahanka and Jakkur)	Peripheral locations currently account for 70-80% of the city's absorption due to availability of large contiguous spaces. The stock in these markets is estimated to be around 87.9 million sq ft. Vacancy in these markets as of 2014 was approximately 14.4%. During 2014, the peripheral market attracted rentals in the range of ₹25-60/sq ft/month, based on the type of property and the location.

Source: C&W Research

B BANGALORE COMMERCIAL MARKET OVERVIEW

4 CONNECTIVITY

Bangalore, being the IT/ITES hub of India, has good connectivity to other cities of the country. It has good connectivity through all the three modes (rail, road and air) of inland transportation.

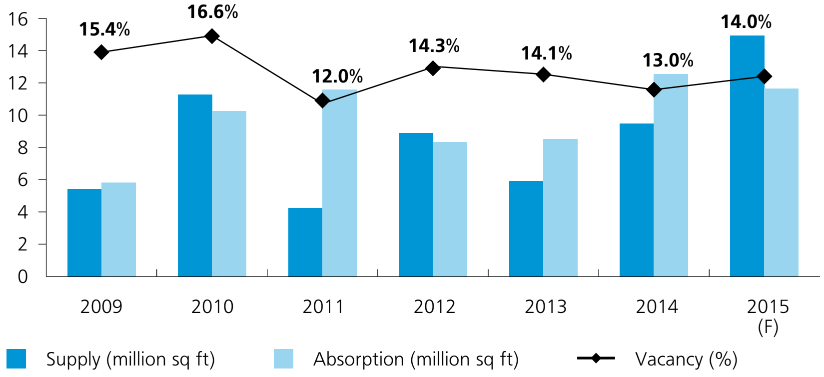
Infrastructure	Description
Airport	The Nadaprabhu Kempegowda International Airport (earlier known as Bangalore International Airport) located at Devanahalli started operations since May 2008. The airport currently has a capacity to handle 12 million passengers every year. The movement of the airport to North Bangalore has resulted in development of this section as the new growth corridor of the city. On 14th December 2013, another terminal – Terminal IA spread over 150,500 sqm has become operational, which has increased the capacity of the airport to approximately 20 million passengers ever year. The renaming of the international airport took place on 14th December 2013, along with the opening of the new terminal.
Roads and Highways	Bangalore is connected to various locations in Karnataka and other states via state and national highways respectively. National Highways connecting Bangalore to: • NH 4 – Maharashtra • NH 7 – Tamil Nadu in the south and Andhra Pradesh in the north • NH 48 – Andhra Pradesh via Doddaballapur • NH 207 – Tamil Nadu via Anekal in the south and to Andhra Pradesh via Hoskote in the north • NH 209 – Coimbatore in Tamil Nadu via Kanakapura State Highways connecting Bangalore to: • SH 17 – Mysore • SH 82 – Andhra Pradesh • SH 96 – Kolar
Railways	Bangalore is one of the well-connected cities in southern India via rail. It has both meter gauge and broad gauge rail services. In all, the city has four railway stations i.e. Bangalore City Railway Station, Bangalore Cantonment Railway Station, K.R. Puram Railway Station and Yeshwanthpur Railway Station.
Elevated Expressway	NHAI has constructed approximately 22 km long, elevated, six-lane expressway, connecting Hebbal to Trumpet Loop Junction near Nadaprabhu Kempegowda International Airport. The travel time from Hebbal to the International Airport is reduced to approximately 30 minutes from 1 hour due to the expressway.

Source: C&W Research

5 SUPPLY, ABSORPTION AND VACANCY TRENDS OF THE CITY

In the last eight years, Bangalore and Whitefield micro-market had witnessed steady supply and absorption of office space. In particular, in the last 4-6 years, as compared to the major cities in India like Mumbai, NCR, Pune, Kolkata, Chennai and Hyderabad, Bangalore has witnessed the highest quantum of office space absorption. The chart below represents the supply, absorption and vacancy trend for the city since 2009:

Area (million sq ft)



Source: C&W Research

A snapshot of the supply, absorption and vacancy trend for the city is as below (based on C&W Research):

- The total stock of non-captive commercial office space in Bangalore as at 31 December 2014 is approximately 126.3 million sq ft (including Grade A and B office space).
- The total absorption of commercial office space in Bangalore from January to December 2014 has been approximately 12.6 million sq ft (approximately 48% higher than the previous year).
- The supply of commercial office space from January to December 2014 increased by around 61% at approximately 9.4 million sq ft vis-a-vis the commercial office supply in the year ending 2013 at approximately 5.8 million sq ft.
- The expected commercial office space supply in Bangalore in the next 2-3 years is approximately 30.6 million sq ft.
- The rentals in peripheral micro-markets of the city have remained stable in 2014 vis-a-vis the rentals in 2013 with the exception of North Bangalore which has increased by around 6%.
- The rentals in CBD/Off-CBD and suburban micro-market has reduced by around 14% and 8% respectively in 2014 vis-a-vis the rentals in 2013.
- The vacancy level for commercial office space in Bangalore as at December 2014 was approximately 13% and that as at December 2013 was 14%.
- The peripheral market of ORR will continue to remain as the preferred occupier destination considering the concentration of pre-commitments in this location during this year. Going forward, rental levels are anticipated to hold on to the same levels.

B BANGALORE COMMERCIAL MARKET OVERVIEW

5 SUPPLY, ABSORPTION AND VACANCY TRENDS OF THE CITY (CONTINUED)

The details of some of the leases in Bangalore from January to December 2014 are as follows:

Project	Micro-market	Lessee	Area Leased (sq ft)
Magnolia, Kalyani Platina	Whitefield	HP	400,000
Block 5A, RMZ Ecoworld	Outer Ring Road	ANZ	394,920
Elnath Block, Prestige Exora	Outer Ring Road	Juniper	350,000
Aviator, ITPB SEZ	Whitefield	ACS	350,000
Velocity, Prestige Technology Park II	Outer Ring Road	Oracle India	346,273
Block 8A, RMZ Ecoworld	Outer Ring Road	SAP	325,360
Tower ''C'', Global Axis Ph-2	Whitefield	TCS	300,000
Embassy Golf Links Business Park	Inner Ring Road	Goldman Sachs India	300,000
Tower ''B'', Global Village Tech Park	Mysore Road	Accenture India	300,000
Prestige Technopolis	Koramangala	Accenture India	275,000
Vector Block, Prestige Tech Park III	Outer Ring Road	Aricent Technologies	256,971
Aviator, ITPB SEZ	Whitefield	Mu Sigma	250,000
Block 1, Prestige Exelsior	Outer Ring Road	SanDisk	240,000
Pardhanani Wilshire	Outer Ring Road	Flipkart	240,000
Elnath Block, Prestige Exora	Outer Ring Road	Bosch	218,279

Source: C&W Research

6 COMPETITION ANALYSIS – WHITEFIELD

International Technology Park Bangalore ("ITPB") was the first Grade A office space development in Bangalore. ITPB provides extended warm shell space[16] in its non-SEZ office space while most developments in the vicinity only offer warm shell space. Due to the extended warm shell specification as well as the other facilities ITPB offers, it commands higher rentals as compared to other development in the vicinity.

Whitefield's commercial micro-market comprises a mix of build-to-suit campus and speculative developments. The success of ITPB led to the development of many commercial buildings/projects in the micro-market. The present stock of office space in Whitefield is approximately 28.6 million sq ft (including ITPB) and accounts for approximately 23% of the office stock in the city. The micro-market has witnessed reduction in vacancy from 20.4% in 2013 to 16.4% in 2014. In addition, the micro-market witnesses competition from developments in Outer Ring Road too.

16 Includes air conditioning ducting, false ceiling, lighting and fire fighting systems

6 COMPETITION ANALYSIS – WHITEFIELD (CONTINUED)

Some of the prominent commercial developments in Whitefield include:

Building Name	Developer	Year of Completion	Completed Area (sq ft)	Vacancy 4Q 2014	Quoted Rentals (₹/sq ft/month)	Main Occupiers
Prestige Shantiniketan	Prestige Developers	2013	3,510,000	51%	36	Sonus Networks, Alcon Laboratories, Cap Gemini
DivyaSree Technopark	DivyaSree Developers	2014	1,825,000	7%	40	Accenture
Kalyani Platina	Kalyani Developers	2014	1,320,000	6%	36	Mu Sigma, HP, Delphi
Salarpuria GR Tech Park	Salarpuria Group	2008	1,255,000	1%	32	HP, Sapient, TCS, Goldman Sachs
Bearys Global Research Triangle (Ph-1)	Beary's Group	2012	900,000	25%	46	Schneider Electric India Private Limited, Bluefish Pharmaceuticals Private Limited
Brigade Metropolis	Brigade Developers	2010	835,000	0%	NA	Cap Gemini, GE Health Care
RMZ NXT	RMZ Corp.	2007	800,000	0%	NA	State Street Global Advisor, Allegys, Rolls Royce

Source: C&W Research

The total supply of commercial office space in Whitefield from January to December 2014 was 1.6 million sq ft which is 16.8% of the total supply of commercial office space in Bangalore. Due to the existing availability of office space in the micro-market, developers have been cautious and there is limited upcoming supply in the micro-market. The upcoming planned supply of commercial office space in Whitefield in the next 2-3 years is approximately 3.7 million sq ft, which would be approximately 12% of the total upcoming supply of Bangalore in the next 2-3 years.

Some of the prominent upcoming projects (planned for 2015) in the subject micro-market are as follows:

Project	Area (sq ft)
DivyaSree Techno Park (C1)	640,000
Salarpuria Mind Comp	425,000
Brigade IRV Centre	270,000

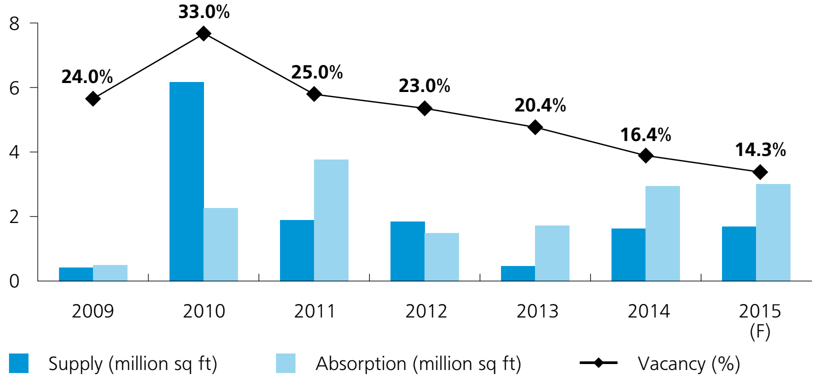
Source: C&W Research

B BANGALORE COMMERCIAL MARKET OVERVIEW

7 ABSORPTION AND VACANCY OF THE MICRO-MARKET

As per C&W research, the total absorption of office space in the year 2014 (January to December 2014) was approximately 2.9 million sq ft in the micro-market. Whitefield currently accounts for approximately 23% of the total city's absorption. The total vacancy of commercial office space in the subject micro-market is approximately 16.4% as on December 2014. The supply and absorption trend for the micro-market has been highlighted below:

Area (million sq ft)



Source: C&W Research

C ITPB: PROPERTY ANALYSIS

1 INTRODUCTION

The property is located in Whitefield (East Bangalore) within the Export Promotion Industrial Park zone (approximately 650 acres). The micro-market houses over 400 companies, prominent amongst them are Oracle, SAP, TCS, Cap Gemini, IBM, GM, Nipuna, GE, HUL, iGate, Aviva, 24*7, HCL Perot Systems and Intel. Currently, the accessibility in the micro-market is good with access to MG Road, the CBD and the new International Airport at Devanahalli. Furthermore, the connectivity is expected to improve in the future with the development of the Peripheral Ring Road.

Profile of International Tech Park Bangalore ("ITPB")

Overview		
Date of Operation	Discoverer	: Nov 1998
	Innovator	: Nov 1998
	Creator	: Nov 1998
	Explorer	: Jun 2002
	Inventor	: Nov 2004
	Navigator	: Jan 2007
	Concourse	: Nov 1998
	Park Square Mall	: Dec 2010
	Voyager SEZ	: June 2011
	Aviator SEZ	: January 2014

Configuration		
Total Project Area (Land)	68.5 acres	
Development Mix	IT/ITES Office Space (Non SEZ)	: 1,697,616 sq ft
	SEZ Space	: 1,138,993 sq ft
	Retail Mall	: 445,688 sq ft
	Concourse	: 114,909 sq ft
Floor Plate Area (Approximate)	Discover	: 20,000 sq ft
	Innovator	: 40,000 sq ft
	Creator	: 60,000 sq ft
	Explorer	: 33,000 sq ft
	Inventor	: 31,000 sq ft
	Navigator	: 34,000 sq ft
	Concourse	: 116,000 sq ft
	Park Square Mall	: 75,000 sq ft
	Voyager (SEZ)	: 40,000 sq ft
	Aviator (SEZ)	: 45,000 sq ft
Number of Floors	Discoverer	: G +13 floors
	Innovator	: G + 11 floors
	Creator	: G + 5 floors
	Explorer	: G + 11 floors
	Inventor	: G + 8 floors
	Navigator	: G + 11 floors
	Concourse	: G
	Park Square Mall	: LG + 4 floors
	Voyager (SEZ)	: G + 13 floors
	Aviator (SEZ)	: G + 13 floors

C ITPB: PROPERTY ANALYSIS

1 INTRODUCTION (CONTINUED)

Profile of International Tech Park Bangalore ("ITPB") (Continued)

Location	
Address	Survey No. 80, 83, 85, 86, 110/1, 110/2, 111/2, 113/1, 113/2, 114/3a, 114/3b, 114/1, 115/1, 115/2, 115/3, 116, 117, 118, 119, Sadarmangala/ Pattandur Agrahara, Krishnarajpura Hobli, Bangalore urban district.
Business District	Peripheral Business District
Proximity to CBD	20 km (45-60 minutes)
Proximity to Airport	45 km (75-115 minutes)
Proximity to Railway Station (Bangalore city station)	20 km (45-60 minutes)
Proximity to Nearest Prime Residential Development: Whitefield	Less than 1 km (1-3 minutes)
Proximity to Nearest Retail/Entertainment	Within ITPB
Connecting Arterial Roads	Whitefield main road
Surrounding Localities	Whitefield main Road on the north, on the west is GR Tech Park, on the east is Nagarjuna Signet building while the south the property is abutted by a connecting road.
Access to Public Transport	ITPB is well connected by the local Bangalore bus network to important commercial and residential locations in Bangalore.
Access to Hired Transport	Close to the development are auto rickshaw stands and call cabs vendors.

Infrastructure	
Power Supply	Dedicated captive power plant of 20 MW operating in synchronous with 220 KV state grid.
Voice & Data Communication	The park is supported by eight 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 and 24-hour security.
Building Management System	Centrally monitored and controlled at a common console. Common area lighting and air-conditioning are time controlled through the building management system.
Parking	Basement car park and a multi-level car park.

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, comprising cabins, discussion and conference rooms. It has six cabins with total 9 workstations, two suites with 16 workstations and one discussion room and three multi-purpose halls.
Retail Mall (covers the basement floors)	ATMs, food court, coffee shops, telephone service providers, convenience store, travel agent, and health care centre/clinic and pharmacy.

Source: Ascendas Property Fund Trustee Pte. Ltd.

2 LOCATION & ACCESSIBILITY

ITPB is located in Whitefield, which is a PBD of Bangalore. Whitefield is located in the eastern quadrant of Bangalore. It is approximately 20 km from the CBD and 45 km from the international airport at Devanahalli.

3 TENANT MIX

The property has a diverse client base of IT/ITES, telecom, engineering, advanced research industry occupiers. The major tenants in the development are TCS, Societe Generale, General Motors etc.

C ITPB: PROPERTY ANALYSIS

4 DEVELOPMENT PERFORMANCE

ITPB was conceptualised as a 'plug-and-play' concept and is equipped with such features to provide a complete lifestyle environment with value-added amenities. Some of these features include:

- Dedicated captive power plant of 20.0 MW, Wi-Fi/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.
- Lush landscaping with fountains enhancing aesthetic appeal of the property.
- 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.
- Dedicated retail area with food courts and five-star hotel.

5 SWOT ANALYSIS

Strengths	•	Established brand with International quality Grade A development.
	•	Located within the IT corridor of the city with good connectivity and enjoys good frontage on the access road.
	•	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 integrated development (retail/SEZ/Non-SEZ/hospitality) adds value to the property.
Weaknesses	•	Traffic congestion during peak hours.
Opportunities	•	Preferred location for clients requiring higher warm shell specifications.
	•	With development of retail, residential and hotel projects on Whitefield Road, the micro-market is self-sufficient in nature and a preferred residential location for both end users and investors alike.
Threats	•	Upcoming supply in the micro-market.

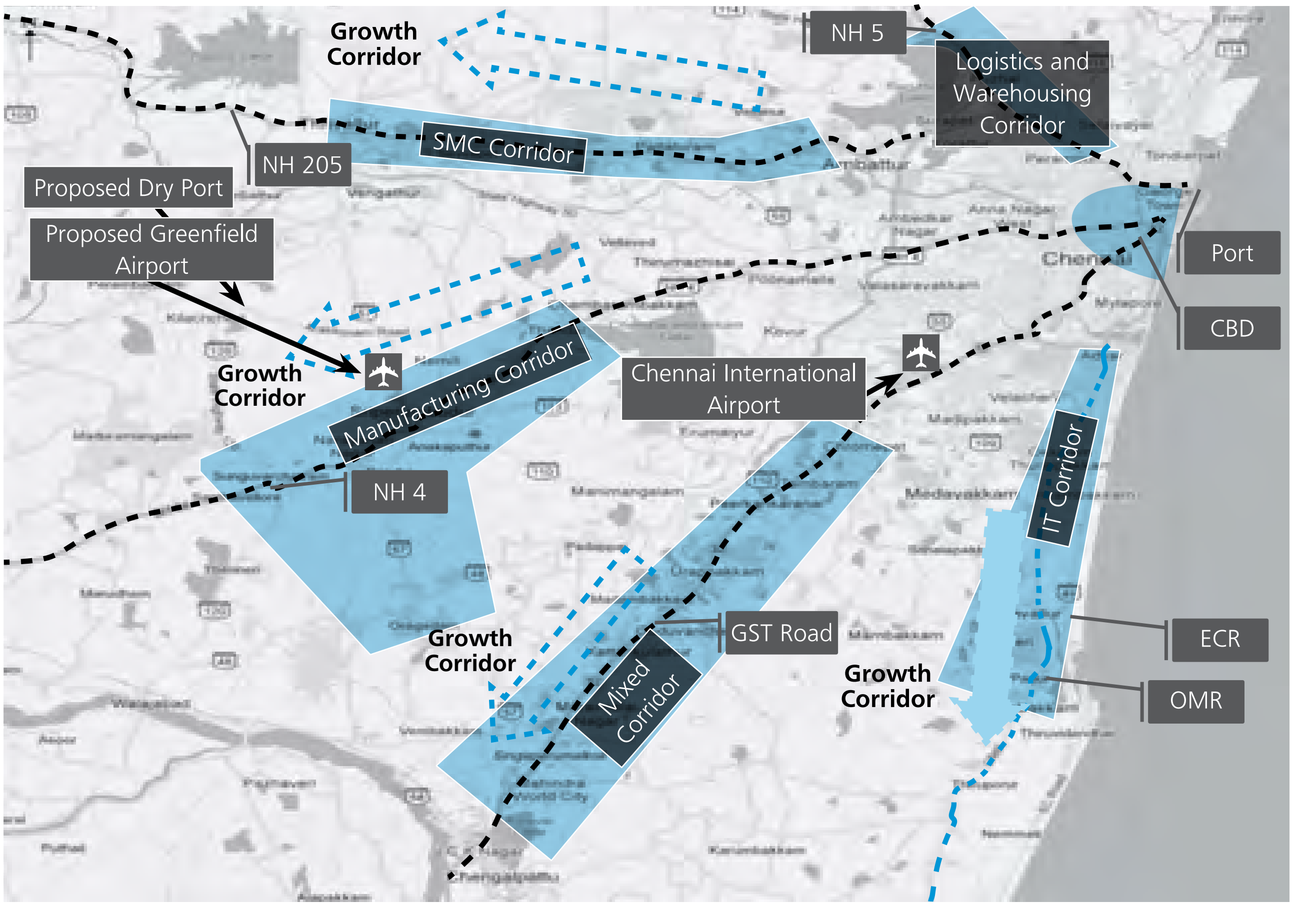
6 OUTLOOK

Whitefield is a self-sufficient suburb of the city. Further, with the ongoing infrastructure initiatives like the metro rail line and the peripheral ring road, the connectivity of the micro-market is expected to improve over the next few years. Rentals are expected to remain stable over the next 3-4 years owing to current vacant stock and potential upcoming supply which would be able to cater to the demand of commercial office space in the subject micro-market. However, due to the facilities provided by ITPB and the extended warm shell option, the property is expected to continue commanding a rental premium in the future.

D CHENNAI COMMERCIAL MARKET OVERVIEW

1 CHENNAI CITY OVERVIEW

Chennai, the capital city of Tamil Nadu, is spread over a total area of 1,189 sq km[17] (metropolitan area), with an estimated population of approximately 8.7 million[18] in 2011 and a decadal growth of approximately 33%. The physical infrastructure of the city is fairly well developed with good road, rail, air and sea transport networks. Chennai's airport provides both domestic and international connectivity. The Chennai airport is located off Grand Southern Trunk Road (NH 45) and 16 km from the city centre.



Chennai is the third largest commercial and industrial centre in India, and is known for its cultural heritage and temple architecture. The city, known as the 'automobile manufacturing hub' of India, is a preferred manufacturing destination with over 60% share of India's automobile exports[19]. According to the survey by Cyber Media and Tholons, Chennai is one of the 6 cities from India and top 8 cities in the world, featured in the emerging outsourcing destinations. Chennai serves as the manufacturing base of large multinationals like Ford Motors, Hyundai, Saint-Gobain, Nokia and Flextronics. It is also home to IT/ITES majors like Infosys, Wipro, Polaris, Accenture, I-Flex, TCS, Cognizant.

17 Chennai Metropolitan Development Authority ("CMDA")
18 Census India 2011
19 Invest India

D CHENNAI COMMERCIAL MARKET OVERVIEW

2 CHENNAI CITY REAL ESTATE – KEY DEMAND DRIVERS

Chennai has registered significant growth in terms of real estate. The expanding city limits and growing population have been key drivers of the city's growth. As a result, the real estate sector also registered expansion towards the suburban and peripheral locations in order to meet the rising housing demand. Chennai has a diversified economic base anchored by the automobile, software services and electronics hardware sectors. These are the predominant sectors driving the economic and real estate growth in the city.

Software and Software Services

Software development and business process outsourcing are sectors that have been imperative for the growth of real estate in Chennai. Major software and software services companies like Accenture, CTS, HCL, HP, IBM, Infosys, WIPRO, TCS, and Microsoft have development centres in the city. The city is now the second largest exporter of IT/ITES in the country behind Bangalore. IT/ITES sector has been the major driver of office space and residential space in Chennai, particularly along the Old Mahabalipuram Road ("OMR") and Pour micro-markets.

Electronics Hardware

Chennai has emerged as an electronic manufacturing hub with multinational corporations like Dell, Nokia, Motorola, Cisco, Samsung, Siemens, Sony-Ericsson, Flextronics and Foxconn setting up electronics/hardware manufacturing plants, particularly in the Sriperumbudur Electronics SEZ. Ericsson and Alcatel have research and development facilities in the city while Texas Instruments' R&D facility is in the pipeline. The development of electronics hardware manufacturing sector has in turn resulted in the development of Sriperumbudur and other such neighbouring hubs as an affordable residential destination sought after by both end-users and investors.

Automobiles

According to Invest India, Chennai accounts for 60% of India's automotive exports, which leads it to be called as 'The Detroit of Asia'. Chennai has a market share of around 30%[20] of India's automobile industry and 35%[21] of its auto components industry. A large number of automotive companies such as BMW, Hyundai, Ford, Renault Nissan, Mitsubishi, TVS Group companies, Ashok Leyland, TI Cycles, TAFE, Dunlop, and MRF have manufacturing plants in and around Chennai. Daimler and Apollo Tyres have also started production in their plants. The growth of the automobile sector has resulted in the creation of industrial clusters along Oragadam, Sriperumbudur and several parts of Grand Southern Trunk ("GST") Road. This, in turn, translated to an increase in support infrastructure, especially in terms of housing.

[20] GIREM
[21] Tamil Nadu Industrial Guidance & Export Promotion Bureau

3 COMMERCIAL REAL ESTATE

Chennai has emerged as a favoured investment destination for manufacturing, IT/ITES and logistics by virtue of its strategic location and government subsidies. Government initiatives to attract investments, significant improvement in the quality of real estate developments and the favourable business environment have also contributed to the bustling activities in the city. As such, commercial real estate witnessed healthy demand and supply post year 2000.

Commercial Corridors

There are primarily five commercial clusters in the city; all clusters are a mix of commercial and retail developments. Retail developments in the peripheral areas of OMR and GST Road are at a very nascent stage.

1. Old City
2. IT Corridor
3. CBD
4. Off-CBD
5. Suburban
6. Peripheral

D CHENNAI COMMERCIAL MARKET OVERVIEW

3 COMMERCIAL REAL ESTATE (CONTINUED)

Commercial corridors in Chennai

Micro-market	Locations	Description
CBD	Anna Salai, Nungambakkam and R.K. Salai.	As of 2014, the CBD market has a total stock of approximately 14.8 million sq ft. The vacancy rate during 2014 was estimated at 11.9%. The CBD market has limited supply of Grade A buildings and command the highest rental in Chennai market due to limited availability. During 2014, the CBD market attracted rentals in the range of ₹70-80/sq ft/month.
Off-CBD	T.Nagar, Alwarpet, Kilpauk	These markets account for approximately 9.8 million sq ft of stock. Off-CBD markets registered a vacancy of around 9.7% during 2014 and rentals were in the range of ₹55-65/sq ft/month.
Suburban Markets	Guindy, Taramani-Perungudi (OMR) and Ambattur clusters	These clusters are the emerging office markets with significant demand. With limited availability of space in CBD and off-CBD markets, suburban markets are registering buoyant demand from occupiers. Stock in suburban markets was estimated to be around 35.2 million sq ft during 2014. Vacancy was registered at 11.7% during 2014 and rentals ranged between ₹45-65/sq ft/month in the Guindy, Taramani-Preungudi market and ₹25-30/sq ft/month in the Ambattur market.
Peripheral Markets	Locations after Thoraipakkam in OMR and after Perungalathur in GST	While GST has very limited stock of office buildings, OMR has ample stock of the same. The stock in these markets was estimated to be around 13.7 million sq ft. Vacancy in these markets as of 2014 was approximately 25.4%. Due to limited demand for office space, these markets have relatively higher vacancy levels. Office rentals in the peripheral districts ranged between ₹25-40/sq ft/month.

Source: C&W Research

4 CONNECTIVITY

Transport Mode	Details
Rail	Rail connectivity within Chennai is through the suburban railway network. It consists three lines: 1. Beach – Tambaram (30 km, 18 stations): This section is parallel to but completely separate from the long-distance tracks of Indian Railways. The Trisulam station on this line is 100 metres from the Chennai International Airport terminal. 2. Chennai Central – Pattabiram (25 km, 15 stations): This section is again parallel to but completely separate from long-distance tracks. Services run for a further 34 km (14 stations) on this line on tracks shared with long-distance tracks. 3. Chennai Central – Gummidipoondi (48 km, 16 stations): This line currently shares tracks with long-distance trains but there are plans to build exclusive tracks in the future. In addition to the above rail network, the Chennai Metro Rail Project is underway. The detailed project report envisages the creation of 2 initial corridors under the proposed Chennai Metro Rail Project as shown below: • Corridor 1: Washermenpet – Chennai Airport • Corridor 2: Chennai Fort – St. Thomas Mount Safety inspection was conducted by the commissionerate for metro rail safety and another visit will be scheduled to assess the safety parameters at stations, via ducts and other key infrastructure. The inauguration of this stretch is expected by December 2015.
Road	Road network in Chennai City is dominated by a radial pattern converging at George Town, which forms the CBD of the entire Chennai Metropolitan Area. Road transport is the dominant mode of transportation in the city both for moving goods and passengers, thereby assuming a pivotal role in development of the city. As per the Second Master Plan, the Chennai Municipal Corporation is maintaining about 2,875 km of road, of which 130 km are highway roads, 222 km are bus route roads and 2,475 km are the interior roads and by lanes with a per capita road length of 0.6 m. In addition, the administrative jurisdiction of the Chennai Municipal Corporation had about 130 km of National Highways. Furthermore, the city had about 158 bridges, 40 culverts, 15 subways and 9 over bridges of road infrastructure. The Chennai Metropolitan Development Authority proposed to develop an Outer Ring Road alignment in the form of an express way with Rapid Rail system from Vandalur to Minjur. The expressway, which is 60 km long with inter-change facilities at five major road crossing, would cost an estimated ₹4 billion to build. The project is being executed under the 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 six lanes and two service lanes for two-way transportation.

D CHENNAI COMMERCIAL MARKET OVERVIEW

4 CONNECTIVITY (CONTINUED)

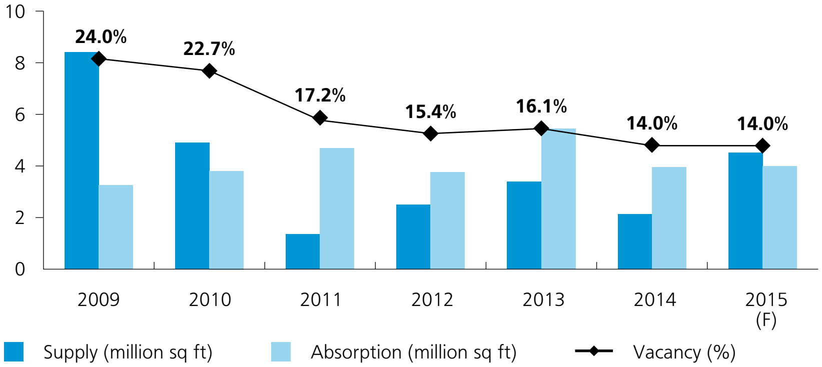
Transport Mode	Details
Air	Chennai's airport provides both domestic and international connectivity and is located off GST Road, 16 km from the CBD. Chennai is currently serviced by 19 international and 9 domestic airlines.
Sea	The city is served by two major ports namely Chennai Port (one of the largest artificial ports in India) and Ennore Port. The Chennai port is the largest in the Bay of Bengal, with an annual cargo tonnage of 61.5 million (2010-11), and the second busiest container hub in India. The port handles transportation of automobiles, motorcycles and general industrial cargo. The Ennore Port with an annual cargo tonnage of 11.0 million (2010-11) handles cargo such as coal, ore and other bulk and rock mineral products.

Source: C&W Research

5 SUPPLY, ABSORPTION AND VACANCY TRENDS OF THE CITY

The average commercial office space absorption in Chennai has been approximately 4.2 million sq ft per year during the last six years. Due to the high vacancy witnessed during 2009-11, there was a decline in the supply of commercial office space in 2011-14 as compared to 2009-10.

Area (million sq ft)



Source: C&W Research

A snapshot of the supply, absorption and vacancy trend for the city is as follows (as per C&W research):

- The average absorption of commercial space for last six years is approximately 4.2 million sq ft per year. The absorption in 2014 was approximately 4.0 million sq ft.
- Office space supply during 2014 registered a decrease of 37% over supply registered during 2013. Supply during 2014 was registered at 2.1 million sq ft.
- Vacancy levels decreased from 16.1% in 2013 to 14.0% in 2014. The decrease is due to the decrease in supply during the year.

5 SUPPLY, ABSORPTION AND VACANCY TRENDS OF THE CITY (CONTINUED)

The major transactions during the year are as follows:

Project	Micro-market	Lessee	Area Leased (sq ft)
Block B5, Shriram The Gateway	Perungudi	Accenture	220,000
Center Point II	Guindy	BNP Paribas	178,200
Neville, Ramanujan IT City	Taramani	Tata Consultancy Services	109,000
Futura Tech Park	OMR	Scope International	100,000
DLF IT Park	Manapakkam	Tata Consultancy Services	73,000
DLF IT Park	Manapakkam	Thirdware	56,000
Prince Info City II	OMR	Thinksoft	56,000
Acropolis	RK Salai	Citibank	54,600

Source: C&W Research

- The overall supply of office space across the next 2-3 years in Chennai is anticipated to be approximately 5.0 million sq ft. Due to limited supply of IT SEZ closer to the city, SEZ spaces in suburban locations are expected to witness heightened demand in the near future.

- Upcoming projects in Chennai include:

Project	Location	Proposed Area (sq ft)
Ramanujan IT SEZ – Phase II (2 Blocks)	Old Mahabalipuram Road	1,326,000
DLF IT Park (2 Blocks)	Mt. Poonamallee Road	850,000
The Gateway (2 Blocks)	GST Road	800,000
The Point	Sholinganallur	650,000
High Street IT Park	Teynampet	162,000

Source: C&W Research

6 COMPETITION ANALYSIS – OMR

OMR is home to a number of IT developments. Since the development of TIDEL Park, office market along the corridor has registered tremendous growth. The major players in the IT arena have their own campuses while SMEs occupy the multi-tenanted structures.

With the commissioning of the toll plaza at Perungudi in 2008, OMR was split into two stretches – Madhya Kailash to Perungudi and Thoraipakkam to Siruseri. The suburban parts of OMR constituting Perungudi and Taramani account for 62% of the stock, while the latter part of OMR extending from Thoraipakkam to Siruseri accounts for the remaining 38% of the total stock in the corridor.

D CHENNAI COMMERCIAL MARKET OVERVIEW

6 COMPETITION ANALYSIS – OMR (CONTINUED)

Some of the prominent commercial developments in the micro-market include:

Building Name	Developer	Year of Completion	Completed Area (sq ft)	Vacancy 4Q 2014	Quoted Rentals (₹/sq ft/month)	Main Occupiers
Ramanujan IT SEZ	Tata Realty and Infrastructure Ltd	2011 onwards	3,274,000	5%	75	TCS, Cognizant, HP, Mindtree, Citibank, Astrazeneca
RMZ Millennia	RMZ Corp	2005-2008	2,219,220	0%	45 (last transacted)	Ford, Caterpillar, Shell, HP
SP Info City (Ph 1 & 2)	Shapoorji & Pallonji	2009, 2014	1,810,000	4%	55	Amazon, Saksoft, Citibank, HSBC
Tidel Park	TIDCO & ELCOT	2000	1,296,000	10%	44	TCS, Ajuba, iNautix
Chennai One SEZ	IG3 Infra Limited	2006	1,200,000	2%	50	Tata Consultancy Services, HCL, Wipro, Siemens, Polaris
Prince Info City II	Prince Foundations	2005	693,000	18%	45	IBM, Tata Teleservices, 3i Infotech, Thinksoft Global Services
AKDR Tech Park	Ceebros	2009	204,000	17%	35	Ajuba, 3Edge Solutions, Finatel Technologies

Source: C&W Research

Details of the upcoming projects along OMR are as follows:

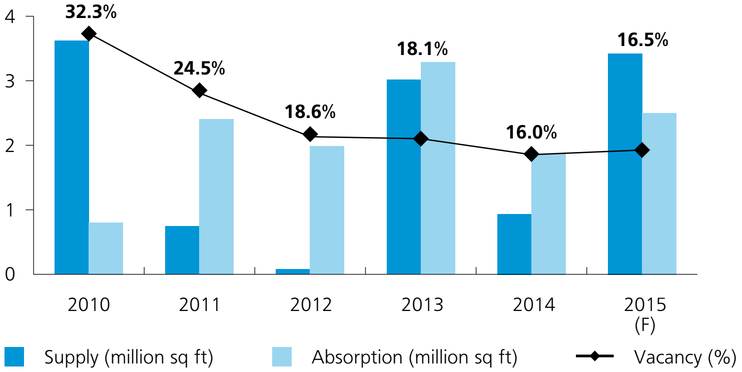
Project	Developer	Location	Total Leasable Area (sq ft)
Chennai One Phase II	IG3 Infra	Thoraipakkam	2,400,000
SP Info City (Block C)	Shapoorji & Pallonji	Perungudi	950,000
The Point	DivyaSree	Sholinganallur	650,000

Source: C&W Research

7 ABSORPTION AND VACANCY OF THE MICRO-MARKET

In 2014, OMR witnessed a total supply of around 0.9 million sq ft accounting for 44% of the total supply in Chennai. Leasing during the same time period was registered at 1.9 million sq ft. OMR contributed around 46% to the overall absorption in the city. The overall vacancy in OMR was registered at approximately 16.0% as against the overall city vacancy of 14.0%.

Area (million sq ft)



Source: C&W Research

With limited supply infused in the micro-market during 2014 and the absorption taking place in the completed buildings available in the micro market, the vacancy in the micro market has seen a dip from 18.1% in 2013 to 16.0% in 2014.

8 COMPETITION ANALYSIS – GST ROAD

The influx of IT/ITES space into the GST corridor is largely due to the spillover demand from the IT corridor, higher rentals in OMR and better physical connectivity. With availability of large land parcels along the GST Road, this corridor has become an ideal ground for SEZ developments. The corridor houses one of the first few SEZs in Chennai which is the Madras Export Processing Zone. The other prominent SEZs in this corridor are the Shriram The Gateway IT SEZ and the Mahindra World City SEZ which houses an IT/ITES SEZ, an apparel SEZ and a multi-product SEZ.

The prominent development in the micro market apart from Ascendas CyberVale is:

Building Name	Developer	Year of Development	Completed Area (sq ft)	Vacancy 4Q 2014	Quoted Rentals (₹/sq ft/month)	Main Occupiers
The Gateway	Shriram Properties	2008-2014	1,510,000	8%	45	Accenture, Take Solutions, Redington

Source: C&W Research

Another prominent project in the micro-market is L&T's Estancia SEZ which was purchased by Zoho Corp for their captive use in 2013.

D CHENNAI COMMERCIAL MARKET OVERVIEW

8 COMPETITION ANALYSIS – GST ROAD (CONTINUED)

Details of the upcoming projects along GST Road are as follows:

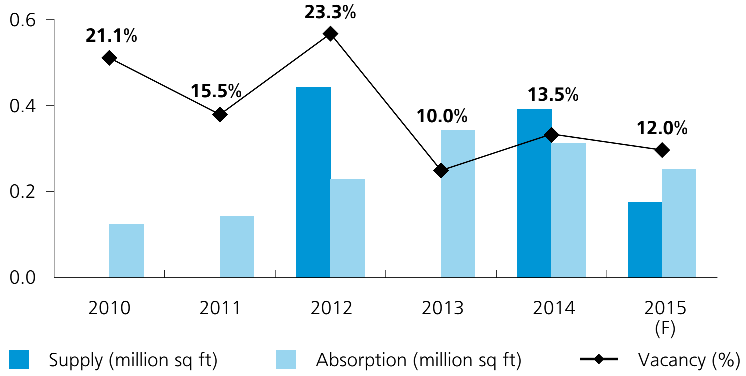
Project	Developer	Location	Total Leasable Area (sq ft)
The Gateway (2 Blocks)	Shriram Properties	Perungalathur	400,000

Source: C&W Research

9 ABSORPTION AND VACANCY OF THE MICRO-MARKET

During 2014, GST Road witnessed a total supply of around 0.4 million sq ft, accounting for 18% of the total supply in Chennai. Absorption during the same time period was registered at 0.3 million sq ft. GST Road contributed around 8% to the overall absorption in the city. The overall vacancy in GST Road was registered at approximately 13.5% as against the overall city vacancy of 14.0%.

Area (million sq ft)



Source: C&W Research

From the chart above, it is evident that the micro market witnessed irregular supply. The average absorption in the micro-market for the last 5 years has been 0.2 million sq ft. It is also observed that there has been an increase in the vacancy as and when there is a new supply in the market. During 2014, there was an increase in the vacancy to 13.5% from 10.0% in 2013.

E ITPC: PROPERTY ANALYSIS

1 INTRODUCTION

OMR, also known as Rajiv Gandhi Salai, is home to a number of IT/ITES developments. Since the development of TIDEL Park (one of the earliest developments set up through a joint venture between TIDCO[22] and ELCOT[23]) in 2000, office market along the corridor has registered tremendous growth. As of 2014, OMR had a total office stock of approximately 27.8 million sq ft. The major players in the IT/ITES arena have their own campuses while the small and medium enterprises occupy the multi-tenanted structures. In addition to TIDEL Park, other initiatives by the government along this corridor include the ELCOT SEZ and SIPCOT[24] IT Park.

Taramani is an established IT/ITES micro-market located at the beginning of OMR. Prominent IT/ITES parks situated in this location include Tidel Park, Ramanujan IT SEZ, International Tech Park Chennai ("ITPC"), Elnet Software City, and TICEL Biotech Park. Taramani borders the Indian Institute of Technology, Chennai on the west. It is home to several research labs and institutions, such as the Central Leather Research Institute, Central Electronics Engineering Research Institute, National Environmental Engineering Research Institute, and Voluntary Health Services and the most renowned polytechnic of Tamil Nadu, Central Polytechnic. The National Institute of Fashion Technology is also located in Taramani. Further south along OMR, several small-scale industries and factories are located within the Vikram Sarabhai Instronics Estate.

The World Bank opened one of its largest offices in the world in Taramani to house its growing financial and technical support services. The 120,000 sq ft facility is on a 3.5 acres plot near ITPC. The area is developing to be one of the more attractive residential localities in Chennai. The Taramani MRTS Station and Thiruvanmiyur MRTS Station are located in close proximity to ITPC. They are also close to the newly developed residential locality of Velachery.

Profile of ITPC

Overview	
Date of Operation	Pinnacle (August 2005) Crest (December 2007) Zenith (December 2010)

Configuration	
Total Project Area	15 acres
Development Mix	Commercial development with support retail and other amenities
Built-up Area	1,978,914 sq ft
Floor Plate Area (Approximate)	65,000 sq ft (Pinnacle), 70,000 sq ft (Crest), 70,000 sq ft (Zenith)
Number of Floors	Pinnacle (12 floors) Crest (15 floors) Zenith (14 floors)

[22] Tamil Nadu Industrial Development Corporation
[23] Electronics Corporation of Tamil Nadu
[24] State Industries Promotion Corporation of Tamil Nadu

E ITPC: PROPERTY ANALYSIS

1 INTRODUCTION (CONTINUED)

Location

Address	Taramani, CSIR Road (off OMR), Chennai
Proximity to CBD	Approximately 13 km from CBD
Proximity to Airport	Approximately 15 km from Chennai International Airport
Proximity to Railway Station	Approximately 1-2 km from Taramani and Thiruvanmiyur MRTS Station Approximately 14-15 km from Chennai Central Railway Station
Number of Approach Roads	1 (from CSIR Road)
Surrounding Areas	Taramani Road on the north, American School on the south, World Bank and vacant land on the west and TICEL Biotech Park and vacant land on the east.
Availability of Public Transport	Buses, MRTS and auto rickshaws

Infrastructure

Power Supply	Dual primary power through two sub-stations and 100% generator power back-up
Voice & Data Communication	The park is supported by 5 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 Management 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 2,276 car park lots and 5,304 two-wheeler parking lots.

Amenities

Fitness Centre	Includes a fully-equipped gymnasium, 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	ATMs, food court, coffee shops, telephone service providers, convenience store, travel agent and pharmacy.

Source: Ascendas Property Fund Trustee Pte. Ltd.

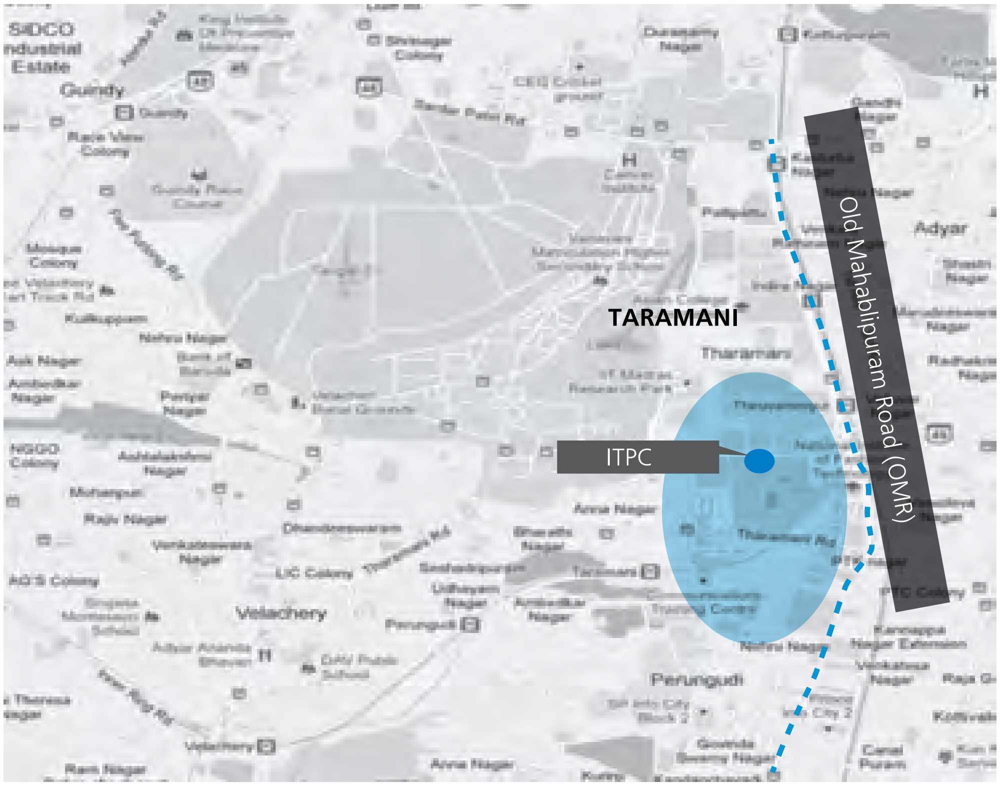
2 LOCATION & ACCESSIBILITY

The property is located in Taramani, Chennai which in turn is located along Chennai's IT Corridor. It is at a distance of approximately 13 km from the Chennai CBD. Surrounding the property are primarily commercial developments like TIDEL Park, ELNET IT Park, SP Infocity and RMZ Millenia. ITPC is spread over an area of approximately 15 acres with total built-up area of approximately 2 million sq ft spread across three blocks (Pinnacle, Crest and Zenith). The property has been developed in phases over 5 years with Zenith being the latest (operational from 2010) development within the park.

The subject project is well connected to major locations in the city via road networks. The distances of the subject site from major locations are as follows:

- Approximately 3-4 km from the Madhya Kailash junction.
- Approximately 13-14 km from the Chennai CBD.
- Approximately 14-15 km from the Chennai Central Railway Station.
- Approximately 15-16 km from the Chennai International Airport.

Location Map



3 TENANT MIX

The IT Park has a tenant mix of IT, BPO, ITES and other knowledge based industries. The development caters to companies in the IT/ITES space with space requirements in the range of 10,000-150,000 sq ft.

E ITPC: PROPERTY ANALYSIS

4 DEVELOPMENT PERFORMANCE

ITPC was conceptualised as a 'plug-and-play' concept and is equipped with such features to provide a complete lifestyle environment with value-added amenities. Some of these features include:

- Food courts, 100% power back-up, Wi-Fi/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.
- Lush landscaping with fountains adds aesthetic appeal to the property.
- 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.

5 SWOT ANALYSIS

Strengths	• The project is located in the IT Corridor, which is a prominent and established IT/ITES location. • The project is integrated with retail amenities and food court. • ITPC is located close to the MRTS stations and thus connected by rail to the downtown locations in central Chennai and the southern suburbs – an advantage enjoyed by few projects on OMR.
Weaknesses	• Lack of vacant land for further expansion.
Opportunities	• It enjoys proximity to residential catchment areas of Adayar, Perungudi, Thiruvanmiyur and Velachery. OMR is also witnessing high supply of residential apartments. • With the current tenant mix, the subject property may attract high profile tenants.
Threats	• Competition from upcoming IT/ITES supply in the micro-market and from other IT/ITES SEZs in the city.

6 OUTLOOK

In terms of IT/ITES office space, OMR continues to remain a favoured destination, with most of the absorption expected before the Perungudi toll plaza because of easier and more cost-effective commuting. There will be greater demand for Grade A office spaces along the corridor, since there is a severe dearth of high quality office buildings in the central areas. As a result of this demand, rentals in the micro-market (suburban OMR) is expected to see upward pressure.

F CYBERVALE: PROPERTY ANALYSIS

1 INTRODUCTION

GST Road (NH 45) located in south western region of Chennai is one of the busiest roads in the city. Maraimalai Nagar located along GST Road is 40 km from the city where Ford India has operations along with large numbers of other auto ancillary units. The major developments along this corridor include Mahindra World City ("MWC") SEZ, The Gateway (IT SEZ) and residential township by Arun Excello. This corridor has adequate supply of trained and skilled manpower along with a large number of educational and technical institutions. This corridor is well connected by road and rail transport and has easy access to Chennai International Airport, Chennai Port and Ennore Port.

Mahindra World City

CyberVale is located inside MWC in Chengalpet along GST Road at a distance of approximately 50 km south of Chennai city. MWC is promoted by Mahindra Group in partnership with Tamil Nadu Industrial Development Corporation Limited. The entire development is spread across 1,550 acres and comprises business zone, retail facilities, hospitality, residential housing and other support infrastructures. The business zone in MWC is further categorised into SEZ and Domestic Tariff Area ("DTA"). The SEZ enables the companies operating within the zone to avail a number of benefits including fiscal benefits, tax holidays and support from the Government. MWC SEZ caters to three industries namely the automobile, apparel and IT/ITES sector. The industrial parks and IT space are almost completely occupied with a large number of companies being already operational.

SEZ	Major Clients
IT SEZ	Infosys, Tech Mahindra, Wipro, Renault-Nissan, Mindtree
Auto SEZ	Madras Engineering, Timken, TVS Group, UCAL Fuel Systems
Apparel & Fashion Accessories SEZ	Capella Fashions, Linea Fashions, Roverco, Leather Crafts, Hangers Plus, Fergasm Group, Srinivasa Fashions
DTA	Armstrong Utilities, B.Braun, BMW, JC Valves, Kryolan Cosmetics, Lincoln Electric, Parker Hannifin, Mahindra & Mahindra

Source: C&W Research

The residential zone in MWC SEZ comprises developments like Sylvian County and Aqualily. Sylvian County is an existing premium residential development spread across 22 acres constituting of approximately 220 villas. Aqualily is a 53 acres residential project constituting of 102 villas, 49 row houses and 740 apartments. As a part of the support infrastructure, MWC also has a retail and commercial centre known as Canopy which is spread across 60,000 sq ft. This development consists of a number of facilities including supermarket, retail stores, food court, medical centre, banks and ATMs. The educational needs in MWC are facilitated through the 5 acres Mahindra World School campus situated inside the development. Holiday Inn Express (140 room hotel) caters to the hospitality demands within the SEZ.

F CYBERVALE: PROPERTY ANALYSIS

1 INTRODUCTION (CONTINUED)

Profile of CyberVale

Overview

Date of Operations	Lakeview (August 2007) Springfield (December 2009)

Configuration

Tenure of the Property	Leasehold 99 year lease from 12th January 2006[25]
Total Project Area	18.2 acres
Development Mix	IT SEZ Vacant Land – 4.4 acres
Built-up Area	567,480 sq ft
Floor Plate Area (Approximate)	46,000 to 68,000 sq ft
Number of Floors	Lakeview (Ground + 3 floors), Springfield (Ground + 4 floors)

Location

Address	Mahindra World City, Natham Sub Post Office, Chengalpattu, Kancheepuram District, Chennai – 603 002
Proximity to CBD	Approximately 50 km from CBD (Nungambakkam)
Proximity to Airport	Approximately 32 km from Chennai International Airport
Proximity to Railway Station	Approximately 4 km from Paranur Railway station Approximately 15 km from Chengalpet Railway station
Number of Approach Roads	1 (Central Avenue off GST Road)
Surrounding Areas	The property is situated within MWC and is in the vicinity of a number of SEZ developments.
Availability of Public Transport	Buses and Trains

Infrastructure

Power Supply	Primary power source from TNEB and 100% back up power supply
Security System	Advanced security systems, including CCTV camera surveillance and boom/flap barriers
Fire Protection System	Includes smoke detectors, water sprinklers, portable fire extinguishers and fire hydrant hose reels.
Building Management System	The air-conditioning system is centrally monitored and controlled using a building automation system
Parking	367 lots in multi-level car park and 188 lots in open car park

Amenities

Food Court and ATM

Source: Ascendas Property Fund Trustee Pte. Ltd.

[25] Renewable for a further 99-year term.

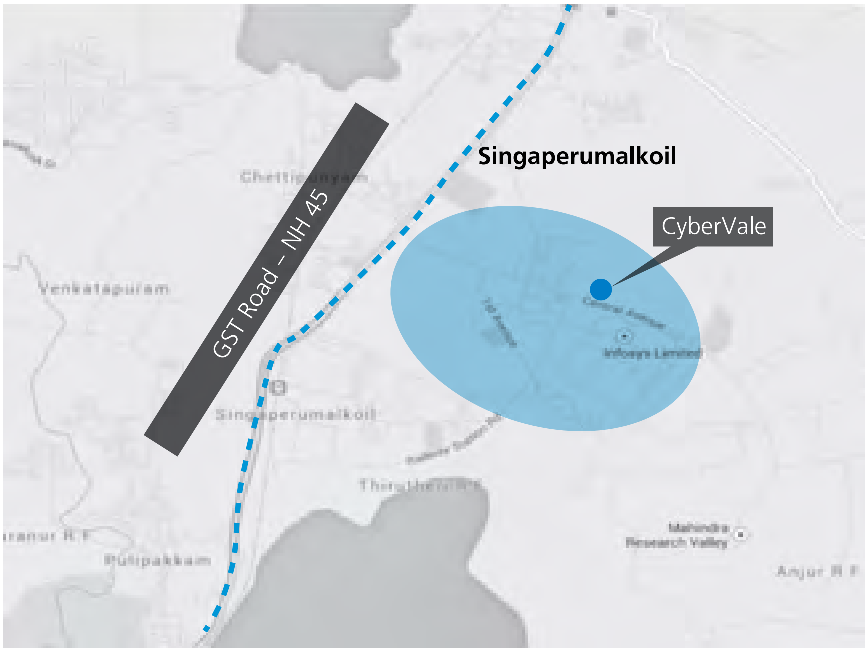
2 LOCATION & ACCESSIBILITY

The property is located inside MWC, approximately 50 km south of Chennai city. MWC is a SEZ catering to the automobile, apparel and IT sectors. Paranur Railway Station is the closest railway station to the property which is connected to the rear side of MWC. CyberVale is spread over an area of approximately 13.9 acres with total built-up area of approximately 567,480 sq ft spread across two blocks (Lakeview and Springfield). The property has been developed in phases over 3 years with Springfield being operational from 2009. The property has vacant land measuring approximately 4.4 acres with a development potential of 371,000 sq ft.

The subject project is well connected to major locations in the city via road networks. The distances of the subject site from major locations are as follows:

- Approximately 2-3 km from the GST Road (MWC Entrance).
- Approximately 3-4 km from the Paranur Railway Station.
- Approximately 8-9 km from the Chengalpet Railway Station.
- Approximately 32-34 km from the Chennai International Airport.
- Approximately 50-53 km from the Chennai CBD (Nungambakkam).

Location Map



F CYBERVALE: PROPERTY ANALYSIS

3 TENANT MIX

The IT Park has a tenant mix of IT/ITES and other knowledge based industries.

4 DEVELOPMENT PERFORMANCE

CyberVale IT Park is situated on approximately 18.2 acres of land and has two buildings with a total leasable area of approximately 0.6 million sq ft. It has vacant land area of around 4.4 acres which can be developed into a 371,000 sq ft IT/ITES building. The properties also offer value-added amenities such as food courts and 100% back-up power to provide a unique experience.

5 SWOT ANALYSIS

Strengths	• The project is a notified SEZ development. • The project is located within MWC which is an established multi-product SEZ and also has a number of operational facilities within the campus. • The building has high occupancy. • CyberVale is located close to the Paranur Railway Station and thus connected by rail to the other parts of the city. • The property is also well connected to the other parts of the city through established roadways.
Weaknesses	• Distance from the city and airport may act as a deterrent. • Limited social infrastructure and entertainment node in the vicinity of the micro-market.
Opportunities	• Limited supply of IT/ITES SEZ space along the GST corridor may boost the demand for quality office space in the corridor. • With the current tenant mix, the subject property may attract high profile tenants.
Threats	• Future supply from the suburban market at reasonable rental may impact future absorption in the peripheral markets.

6 OUTLOOK

With availability of large land parcels along the GST Road, this corridor became an ideal ground for SEZ developments. Rentals are expected to remain stable during 2015 due to the limited number of IT/ITES developments along the corridor, limited office supply and low vacancy.

G HYDERABAD COMMERCIAL MARKET OVERVIEW

1 HYDERABAD CITY OVERVIEW

Hyderabad, the capital city of both the states of Telangana and Andhra Pradesh, is an established IT/ITES, pharmaceutical and biotech destination. With the people demanding for a separate State of Telangana for several years since independence, the Central Government announced on 30th July 2013, the creation of Telangana state from the existing State of Andhra Pradesh. The State of Telangana became the 29th state of India when it was formed on 2nd June 2014. Hyderabad will be the joint capital for both Telangana and erstwhile Andhra Pradesh for a period of 10 years.

The city of Hyderabad is spread over five districts namely Hyderabad, Ranga Reddy, Medak, Nalgonda and Mahboobnagar. The Hyderabad Metropolitan area (under the jurisdiction of Hyderabad Metropolitan Development Authority) comprises nearly 7,229 sq km. Industrial activity in Hyderabad is quite broad-based with sectors like IT/ITES, biotechnology, apparel parks, pharmaceuticals, construction having presence in the city. IT/ITES and pharmaceutical & biotechnology industry are the dominant players and are expected to play an increasing role in the future.

Low cost of living as compared to other Indian metros, good quality of life, rapid pace of infrastructure development, and a proactive government have led to increased corporate interest and investments in the city. With the growing competition amongst Indian states to attract investments in various industries and service sector, Hyderabad State with its proactive approach has undertaken several infrastructural initiatives to equip the city to handle large-scale projects and investments in the city. The population of Hyderabad as per 2011 census is 7.8 million.

2 HYDERABAD CITY REAL ESTATE – KEY DEMAND DRIVERS

The city has witnessed expansion both in terms of its area and population over the last few years. The growth in Hyderabad city's economic base (primarily the establishment of IT/ITES industry) has altered the real estate dynamics in the city. There has been development of all segments of real estate (office space, residential, retail and hospitality) in the city. The entry of leading national and international developers to the city has accelerated real estate development in the city.

Primary growth drivers in the city are:

- IT/ITES services
- Pharmaceutical & biotechnology manufacturing, research and development
- Scientific research and development

The city houses many of the Fortune 500 corporations, majority of them related to the IT/ITES industry such as Microsoft, Computer Associates, Amazon, GE, IBM, AMD, Facebook, Accenture, Google, Motorola, Deloitte, Dell, QUALCOMM, Verizon, Convergys and Hewlett-Packard. Besides international giants, Indian companies also have a strong presence here. Infosys, Wipro, Cognizant Technologies, TCS, ICICI, Polaris and more have set up their development centres in the city.

The pharmaceutical & biotechnology industry is a dominant player and is expected to play an increasing role in the future in the export of pharmaceutical products. Hyderabad is considered as the 'bulk drug' capital of the country due to the presence of a large number of bulk drug units and currently accounts for about 30-35%[26] of the total production in the country.

Hyderabad is also home to several financial services companies like Wells Fargo, GE, Deloitte and UBS. The establishment of these industries has triggered the growth of the commercial office market in Hyderabad.

[26] Business Line- April 28, 2013

G HYDERABAD COMMERCIAL MARKET OVERVIEW

3 COMMERCIAL REAL ESTATE

Hyderabad has five primary commercial clusters. With the exception of suburban areas of Madhapur and Gachibowli, all clusters are a mix of commercial and retail developments.

1 CENTRAL BUSINESS DISTRICT
- Banjara Hills Road # 1, 2, 10 & 12

2 OFF CBD
- Begumpet, Somajiguda
- Raj Bhavan Road, SP Road

3 PRIME SUBURBAN LOCATIONS
- Rest of Banjara Hills
- Jubilee Hills

4 SUBURBAN LOCATIONS
- Madhapur
- Gachibowli (Includes Nanakramguda, Manikonda & Raidurg)
- Kukatpally

5 PERIPHERAL LOCATIONS
- Shamshabad
- Pocharam
- Uppal

Phase 1 Outer Ring Road
Phase 2 Outer Ring Road
International Airport

The five commercial corridors identified are:

Micro-market	Locations	Description
CBD	Banjara Hills Road no. 1, 2, 10 & 12	Located in the heart of the city, this commercial micro-market comprises largely of corporate offices of infrastructure/construction, real estate, IT, biotech and pharmaceutical companies. It is the prime commercial micro-market of the city. The developments are a mix of commercial and retail developments. Prominent companies that have presence in this micro-market are Broadridge, Cbay, Karvy, HSBC, IVR Prime, Aparna Constructions, Nuziveedu Seeds, Essar, Nectar and Uninor. As of 2014, the CBD market has a total stock of approximately 3.3 million sq ft and the vacancy rate was estimated at 26.8%. During 2014, the CBD market attracted rentals in the range of ₹40-50/sq ft/month.

3 COMMERCIAL REAL ESTATE (CONTINUED)

Micro-market	Locations	Description
Off-CBD Areas	Begumpet, Somajiguda, Rajbhavan road and SP Road	Located on the eastern and southern periphery of the CBD, this micro-market has regional/sales/marketing offices of companies of various industries. The developments in this micro-market are a mix of commercial and retail developments. Prominent companies in this micro-market are Aptuit Laurus, Schneider Electric, Aurobindo Pharma, GVK Bioscience, DRL, Aircel and Airtel. As of 2014, the Off-CBD market has a total stock of approximately 8.7 million sq ft. The vacancy rate during 2014 was estimated at 11.6% and rentals were in the range of ₹35-45/sq ft/month.
Prime Suburban Areas	Rest of Banjara Hills and Jubilee Hills	Located on the northern and western periphery of the CBD, this micro-market has corporate offices of companies of various industries. Most of the developments in this micro-market are also a mix of commercial and retail developments. Companies that have presence here are Madhucon, Seaways Shipping and Prajay Construction. As of 2014, the Prime Suburban market has a total stock of approximately 3.7 million sq ft. The vacancy rate during 2014 was estimated at 24.9% and rentals were in the range of ₹40-50/sq ft/month.
Suburban Areas	Madhapur, Gachibowli, Nanakramguda, Raidurg and Kukatpally	Located in the western quadrant of the city and approximately 5-7 km north west of the CBD of Hyderabad, this micro-market largely houses offices of IT/ITES and financial services companies. These recent developments comprise large-scale Grade A commercial developments. Companies like Infosys, TCS, IBM, Accenture, UBS, Deloitte, Wells Fargo etc have presence in this micro-market. Among all the commercial micro-markets, this micro-market is currently witnessing maximum activity. As of 2014, the suburban micro-market has a total stock of approximately 37.6 million sq ft and the vacancy rate was estimated at 16.5%. During 2014, the suburban micro-market attracted rentals in the range of ₹40-50/sq ft/month.
Peripheral Areas	Pocharam, Shamshabad and Uppal	Located in periphery of the city this micro-market is the upcoming commercial hub of Hyderabad. Existing and upcoming commercial developments are mostly IT/ITES focussed. Significant leasing in this micro-market has yet to gain momentum. As of 2014, the peripheral micro-market has a total stock of approximately 1.8 million sq ft. The vacancy rate during 2014 was estimated at 46.7% and the Peripheral market attracted rentals in the range of ₹20-30/sq ft/month.

Source: C&W Research

G HYDERABAD COMMERCIAL MARKET OVERVIEW

4 CONNECTIVITY

The city is well connected by all modes of transport – rail, road, and air.

Transport Mode	Details
Rail	Hyderabad has a robust rail network both for commuting inside and outside the city. The City has a combination of light rail transportation system known as the multimodal transport system which offers connectivity within the city. The Hyderabad Metro, another mode of rapid transport, is under construction and is expected to be operational from end of 2015. Secunderabad, Nampally and Kachiguda Railway Stations are the major railway junctions in the city. These junctions provide connectivity via rail, both within the city and to other parts of the country.
Road	Hyderabad is well connected to the rest of the country by the National Highways – NH 7, NH 9 and NH 202. It is also well connected to other parts of the State through Srisailam Highway, Karimnagar Highway and Nagarjuna Sagar Highway. Inner Ring Road and major part of the ORR are already operational. Phase 2B of ORR connecting Shamirpet and Pedda Amberpet and various radial roads connecting to ORR are under construction. On completion, these are expected to further enhance the accessibility and connectivity of the city. The city has several flyovers which facilitate easy and quick connectivity. The city is well connected by bus network and its Mahatma Gandhi Bus Station (Imlibun Bus Station) ranks third in the league of largest bus stations in Asia. The bus station consists 72 platforms and has a capacity of housing about 89 buses at a time. The other most common means of commuting within the city are by auto rickshaws and private cabs.
Air	The new state-of-the-art Rajiv Gandhi International Airport is well-equipped to handle high passenger and cargo traffic. It commenced operations in March 2008. The present capacity of the airport is 12 million passengers per annum.

Source: C&W Research

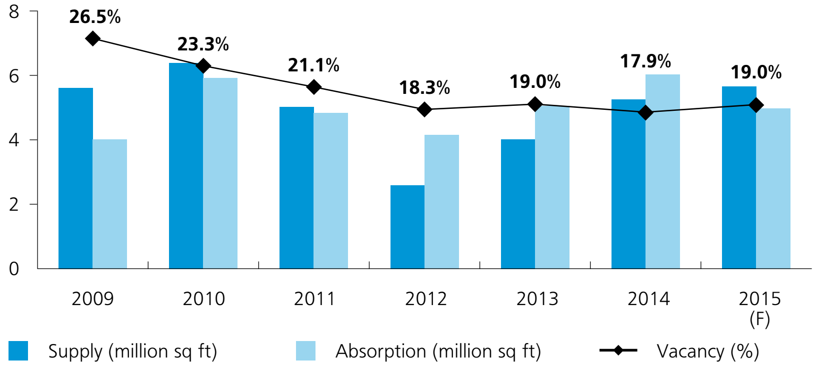
5 SUPPLY, ABSORPTION AND VACANCY TRENDS OF THE CITY

The commercial office space absorption in Hyderabad has been approximately 4-5 million sq ft per year in the last five years. Due to the economic slowdown, the absorption in 2008 was low at approximately 3.2 million sq ft and in 2010, Hyderabad witnessed the highest absorption of 5.9 million sq ft aided by the economic recovery. Suburban areas of Madhapur, Gachibowli, Kondapur and Raidurg accounted for almost 80% of the total city's absorption in the last five years.

The below chart represents the supply, absorption and vacancy trend for the city since 2009.

A snapshot of the supply, absorption and vacancy trend for the city is as follows:

Area (million sq ft)



Source: C&W Research

- The total commercial office stock in Hyderabad as of December 2014 is 55.2 million sq ft (including Grade A and B office spaces).

- The total absorption of commercial office space in Hyderabad from January to December 2014 has been approximately 6.0 million sq ft (approximately 21% higher than the previous year)

- The supply of commercial office space from January to December 2014 increased by around 30% at approximately 5.3 million sq ft vis-a-vis 2013 at approximately 4.0 million sq ft.

- It is estimated that approximately 17.6 million sq ft of additional commercial space is expected to come up by 2017 (Grade A office space supply during the same period is estimated at additional approximately 10.2 million sq ft). Approximately 76% of the upcoming supply is expected to come up in suburban areas of Madhapur, Gachibowli and Raidurg.

- The rentals in various micro-markets except suburban micro-market (Madhapur and Gachibowli) of the city have remained stable vis-a-vis 2013. However rentals in Madhapur and Gachibowli increased in the range of 3-5% as compared to 2013.

- The vacancy level for commercial office space in Hyderabad as of December 2014 was approximately 17.9% as compared to 19.0% during December 2013.

- Demand for office space is expected to increase moderately in the next two years driven by improved economic conditions and stable political scenario in the state. Rentals are expected to rise in suburban micro-market, due to the limited vacant commercial space and remain stable in the short term for the other micro-markets.

G HYDERABAD COMMERCIAL MARKET OVERVIEW

5 SUPPLY, ABSORPTION AND VACANCY TRENDS OF THE CITY (CONTINUED)

The details of some of the major lease transactions in Hyderabad from January to December 2014 are as follows:

Project Name	Micro-market	Lessee	Area Leased (sq ft)
South Tower, DivyaSree Orion	Madhapur	Accenture	398,657
Block B1B, DivyaSree Orion	Madhapur	Wells Fargo	320,000
Building 12B, Raheja Mindspace	Madhapur	UHG	204,604
TSI 2.1	Gachibowli	Dupont	130,000
TSI 2.1	Gachibowli	Capgemini	122,346
Building 12B, Raheja Mindspace	Madhapur	Prolifics (Semantic Space)	102,302
TSI 2.1	Gachibowli	Birla Soft	70,300
North Tower, DivyaSree Orion	Madhapur	Omics	56,000
North Tower, DivyaSree Orion	Madhapur	Mindtree	48,000
North Tower, DivyaSree Orion	Madhapur	Invesco	46,429
North Tower, DivyaSree Orion	Madhapur	Invesco	46,429
North Tower, DivyaSree Orion	Madhapur	Prokarma	45,000

Source: C&W Research

6 COMPETITION ANALYSIS – MADHAPUR

Madhapur, one of the established commercial micro-markets in India, has witnessed large scale commercial developments such as Raheja Mindspace, The V, Cyber Towers, Cyber Gate Way, I labs, RMZ Ventura, Satyam SEZ and aVance Business Hub as well as the campus developments of TCS and TCL. The surrounding micro-markets of Gachibowli, Raidurg and Kondapur also have presence of large scale commercial developments such as DivyaSree Orion, DivyaSree Omega, DLF Cyber City, Q City and Ramky Selenium. Campus developments of Infosys, Wipro, Microsoft, Cognizant and Franklin Templeton are also located in Gachibowli.

The present stock of office space in Madhapur is approximately 25.5 million sq ft (including The V, CyberPearl and aVance Business Hub) and accounts for approximately 46% of the office stock in the city. Out of total office space, Grade A office space in Madhapur is approximately 20 million sq ft (including The V, CyberPearl and aVance Business Hub) and accounts for approximately 65% of the Grade A office stock in the city. Due to buoyant leasing activity and controlled supply, the vacancy in Madhapur market was low. The current Grade A vacancy level in Madhapur micro-market is approximately 4.8%.

6 COMPETITION ANALYSIS - MADHAPUR (CONTINUED)

Some of the prominent commercial developments in Madhapur would include:

Building Name	Developer	Year of Completion	Completed Area (sq ft)	Vacancy 4Q 2014	Quoted Rentals (₹/sq ft/month)	Main Occupiers
Raheja Mindspace (SEZ and Non SEZ)	K Raheja Corporation	2005-2012	7,467,000	0%	50	IBM, Accenture, Deloitte, Novartis, Facebook, UHG, CSC, HSBC, Qualcomm, JP Morgan
DivyaSree Orion SEZ	DivyaSree Developers	2010-2011	2,358,845	12%	48	IBM, Wells Fargo, Invesco, NTT Data, Kony, Mind Tree
DivyaSree Omega	DivyaSree Developers	2009-2011	1,175,000	11%	48	Google, Ivy Comptech, Synopsis
Cyber Gate Way	L&T Infocity	2003	866,000	19%	55 (Fully Furnished)	BSNL, Andhra Bank, L&T Construction, Agility E Services
Cyber Tower	L&T Infocity	2000	510,000	35%	45	BSNL, Hyderabad Metro Rail, L&T ECC
I-labs	Peepul Capital Advisors	2004	500,000	0%	45	E&Y, Kroll, Intelli Group, Harsco
Cyber Tech Park	Salarpuria Sattva	2013	494,032	0%	45	Oracle
Krishh Sapphire	Sri Krishna Developers	2011	450,000	7%	45	Global Data, Future First, ITC, Info Brain
E park	Vijay Textiles	2004	265,000	9%	65 (Fully Furnished)	Tata Consultancy Services
Jayabheri Silicon Towers	Jayabheri Group	2005	250,000	0%	55 (Fully Furnished)	Google, Prolifics, Quislex

Source: C&W Research

The total supply of commercial office space in Madhapur from January to December 2014 is 3.4 million sq ft which is 64% of the total supply of commercial office space in Hyderabad. The upcoming planned Grade A supply of commercial office space in Madhapur in the next 2-3 years is approximately 6.4 million sq ft which would be approximately 62% of the total Grade A upcoming supply of Hyderabad in the next 2-3 years.

G HYDERABAD COMMERCIAL MARKET OVERVIEW

6 COMPETITION ANALYSIS - MADHAPUR (CONTINUED)

Some of the prominent upcoming projects (planned for 2015 to 2017) in the subject micro-market are as follows:

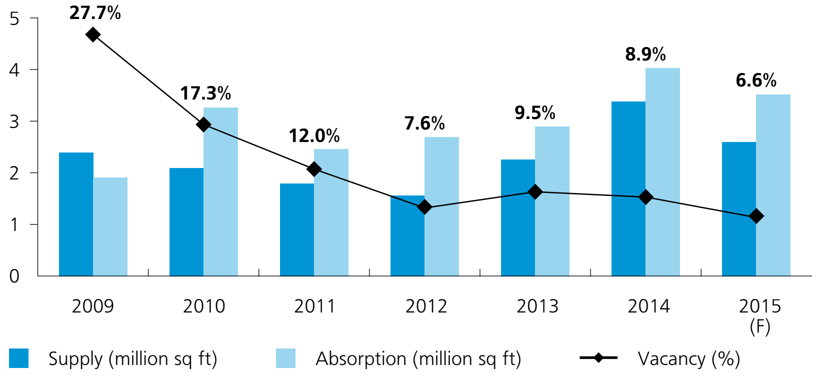
Project	Area (million sq ft)
Hitec City II SEZ/aVance Business Hub (H3, H4, H6A and H9)	2.12
KRC Mindspace (Building 12B, 12C & 18)	1.83
Block 2.2, 2.3 in TSI	1.20
Block 5, DivyaSree Orion	0.95
Salarpuria Sattva	0.90
Star Centrum	0.85
Navayuga Inspire	0.70
Block 4, DivyaSree Trinity	0.51

Source: C&W Research

7 ABSORPTION AND VACANCY OF THE MICRO-MARKET

Of the approximately 4-5 million sq ft per annum of office space that Hyderabad has absorbed historically from 2009 till 2014, Madhapur accounted for approximately 2.5-3.0 million sq ft of absorption per year in the last five years (50-60% of the city's absorption). In 2014, Madhapur accounted for highest level of absorption of approximately 4.0 million sq ft (approximately 67% of the city's absorption) in the last six years.

Area (million sq ft)



Source: C&W Research

Due to buoyant leasing activity and controlled supply, the vacancy in Madhapur market was low. The current Grade A vacancy level in Madhapur micro-market is approximately 4.8% and overall vacancy is at 8.9%.

8 OUTLOOK

Demand for office space is expected to increase moderately from 2015 as economic conditions improve. The rentals are expected to rise in the near term in Madhapur, due to the limited vacant commercial Grade A space in the near term. Hyderabad Metro Rail connectivity to Madhapur will further boost the attractiveness of Madhapur as a commercial destination as compared to other commercial micro-markets in Hyderabad.

H THE V: PROPERTY ANALYSIS

1 INTRODUCTION

The micro-market of Madhapur, located in the north west of Hyderabad city, is known for IT/ITES infrastructural developments with the presence of large IT parks and company campuses. Hitec City located in Madhapur is a well-known IT/ITES development with the presence of large-scale office space developed by major developers such as Raheja Mind Space, Ascendas The V, TSI Wave rock, ICICI Towers, Cyber Towers, Cyber Gate Way, DLF Cyber City, Satyam SEZ and CyberPearl. Some of the prominent IT Parks in the micro-market include L&T Cyber towers, Hitec City II SEZ, The V, Raheja Mindspace SEZ, DLF IT SEZ, Satyam Computers IT SEZ and aVance Business Hub. Various built-to-suit campuses can also be found in the micro-market such as Infosys, Wipro, Micro Soft, Franklin Templeton, Cognizant and TCS. Nehru Outer Ring Road, a recent development in the micro-market, provides easier accessibility between Madhapur, Gachibowli, Shamshabad and the international airport. Madhapur and Gachibowli are also well connected with the other parts of the city through well-built roads and rail networks. A metro rail system was also proposed in the micro-market which on completion, is expected to provide easy commuting to Hitec City and Gachibowli from other parts of the city.

The micro-market also has several large-scale residential projects like My Home Navadweepa, Fortune Towers, NCC Urban, Fresh Apartments, Sky Lounge and Aditya Sunshine amongst others.

Profile of The V

Overview	
Date of Operations	Mariner (June 2000) Auriga (August 2002) Orion (October 2004) Capella (July 2005) Vega (November 2007)

Configuration	
Total Project Area	19.4 acres
Development Mix	Commercial office
Built Up Area	1,282,465 sq ft
Number of Floors	Mariner (4 floors) Auriga (7 floors) Orion (8 floors) Capella (8 floors) Vega (14 floors)

Location	
Address	Plot no. 17, Survey no. 64/2, Software units layout, Madhapur, Hyderabad
Proximity to CBD	Approximately 10 km from CBD
Proximity to Airport	Approximately 35 km from international airport
Proximity to Railway Station	Approximately 3-4 km from HITEC City Railway Station
Number of Approach Roads	3 (from Durgam Cheruvu, from Gachibowli and from Cyber Towers)
Surrounding Areas	Kondapur, Gachibowli and Jubilee Hills
Availability of Public Transport	Buses and auto rickshaws

H THE V: PROPERTY ANALYSIS

1 INTRODUCTION (CONTINUED)

Profile of The V (continued)

Infrastructure

Power Supply & Back-up	There is 100% back-up for all the facilities in the IT park
Fire Protection System	The facility includes fire alarm, sprinklers and 24 hour security
Parking	There are 1,226 parking slots for 4 wheelers and 2,723 parking slots for 2 wheelers

Amenities

Convenience stores, gyms, recreation areas form major amenities in the IT park

Source: Ascendas Property Fund Trustee Pte. Ltd.

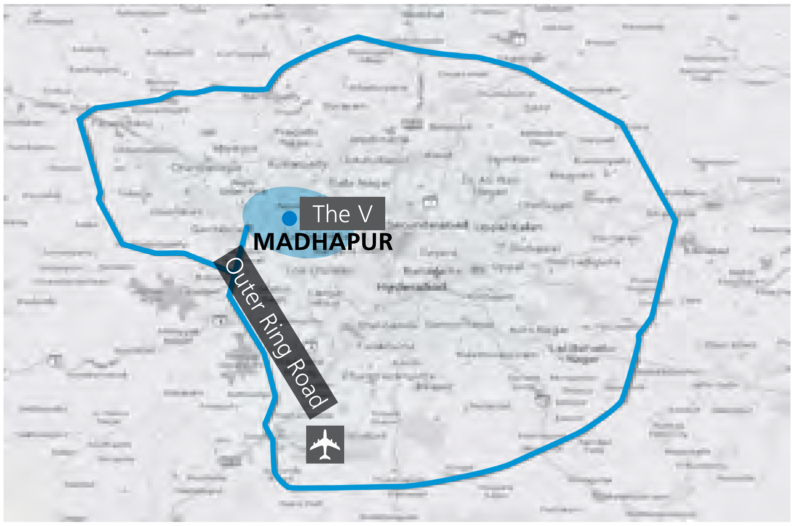
2 LOCATION & ACCESSIBILITY

The property is located in HITEC (Hyderabad Information Technology Engineering Consultancy) city, Madhapur, Hyderabad. It is located approximately 1 km from Cyber Towers and is adjacent to the Inorbit mall at Madhapur. The surrounding real estate are commercial developments like Mindspace IT Park, I labs and Infotech campuses. The IT Park is spread over an area of approximately 19 acres with total leasable area of approximately 1.3 million sq ft spread over five commercial office buildings/blocks (Mariner, Auriga, Orion, Capella & Vega). The IT park (property) has been developed in phases over 8 years with Vega being the latest building (operational from 2008).

The subject property is well connected to major locations in the city via road networks. The distance of the subject site from major locations is as follows:

- Approximately 3-4 km from the Outer Ring Road at Gachibowli
- Approximately 33-35 km from the international airport through ORR (Outer Ring Road)
- Approximately 9-10 km from Banjara Hills and Jubilee Hills (CBD).

Location Map



3 TENANT MIX

The tenants in The V are major IT and BPO firms along with some finance companies. Some of the major companies in The V are AT&T, Diebold, Teradata, Aricent, Electronic Arts and Avaya.

4 DEVELOPMENT PERFORMANCE

The IT Park sits on 19 acres of land with a total area of approximately 1.3 million sq ft spread over five commercial office buildings/blocks (Mariner, Auriga, Orion, Capella and Vega). Apart from the office spaces, these buildings also have cafeterias, convenience stores, gyms, auditorium, recreation areas, 100% power back-up, high efficiency offices, food courts and high-tech management systems which provide a unique experience compared to other IT parks in the vicinity.

5 SWOT ANALYSIS

Strengths	• Located in established commercial micro-market, it has excellent connectivity with other parts of the city and airport. • It enjoys good frontage on the Hitec City – Durgam Cheruvu access road. • Due to the lack of vacant Grade A commercial space in the micro-market, subject property commands premium rental. • The tenant profile of the subject property is good as they comprise leading IT/ITES companies. • Subject property is located in well secured and business oriented location of Hitec City.
Weaknesses	• Nil
Opportunities	• Line 3 of Hyderabad Metro Rail is planned near to the subject property. On completion (expected by end of 2015), subject property is expected to get faster and increased connectivity with the other parts of the city.
Threats	• Upcoming supply in the micro-market.

I CYBERPEARL: PROPERTY ANALYSIS

1 INTRODUCTION

CyberPearl is an IT park located in Hitec City, Madhapur, Hyderabad. The surrounding real estate is primarily commercial developments like TCS Deccan Park, Cyber Gateway and Infotech campuses. The IT park is spread over a land area of approximately 6 acres with a leasable area of approximately 0.4 million sq ft. Apart from the office spaces these buildings also have cafeterias, gyms and recreation areas. The CyberPearl block has two buildings.

Profile of CyberPearl

Overview	
Date of Operations	Phase I (May 2004) Phase II (January 2006)
Configuration	
Total Project Area	6.05 acres
Development Mix	Commercial
Built-up Area	429,098 sq ft
Number of Floors	Block 1 – Stilt + 7 floors, Block 2 – 7 floors
Location	
Address	Plot no. 9, Survey no. 64/Part, Software units layout, Madhapur, Hyderabad.
Proximity to CBD	Approximately 10 km from CBD
Proximity to Airport	Approximately 35 km from international airport
Proximity to Railway Station	Approximately 3 km from HITEC City Railway Station
Number of Approach Roads	3 (from Durgam Cheruvu, from Gachibowli and from Cyber Towers)
Surrounding Areas	Kondapur, Gachibowli and Jubilee Hills
Availability of Public Transport	Buses and auto rickshaws
Infrastructure	
Power supply & Back-up	There is 100% back-up for all the facilities in the IT park
Fire Protection System	The facility includes fire alarm, sprinklers and 24-hour security
Parking	There are 508 parking slots for 4 wheelers and 790 parking slots for 2 wheelers
Amenities	
Convenience stores, gyms, recreation areas form major amenities in the building	

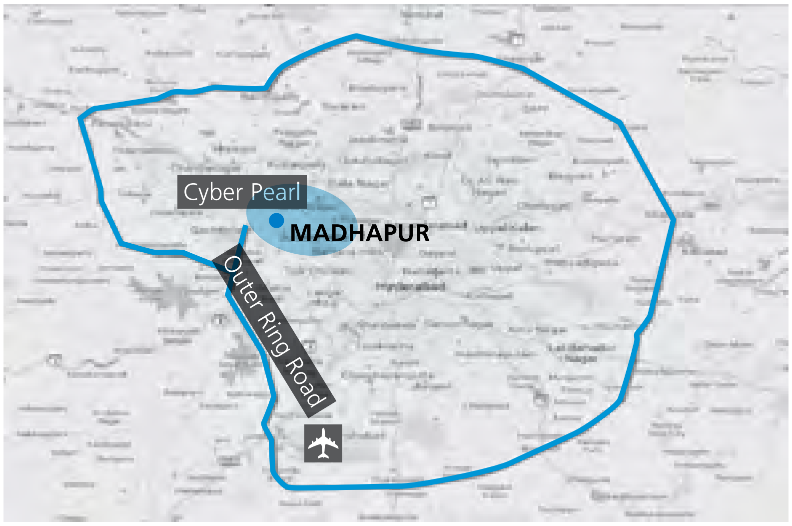
Source: Ascendas Property Fund Trustee Pte. Ltd.

2 LOCATION & ACCESSIBILITY

The property is located in HITEC city, Madhapur, Hyderabad. It is located at a distance of less than 500 metres from Cyber Towers and is next to Cyber Gateway. The subject project is well connected to major locations in the city. The distance of the subject site from major locations is as follows:

- Approximately 3-4 km from the Outer Ring Road at Gachibowli;
- Approximately 33-35 km from the international airport through ORR (Outer Ring Road);
- Approximately 9-10 km from Banjara Hills and Jubilee Hills (CBD).

Location Map



3 TENANT MIX

The tenants in CyberPearl are major IT and BPO firms along with some finance companies. Some of the major companies in CyberPearl are GE India, Sales Force, Accenture and NTT Data.

4 DEVELOPMENT PERFORMANCE

The IT Park is spread over an area of approximately 6 acres with a leasable area of approximately 0.4 million sq ft. The CyberPearl block is located in two separate wings (buildings). Apart from the office spaces, these buildings also have cafeterias, gyms, recreation areas, 100% power back-up, high efficiency offices, food courts and high-tech management systems which provide a unique experience as compared to other IT parks in the vicinity.

I CYBERPEARL: PROPERTY ANALYSIS

5 SWOT ANALYSIS

Strengths	•	Located in established commercial micro-market, it has excellent connectivity with other parts of the city and airport.
	•	It enjoys good frontage on the Hitec City – Durgam Cheruvu access road.
	•	Due to the lack of vacant Grade A commercial space in the micro-market, subject property commands a premium rental.
	•	The tenant profile of the subject property is good as they comprise leading IT/ITES companies.
	•	Subject property is located in well-secured and business-oriented location of Hitec City.
Weaknesses	•	Lack of vacant land for further expansion.
Opportunities	•	Line 3 of Hyderabad Metro Rail is planned adjacent to the subject property. On completion (expected by end of 2015), subject property is expected to get faster and increased connectivity with the other parts of the city.
Threats	•	Upcoming supply in the micro-market.

J aVance BUSINESS HUB: PROPERTY ANALYSIS

1 INTRODUCTION

aVance Business Hub is located in HITEC City, Madhapur, Hyderabad. aVance Business Hub is a 25.7 acres IT SEZ located near prominent commercial developments like CyberPearl, Cyber Gateway, and campuses of Oracle, DELL, CII-Green Building, Mahindra Satyam and HSBC. Raheja Mindspace and The V are also located in close proximity to the subject SEZ. Buildings H01 A and H08 in aVance Business Hub have 427,657 sq ft of super built-up area.

The property is accessible from the HITEC City main road via the road adjacent to the Cyber Gateway. The subject property is located at a distance of approximately 500 meters from the HITEC City main road.

Profile of aVance Business Hub

Overview	
Date of Operations	H01A (March 2008) H08 (November 2008)
Configuration	
Total Project Area	25.68 acres (aVance Business Hub area) and 2.76 acres for H01A and H08
Development Mix	Commercial Office
Built-up Area	427,651 sq ft (Built-up area of H01A and H08)
Number of Floors	H01A (7 floors) H08 (7 floors)
Location	
Address	Survey no. 30 (Part), 34 (Part), 35 (Part) and 38 (Part), Gachibowli Village, Serilingampally Mandal, Ranga Reddy District
Proximity to CBD	Approximately 10 km from CBD
Proximity to Airport	Approximately 35 km from international airport
Proximity to Railway Station	Approximately 3-4 km from HITEC City Railway Station
Number of Approach Roads	2 (from Hitec City – Durgam Cheruvu Road and from Kondapur – Hitec City Road)
Surrounding Areas	Kondapur, Gachibowli and Miyapur
Availability of Public Transport	Buses and auto rickshaws
Infrastructure	
Power Supply & Back-up	There is 100% back-up for all the facilities in the IT park
Fire Protection System	The facility includes fire alarm, sprinklers and 24-hour security
Parking	There are 257 parking slots for 4 wheelers and 865 parking slots for 2 wheelers
Amenities	
Convenience stores, gyms, recreation areas form major amenities in the IT park	

Source: Ascendas Property Fund Trustee Pte. Ltd.

J aVance BUSINESS HUB: PROPERTY ANALYSIS

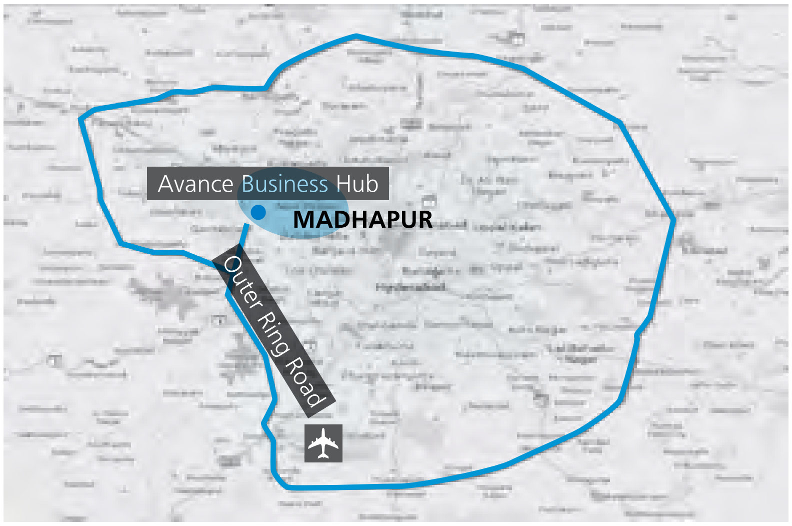
2 LOCATION & ACCESSIBILITY

The property is located in HITEC (Hyderabad Information Technology Engineering Consultancy) city, Madhapur, Hyderabad. It is located approximately 500 meters from Cyber Towers and is adjacent to the Dell campus and The Bamboos residential development. The surrounding real estate developments are IT parks like Cyber Gateway, Meenakshi Tech Park, Valuelabs, HSBC, CyberPearl, and campuses of Oracle and Mahindra Satyam.

The subject property is well connected to major locations in the city via road networks. The distance of the subject site from major locations is as follows:

- Approximately 3-4 km from the Outer Ring Road at Gachibowli
- Approximately 33-35 km from the international airport through ORR (Outer Ring Road)
- Approximately 9-10 km from Banjara Hills and Jubilee Hills (CBD)

Location map



3 TENANT MIX

The tenants in the subject buildings (H08 and H01A) are major IT/ITES firms/companies. Major tenants in these two buildings are Valuelabs, Cognizant Technology Solutions, HCL, Igate and Value Momentum. In view of the profile of the said companies, the tenant profile of the two buildings is good.

4 DEVELOPMENT PERFORMANCE

The SEZ development of 427,651 sq ft in these buildings (H08 and H01A) is completely occupied which indicates good commercial performance. Apart from the office spaces, these buildings also have cafeterias, gyms, auditorium, recreation areas, 100% power back-up and high efficiency offices which provide a unique experience.

5 SWOT ANALYSIS

Strengths	•	Located in established commercial micro-market, it has excellent connectivity with other parts of the city and airport.
	•	As the subject buildings are part of the SEZ development, there are tax benefits for the subject tenants and owners as well.
	•	Due to the lack of vacant Grade A commercial space in the micro-market, subject property commands premium rental.
	•	The tenant profile of the subject property is good as they comprise leading IT/ITES companies.
	•	Subject property is located in well-secured and business-friendly location of Hitec City.
Weaknesses	•	Of the total 10 leases, 5 leases account for about 92% of the total revenues. This reflects high dependency on a small number of leases.
Opportunities	•	Line 3 of Hyderabad Metro Rail ("HMR") is planned near to the subject property. On completion (expected by end of 2015), the subject property is expected to get faster and increased connectivity with the other parts of the city.
Threats	•	Upcoming supply in the same SEZ and in the micro-market.

K CAVEATS & LIMITATIONS

1. The Market Research Report (hereafter referred to as the "Report") will cover specific markets and situations, which will be highlighted in the Report. C&W will not be carrying out comprehensive field research based analysis of the market and the industry given the limited nature of the scope of the assignment.

2. In conducting this assignment, C&W will carry out analysis and assessments of the level of interest envisaged for the property(ies) under consideration and the demand-supply for the hospitality/retail/land/commercial sector in general. C&W will also obtain other available information and documents that are additionally considered relevant for carrying out the exercise. The opinions expressed in the Report will be subject to the limitations expressed below.

   a. C&W has adopted valuation method based on its own expertise and knowledge and endeavours to develop forecasts on demand, supply and pricing on assumptions that would be considered relevant and reasonable at that point of time. All of these forecasts will be in the nature of likely or possible events/occurrences and the Report will not constitute a recommendation to *Ascendas Property Fund Trustee Pte. Limited* (hereafter referred to as the "Client") or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which forecasts have been generated and is not recommended as an input to a financial decision.

   b. It should be noted that C&W's value assessments will be based upon the facts and evidence available at the date of assessment. It is therefore recommended that the value assessments be periodically reviewed.

   c. Changes in socio-economic and political conditions could result in a substantially different situation than those presented at the stated effective date. C&W assumes no responsibility for changes in such external conditions.

   d. In the absence of a detailed field survey of the market and industry (as and where applicable), C&W will rely upon secondary sources of information for a macro-level analysis. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis.

   e. The services provided will be limited to valuation and will not constitute an audit, a due diligence, tax related services or an independent validation of the projections. Accordingly, C&W will not express any opinion on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report will be prepared solely for the purpose stated, and should not be used for any other purpose.

   f. While the information included in the Report will be accurate and reliable, no representations or warranties, expressed or implied, as to the completeness of such information is being made. C&W will not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.

   g. In the preparation of the Report, C&W will rely on the following information:

      i. Information provided to us by the Client and its affiliates and subsidiaries and third parties;

      ii. Recent data on the industry segments and market projections;

      iii. Other relevant information provided to us by the Client and its affiliates and subsidiaries at C&W's request;

      iv. Other relevant information available to C&W; and

      v. Other publicly available information and reports.

3. The Report will reflect matters as they currently exist. Changes may materially affect the information contained in the Report.

4. All assumptions made in order to determine the valuation of the identified property(ies) will be based on information or opinions as current. In the course of the analysis, C&W would be relying on information or opinions, both written and verbal, as current obtained from the Clients as well as from third parties provided with, including limited information on the market, financial and operating data, which would be accepted as accurate in bona-fide belief. No responsibility is assumed for technical information furnished by the third party organizations and this is bona-fidely believed to be reliable.

5. No investigation of the title of the assets will be been made and owners' claims to the assets will be assumed to be valid. No consideration will be given to liens or encumbrances, which may be against the assets. Therefore, no responsibility is assumed for matters of a legal nature.

6. C&W's total aggregate liability to the Client including that of any third party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum not exceeding 3 times the total fees paid for each instructions accepted. C&W shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.

7. C&W endeavours to provide services to the best of ability and in bona-fide good faith. The proposed services and/or work product of C&W shall be only for the use of the Client and the Authorised Parties. If the Client allows any third party other than any of the Authorised Parties to use or rely thereon the work product of C&W, it shall be at the sole risk of the Client and there shall be no liability on C&W (including its Directors, and employees) towards any third party claim for damages, economic loss or damage suffered arising out of or in connection with the services proposed to be rendered, direct or indirect due to whatsoever reasons and however the loss or damage is caused. The Client shall assist and cooperate with C&W to defend any third party claim before any court of law or authorities, and indemnify C&W of the cost of such proceedings.

8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from C&W for any purpose save as provided in the Agreement and should take all reasonable precautions to protect such information from any sort of disclosure.

9. In the event of any party wants to disclose any information it shall take prior written consent of C&W and shall make only such disclosures as allowed by the C&W. However, the non-disclosure condition shall not apply to any information that is already in the public domain or required by any court of law or authorities under any law. In such an event the disclosing party shall intimate the other party before making such disclosure.

10. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in Bangalore.

NOTICE OF ANNUAL GENERAL MEETING

ASCENDAS INDIA TRUST
(Registration Number: 2007004)
(a Business Trust registered under the Singapore Business Trusts Act, Chapter 31A)
Managed by Ascendas Property Fund Trustee Pte Ltd,
(Company Registration Number: 200412730D)
as trustee-manager of Ascendas India Trust ("Trustee-Manager")

NOTICE IS HEREBY GIVEN that the Eighth Annual General Meeting of the Unitholders of Ascendas India Trust ("**a-iTrust**") will be held at M Hotel, Banquet Suite, Level 10, 81 Anson Road, Singapore 079908 on Tuesday, 30 June 2015 at 2.00 p.m. to transact the following business:

ORDINARY BUSINESS

Resolution 1

To receive and adopt the Report of the Trustee-Manager, Statement by the Trustee-Manager and Audited Financial Statements of a-iTrust, for the financial year ended 31 March 2015, together with the Auditors' Report thereon.

Resolution 2

To re-appoint Messrs Ernst & Young LLP ("**EY**") as Independent Auditor of a-iTrust, to hold office until the conclusion of the next Annual General Meeting ("**AGM**") of a-iTrust and to authorise the directors of the Trustee-Manager to fix their remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as Ordinary Resolution:

Resolution 3

That pursuant to Section 36 of the Singapore Business Trusts Act, Cap. 31A (the "**BTA**"), Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), and Clause 6.1.1 of the Amended and Restated Trust Deed dated 28 June 2007 constituting a-iTrust (the "**Trust Deed**"), the Trustee-Manager be authorised and empowered to:

(a) (i) issue units of a-iTrust ("**Units**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Trustee-Manager may in its absolute discretion deem fit; and

(b) issue Units in pursuance of any Instrument made or granted by the Trustee-Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

NOTICE OF ANNUAL GENERAL MEETING

provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued pursuant to Instruments made or granted under this Resolution) shall not exceed fifty per cent (50%) of the total number of issued Units (excluding treasury Units, if any) calculated in accordance with subparagraph (2) below, of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders (including Units to be issued pursuant to Instruments made or granted under this Resolution), shall not exceed twenty per cent (20%) of the total number of issued Units (excluding treasury Units, if any);

(2) subject to such manner of calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the percentage of issued Units shall be calculated based on the total number of issued Units (excluding treasury Units) at the time this Resolution is passed, after adjusting for:

(a) any new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting at the time this Resolution is passed; and

(b) any subsequent bonus issue, consolidation or subdivision of Units;

(3) in exercising the authority conferred by this Resolution, the Trustee-Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), the Trust Deed and the BTA;

(4) unless revoked or varied by the Unitholders in a general meeting, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM or (ii) the date by which the next AGM is required by applicable regulations to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted, in the event of rights or any other events, the Trustee-Manager is authorised to issue additional Instruments notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments are issued; and

(6) the Trustee-Manager be and is hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Trustee-Manager may consider expedient or necessary or in the interests of a-iTrust to give effect to the authority conferred by this Resolution.

(Please see Explanatory Note)

By order of the Board of Ascendas Property Fund Trustee Pte Ltd
as Trustee-Manager of Ascendas India Trust

Mary Judith de Souza
Company Secretary

Singapore
3 June 2015

NOTES:

1. A Unitholder entitled to attend and vote at the AGM, is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Unitholder.

2. Where a Unitholder appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.

3. The proxy form must be deposited at the registered office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, not less than 48 hours before the time set for holding the meeting.

EXPLANATORY NOTE:

Ordinary Resolution 3

Ordinary Resolution 3, if passed, will empower the Trustee-Manager from the date of this AGM until (i) the conclusion of the next AGM of a-iTrust, or (ii) the date by which the next AGM of a-iTrust is required by the applicable regulations to be held, whichever is earlier, to issue Units and to make or grant instruments (such as securities, warrants or debentures) convertible into Units and issue Units pursuant to such instruments, up to a number not exceeding fifty percent (50%) of the total number of issued Units (excluding treasury Units, if any), of which up to twenty percent (20%) may be issued other than on a pro rata basis to Unitholders.

For determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the issued Units at the time the Ordinary Resolution 3 is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Units.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Trustee-Manager (or its agents) for the purpose of the processing and administration by the Trustee-Manager (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Trustee-Manager (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Trustee-Manager (or its agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Trustee-Manager (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Trustee-Manager in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

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PROXY FORM

IMPORTANT
PLEASE READ THE NOTES TO THE PROXY FORM.

PERSONAL DATA PRIVACY
By submitting an instrument appointing a proxy(ies) and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 3 June 2015.

Number of Units held:

ASCENDAS INDIA TRUST
(Registration Number: 2007004)
(a Business Trust registered under the Singapore Business Trusts Act, Chapter 31A)
Managed by Ascendas Property Fund Trustee Pte Ltd,
(Company Registration Number: 200412730D)
as trustee-manager of Ascendas India Trust ("Trustee-Manager")

EIGHTH ANNUAL GENERAL MEETING

(Before completing this form, please read the notes behind.)

I/We ______________________________ (Name)

of ______________________________ (Address)
being a Unitholder of Ascendas India Trust ("**a-iTrust**"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Unitholdings (%)
(a)			

and/or (delete as appropriate)

(b)			

or failing him/her, the Chairman of the meeting, as my/our proxy/proxies to attend and vote for me/us and on my/our behalf at the Eighth Annual General Meeting of a-iTrust to be held at M Hotel, Banquet Suite, Level 10, 81 Anson Road, Singapore 079908 on Tuesday, 30 June 2015 at 2.00 p.m. ("**Meeting**"), and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the Meeting.

No.	Resolution	No. of Votes For*	No. of Votes Against*
ORDINARY BUSINESS			
1.	Adoption of the Report of the Trustee-Manager, Statement by the Trustee-Manager and the Audited Financial Statements of a-iTrust, for the financial year ended 31 March 2015, together with the Auditors' Report thereon.		
2.	Re-appointment of Messrs Ernst & Young LLP as Independent Auditor of a-iTrust to hold office until the conclusion of the next Annual General Meeting of a-iTrust and to authorise the directors of the Trustee-Manager to fix their remuneration.		
SPECIAL BUSINESS			
3.	Authority for the Trustee-Manager to issue units and to make or grant convertible instruments.		

* If you wish to exercise all your votes "For" or "Against", please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ____________ day of ____________ 2015

____
Signature(s) of Unitholder(s)/Common Seal

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Postage will
be paid
by addressee.
For posting
in Singapore only

BUSINESS REPLY SERVICE
PERMIT NO. 08271

The Company Secretary
Ascendas Property Fund Trustee Pte. Ltd.
(as Trustee-Manager of Ascendas India Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

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Notes:

1. Please insert at the top right hand corner of this Proxy Form the number of units in Ascendas India Trust ("**a-iTrust**") registered in your name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**") in respect of the units in your securities account with CDP. If no number is inserted, this Proxy Form shall be deemed to relate to all the units held by you.

2. A Unitholder entitled to attend and vote at the meeting is entitled to appoint one or two proxy/proxies to attend and vote in his/her stead. A proxy need not be a Unitholder of the Trust.

3. A Unitholder is not entitled to appoint more than two proxies to attend and vote on his/her behalf. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her Unitholding (expressed as a percentage of the whole) to be represented by each proxy.

4. The sending of a Proxy Form by a Unitholder does not preclude him/her from attending and voting in person at the Annual General Meeting if he/she finds that he/she is able to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

5. To be effective, this Proxy Form must be deposited at the registered office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, not less than 48 hours before the time set for holding the meeting.

6. This Proxy Form must be signed by the appointor or by his/her attorney. In the case of a corporation, this form must be executed under its common seal or signed by its duly authorised attorney or officer.

7. Where this Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof, must (failing previous registration with a-iTrust), be lodged with this Proxy Form, failing which the instrument may be treated as invalid.

8. Any alteration made in this Proxy Form should be initialled by the person who signs it.

9. The Trustee-Manager shall be entitled to reject this Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor is not ascertainable from the instructions of the appointor specified in the Proxy Form. In the case of Unitholders whose units are entered against their names in the Depository Register, the Company may reject any Proxy Form lodged if such Unitholders are not shown to have the corresponding number of units in a-iTrust entered against their names in the Depository Register as at 48 hours before the time set for holding the meeting or the adjourned meeting, as appropriate.

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CORPORATE INFORMATION

ASCENDAS INDIA TRUST

Website: www.a-itrust.com
Email: enquires@a-iTrust.com
SGX Code: CY6U.SI
Bloomberg Code: AIT SP

REGISTERED OFFICE

61 Science Park Road
#04-01 The Galen
Singapore 117525
Phone: (65) 6774 1033
Fax: (65) 6774 9563

TRUSTEE-MANAGER

Ascendas Property Fund Trustee Pte. Ltd.

INDEPENDENT AUDITOR

Ernst & Young LLP
Public Accountants and Chartered Accountants
One Raffles Quay
North Tower Level 18
Singapore 048583
Audit Partner-in-charge: Tham Chee Soon
Date of Appointment: 17 July 2012

PROPERTY MANAGER

Ascendas Services (India) Private Limited
1st Floor, Innovator Building
International Tech Park Bangalore
Whitefield Road
Bangalore 560066, India

BOARD OF DIRECTORS

Mr Philip Yeo Liat Kok (Chairman)
Mr David Lim Tik En (Deputy Chairman)
Mr Michael Grenville Gray
Mr Rakesh Kumar Aggarwal
Mr T. V. Mohandas Pai
Mr Girija Prasad Pande
Mr Ng Eng Leng
Mr Khiatani Manohar Ramesh
Mr Sanjeev Durjhati Prasad Dasgupta

AUDIT COMMITTEE

Mr Michael Grenville Gray (Chairman)
Mr David Lim Tik En
Mr T. V. Mohandas Pai
Mr Ng Eng Leng

INVESTMENT COMMITTEE

Mr David Lim Tik En (Chairman)
Mr Rakesh Kumar Aggarwal
Mr T. V. Mohandas Pai
Mr Girija Prasad Pande
Mr Khiatani Manohar Ramesh
Mr Sanjeev Durjhati Prasad Dasgupta

NOMINATING COMMITTEE

Mr Philip Yeo Liat Kok (Chairman)
Mr David Lim Tik En
Mr Khiatani Manohar Ramesh

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr Philip Yeo Liat Kok (Chairman)
Mr David Lim Tik En
Mr Khiatani Manohar Ramesh

COMPANY SECRETARIES

Ms Mary Judith de Souza
Mr Edwin Kung Wee Tack

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

a-iTrust.com