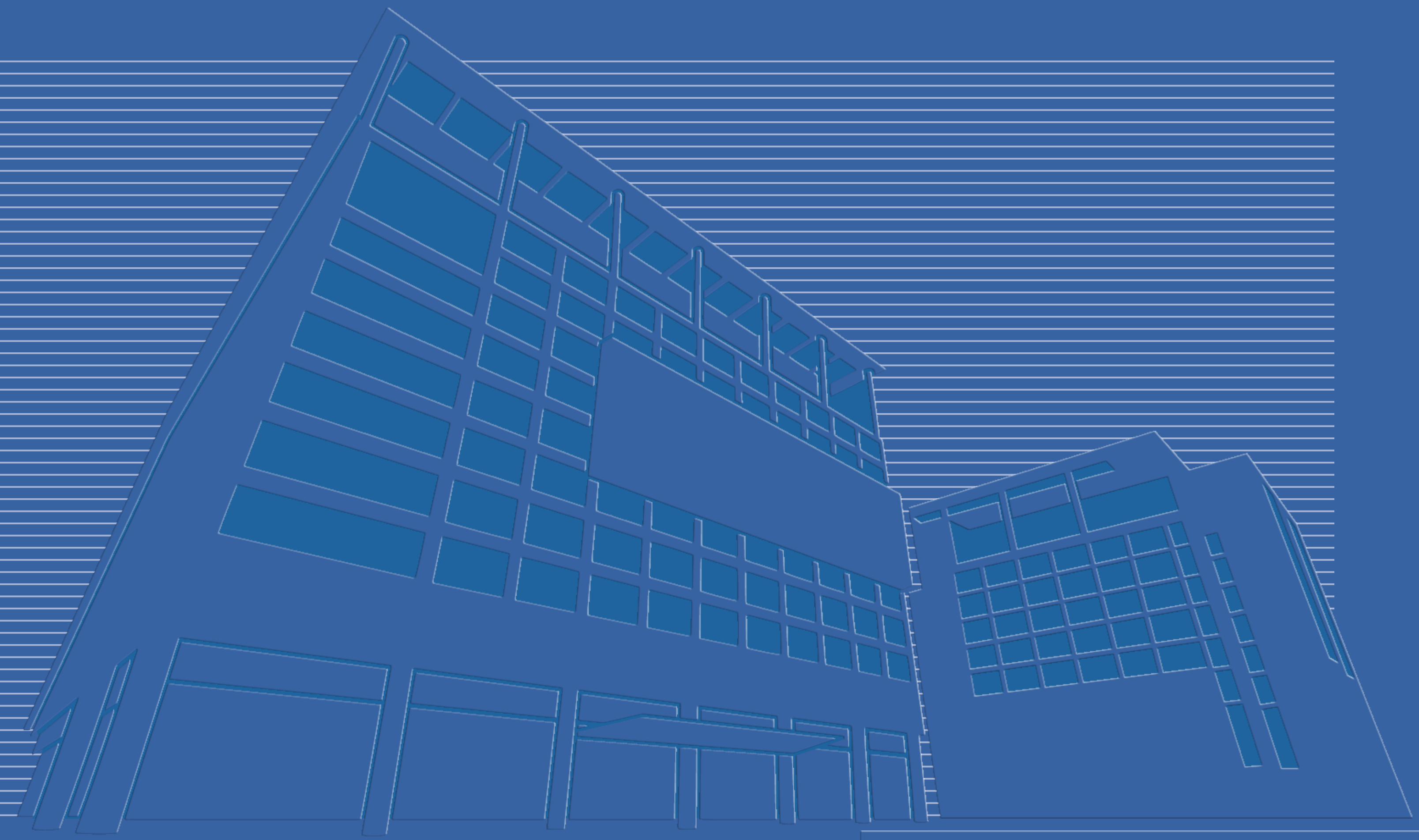
a-itrust
ascendas india trust



GROWING WITH INDIA

ANNUAL REPORT **2015/2016**

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**

Notes:

- All information in this annual report is dated as at 31 March 2016 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 the individual amounts and total shown in this annual report is due to rounding.

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$1.1 billion as at 31 March 2016. With a 9.0 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 attractive 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.

BUSINESS MODEL

WHAT AFFECTS US

EXTERNAL FACTORS

- Indian Economy
- IT-Business Process Management Industry
- Office Market

WHAT WE DO

KEY ELEMENTS

- Risk Management
- Investment Management
- Asset Management
- Capital Management
- Investor Relationship Management
- Sustainable Business Management

OUR PERFORMANCE

KEY MEASURES

- Operational Review
- Unit Price Review
- Earnings Review

NOTE TO UNITHOLDERS

Philip Yeo, *Chairman*

With the Indian commercial market looking set for stable growth, we are confident that our balanced strategy of acquiring high-quality commercial properties and developing buildings to cater to tenants' growth will provide our Unitholders with attractive and sustained returns.

Dear Unitholders

We are pleased to report a 13% growth in our distribution per unit for the financial year ended 31st March 2016 ("FY15/16"). Favourable market conditions and growth through recent acquisitions contributed to our healthy financial performance. We continue to enjoy a strong reputation as a premium space provider because of our commitment to deliver quality business space solutions to our customers. This enabled us to achieve high occupancy levels and good rental reversions.

India's economic outlook has improved in the last three years. Prudent monetary policies from the Reserve Bank of India together with business friendly reforms by the Indian Government have stabilised the Indian economy and set it on the path to growth recovery. The International Monetary Fund estimates that India's GDP grew by 7.3% in 2015[1], making India the fastest growing major economy in the world. In 2015, a record 41 million square feet of office space was absorbed in the top seven cities in India[2]. More than half of that came from Bangalore, Chennai and Hyderabad, cities which we operate in.

The brighter economic outlook in India has attracted a number of private equity and sovereign wealth funds to increase their capital allocation into Indian income producing office assets. As a result, property prices in the market have gone up. This is also reflected in the uplift in our portfolio valuation, which increased in Indian Rupee terms by 23%[3] compared to a year ago, and stood at ₹56 billion as at 31st March 2016. Recent changes to the Indian tax laws have also made the listing of Real Estate Investment Trusts ("REITs") a more feasible proposition for both REIT sponsors and investors. Hence, the competition for assets is likely to increase.

Our pipeline of projects remains strong. Our multi-pronged strategy of development, forward purchase and market acquisitions will enable us to continue to steadily grow our portfolio. As at 31st March 2016, the Trust has debt headroom of S$463 million to acquire new assets. In Pune, our sponsor Ascendas-Singbridge Group has provided Ascendas India Trust with a right of first refusal to acquire International Tech Park Pune. This is an SEZ under development with a total floor area of 2.3 million square feet. In addition, we will be acquiring a property named BlueRidge 2 with over 1.5 million square feet of floor area in Pune. We expect to complete this acquisition by December 2016. In Hyderabad, we have signed a forward purchase agreement to acquire up to 2.4 million square feet in the aVance Business Hub property and will progressively buy up completed space. In Chennai, we have recently acquired the third building in CyberVale.

Besides acquiring completed properties, we are also growing by developing our extensive land bank. When fully developed, our land bank will yield additional floor area totalling 3.6 million square feet. In Bangalore, a 0.6 million square feet multi-tenanted building named Victor is likely to be completed by June 2016. Victor has been fully committed to a mix of existing and new tenants before completion. In Hyderabad, we recently completed a new multi-level car park to meet the demand for car park space from our tenants. We are also

1 Source: International Monetary Fund, World Economic Outlook Update, April 2016
2 Source: CBRE South Asia Pvt. Ltd.
3 Includes new acquisitions.

Q&A WITH CEO

constructing a new 0.4 million square feet multi-tenanted building in The V at Hyderabad and this should be completed by the second half of 2017. Our ability to grow with our tenants is a key factor in strengthening our customer relationships, and that is reflected in the high retention ratio of 86% recorded in FY15/16.

With the Indian commercial market looking set for stable growth, we are confident that our balanced strategy of acquiring high-quality commercial properties and developing buildings to cater to tenants' growth will provide our Unitholders with attractive and sustained returns.

The progress we have made over the year has been possible because of the unwavering support of our tenants, Unitholders, and dedicated staff. We thank our tenants, Unitholders and staff for their commitment to Ascendas India Trust.

We thank our fellow directors for their guidance and counsel to management. We record our gratitude and appreciation to Mr Rakesh Kumar Aggarwal who has retired from the Board. Mr Aggarwal has made invaluable contributions to Ascendas India Trust over the last six years. We warmly welcome our new directors Mr Chiang Chie Foo and Mr Alan Nisbet to the Board. Mr Chiang and Mr Nisbet have extensive experience in the public and private sectors which will help Ascendas India Trust in the years ahead.

On behalf of the Board

Philip Yeo
Chairman

Sanjeev Dasgupta
CEO

1. How have the reforms implemented by the Modi Government benefited Ascendas India Trust?

Investor interest in India has been reinvigorated by broad economic reforms introduced by the Modi Government. Campaigns such as "Make in India" are also helping to drive economic growth, making India an attractive investment destination for global companies. Due to these factors, the currency has also been relatively stable which is beneficial for the Trust. We have seen increased demand for high quality commercial space as existing companies expand their operations while new companies enter the Indian market. This gives us the confidence to continue growing our portfolio.

Sanjeev Dasgupta, *CEO*

2. What is your outlook on the Indian economy?

India has overtaken China to become the world's fastest growing major economy in 2015. The Indian GDP is forecast to grow at 7.3% in 2015[1] despite a poor monsoon season which had adverse implications on the agriculture sector. The economy is set to grow at 7.5% in 2016[1] with services and agriculture sectors leading the growth. Low inflation, a stable Indian Rupee, and enhanced regulatory clarity are some of the key factors behind the positive outlook. On the tenant side, revenue growth for the IT and Business Process Management sector is expected to remain robust at 10-12% in FY16/17[2], as India continues to be in a leading position as a global IT offshoring and outsourcing hub.

3. How does the new Indian REIT regulation announced in the latest India Union Budget affect Ascendas India Trust?

In the latest Union Budget, the Indian Government took a significant step to further increase tax transparency by exempting Indian REITs from dividend distribution taxes. The market views this development as the removal of the final hurdle to the listing of REITs in India. While this makes listing in India an option for Indian REIT sponsors, we have to consider key strategic factors such as lower financing costs, structuring risks etc. in evaluating the possibility of an Indian listing. We will continue to monitor the Indian REIT space closely and would update our Unitholders at the appropriate time.

1 Source: International Monetary Fund, World Economic Outlook Update, April 2016
2 Source: National Association of Software and Services Companies ("NASSCOM")

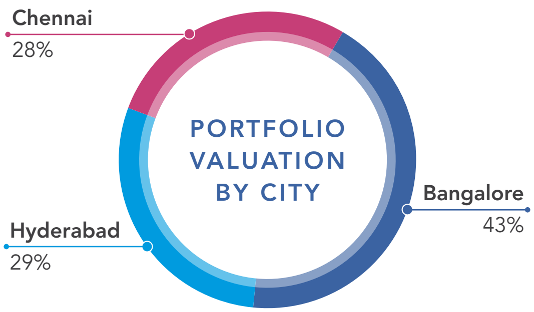
AT A GLANCE

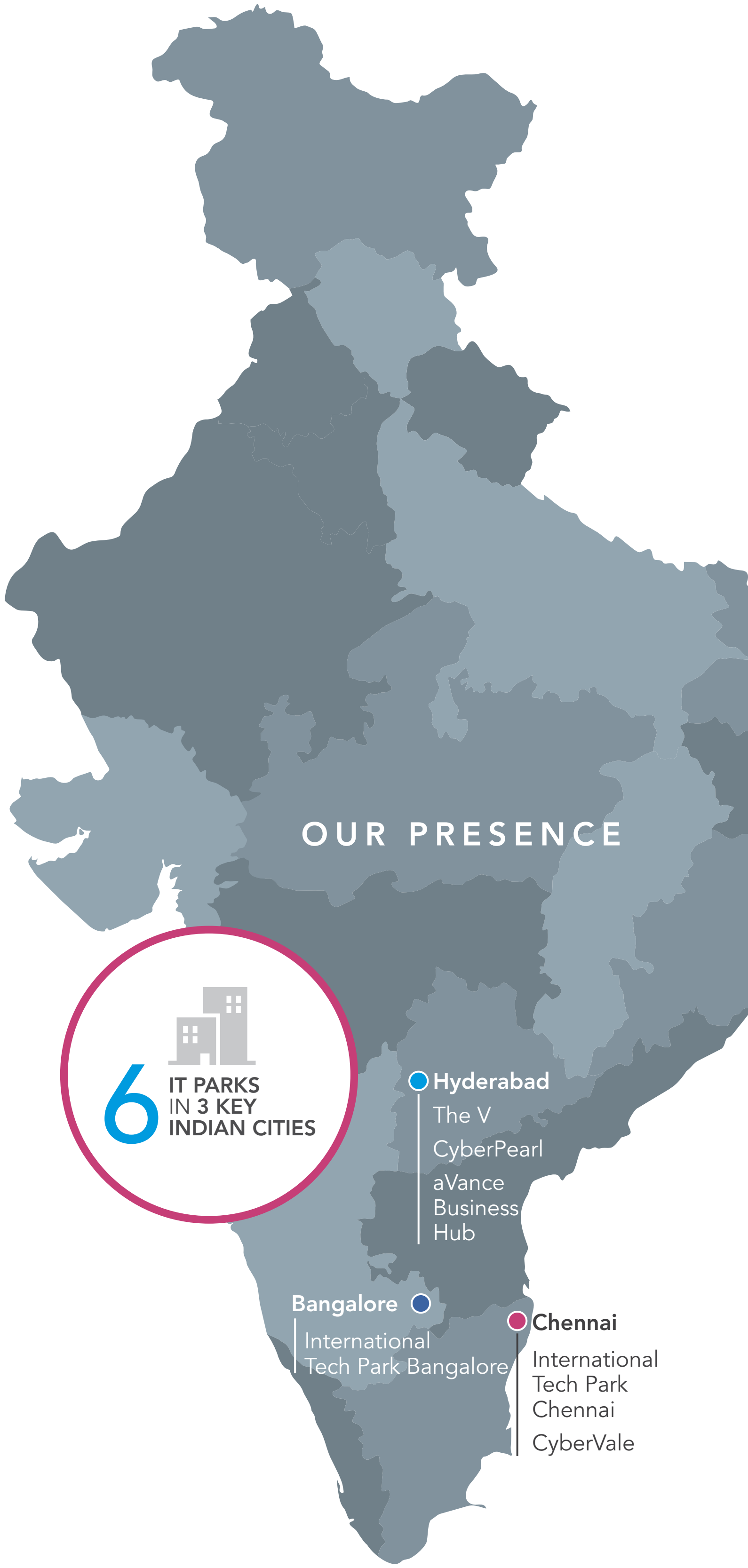
OUR PRODUCT

Our modern IT Parks are built to international specifications and standards. Two of our properties have been awarded the prestigious FIABCI Prix d' Excellence Award, affirming the quality of our properties. Within our IT Parks, we provide extensive amenities in aesthetically landscaped settings. Our tenants enjoy an international business lifestyle as various activities ranging from sporting events to festive celebrations are organised throughout the year.

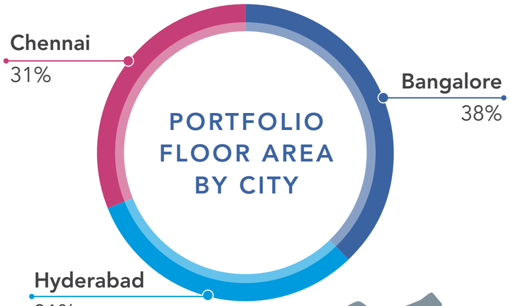
OUR PORTFOLIO

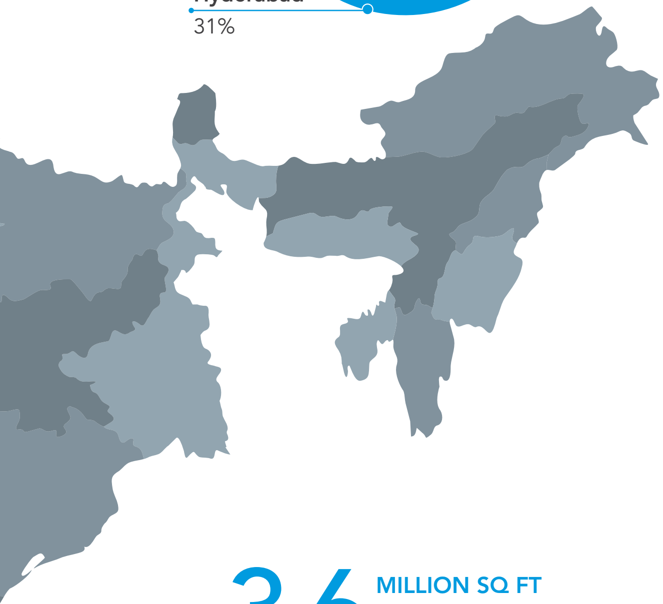
S$1.1 BILLION PROPERTY VALUATION



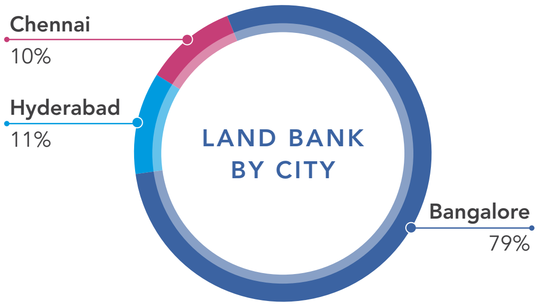


9.0 MILLION SQ FT OF COMPLETED FLOOR AREA





3.6 MILLION SQ FT OF POTENTIAL FLOOR AREA IN LAND BANK



OUR TENANTS

297
TENANTS

96,000
PARK EMPLOYEES

91%
MULTINATIONAL COMPANIES

TOP 10 TENANTS:
(In Alphabetical Order)

Applied Materials
Bank of America
Cognizant
General Motors
Mu Sigma
Renault Nissan
Societe Generale
The Bank of New York Mellon
UnitedHealth Group
Xerox

TOP 10 TENANTS CONTRIBUTED
34%
OF PORTFOLIO BASE RENT

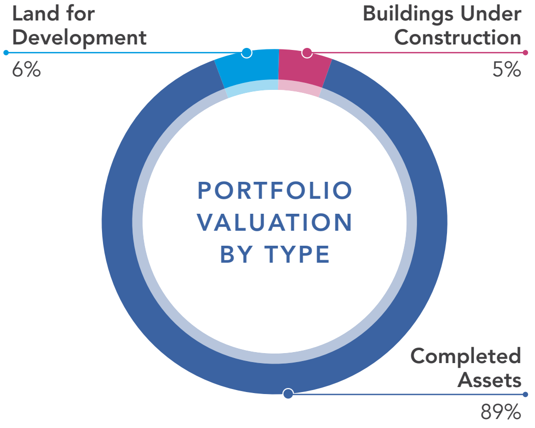
PORTFOLIO

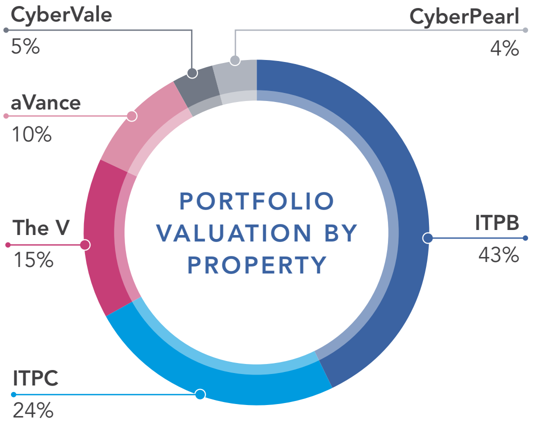
PROPERTY	INTERNATIONAL TECH PARK BANGALORE ("ITPB")	INTERNATIONAL TECH PARK CHENNAI ("ITPC")	CYBERVALE ("CV")
City	Bangalore	Chennai	Chennai
Site Area (acres)	68.5	15.0	18.2
Land Tenure	Freehold	Freehold	99 years[1]
Stake	93%[3]	89%[4]	100%
Floor Area Owned by a-iTrust (million sq ft)	3.4	2.0	0.8
Number of Buildings	9	3	3
Park Population	39,400	22,550	7,110
Development Potential of Land Bank (million sq ft)	2.86	–	0.37
Committed Occupancy	94%	100%	87%
Purchase Price			
(₹ million)	13,670	5,533	2,413[5]
(S$ million)[6]	478.5	193.7	51.5[5]
March 2015 Valuation			
(₹ million)	20,671	11,809	1,653
(S$ million)[7]	456.8	261.0	36.5
March 2016 Valuation			
(₹ million)	23,761	13,332	2,522[8]
(S$ million)[9]	484.7	272.0	51.4

1 99-year lease renewable for further 99-year as provided in the lease deed.
2 33-year lease renewable for further 33-year leases 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.
5 Includes total investment/purchase consideration for newly acquired building.
6 Based on exchange rate of S$1:₹28.6 for ITPB, ITPC, The V and CP, S$1:₹39.4 for aVance 1 and 2, S$1:₹46.7 for aVance 3, S$1:₹46.0 for Lakeview and Springfield in CV and S$1:₹48.8 for the third building in CV.
7 Based on exchange rate of S$1:₹45.2.
8 Includes the valuation of newly acquired building.
9 Based on exchange rate of S$1:₹49.0.

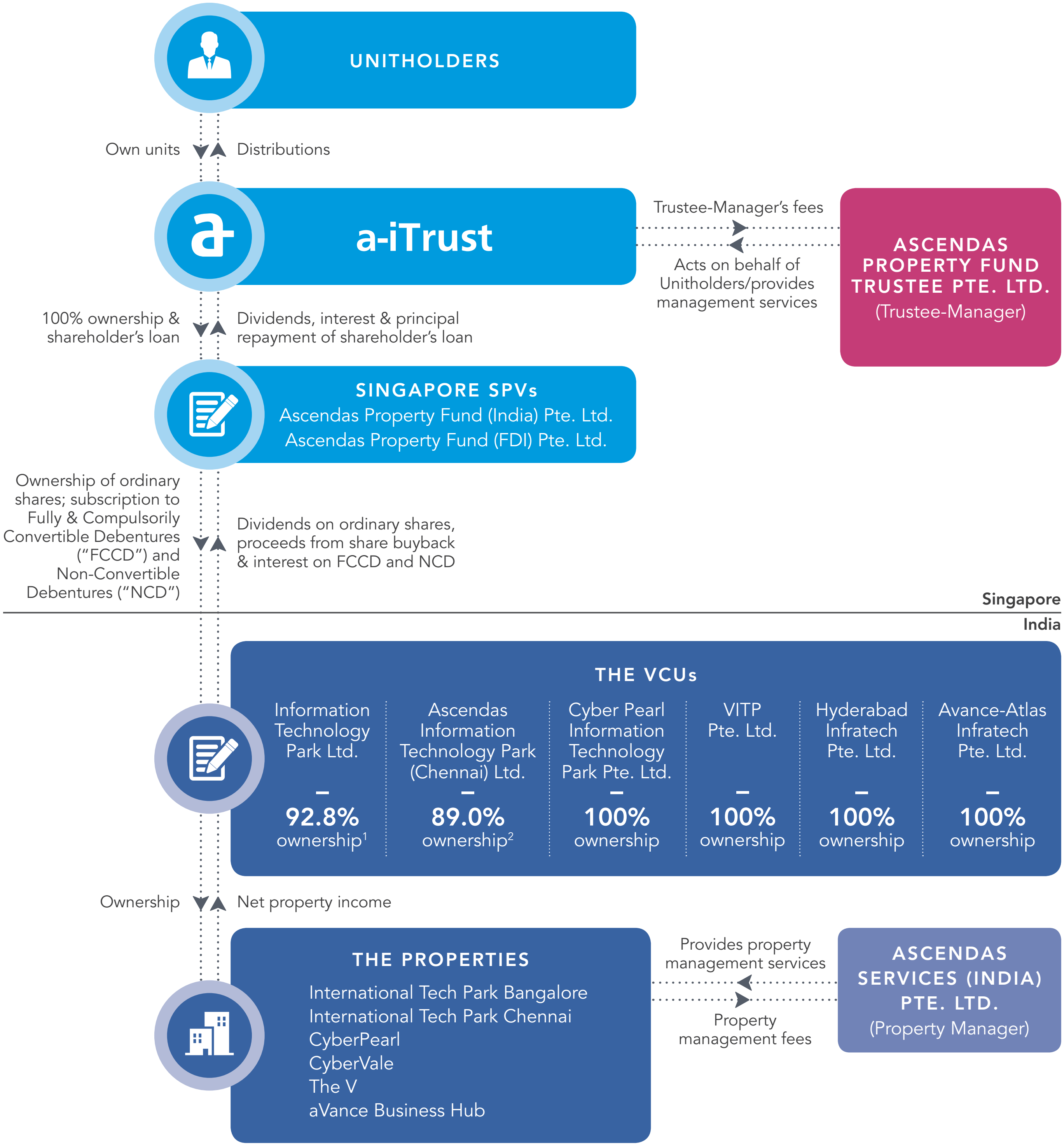
CYBERPEARL ("CP")	THE V	AVANCE BUSINESS HUB ("AVANCE")
Hyderabad	Hyderabad	Hyderabad
6.1	19.4	25.7
Freehold	Freehold	Freehold[2]
100%	100%	100%
0.4	1.3	1.1
2	5	3
4,500	12,000	10,000
–	0.41	–
100%	100%	100%
2,001	5,439	4,705[5]
70.0	190.4	107.8[5]
2,145	6,875	2,149
47.4	151.9	47.5
2,384	8,126	5,637[8]
48.6	165.8	115.0

VALUATION SUMMARY





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..

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 Appendix;
- Gearing ratio capped at 45%;
- 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-Singbridge 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) Pte. Ltd. ("Property Manager") is responsible for managing the daily operations and maintenance of our properties.

BOARD OF DIRECTORS

1. Mr Philip Yeo Liat Kok

2. Mr David Lim Tik En

6. Mr Michael Grenville Gray

7. Mr Alan Rupert Nisbet

8. Mr T.V. Mohandas Pai

3. Mr Chiang Chie Foo

4. Mr Manohar Khiatani

5. Mr Sanjeev Dasgupta

9. Mr Girija Prasad Pande

10. Mr Ng Eng Leng

BOARD OF DIRECTORS

1. 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
8 years and 10 months (as at 30 April 2016)

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 of Australia

Present Directorships as at 30 April 2016
Listed companies
- City Developments Limited
- Hitachi, Ltd
- Kerry Logistics Network Limited

Others
- Accuron Technologies Ltd (Chairman)
- 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 Appointment as at 30 April 2016
- 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
Nil

2. 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
8 years and 10 months (as at 30 April 2016)

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

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

Present Directorships as at 30 April 2016
Listed companies
- Wheelock Properties (Singapore) Ltd

Others
- Economic Development Innovations Singapore Pte. Ltd.
- Dornier MedTech GmbH, Germany
- Advanced Materials Technologies Pte. Ltd.
- Veredus Laboratories Pte. Ltd.

Major Appointment as at 30 April 2016
Nil

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

3. Mr Chiang Chie Foo
Independent Director

Date of Appointment as Director
1 April 2016

Length of Service as Director
1 month (as at 30 April 2016)

Board Committees Served on
Nil

Academic & Professional Qualifications
- Bachelor of Electronic Engineering (First Class Honours), University of Western Australia
- Master in Public Administration, Harvard University

Present Directorships as at 30 April 2016
Listed companies
Nil

Others
- Central Provident Fund Board (Chairman)
- Lee Kuan Yew Exchange Fellowship
- Valencia Club de Futbol

Major Appointment as at 30 April 2016
- Senior Advisor, Ministry of Defence
- Advisor, Hong Kong ASEAN Economic Cooperation Foundation (HK-based)
- Advisor, Meriton Holdings Limited (HK-based)
- Member, Asia-Pacific Breweries Foundation Board of Trustees

Past Directorships in Listed Companies Held Over the Last 3 Years
- Rowsley Ltd

4. Mr Manohar Khiatani
Non-Executive Director

Date of Appointment as Director
1 June 2013

Length of Service as Director
2 years and 10 months (as at 30 April 2016)

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

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

Present Directorships as at 30 April 2016
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
- Ascendas Group Companies

Major Appointment as at 30 April 2016
- Deputy Group CEO, Ascendas-Singbridge Group

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

5. Mr Sanjeev Dasgupta
Executive Director & CEO

Date of Appointment as Director
1 October 2014

Length of Service as Director
1 year and 7 months (as at 30 April 2016)

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 as at 30 April 2016
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
- AIGP 1 Pte. Ltd.
- Ascendas IT Park (Chennai) Limited
- Avance – Atlas Infratech Private Limited

BOARD OF DIRECTORS

Major Appointment as at 30 April 2016
Nil

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

6. Mr Michael Grenville Gray
Independent Director

Date of Appointment as Director
16 November 2009

Length of Service as Director
6 years and 5 months (as at 30 April 2016)

Board Committees Served on
- Audit and Risk Committee (Chairman)

Academic & Professional Qualifications
- BsC (Maritime Studies), University of Plymouth U.K.
- M.A. (South East Asia Studies), National University of Singapore
- Hon DBus (Newc)
- 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 as at 30 April 2016
Listed companies
- Avi-Tech Electronics Limited
- GSH Corporation Ltd
- VinaCapital Vietnam Opportunity Fund Limited
- FSL Trust Management Pte. Ltd. (As Trustee-Manager of First Ship Lease Trust)

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

Major Appointment as at 30 April 2016
Voluntary organisations
- President "PAVE"
- Former Chairman and Committee Member AMKFSC Community Services
- Secretary of the Event Singapore Grand Prix

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

7. Mr Alan Rupert Nisbet
Independent Director

Date of Appointment as Director
30 September 2015

Length of Service as Director
7 months (as at 30 April 2016)

Board Committees Served on
- Audit and Risk Committee (Member)

Academic & Professional Qualifications
- Diploma in Business Studies, Accounting - Caulfield Institute of Technology, Melbourne
- Member of the Institute of Singapore Chartered Accountants

Present Directorships as at 30 April 2016
Listed companies
- Halcyon Agri Corporation Limited
- KrisEnergy Ltd.

Others
- Accounting and Corporate Regulatory Authority
- Standard Chartered Bank (Singapore) Limited

Major Appointment as at 30 April 2016
Nil

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

8. Mr T.V. Mohandas Pai
Independent Director

Date of Appointment as Director
1 December 2011

Length of Service as Director
4 years and 5 months (as at 30 April 2016)

Board Committees Served on
- Audit and Risk 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 (LLB), Bangalore University, India
- Fellow member of Institute of Chartered Accountants of India

Present Directorships as at 30 April 2016
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
- International Tax Research and Analysis Foundation

Major Appointment as at 30 April 2016
- Aarin Asset Advisors LLP (Chairman)
- 3ONE4 Capital Advisors LLP (Chairman)

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

9. Mr Girija Prasad Pande
Independent Director

Date of Appointment as Director
15 January 2013

Length of Service as Director
3 years and 3 months (as at 30 April 2016)

Board Committees Served on
- Investment Committee (Member)

Academic & Professional Qualifications
- Bachelor of Engineering, Birla Institute of Technology and Science at the Pilani Campus (BITS Pilani)
- MBA, Indian Institute of Management, Ahmedabad

Present Directorships as at 30 April 2016
Listed companies
- Micro-Mechanics (Holdings) Ltd

Others
- Apex Avalon Consulting Pte. Ltd. (Chairman)
- Tata Communications International Pte. Ltd.
- Apex Advisors Pte. Ltd.
- IBS Software Pte. Ltd.
- Techware Investments Pte. Ltd.

Major Appointment as at 30 April 2016
- Singapore International Chamber of Commerce
- National Council of Social Services
- Singapore Indian Development Association (Board of Trustee)
- SMU School of Business (Board of Advisors)

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

10. Mr Ng Eng Leng
Independent Director

Date of Appointment as Director
1 April 2013

Length of Service as Director
3 years and 1 month (as at 30 April 2016)

Board Committees Served on
- Audit and Risk Committee (Member)

Academic & Professional Qualifications
- LLB (Hons), 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 Directorships as at 30 April 2016
Listed companies
Nil

Others
Nil

Major Appointment as at 30 April 2016
- Partner, Dentons Rodyk & Davidson LLP

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

Ngu Su San
Manager, Finance

Gary Ong
Assistant Manager, Finance

Cynthia Pang
Senior Accountant, Finance

Alice Ong
Senior Accounts Executive, Finance

Ram Soundararajan
Head, Investment Management

Nitin Sathasivam
Assistant Manager, Asset & Investment Management

James Goh
Head, Investor Relations & Asset Management

Aron Chan
Senior Analyst, Asset Management

Jeffrey Tan
Analyst, Investor Relations & Asset Management

Mary De Souza
Joint Company Secretary

Hon Wei Seng
Joint Company Secretary

Ho How Wai
Head, Compliance

Go online to view the detailed profiles of our Executive Officers:
http://www.a-itrust.com/about_officers.html

PROPERTY MANAGER

BANGALORE HEADQUARTERS

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

Communications
Anirban Choudhury

Project Management
Pradeep Dwivedi

Property Management
Chandrashekar A

Finance
Rajesh Srinivasan

Legal & Secretarial
J Ammaiappan

Marketing & Customer Service
Deviprasad Rao

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 Management
Rajesh A

Finance
Govardhan Chawla

Legal & Secretarial
Chengappa P A
Sheetal LM

Marketing & Customer Service
Adarsh Rai
Beena Bharath

Human Resource & Administration
Mary Sathiya

Retail Mall Operations
Bhuvan Bhasin

CHENNAI OPERATIONS

City Head
Balaji V V

Communications
Arun Prasath

Property Management
Seenuvasan G

Finance
Lakshmi Narasimhaiah

Legal & Secretarial
Senthil Kumar A
Saravanan M

Marketing & Customer Service
Ramesh M

Human Resource & Administration
Srividya P

HYDERABAD OPERATIONS

City Head
Subrata Sharma

Communications
Ajay B

Project Management
Sudhir Kumar

Property Management
Naresh Yadav

Finance
Govardhan Chawla

Legal & Secretarial
Ajit Verma
VVMS Rao

Marketing & Customer Service
Umesh C S

Human Resource & Administration
D Srivalli

ECONOMIC & MARKET FACTORS

Fastest

GROWING MAJOR ECONOMY IN THE WORLD

INDIA'S 2015 GDP GROWTH

7.3%[1]

INDIA'S 2016 GDP GROWTH FORECAST

7.5%[1]

Leading

THE GLOBAL IT-BPM[2] INDUSTRY

INDIA'S SHARE OF GLOBAL SOURCING MARKET

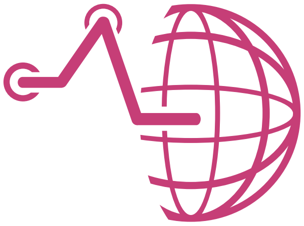
56%

IN 2015[3]

INDIA'S FY16/17 IT-BPM[2] EXPORT REVENUE GROWTH FORECAST[3]

10-12%

[1] Source: International Monetary Fund, World Economic Outlook Update, April 2016
[2] IT-BPM refers to Information Technology and Business Process Management.
[3] Source: NASSCOM



Most Cost Competitive

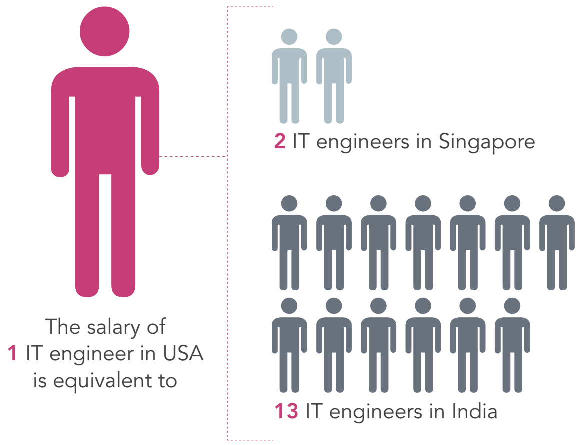
SOURCING DESTINATION IN THE WORLD[4]

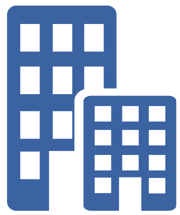
OCCUPANCY COSTS UP TO

10x

CHEAPER THAN OTHER LOW COST DESTINATIONS[4,5]

IT ENGINEER SALARY[6]





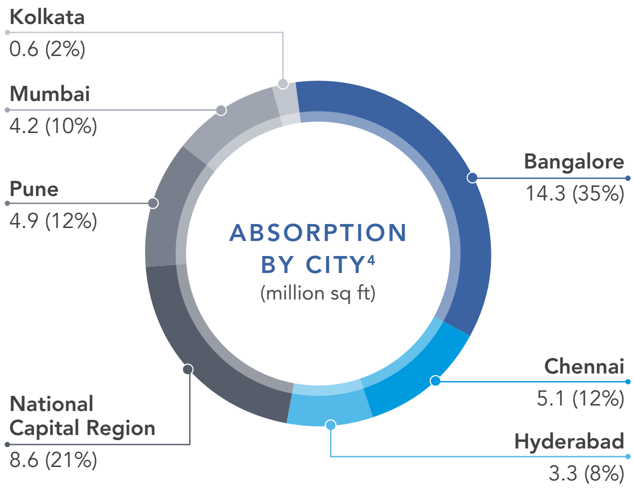
Strongest

LEASING DEMAND ON RECORD[4]

TOP 7 INDIAN CITIES RECORDED

41

MILLION SQ FT[4]
OF ABSORPTION IN 2015



4 Source: CBRE South Asia Pvt. Ltd.
5 Includes China, Philippines and some Eastern European countries.
6 Computed using March 2016 median salary data from Payscale.com and 31 March 2016 currency exchange rate from Bloomberg.

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 no direct employees. Ascendas Property Fund Trustee Pte. Ltd. and Ascendas Services (India) Pte. Ltd. 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) Pte. Ltd. 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 measures taken to mitigate them as we manage our daily operations.

ENTERPRISE-WIDE RISK MANAGEMENT PROCESS

BOARD

- Establishes overall risk framework.
- Identifies key risks with Management.
- Regularly reviews business risks.
- Examines liability management and risks.

AUDIT AND RISK COMMITTEE

- Assists the Board in examining the effectiveness of risk management policies.
- Reviews and guide Management in the formulation of risk policies and processes.
- Ensures a robust risk management system is maintained.

MANAGEMENT

- Reports to Audit and Risk Committee.
- Performs risk management and internal control functions.
- Maintains an internal control system which covers key Strategic, Financial, Investment, Operational and Compliance risks.
- Completes a checklist verifying that adequate internal controls are in place at the end of each financial year.

	EXECUTIVE RISK OWNER	CONTROL OWNER
Strategic	Chief Executive Officer	
Financial	Chief Financial Officer	
Investment	Head, Investment Management	As assigned by Executive Risk Owner
Operational	Head, Asset Management	
Compliance	As appropriate	

INVESTMENT MANAGEMENT

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', the latest addition to our portfolio. Victor, a 0.62 million sq ft multi-tenanted IT building in International Tech Park Bangalore, is 100% pre-committed and is expected to boost the income of a-iTrust after its completion in June 2016. After constructing Victor, we still have 2.24 million sq ft of potential built up area within International Tech Park Bangalore. The remaining land bank will be developed in phases to meet market demand.

In Chennai, CyberVale has a 4.4 acres vacant plot with the potential to build a 0.37 million sq ft IT building. Construction will commence once 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 are constructing a new multi-tenanted IT building with floor area of 0.41 million sq ft. The new IT building is expected to be completed by the 2nd half of 2017. In addition, we recently completed a multi-level car park with 660 lots in March 2016. We have secured 16.6% leasing commitment for the building, and discussions are ongoing with existing and new tenants to cater to their growth plans.

ACQUISITION STRATEGY

We pursue acquisitions that offer attractive cash flows and returns relative to a-iTrust's weighted average cost of capital. We seek acquisitions that enhance the diversification of the portfolio and optimise 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-Singbridge 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 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.

CASE STUDY: ACQUISITION OF CYBERVALE

In March 2015, a-iTrust completed the acquisition of CyberVale from its sponsor, Ascendas-Singbridge Group, for a purchase consideration of ₹1.62 billion (S$35.2 million)[1]. CyberVale is located within Mahindra World City, a 1,550 acres business city in 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 building. CyberVale has a stable income profile with Renault Nissan as its anchor tenant.

In March 2016, a-iTrust completed the acquisition of the third building with floor area of 0.28 million sq ft within CyberVale. With this acquisition, a-iTrust owns all the operational buildings within the CyberVale campus, further strengthening a-iTrust's presence in Chennai. This recent acquisition complements our acquisition of the first two buildings in CyberVale last year as it caters to Renault Nissan's expansion needs.

Renault Nissan, an anchor tenant in CyberVale, has pre-committed to leasing 61% of the third building. The purchase consideration of ₹642.7 million (S$13.2 million)[1] will be paid in tranches as and when the space is leased (subject to a deadline of May 2019 for payment of full consideration). This deferred payment structure minimizes the leasing risk and income drag arising from the vacant space.

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

INVESTMENT MANAGEMENT

Sponsor pipeline

Ascendas-Singbridge Group has granted a-iTrust with the Right Of First Refusal ("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 & 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-Singbridge Group's stake in the assets of AIGP.

Third-party acquisitions

BlueRidge 2

In December 2014, we agreed to acquire BlueRidge 2, a 1.52 million sq ft IT property in Pune. The property is in the final stages of completion. It is located in Hinjewadi in Pune, the preferred location for many top IT companies. The acquisition of BlueRidge 2 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 2. 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 2. 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.

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 & 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 as construction funding after the Vendor met pre-specified leasing milestones. In July 2015, we completed the acquisition of aVance 3 for an aggregate consideration of ₹2,940 million (S$63 million)[1]. The building is currently 100% committed with multinational corporations such as UnitedHealth Group and ValueLabs as anchor tenants.

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

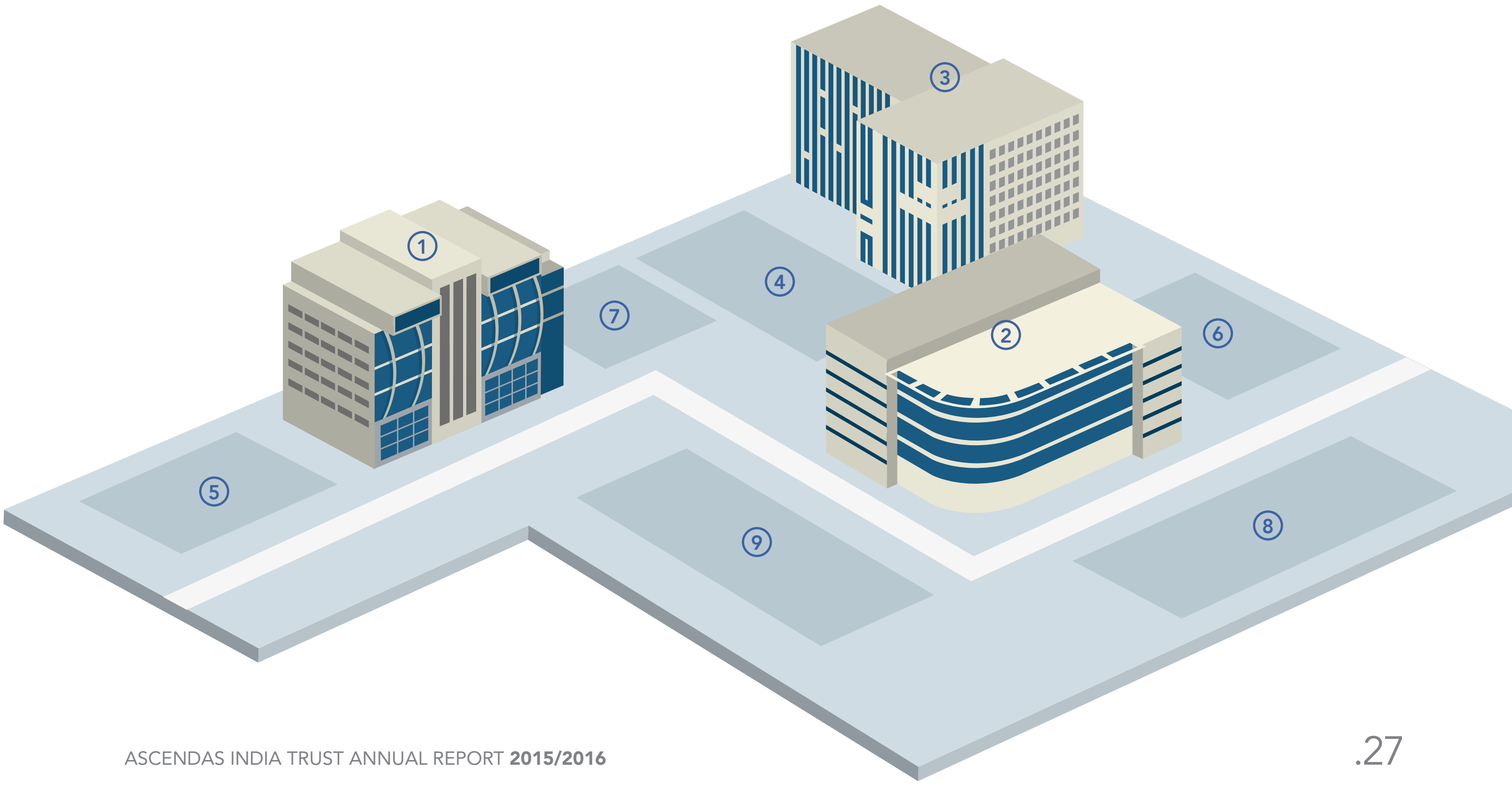
Besides aVance 3, we have rights to acquire two other buildings to be constructed by the Vendor totaling 1.24 million sq ft. We intend to commence construction funding for aVance 4 once the leasing milestones are met.

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 totaling 1.16 million sq ft are owned by a separate party to the Vendor.

To ensure that new buildings built by the Vendor meet our requirements, a-iTrust and the Vendor have set up a project committee to oversee the design and development of new buildings. In addition, we also have a robust process in place for securing the desired tenant profile by pre-qualifying 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.

SUMMARY

	BUILDING	FLOOR AREA (million sq ft)	STATUS
a-iTrust properties	aVance 1	0.20	Acquired
	aVance 2	0.23	Acquired
	aVance 3	0.68	Acquired
	Total	**1.11**	
Right to acquire	aVance 4	0.39	Under construction
	aVance 5	0.85	Not built
	Total	**1.24**	
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**	



ASSET 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 continual 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	Bangalore, Chennai & Hyderabad	Ascendas Green Month Celebrations
	Bangalore & Hyderabad	Livewire 2015
2	Chennai	Health Week 2015
	Bangalore	Independence Day Celebrations, Demo Night
3	Bangalore	Soul Sante 2015, Festival of Joy Celebrations
	Chennai	Ascendas Sports Meet 2015
	Hyderabad	Fun Art Luncheon 2015
4	Bangalore	Interface 2016, ITPB Healthy Lifestyle and Sports Meet 2016, Soul Sante 2016, ITPB CSR
	Chennai	ITPC CSR
	Hyderabad	Service Partners Fiesta, Healthy Lifestyle and Sports Meet 2016, Interface 2016

CASE STUDY: PROMOTING HEALTHY LIFESTYLES IN BANGALORE

Employees of tenants at International Tech Park Bangalore ("ITPB") look forward to participating in a wide range of activities organised throughout the year. One of the most eagerly anticipated event is the annual ITPB Healthy Lifestyle and Sports meet, which allows park employees to exercise, de-stress and improve their personal fitness levels.

The ITPB Healthy Lifestyle and Sports Meet 2016, which was held in February 2016, saw a record turnout of 4,000 participants from over 56 companies. The event which is spread over 10 days covers a mix of indoor and outdoor games, including football, volleyball, chess and carrom. A 5 kilometre run was introduced this year and was met with overwhelming response. Over 600 runners participated to embrace the competitive spirit of running.

The highly successful ITPB Healthy Lifestyle and Sports Meet concluded with a grand finale where Xerox Corporation was awarded the 'Overall Champion of the Year' for winning the most number of sporting categories.

""

I have been participating in this event for the past three years. Our team has been the winner in volleyball for the past two years. Victory aside, it is the joy of participation that is keeping us inspired. These outdoor events not only act as a stress-buster but also a great platform to expand our social circle.

Jyoti Prakash (Atos SE)

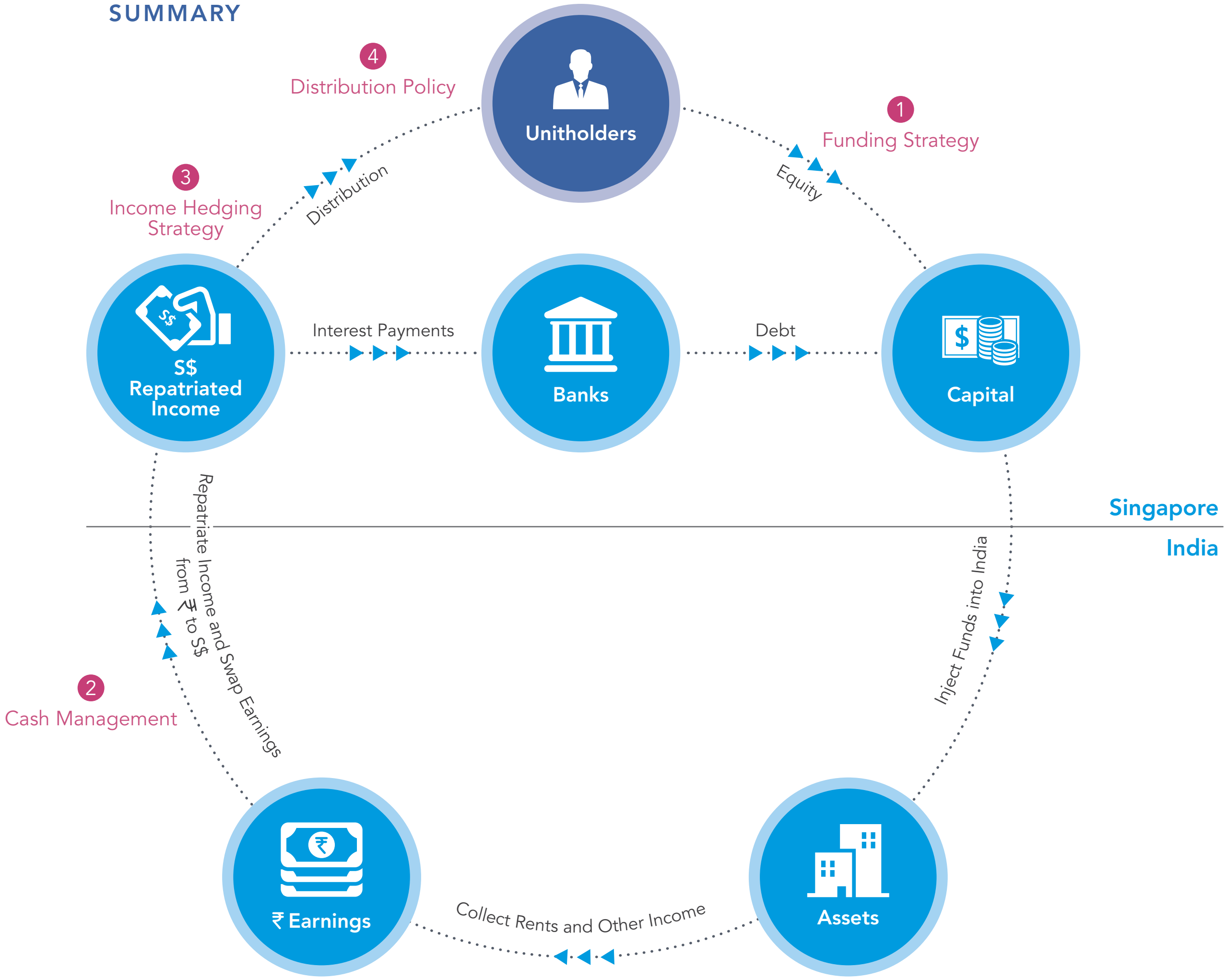
""

These events are good energy-boosters and despite our busy schedules, many have come forward to participate. Such mass outdoor activities should be promoted to keep anxiety and depression at bay. Even our company is taking great interest in such events.

Vinod Kumar (Aegis Limited)

CAPITAL MANAGEMENT

SUMMARY



Key Indicators

INDICATOR	AS AT 31 MARCH 2015	AS AT 31 MARCH 2016
Gearing ratio[1]	25%	26%
Interest service coverage (Adjusted EBITDA[2]/ Interest expenses)	4.2 times	4.2 times
Percentage of Indian Rupee Debt	67%	73%
Percentage of fixed rate debt	100%	100%
Percentage of unsecured borrowings	92%	100%
Effective weighted average cost of debt	6.7%	6.9%
Available debt headroom	S$318 million[3]	S$463 million[4]
Net asset value	S$0.68 per unit	S$0.69 per unit
Adjusted net asset value[5]	S$0.85 per unit	S$0.87 per unit

OVERVIEW

Objectives

Our capital management objectives include to:

- 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 the measures employed 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. In addition, the Trust's policy is to hedge at least 50% of its borrowings to Indian Rupee. As at 31 March 2016, 7% of the Trust's asset value was exposed to currency risk[6] as a result of our Singapore Dollar borrowings. We will periodically review the policy, and make adjustments if changes in prevailing market conditions warrant it.

To address the short term operating requirements for currencies other than Indian Rupee, the Trust will buy or sell the foreign currency at the prevailing spot rate.

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 fund. The Trust has established 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 2016, the Trust has total effective borrowings[7] of S$352.6 million, comprising S$157.4 million of MTN notes, S$187.2 million of bilateral loans and S$8.0 million of deferred consideration.

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.

We lower the Trust's borrowing cost by having a mix of Indian Rupee and Singapore Dollar borrowings. As at 31 March 2016, 73% of the Trust's effective borrowings were denominated in Indian Rupee with the remaining 27% in Singapore Dollar. The weighted average interest cost of Singapore Dollar and Indian Rupee borrowings were 3.7% and 8.2% respectively as at 31 March 2016. a-iTrust's overall weighted average cost of debt was 6.9% as at 31 March 2016.

We do not borrow Indian Rupee loans onshore in India as it cost less to hedge Singapore Dollar borrowings to Indian Rupee-denominated borrowings using cross-currency swaps.

1 Ratio of effective borrowings to the value of Trust properties.
2 Earnings before interest expenses, tax, depreciation & amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation from settlement of loans). Earnings include interest income.
3 In FY14/15, the available debt headroom was based on approved gearing limit of 40%.
4 Available debt headroom is based on approved gearing limit of 45% in accordance with the Trust Deed. The Trust is in the process of realigning the financial covenants of certain bilateral loan facilities with gearing limit of 40%.
5 Excludes deferred income tax liabilities on capital gains due to fair value revaluation of investment properties.
6 Value-at-risk is calculated by multiplying (i) the percentage of Singapore Dollar effective borrowings with (ii) gearing ratio 27% X 26% = 7%.
7 Calculated by adding/(deducting) derivative financial instruments liabilities/(assets) to/from gross borrowings, including deferred consideration.

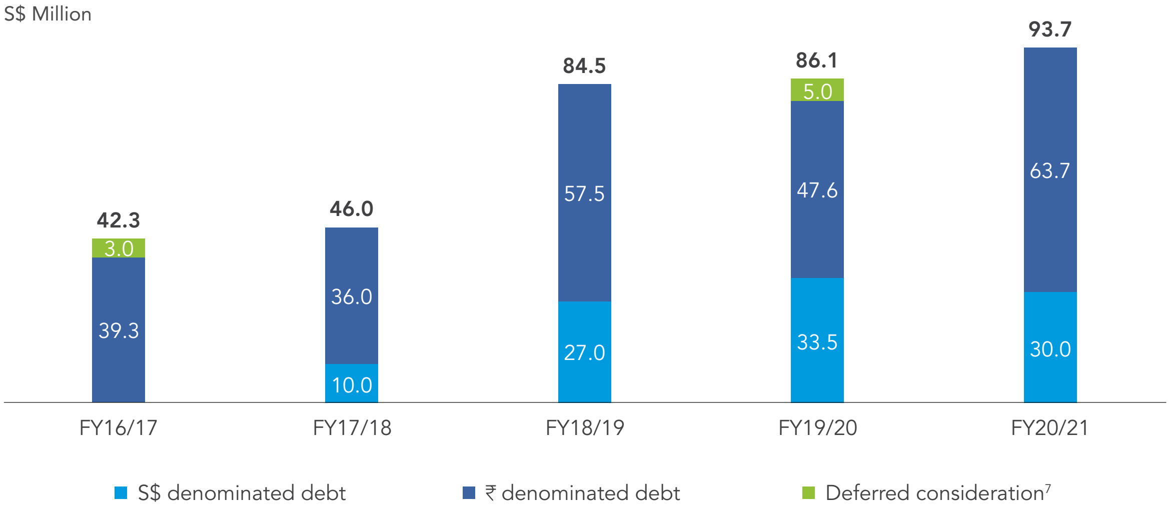
CAPITAL MANAGEMENT

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 2016, 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 2.8 years as at 31 March 2016.



[7] Deferred consideration relates to the remaining purchase consideration on the acquisition of the third building in CyberVale IT Special Economic Zone in Chennai which was announced in March 2016. The consideration will be paid in tranches as and when the remaining space in the building is leased.

Debt headroom

As at 31 March 2016, the Trust may increase its borrowings by S$463 million before reaching the gearing limit. The gearing limit provided for under the Property Fund Appendix was increased to 45% on 1 January 2016. As provided for under the Trust Deed of a-iTrust, our applicable gearing limit increased correspondingly to 45%.

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 FY15/16 increased to S$97 million, compared to S$80 million in the preceding financial year.

Investing activities

During the year, S$31 million was invested in the construction of Victor (a new IT building in International Tech Park Bangalore), and a new IT building and multi-level car park in The V, Hyderabad. In addition, S$7 million of capital expenditure was spent on refurbishing existing properties.

For new investments, the Trust completed the acquisition of aVance 3, a 0.7 million sq ft IT SEZ in Hyderabad with the payment of a final net consideration of S$5 million to the vendor. The total consideration for the building amounted to S$63 million. In addition, the Trust completed the acquisition of a 0.3 million sq ft building in CyberVale for an initial purchase consideration of S$6 million, with the balance consideration to be paid in tranches as and when the building's remaining vacant space is leased out, subject to a deadline of May 2019. This allows the Trust to acquire the asset while minimising leasing risk.

In the preceding financial year, S$12 million was spent on the development of Victor and the new IT building and multi-level car park in The V. S$92 million was invested in the acquisitions in BlueRidge 2, a 1.5 million sq ft IT Park in Pune and CyberVale, a 0.6 million sq ft IT SEZ in Chennai. S$5 million was expended on refurbishing our existing properties.

Financing activities

During the year, the Trust raised loans of S$139 million, of which S$90 million was used to refinance existing loans.

3. INCOME HEDGING STRATEGY

We hedge the Trust's distributable income as we do not speculate on currency movements. Income is repatriated semi-annually from India to Singapore 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 maturity is recognised as unrealised fair value gain or loss on derivative financial instruments in the income statement. On maturity 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 RELATIONSHIP MANAGEMENT

OVERVIEW

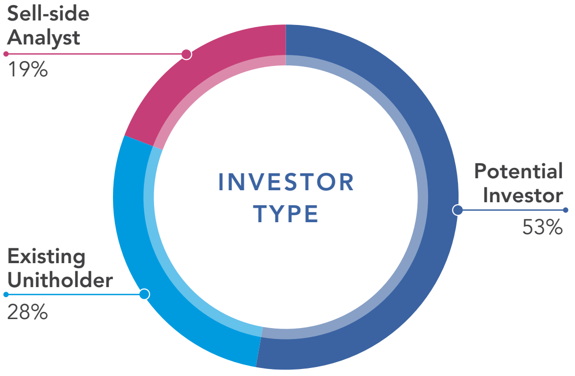
We value our relationships with all analysts and investors. We are committed to timely and transparent communications to keep the investment community apprised of significant developments of a-iTrust.

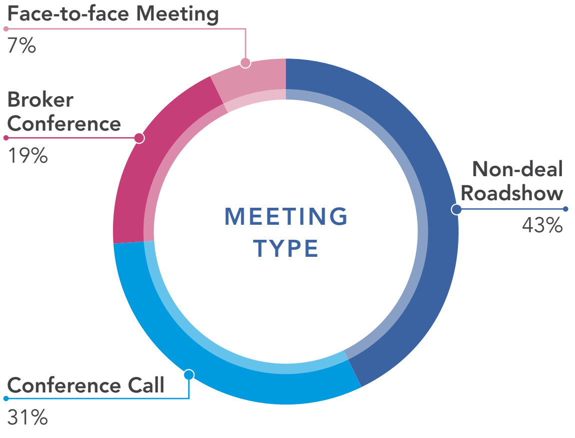
Care is exercised to avoid selective disclosure of material information. All price sensitive information is released to investors at the same time via the Singapore Exchange and a-iTrust's corporate website, in accordance with regulatory requirements.

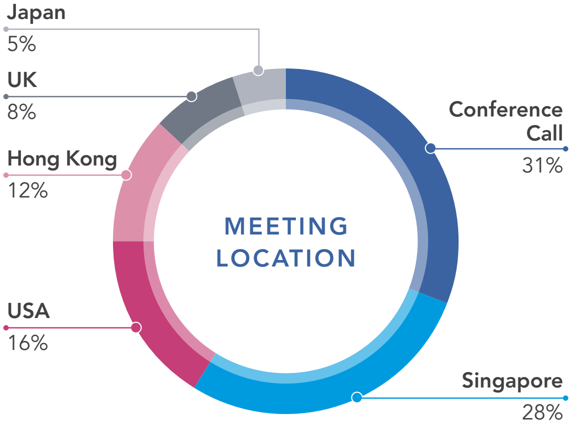
We closely monitor investors' perceptions and expectations of a-iTrust and actively convey that information to our Board of Directors ("Directors"). Major Unitholders' views are canvassed in a detailed investor survey which is conducted annually by an external consultant. The investor perception report 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 FY15/16, we met or spoke to 180 analysts and investors. The charts on the right show the breakdown in terms of the investor type, meeting type and location that we met them.







FINANCIAL CALENDAR (TENTATIVE)

July 2016
1Q FY16/17 results announcement

October 2016
2Q FY16/17 results announcement

November 2016
1H FY16/17 distribution to Unitholders

January 2017
3Q FY16/17 results announcement

April 2017
4Q FY16/17 results announcement

May 2017
2H FY16/17 distribution to Unitholders

June 2017
Annual general meeting

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

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

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

SUPPLEMENTARY INFORMATION

An excel spreadsheet with detailed financial and operational information may be downloaded from our website. The contents include portfolio, tenant, and balance sheet data, as well as the full annual income statements in Singapore Dollar and Indian Rupee.

Go online to download the supplementary information file:
http://aitrust.listedcompany.com/financials.html

RESEARCH COVERAGE

Four brokerage firms cover a-iTrust as at end March 2016. 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. Jefferies
4. 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

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 & 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 email alerts:
http://aitrust.listedcompany.com/email_alerts.html

SUSTAINABLE BUSINESS MANAGEMENT

At Ascendas India Trust, good performance is not just about profit. It is about running our business in a sustainable and responsible manner. We believe that sound environmental and social practices enhance our competitive edge by enabling us to operate in a more efficient and economically sustainable manner. Here are key elements of sustainability that we have identified as having a material impact on our business:

- Good Governance
- Tenant Satisfaction
- Supply Chain Responsibility
- Health, Safety and Security
- Talent Development
- Environmental Sustainability
- Community Support

GOOD GOVERNANCE

Code of ethics and conduct

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

The Trustee-Manager and Property Manager are part of the Ascendas-Singbridge Group ("ASB"), Asia's leading provider of sustainable urban solutions. Both the Trustee-Manager and Property Manager follow the guidelines and standard operating procedures laid down by ASB.

The employees of both the Trustee-Manager and Property Manager are committed to complying with ASB'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 received the Merit award twice at the Singapore Corporate Governance Award in recent years.

We hold ourselves accountable to our corporate governance framework as set out in 57 to 72 of the annual report. All employees abide by the professional standards underlined in our policies, which cover areas such as corruption and bribery, and whistle-blowing. These policies are readily accessible on the company intranet for easy reference. Our management and operational staff also attend training on anti-money laundering biannually.

TENANT SATISFACTION

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. This year, over 300 property agents attended this event across Bangalore, Chennai and Hyderabad.

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, quality and innovation and marketing. The results from the survey are then reviewed, and improvements are made to address specific concerns highlighted by customers.

As part of our commitment in delivering exceptional service to our tenants, the Property Manager, together with ASB, is in the process of designing and implementing the following programmes:

- **Building service culture**
  This initiative aims to redesign tenant's experience by addressing their needs through an outside-in perspective. The goal is to set new service standards by encouraging employees to follow guidelines on positive or recommended behaviours, so as to embed a service culture and mindset in the company. We believe this will allow us to better understand and respond to our tenants' needs in the future.

- **Integrated customers solutions**
  This programme is geared towards delivering holistic value to our customers through developing a new range of services, including the development of industry clusters, assistance in recruiting workforce, and business matchmaking for our tenants.

SUPPLY CHAIN RESPONSIBILITY

The Property Manager engaged 697 active suppliers to provide construction, maintenance, cleaning, security and other services.

We encourage our suppliers to adopt sustainable procurement practices, wherever possible and applicable. In FY15/16, all new suppliers were screened and checked as per ISO Standard Operating Procedures.

Supplier compliance is essential to ensure their practices continue to align with regulatory standards. We mandate all our suppliers to comply with the ASB's Workplace Safety and Health Management System ("WSHMS"), as well as relevant government regulations. Suppliers' performance are evaluated regularly and their results are tracked in our internal information management system. Where incidences of non-conformance are found, warning letters are issued to the suppliers and penalties imposed according to the terms of the contracts.

HEALTH, SAFETY AND SECURITY

We place great emphasis on our responsibility as a developer and a landlord to minimise risks, protect the safety, and safeguard the health of all those who work with us or visit our properties. The Property Manager, our contractors and vendors comply with the WSHMS.

Workplace and tenant safety

Driving our safety culture are the WSHMS guidelines, which cover the entire real estate lifecycle from project development to property management stages. The WSHMS guidelines include mandatory risk assessments, regular safety trainings for employees and contractors, frequent site inspections, timely incident investigations, and internal and external audits. Periodic meetings are held to discuss progress on performance, safety gaps and improvement plans across all operations.

We have standard operating procedures in place in case of contingencies such as fire, and bomb threats. Yearly preparedness exercises and annual fire drills are conducted to familiarise our employees and tenants with emergency response procedures.

SUSTAINABLE BUSINESS MANAGEMENT

While not required by law, we have also taken commercial general liability insurance in case of mishap to provide adequate compensation to visitors affected by our operations.

We are happy to report that no health and safety incidents were reported at any of our locations in FY15/16. We recorded no incidents or fines for non-compliance related to environmental laws in FY15/16.

Safety performance

FY15/16 saw an overall improvement in our safety performance, with the total number of reported incidents across our employees, contractors, tenants and visitors falling from 18 in FY14/15 to 7 in FY15/16. The common cause of accidents was determined to be slip and fall from obstruction and wet surfaces. We have implemented measures to address this by working with the contractors to demarcate work areas through erecting proper signage and barricades. Moving forward, we intend to step up our safety awareness campaigns to further inculcate the importance of workplace safety to our employees.

Employee and tenant health and well-being

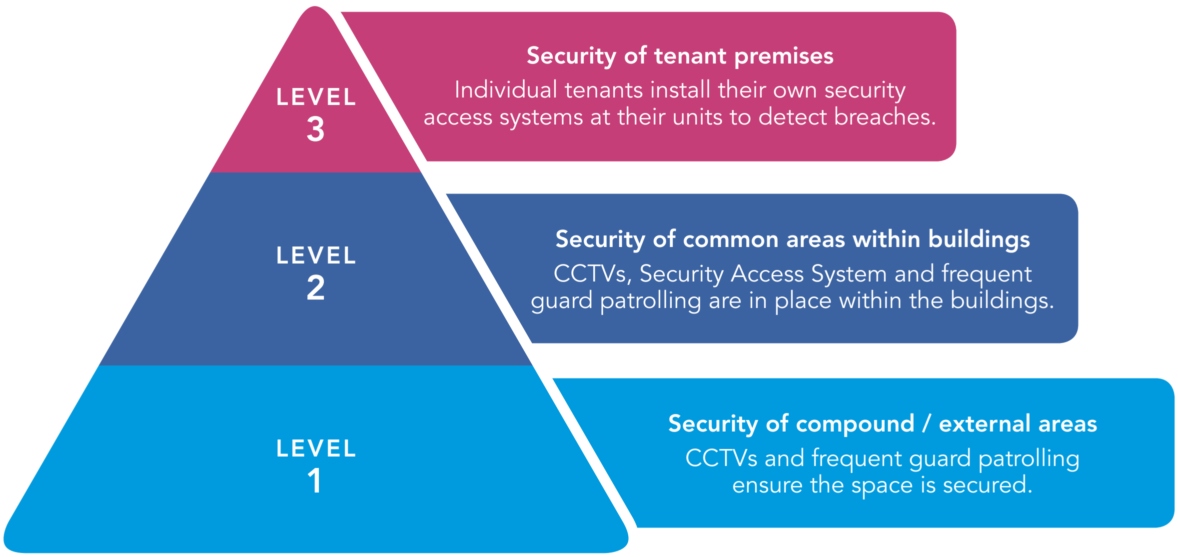
We have adopted standard operating procedures to keep public health situations such as dengue fever, haze, and flu pandemics under control. These measures include structural improvements to eradicate stagnant water collection on top of regular fogging in order to prevent mosquito breeding and flu pandemic preparedness exercises. We follow instructions from local authorities in cases where the public situation escalates into a crisis.

In addition to occupational health and safety, we actively engage our tenants and employees by organising health and fitness programmes. We believe that promoting healthy lifestyles creates value for our tenants and employees by providing a healthy work environment.

Security of physical properties

Well-secured properties attract tenants by providing them with a peace of mind. Our properties are fitted with combination of security features as detailed in Figure 1.

Figure 1: 3 Levels of Property Security



Our security officers come from certified vendors who conduct regular licensed training for their personnel. Standard operating procedures are also in place to ensure maximum preparedness during threat and contingency situations. All employees and staff vehicles in India are issued with a hologram identification sticker. Vehicle arrestors are installed at the main entrances, and power fencing line the boundary walls of our business park as added precautions. Apart from deploying armed guards at all gates, our surveillance guards also perform regular random checks. In addition, we work closely and receive intelligence inputs from the local police, the State Intelligence Bureau and the Centre for Counter Terrorism. This enables us to better deal with threats from terrorism that may compromise the security of our properties in India.

In FY15/16, there have been no reports of terrorism threats, trespassing violations and incidences of theft.

TALENT DEVELOPMENT

At a-iTrust, we understand that the future and success of our organisation depends on the quality of our human capital. 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 skills sets.

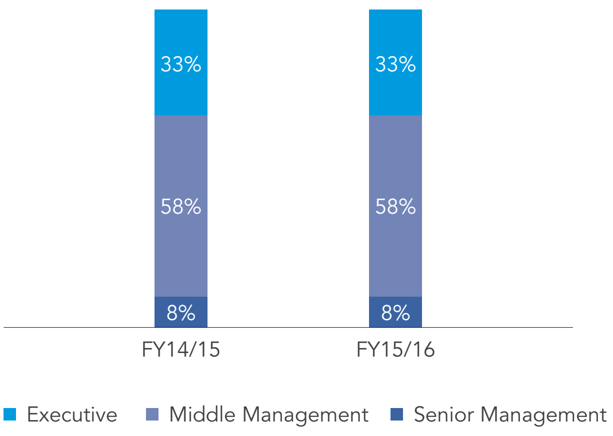
As a fair employer, we are committed to the five principles of fair employment:

- 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.
- Treat employees fairly and with respect and implement progressive human resources management systems.
- 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.
- Reward employees fairly based on their ability, performance, contribution and experience.
- Abide by labour laws and adopt Tripartite Guidelines, which promotes fair and responsible employment practices.

Profile of our workforce

As at 31 March 2016, the Trustee-Manager had 12 staff based in Singapore and the Property Manager had 127 staff based in India. All of our employees were working full-time with us. Please refer to Figures 2-3 for further details.

Figure 2a: Total Workforce by Employment Category in Singapore



SUSTAINABLE BUSINESS MANAGEMENT

Figure 2b: Total Workforce by Employment Category in India

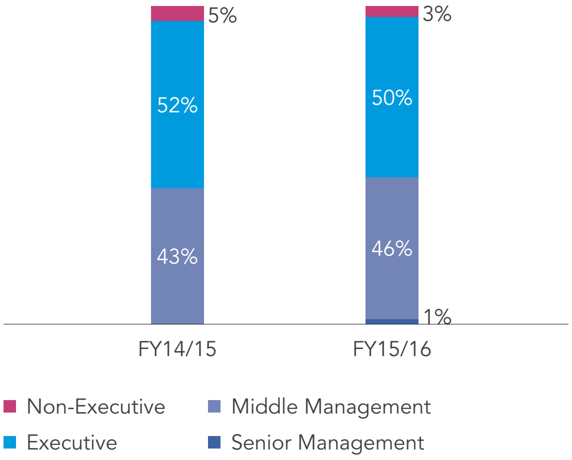
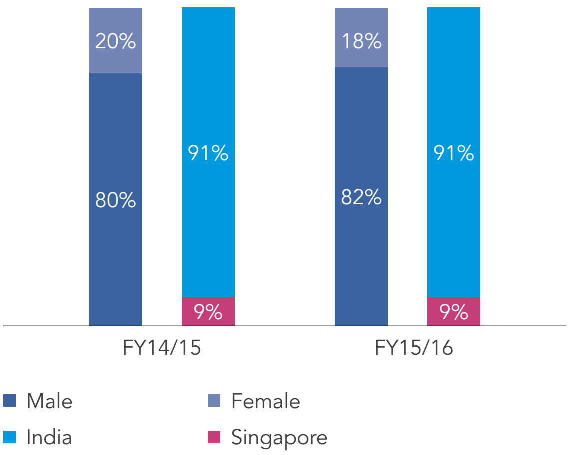


Figure 3: Total Workforce by Gender and Geography



We understand that the loss and replacement of employees may lead to disruptions in productivity and efficiency, besides added training costs of new recruits. We therefore strive to continue enhancing our employee retention strategies to engage our employees and provide them with meaningful learning and career opportunities.

Commitment to learning and development

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. Our annual key learning focus areas address specific staff development needs for each year. Training programmes are then drawn up and dedicated to these areas under a learning plan. In FY15/16, the following topics detailed in Table 1 were identified as key areas in need of capacity-building in our operation. To address the need, we provided our staff with the relevant training.

Table 1: Key Learning Focus Areas in FY15/16

KEY LEARNING FOCUS AREAS	TRAINING PROGRAMMES
• Financial know-how and business planning • Leadership and management skills • Business etiquette • Internal personal skills • Communication and negotiation skills	• E-learning • Public programs • In-house programs

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

ENVIRONMENTAL SUSTAINABILITY

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 real estate life cycle, starting from design to building maintenance and operations. Life cycle analysis conducted from the design stage enables us to seek innovative ideas in designing sustainable and value-adding buildings.

We target to achieve U.S. Green Building Council ("USGBC") Leadership in Energy & Environmental Design ("LEED") or Indian Green Building Council ("IGBC") 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 the LEED certification, building projects satisfy prerequisites and earn points to achieve different level of certifications.

In FY15/16, we are pleased to announce that The V in Hyderabad has been awarded the Platinum rating by IGBC and became the first IGBC Platinum rated IT Park in India. In addition, six of our buildings in ITPB have been awarded the USGBC LEED or IGBC Gold Certification.

We are actively pursuing renewable sources of energy for all our properties to conserve natural resources. In ITPB, food waste is being converted through organic waste converter into compost and used for gardening. Where possible, we source for green building materials and technologies to reduce the impact of our construction and operational activities on the environment. We also consistently apply green technology and sustainable practices across all of our properties and offices.

YEAR	BUILDING	AWARD
2011	Pinnacle, International Tech Park Chennai	USGBC LEED Silver, Operations and Maintenance
2011	Voyager, International Tech Park Bangalore	IGBC Silver, Core and Shell
2012	Crest, International Tech Park Chennai	USGBC LEED Gold, Operations and Maintenance
2014	Aviator, International Tech Park Bangalore	IGBC Platinum, Core and Shell
2014	Zenith, International Tech Park Chennai	USGBC LEED Platinum, Operations and Maintenance
2015	The V (Auriga, Capella, Mariner, Orion & Vega buildings), Hyderabad	IGBC Green Building, Platinum
2016	Discoverer, International Tech Park Bangalore	USGBC LEED Gold
2016	Innovator, International Tech Park Bangalore	USGBC LEED Gold
2016	Creator, International Tech Park Bangalore	USGBC LEED Gold
2016	Explorer, International Tech Park Bangalore	IGBC Gold
2016	Inventor, International Tech Park Bangalore	IGBC Gold
2016	Navigator, International Tech Park Bangalore	IGBC Gold

SUSTAINABLE BUSINESS MANAGEMENT

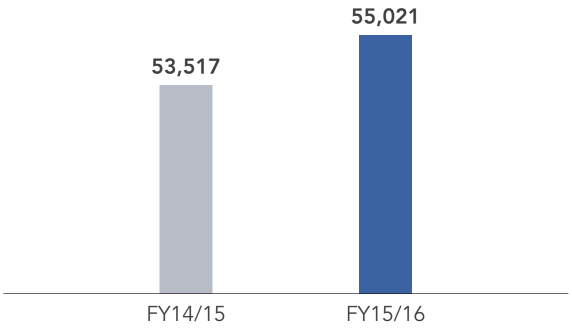
We support and nurture education or awareness programmes to protect the natural biodiversity. Ascendas Go Green 2015 was celebrated at Bangalore, Chennai and Hyderabad over the entire month of June. Various Go-green initiatives like Eco Drive Camp, Green Jigsaw Challenge, Green concert, Eco run, Recycle league, Eco Bazaar and Go Green walk were organised in this month-long event across the cities.

We continuously adopt measures to optimise the use of resources to achieve tangible cost savings. We have a dedicated team that monitors our energy and water consumption to identify key areas for improvements.

Energy consumption

With the exception of ITPB, the rest of our operations are mainly powered using grid electricity. We proactively conduct periodic energy audits and carry out energy-saving initiatives in our properties to improve energy efficiency. In Hyderabad, the installation of adiabatic cooling system for air cooled chillers yielded total energy savings of 256,015 kWh in FY15/16.

Figure 4: Total Energy Consumption (MWh)[1]

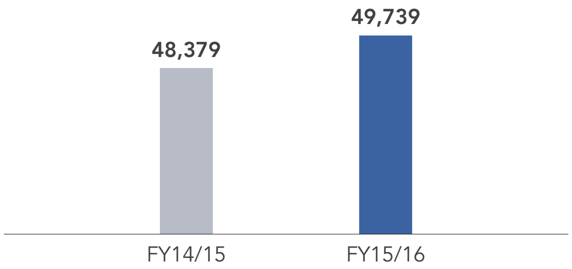


Over the past year, our total energy consumption increased by about 2.8% due to new acquisitions and higher occupancy rates in FY15/16.

Carbon emissions

Our consumption of electricity is the main contributor to our carbon emissions. Through improving the energy efficiency of our buildings, we continue to focus on reducing our carbon footprint across our operations. In FY15/16, we experienced a slight increase of 2.8% in carbon emissions due to new acquisitions and higher occupancy rates.

Figure 5: Total Carbon Emissions (tonnes CO_2)



We comply with all local Pollution Control Board regulations for our operations. We routinely monitor source emissions from our utilities by conducting 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 to minimise our carbon footprint.

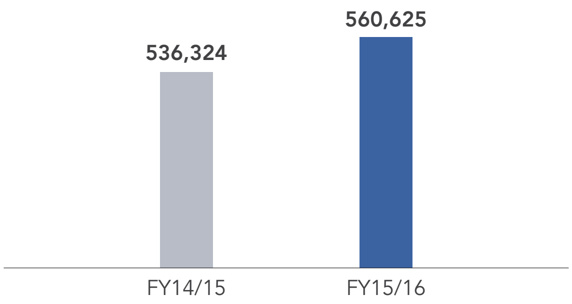
[1] Excludes the dedicated power plant in ITPB

Water consumption

Through closely monitoring our water usage, we strive to reduce our water consumption especially for our operations in water-scarce and water-stressed areas.

The main source of our water is derived from municipal supplies. In FY15/16, our total consumption was 560,625 cubic metres (m^3), a 4.5% increase as compared to FY14/15. This is attributable to the increase in the size of our asset portfolio over the same period of time. In India, our premises share a sewage water treatment facility from which the treated water is subsequently used in our toilets, cooling towers, and for irrigation.

Figure 6: Total Water Consumption (m^3)



COMMUNITY SUPPORT

Partnering the community for positive change

We remain committed to building strong partnerships within the communities we operate in. We believe in giving individuals and organisations the space to grow and excel through dedicated programmes that enable these communities to flourish.

Community

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 FY15/16, we spent a total of 619 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.

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.

SUSTAINABLE BUSINESS MANAGEMENT

CASE STUDY: GIVING A NEIGHBOURHOOD SCHOOL A MAKEOVER

The Property Manager team in Chennai came together to help develop a dining space and renovate the restrooms for a primary school in Taramani which is located near International Tech Park Chennai. The school needed a dining space with tables for the kids to have their meals.

In addition to the dining area and restrooms refurbishment, the team also donated two water purifying machines to the school that will provide clean drinking water to the children and distributed stationery pouches to all the kids.

The Chennai team was invited by the school to inaugurate the new dining area and spend some quality time with the children.

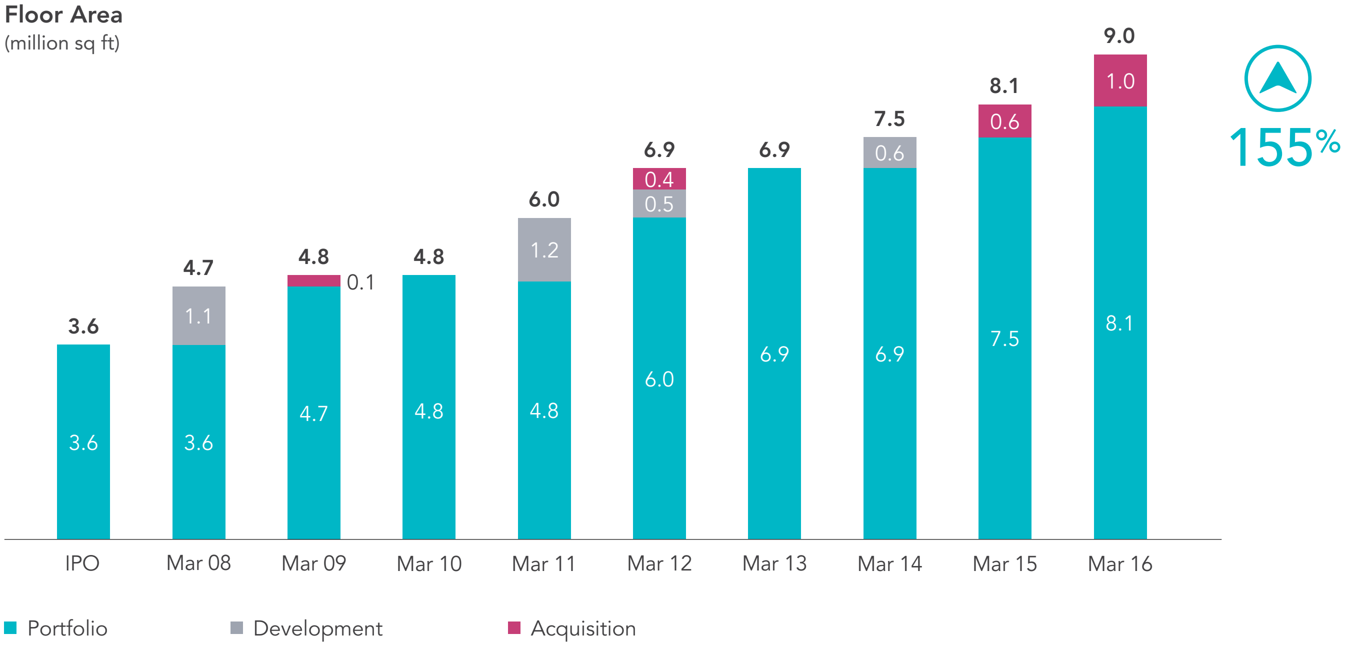
ENGAGING OUR STAKEHOLDERS

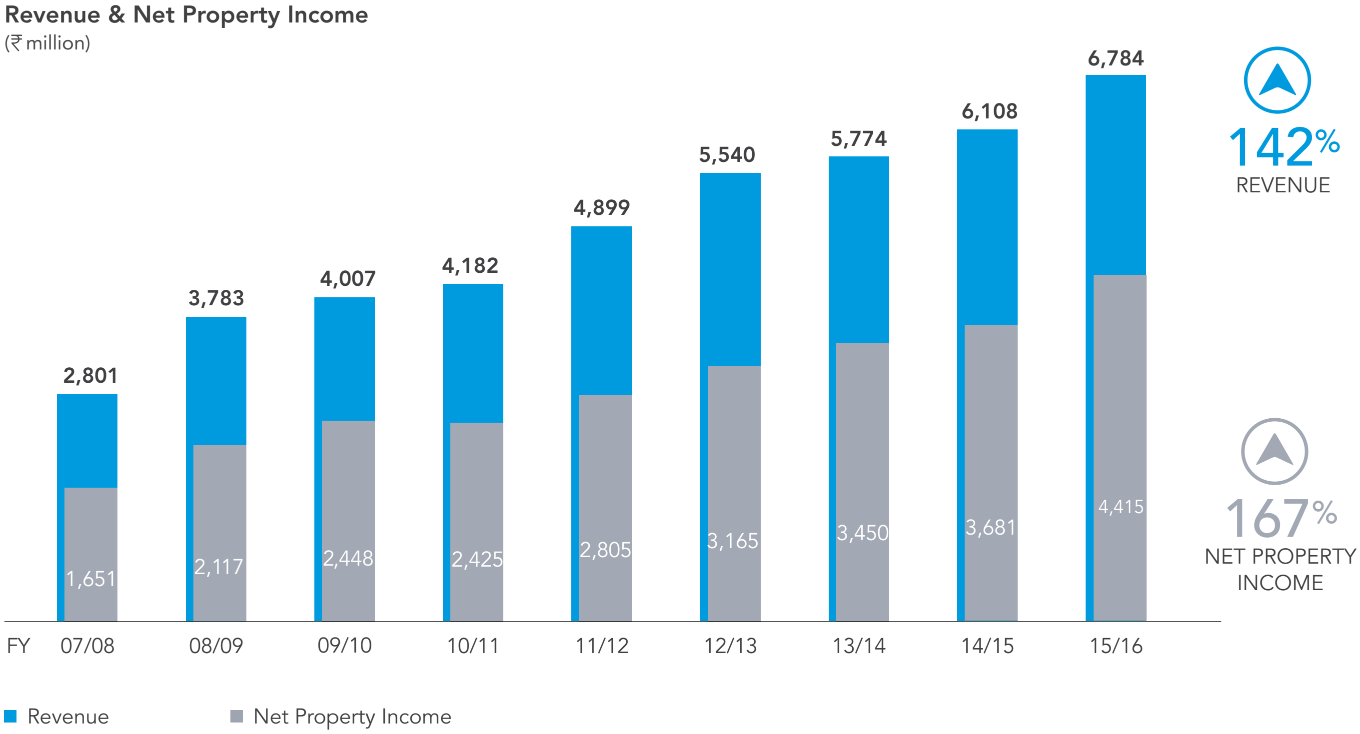
We understand our operations may affect others and are impacted by others. This interdependence drives us to proactively engage our key stakeholders when running our business. Table 2 summarises our approach towards stakeholder engagement.

Table 2: Stakeholder Engagement Goals and Methods

STAKEHOLDERS	GOALS	METHODS OF ENGAGEMENT	FREQUENCY OF ENGAGEMENT
Employees	We value our people, and are committed to fulfilling their career aspirations while providing a business environment that inspires our people to excel.	• Induction programmes	• Upon joining
		• Employee forums	• Bi-annually
		• Wellness, sports and social activities	• Throughout the year
		• Internal communication through the intranet portal	• As and when there are updates
Investors	We aim to provide timely and transparent communications to keep the investment community apprised of significant developments of a-iTrust.	• Face-to-face meetings and conference calls	• Throughout the year
		• Investor perception survey	• Yearly
Tenants	We aspire to provide our customers with a delightful experience.	• Regular networking events	• Throughout the year
		• Regular tenant engagement activities	• Throughout the year
		• Customer satisfaction survey	• Yearly
Local Communities	We advocate the spirit of caring and sharing within our communities.	• Social and community activities	• Throughout the year

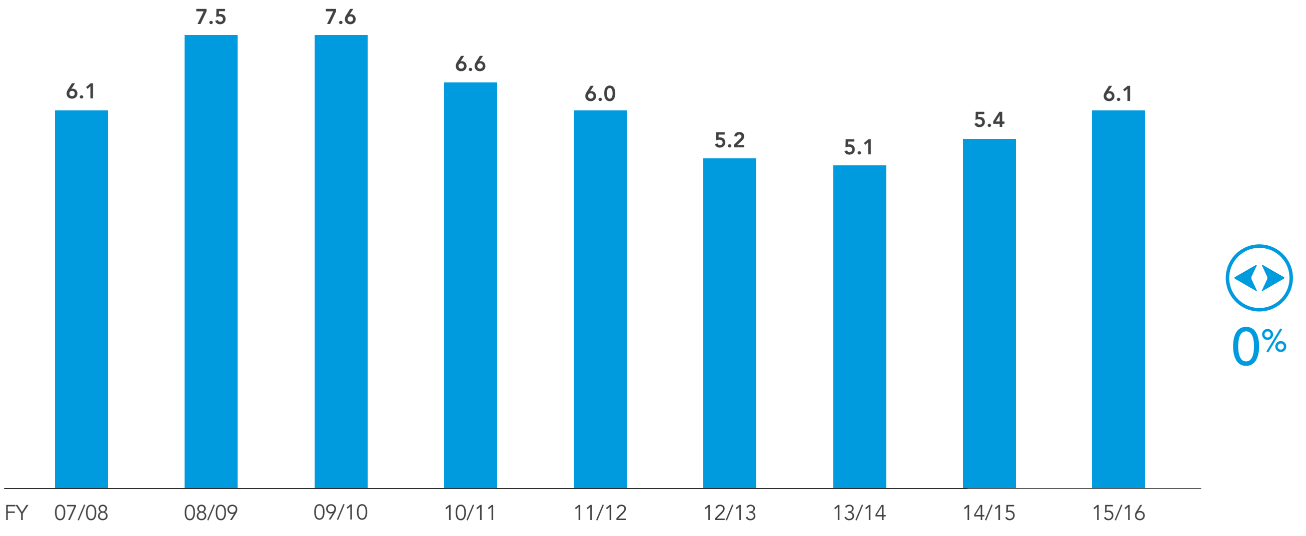
PERFORMANCE SINCE LISTING





₹/S$ Exchange Rate (Indexed)

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



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

OPERATIONAL REVIEW

ASSET REVIEW

Operational risk

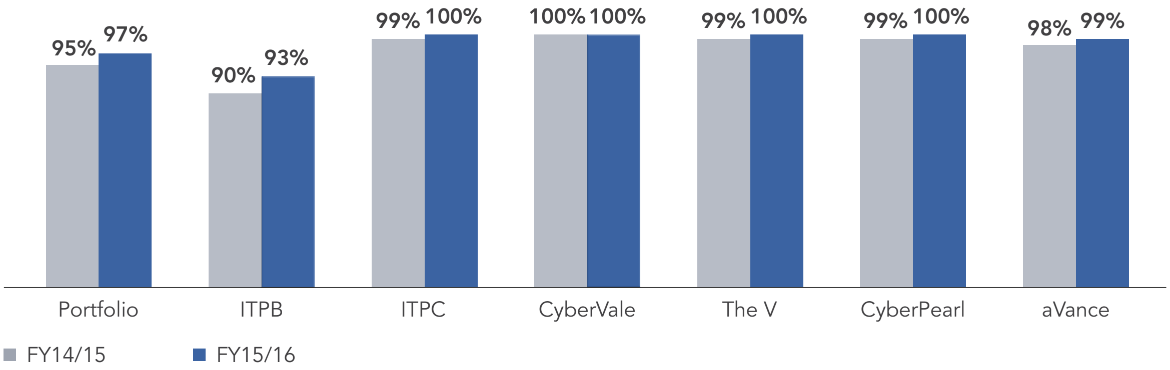
We integrate risk management measures into our day-to-day activities across all functions. These include comprehensive operating, reporting and monitoring controls put in place to manage risks arising from leasing, management and maintenance activities of the Trust. We monitor and review such controls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

Leasing report

For the April 2015 to March 2016 period, our average portfolio occupancy was 97%[1]. This is an improvement from the 95% recorded in the corresponding period last year due to the healthy leasing demand witnessed during the financial year. Over 1.0 million sq ft of floor space was leased or renewed in FY15/16, exceeding the floor area freed up by expired or pre-terminated leases. We retained 86% of leases that expired during the financial year.

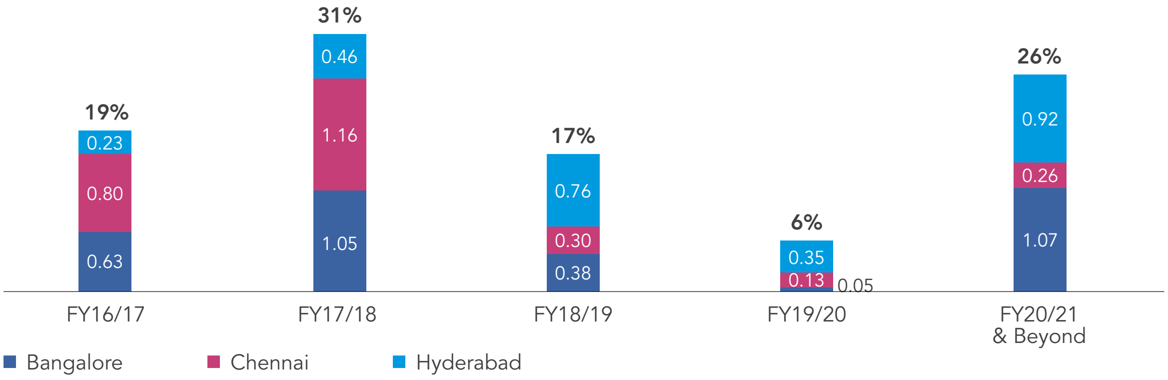
19% or 1.7 million sq ft of leases would expire in FY16/17. We commence lease renewal negotiations with our tenants six months prior to the expiry of their leases. This gives us time to secure a replacement tenant should the existing customer choose not to renew their leases.

Average Occupancy[1]



Lease Expiry Profile
Floor Area (million sq ft) (percentage of portfolio)

Weighted Average Lease Term: **5.5 years**



[1] Excluding new acquisitions made in FY15/16.

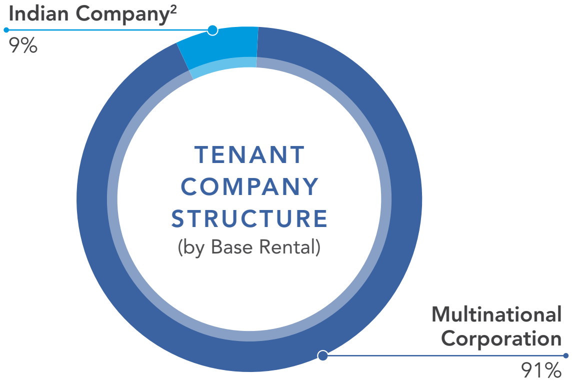
Credit risk

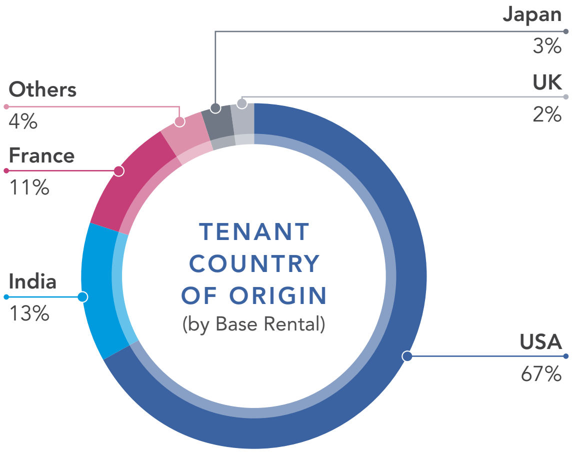
Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Trust, as and when they fall due.

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 exceed the security deposits.

All of our top ten tenants, many of whom are on the Fortune 500 list, are multinational companies with excellent credit standing.

NO.	COMPANY (BY ALPHABETICAL ORDER)
1	Applied Materials
2	Bank of America
3	Cognizant
4	General Motors
5	Mu Sigma
6	Renault Nissan
7	Societe Generale
8	The Bank of New York Mellon
9	UnitedHealth Group
10	Xerox





[2] Comprises Indian companies with local operations only.

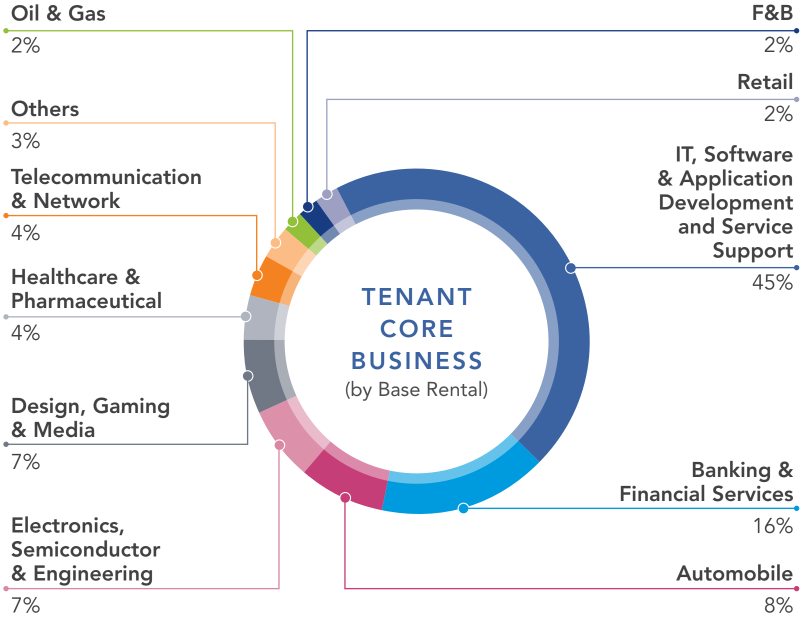
OPERATIONAL REVIEW

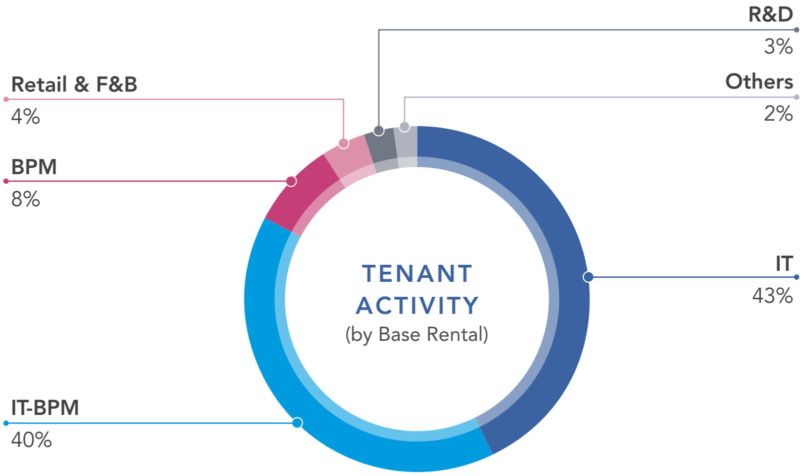
TENANT CONCENTRATION RISK

We minimise tenant concentration risk by diversifying our tenant base extensively. We had in total 297 tenants as at 31 March 2016. On average, a single tenant takes up 28,800 sq ft of space. Our largest tenant accounted for 5% of portfolio base rents. Collectively, the top 10 tenants contributed 34% of portfolio base rents.

Our tenants come from a wide range of industries. IT & Software development companies make up around 45% 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, 43% 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. BPM, which means Business Process Management, captures lower value-added services such as business process outsourcing functions. Since listing, we have been reducing our reliance on BPM customers as they tend to be more cost concious and require office space with lower specifications. The segment IT-BPM refers to tenants which undertake both types of activities within their premise.

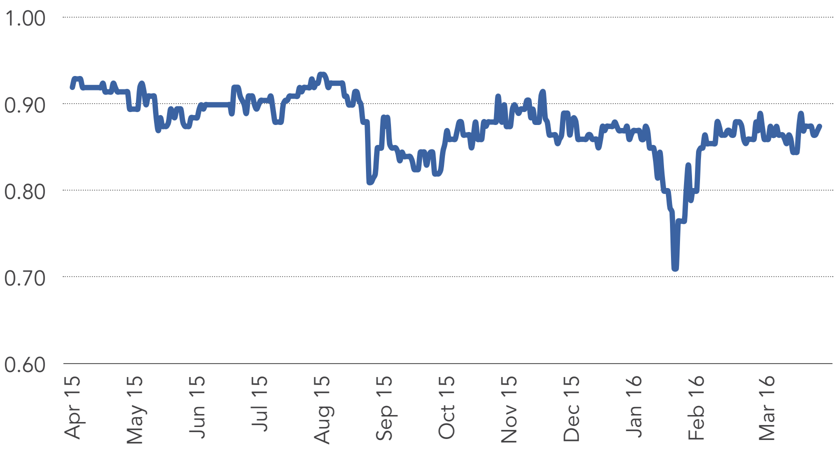




UNIT PRICE REVIEW

a-iTrust Unit Price Chart from 1 April 2015 to 31 March 2016

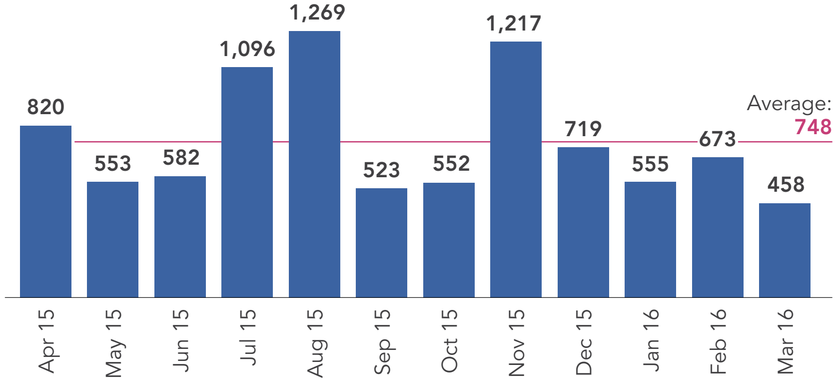
(S$)



Period open	S$0.91
Period close	S$0.88
Period high	S$0.94
Period low	S$0.70

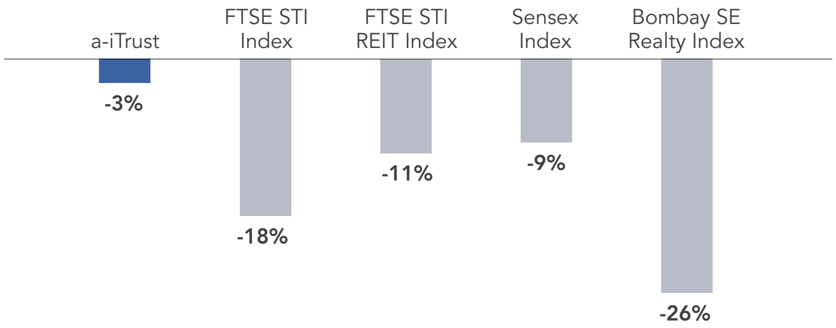
Average Monthly Trading Volume

('000)



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

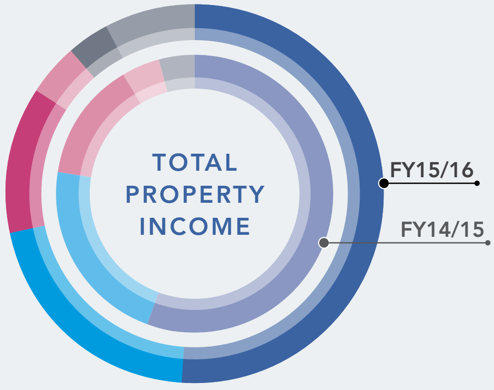
a-iTrust FY15/16 Unit Price Performance Compared to Market Indices



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.

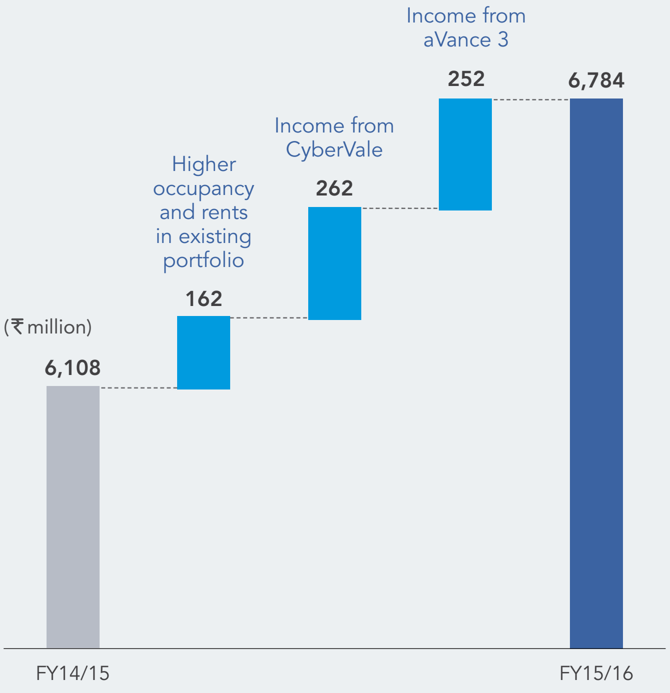
	FY15/16 S$'000	FY15/16 ₹ million	FY14/15 ₹ million	₹ YoY Change
Base rental income	89,613	4,223	3,637	16%
Amenities income Income from leasing amenity space, including canteen and business centre.	2,036	96	94	2%
Fit-out rental income Income from providing fit-out provisions (including renovations and furnishings) to tenants.	1,476	70	79	(12%)
Operations and maintenance and utilities income Income from providing O&M services and utilities.	44,386	2,091	2,036	3%
Car park and other income Includes miscellaneous income such as kiosk rental and advertising revenue.	6,448	304	262	16%
Total property income	143,959	6,784	6,108	11%



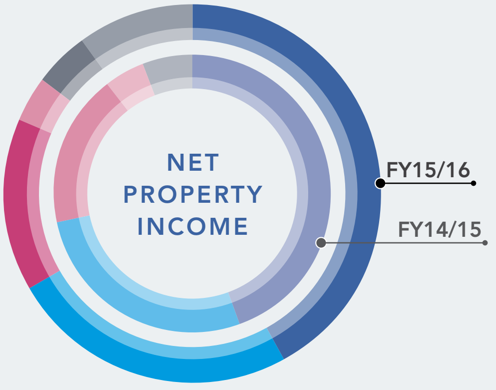
(₹ million)

PROPERTY	FY14/15		FY15/16	
ITPB	3,410	(56%)	3,468	(51%)
ITPC	1,325	(22%)	1,408	(21%)
The V	849	(14%)	845	(12%)
CP	274	(4%)	291	(4%)
CV	–	–	262	(4%)
aVance	250	(4%)	510	(8%)
Total	**6,108**	**(100%)**	**6,784**	**(100%)**

(₹ million)

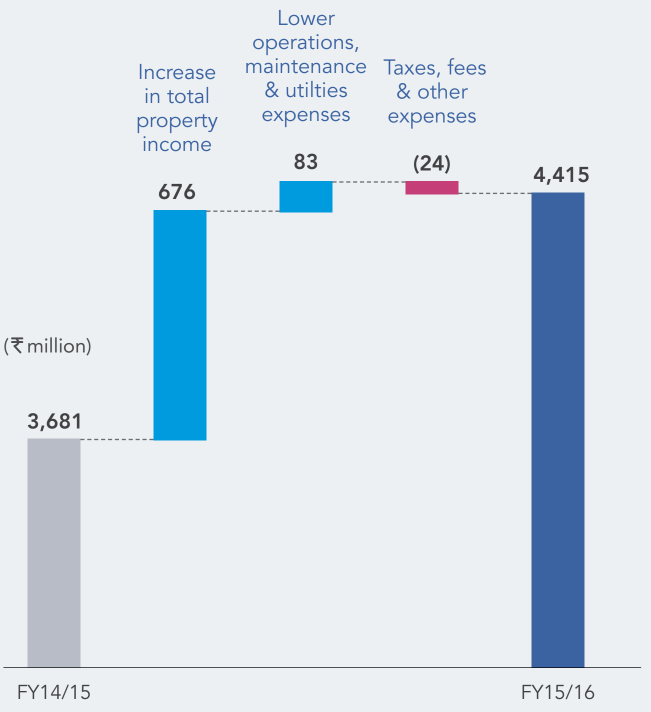


	FY15/16 S$'000	FY15/16 ₹ million	FY14/15 ₹ million	₹ YoY Change
Operations, maintenance and utilities expenses Costs incurred for the day-to-day running and upkeep of our properties, which are recovered via O&M fee from tenants. It includes the cost of electricity supplied to tenants from the dedicated power plant in ITPB.	(34,487)	(1,625)	(1,708)	(5%)
Service and property taxes	(2,940)	(139)	(127)	9%
Property management fees Fees paid to the Property Manager, which includes property management fees, lease management fees, marketing services commissions and project management fees.	(6,762)	(319)	(297)	7%
Other property operating expenses Includes general management and other administration expenses.	(6,050)	(286)	(296)	(3%)
Total property expenses	(50,239)	(2,368)	(2,427)	(2%)
Net property income	93,720	4,415	3,681	20%



(₹ million)

PROPERTY	FY14/15		FY15/16	
ITPB	1,637	(44%)	1,861	(41%)
ITPC	1,002	(27%)	1,084	(25%)
The V	661	(18%)	657	(15%)
CP	171	(5%)	167	(4%)
CV	–	–	215	(5%)
aVance	210	(6%)	431	(10%)
Total	**3,681**	**(100%)**	**4,415**	**(100%)**



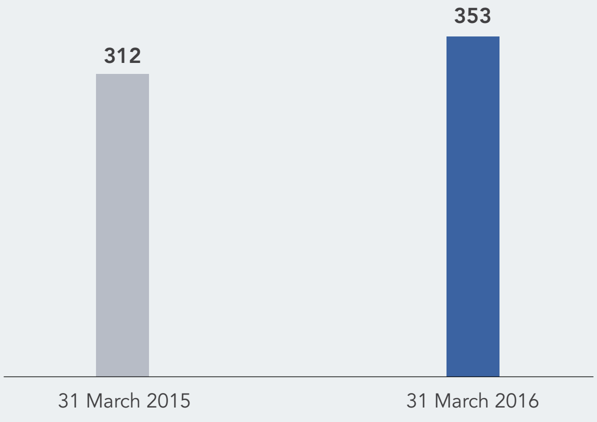
EARNINGS REVIEW

	FY15/16 S$'000	FY15/16 ₹ million	FY14/15 ₹ million	₹ YoY Change
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).	(8,705)	(411)	(345)	19%
Other trust operating expenses	(1,092)	(52)	(52)	–
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.	5,091 The realised gain on derivatives arose mainly from the refinancing of SGD-denominated loans that have been hedged into INR, partially offset by realised loss on foreign exchange forward contracts entered into to hedge income repatriated from India to Singapore.	245	109	124%
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.	(11,395) The realised exchange loss arose mainly from the refinancing of SGD-denominated loans. This includes loans that have been hedged into INR where there is a corresponding gain on derivative financial instruments.	(533)	(427)	25%
Finance cost	(23,551)	(1,110)	(780)	42%

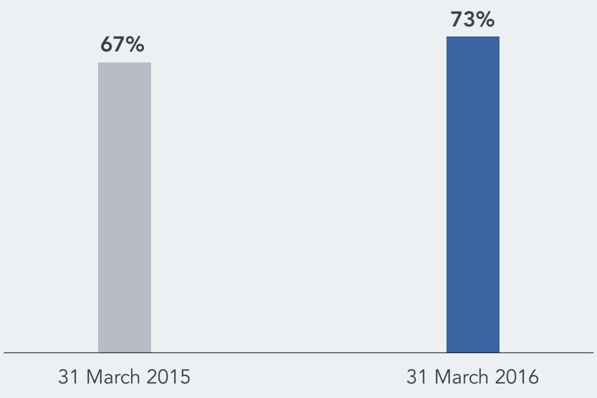
Finance costs increased mainly due to:

- Increase in borrowing levels to invest in BlueRidge 2 and to fund the acquisitions of CyberVale Building 3 and aVance 3
- Higher swap costs incurred to lower the foreign currency exposure of the Trust

Effective Borrowings
(S$ million)



Proportion of ₹ Denominated Debt



	FY15/16 S$'000	FY15/16 ₹ million	FY14/15 ₹ million	₹ YoY Change
Interest income	14,325 The increase was due to interest income from the investment in BlueRidge 2.	675	646	4%
Ordinary profit before tax	68,393	3,229	2,832	14%

	FY15/16 S$'000	FY15/16 ₹ million	FY14/15 ₹ million	₹ YoY Change
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 expenses Current income tax expense excludes deferred income tax expense.	(18,424)	(867)	(708)	23%
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.	4,261	201	168	19%
Depreciation Depreciation is a non-cash accounting entry that does not affect cash flow.	136	7	4	75%
Realised loss on settlement of loan This pertains to refinancing of SGD-denominated loans that have not been hedged into INR. Exchange gain/loss is recognised when borrowings that are denominated in currencies other than the INR are revalued. The exchange gain/loss is realised when the borrowing matures, is prepaid, or swapped to INR denomination. Such exchange gain/loss does not affect cash flow.	6,092	278	239	16%
Non-controlling interest Income due to non-controlling interest is deducted from income available for distribution.	(4,003)	(188)	(173)	9%
Total distribution adjustments	(11,938)	(570)	(470)	21%
Income available for distribution	56,455	2,659	2,362	13%

	FY15/16 S$'000	FY14/15 S$'000	S$ YoY Change
Singapore Dollar/Indian Rupee FX rate	47.1	47.5	(1%)
Income available for distribution	56,455	49,820	13%
Income to be distributed 10% of income available for distribution was withheld to provide greater flexibility in growing a-iTrust.	50,809	44,838	13%
Income available for distribution per unit (S¢) Computed by dividing income available for distribution by the weighted average number of units in the financial year.	6.11	5.41	13%
Income to be distributed (DPU) (S¢) Computed by dividing distribution to Unitholders by the weighted average number of units in the financial year.	5.50	4.86	13%


DISCOVERER

CORPORATE GOVERNANCE REPORT

INTRODUCTION

One of the Trust's core values is good corporate governance, and it goes beyond the implementation of forms of best practices and structures, internal checks and balances, transparency and compliance.

The Trustee-Manager believes that effective corporate governance is critical to its performance and consequently, to the success of the Trust. The Trustee-Manager remains focused on complying with the principles of the Code of Corporate Governance of 2012 ("Code").

This section sets out the corporate governance practice for FY15/16 with reference to the Code. Where there are deviations from the principles and guidelines of the Code, an explanation has been provided within this section.

THE TRUSTEE-MANAGER

The 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:

(i) the Securities and Futures Act, Chapter 289 ("SFA");

(ii) the Business Trusts Act ("BTA");

(iii) the Listing Manual of SGX-ST ("Listing Manual"); and

(iv) the Trust Deed dated 7 December 2004 (as subsequently amended) ("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 (the "MAS"), in particular, the Property Funds Appendix under Appendix 6 of the CIS.

The Trustee-Manager was appointed in accordance with the terms of the Trust Deed. Pursuant to the Trust Deed, the Trustee-Manager's main responsibility is to manage the Trusts' assets and liabilities for the benefit of the Unitholders of the Trust. The Trustee-Manager sets the strategic business direction of the Trust and is also responsible for the capital and risk management of the Trust. Other key functions and responsibilities of the Trustee-Manager include:

(i) carrying on and conducting all transactions on behalf of the Trust at arm's length, using its best endeavours;

(ii) approving the Trust's business plan and budget;

(iii) ensuring compliance with prevailing laws and regulations, such as those contained in the Listing Manual, the adopted key provisions of the CIS including the Property Funds Appendix issued by the MAS, the SFA, as well as the Trustee-Manager's obligations under the Trust Deed;

(iv) ensuring the execution of works by the appointed Property Manager that provides property management, marketing and project management services for the properties held by the Trust, pursuant to the relevant property management agreement; and

(v) maintaining a framework of prudent and effective controls which enable financial, operational and compliance risks, to be assessed and managed.

CORPORATE GOVERNANCE REPORT

In executing its responsibilities to the Trust, the Trustee-Manager has adopted a set of internal guidelines and financial regulations which set out approval limits for, amongst others, capital expenditure, new investments and divestments, and the operation of bank accounts.

The Board of Directors of the Trustee-Manager (the "Board") comprises competent and experienced individuals who have considerable experience in the real estate industry and/or other relevant fields of business. The Board oversees the Trustee-Manager and ensures primarily, that the interests of the Unitholders are always upheld above the interests of the Trustee-Manager and its shareholder/sponsor.

The Trust Deed outlines the circumstances where the Trustee-Manager can be retired/ removed, which include the proposal and passing of a resolution by a majority consisting of 75.0% or more of the total number of votes cast at a meeting of Unitholders duly convened in accordance with the provisions of the Trust Deed.

(A) BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

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

The Board is responsible for the overall management and corporate governance of the Trustee-Manager and the Trust, including establishing and monitoring the goals for the management of the Trustee-Manager (the "Management"), ensuring that necessary financial and human resources are in place for the Trustee-Manager to meet its objectives and that Unitholders' interests are safeguarded. The Board has established an oversight framework for the Trustee-Manager and the Trust which enables risks to be assessed and managed.

Delegation by the Board

The Trust is externally managed by the Trustee-Manager and accordingly, it has no employees. The Trustee-Manager appoints experienced and well- qualified executives to handle its day-to-day operations and administration in accordance with the policies and strategy set by the Board.

The Board approves transactions exceeding certain limits in accordance with the financial regulations of the Trust, while delegating authority for transactions below those limits to the Investment Committee ("IC"). The IC currently comprises five Directors, three of whom are independent Directors. The 5 current IC members are Mr David Lim as Chairman, Mr Manohar Khiatani, Mr Sanjeev Dasgupta, Mr Girija Pande and Mr Mohandas Pai. The authority for the approval of operating transactions below a certain level is further delegated to the Management, to facilitate operational efficiency.

The Trustee-Manager has adopted and documented internal guidelines setting out matters that require the Board's approval. Some of the matters which are reserved for the Board's approval include the following:

- recommendation of the remuneration for the Chief Executive Officer ("CEO") and key executive officers of the Trustee-Manager to its shareholder for approval; and

- approving the division of responsibilities between the Chairman and the CEO.

The Management monitors changes to regulations, policies and financial reporting standards and any changes that have significant impact on Trust and its disclosure obligations are promptly brought to the attention of the Board, either during Board meetings or via circulation of Board papers.

The Board has established various committees to assist it in discharging its oversight function. These committees have been constituted with clear written terms of reference and they are actively engaged to ensure that the Trustee-Manager is in compliance with good corporate governance. The committees established by the Board are:

- Audit and Risk Committee ("ARC");
- Investment Committee ("IC");
- Nominating Committee ("NC"); and
- Human Resource and Remuneration Committee ("HRRC").

Board and Committee Meetings

The Board meets every quarter to review the financial performance of the Trust. The Board also reviews the risks relating to the assets of the Trust, examines liabilities and comments from the auditors of the Trust and ensures that measures are implemented to address concerns. When necessary, additional Board meetings are held to approve transactions or resolve issues.

A record of directors' attendance at Board and Committees meetings for FY15/16 is shown below:

Name of Director	Board Meeting	Audit and Risk Committee Meeting	Investment Committee Meeting	Nominating Committee Meeting	Human Resource and Remuneration Committee Meeting
Mr Philip Yeo Liat Kok	3	–	–	–	1
Mr David Lim Tik En	5	4	5	1	2
Mr Manohar Khiatani	5	–	5	1	2
Mr Sanjeev Dasgupta	5	4(iii)	5	1(iii)	2(iii)
Mr Michael Grenville Gray	5	4	1(iii)	–	–
Mr Alan Rupert Nisbet(i)	3	2	2(iii)	–	–
Mr Rakesh Kumar Aggarwal(ii)	2	–	2	–	–
Mr T.V. Mohandas Pai	5	4	5	–	–
Mr Girija Prasad Pande	5	–	5	–	–
Mr Ng Eng Leng	5	4	2(iii)	–	–
Total no. of meetings held	**5**	**4**	**5**	**1**	**2**

(i) Mr Alan Rupert Nisbet was appointed as Director and a member of ARC on 30 September 2015

(ii) Mr Rakesh Kumar Aggarwal retired as Director on 30 September 2015 and ceased to be a member of IC on the same day

(iii) Attended by invitation.

Principle 2: Board Composition and Guidance

Board Composition

The Board presently consists of ten members, eight of whom (including the Chairman) are independent Directors. The composition of the Board therefore complies with the Code, which states that at least one-third of the Board members should be independent Directors. The Chairman of the Board is Mr Philip Yeo, and the Deputy Chairman of the Board is Mr David Lim.

CORPORATE GOVERNANCE REPORT

The current composition of the Directors as a group provides an appropriate balance and diversity of skills, experience, talent and knowledge relevant to the Trust. The NC annually examines the composition of the Board to ensure that the Board has the appropriate mix of expertise and experience.

The Board considers that its composition and balance between non-independent and independent directors are appropriate and allows for a balanced exchange of views, deliberations and debates among members and effective oversight of Management.

The NC has conducted an annual review of the Directors' independence and based on the NC's recommendations and subsequent review by the Board, the Board is of the view that the following Directors presently on the Board are independent:

Mr Philip Yeo Liat Kok – Chairman
Mr David Lim Tik En
Mr Chiang Chie Foo
Mr Michael Grenville Gray
Mr Alan Rupert Nisbet
Mr T.V. Mohandas Pai
Mr Girija Prasad Pande
Mr Ng Eng Leng

Mr Khiatani and Mr Dasgupta are non-independent Directors. Mr Khiatani is the Deputy Group CEO of the Ascendas-Singbridge Group ("ASB"). Ascendas-Singbridge Pte. Ltd., the ultimate investment holding company of ASB, is a deemed controlling Unitholder of the Trust and the Trustee-Manager is a wholly-owned subsidiary of ASB. Mr Dasgupta is the CEO of the Trustee-Manager.

Mr Chiang Chie Foo was appointed as an independent Director on 1 April 2016.

The Statement on Composition of the Board of Directors of the Trustee-Manager pursuant to Regulation 12(8) of the Singapore Business Trusts Regulations 2005 can be found on page 84 of this Annual Report.

The Board comprises Directors with diverse backgrounds, including real estate, accounting and finance, legal, business, management and strategic planning. The independent Directors actively participate in developing and setting strategies and goals for the Management. The Management benefits from the independent Directors' invaluable and objective perspectives on issues brought before the Board. Members of the Board engage in open and constructive debate and challenge the Management on its assumptions and proposals. The Trustee-Manager has put in place processes to ensure that independent Directors are well supported by accurate, complete and timely information. All Directors have unrestricted access to the Management and have sufficient time and resources to effectively discharge their oversight function. Independent Directors meet at least once a year without presence of the Management.

The profiles of the Directors are set out on pages 14 to 17 of the Annual Report.

Principle 3: Chairman and Chief Executive Officer

The Chairman and CEO are two separate persons and not immediate family members. This ensures a balance of power and authority, increased accountability and greater capacity of the Board for independent decision making.

The Chairman ensures that the members of the Board work together with the Management in a constructive manner to address strategic, business, operational, capital management, risk, corporate governance and financial issues. At Board meetings, the Chairman ensures that adequate time is available for discussion of all agenda items and strategic issues. At annual general meetings and other Unitholders' meetings, the Chairman ensures there is constructive dialogue between Unitholders, the Board and the Management.

The CEO of the Trustee-Manager has full executive responsibilities over the business direction and operational decisions in managing the Trust.

Principle 4: Board Membership

The NC is responsible for reviewing all Board appointments and re-appointments and oversees the succession and leadership development plan of the Trustee-Manager. The NC also reviews the independence of directors as and when the circumstances require and 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.

Candidates for new Directors may be shortlisted through a search. They may also be nominated by the Trustee-Manager or Ascendas Investment Pte Ltd, the sole shareholder of the Trustee-Manager for endorsement by the NC. In recommending or endorsing 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.

New Directors are appointed by way of a Board resolution after the NC recommends or endorses their appointments to the Board for approval. Upon their appointments to the Board, the newly appointed Directors are given a formal letter setting out their duties, obligations and responsibilities, together with the Trust Deed and other relevant information and documentation relating to the Trust and the Trustee-Manager. They are also briefed on the business activities of the Trust, its business plan, the regulatory environment in which the Trust operates, its corporate governance practices and their statutory duties and responsibilities as Directors. Directors are also kept updated on revisions to relevant laws and regulations as well as relevant areas that may impact the business, through presentations and briefing sessions. The Trustee-Manager support Directors who receive further relevant training in connection with their duties.

The NC has adopted internal guidelines addressing competing time commitments that are faced when Directors serve on multiple boards and/or have other principal commitments. As a guide, Directors should not have more than six (6) listed company board representations so that they are able to commit time and effort to carry out duties and responsibilities effectively.

Principle 5: Board Performance

The Board's performance is reviewed annually to assess the effectiveness of the Board as a whole and the contributions of each Director. The review includes assessing the individual Director's commitment, attendance and ability to contribute effectively at meetings, the Board composition, access to information, processes, risk management, board committees, strategic planning, accountability and oversight, and standards of conduct. Each Director is required to complete a Board Performance Evaluation Questionnaire (the "Questionnaire") and is allowed to individually 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. Based on the Questionnaire returned by each Director, a consolidated report is prepared and presented to the NC and the Board. The NC evaluates the responses and provide its comments and recommendations to the Board on any changes that should be made to help the Board discharge its duties more effectively. Accordingly, the annual review of the Board's performance was carried out for FY15/16. Based on the Board assessment exercise, the Board is of the view that it has met its performance objectives and each of its members is contributing to the overall effectiveness of the Board.

Principle 6: Access to Information

Management provides the Board with complete information on a regular basis. 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.

A board strategy meeting is organized annually for the Board and the Management to discuss strategic issues and formulate plans pertaining to the Trust and the Trustee-Manager.

In addition, the Board has independent access to Management, the Company Secretaries, internal and external auditors, at all times. Where necessary, the Board will request for independent professional advice on matters relating to the Trust at the Trustee-Manager's expense to enable Directors to discharge their duties effectively.

The Company Secretaries prepare minutes of Board meetings and proceedings of all Board Committees. They assist 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. The Company Secretaries are responsible for ensuring information flows within and among the Board, the Board Committees and Management. The Company Secretaries also work with Management to ensure that Board and Board Committee papers are provided to each Director ahead of meetings. In the financial year under review, all Board and Committee meetings were attended by one of the Joint Company Secretaries.

The Company Secretaries 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 FY15/16 did not exceed S$250,000:

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

* The Director's fees for Mr Manohar Khiatani (payable to Ascendas Investment Pte. Ltd. ("AIPL"), a wholly-owned subsidiary of Ascendas Pte. Ltd.) were (i) paid to AIPL, in respect of the period 1 April 2015 to 10 June 2015; and (ii) waived, in respect of the period 11 June 2015 to 31 March 2016.

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 with the objective of retaining, rewarding and motivating the individual to stay competitive and relevant. The principles governing the Trustee-Manager's remuneration policy for its key executives are as follows:

(i) enhance retention of key talents to build strong organisational capabilities and ensure competitive remuneration relative to the appropriate external talent markets; and

(ii) reward and motivate employees to work towards achieving the strategic goals and business results of the Trust and the Trustee-Manager.

For FY15/16, the total remuneration mix of key executives comprises a fixed annual salary, performance incentives and benefits-in-kind:

(i) The fixed annual salary includes a base salary, fixed allowances and compulsory employer's CPF contribution.

(ii) The performance incentive is essentially tied to the performance of the Trust and that of the individual employee. Key indicators include distribution per unit, net property income and total Unitholders' return, which are aligned to the interests of the Unitholders.

(iii) The Retention Incentive Plan is tied to the ASB performance. As the Trustee-Manager is a subsidiary of ASB, employees of the Trustee-Manager are part of a larger group which allows the Trustee-Manager increased flexibility and effectiveness to reward and motivate them with better career growth and exposure. The Trustee-Manager will be in an advantageous position to attract and retain qualified key executives and employees. This will also provide continual development of talent and renewal of leadership for sustaining the long term business growth of the Trust. The rationale for granting the Retention Incentive Plan is aligned with Unitholders' interest in ensuring the sustainable long term business growth of the Trust.

The HRRC is of the view that remuneration is aligned to performance during FY15/16 and that all of the performance conditions used to determine the remuneration of the key executives of the Trustee-Manager were met.

The Board is of the view that full disclosure of the specific remuneration of the CEO and the top five executive officers will not be in the best interests of the Trustee-Manager or its Unitholders. In arriving at its decision, the Board has taken into consideration, *inter alia*, the commercial sensitivity and confidential nature of remuneration matters, the competitive nature of the fund management industry, the competitive business environment in which the Trustee-Manager operates, the importance of ensuring stability and continuity of business operations with a competent and experienced management team in place and the negative impact which such disclosure may have on the Trustee-Manager in attracting and retaining talent for the Trustee-Manager on a long-term basis. Accordingly, the Board is of the view that the non-disclosure of the specific remuneration of the CEO and top five executive officers will not be prejudicial to the interests of the Unitholders as sufficient information is provided on the Trustee-Manager's remuneration framework to enable Unitholders to understand the link between the remuneration paid to the CEO, Directors and key executives, and performance.

Remuneration of the Directors and key executives of the Trustee-Manager is paid in cash only. There were no employees of the Trustee-Manager who were immediate family members of a Director or the CEO during FY15/16. "Immediate family member" refers to spouse, child, adopted child, step-child, sibling or parent of the individual. No compensation is payable to any Director, key executives 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.

The Board has unrestricted access to information and Management regularly provides the Board with reports on the Trust's performance, position and prospects to enable the Board to make a balanced and informed assessment of the performance, position and prospects of the Trust. 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

Internal Controls

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 28 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 real estate sector in India. 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 ARC 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 ARC reviews and guides Management in the formulation of risk policies and processes to effectively identify evaluate and manage any material risk. The ARC reports to the Board on material findings and makes recommendations in respect of any material risk issues.

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 ARC.

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 whistleblowing 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 Chief Financial Officer ("CFO") have provided their confirmation to the Board that to the best of their knowledge, based on outcomes of on-going reviews on risk management and internal control, and in the absence of contradictory evidence, the system of risk management and internal controls is adequate and effective, financial records have been properly maintained and the financial statements give a true and fair view of a-iTrust'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 a-iTrust, 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 of the Trustee-Manager with oversight by the ARC.

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 practice, and the management 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 or loss. The Board also notes that all internal control systems contain inherent limitations and no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error losses, fraud or other irregularities.

Based on the system of risk management and internal controls established and maintained by the Trustee-Manager, work performed by the internal and external auditors, reviews performed by Management, various Board Committees and the Board, and the assurance from the CEO and CFO of the Trustee-Manager, the Board concurs with the ARC and is of the opinion that the system of risk management and internal controls addressing material financial, operational, compliance and information technology risks of a-iTrust and its subsidiaries were adequate and effective as at 31 March 2016 in addressing material risks.

Principle 12: Audit and Risk Committee

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

The Board is of the view that the members of the ARC bring with them invaluable recent and relevant managerial and professional expertise in accounting, financial management and legal expertise and experience and hence are appropriately qualified to discharge their responsibilities. Mr Gray, Mr Nisbet, Mr Lim and Mr Pai have extensive accounting and related financial management expertise and experience while Mr Ng is a qualified lawyer with considerable experience and expertise.

The core functions and the responsibilities of the ARC are set out in the ARC's written Terms of Reference comprise oversight of the integrity of the financial statements and related disclosures, oversight, assessment and review of internal controls, review of the internal and external auditors' findings on internal controls, making recommendations to the Board on the appointment, re-appointment of the external auditor and the remuneration of the external auditor. The ARC also reviews the quality and reliability of information prepared for inclusion in financial reports. The ARC is responsible for the nomination of external auditors and reviewing the adequacy of existing audits in respect of cost, scope and performance. The ARC also reviews the quarterly and annual financial statements before submission to the Board for approval, including the Interested Person Transactions.

For FY15/16, the ARC held four meetings. The ARC has reviewed the external and internal auditors' findings. The ARC also met with the external and internal auditors without the presence of the Management. The ARC is satisfied with the processes put in place to mitigate fraud risk exposure in the Trust. The ARC is also satisfied that the whistleblowing 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 ARC members on changes to accounting standards and issues which have a direct impact on financial statements during the ARC meetings in FY15/16.

External Audit

Ernst & Young LLP ("EY") was appointed as the external auditor for the Trust and its subsidiaries and significant associated company. Unitholders' approval was obtained for their re-appointment at the last Annual General Meeting ("AGM") on 30 June 2015. EY will hold office until the conclusion of the forthcoming AGM. The ARC 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 ARC 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 ARC 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 paid/accrued to EY for FY15/16:

Nature of services	S$'000	%
Audit	236	84
Other services	44	16
Total	**280**	**100**

On the basis of the above, the ARC has recommended to the Board the re-appointment of EY as the independent external auditor of the Trust and its subsidiaries at the forthcoming AGM of the Unitholders.

Principle 13: Internal Audit

The internal auditors assist the ARC 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 ARC. KPMG reports to the Chairman of the ARC 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 subsidiaries of the Trust. Internal audit reports were submitted to the ARC for review and the summary of findings and recommendations were discussed at the ARC meetings.

The ARC 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. 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. The Trustee-Manager has also taken measures to cater for the newly introduced multiple proxy regime, in anticipation of attendance by beneficial Unitholders at general meetings. 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 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 Secretaries prepare 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 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.

CORPORATE GOVERNANCE DISCLOSURE GUIDE

Guideline	Questions	How has the Company complied?
General	(a) Has the Company complied with all the principles and guidelines of the Code? If not, please state the specific deviations and the alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.	Please refer to the disclosures in this table for the specific deviations from the Code.
	(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines in the Code?	The Trustee-Manager has adopted alternative corporate governance practices which reflect the fact that the Trustee-Manager itself is not a listed entity, which in this context is Ascendas India Trust ("the Trust"), which is managed externally by the Trustee-Manager.
Board Responsibility Guideline 1.5	What are the types of material transactions which require approval from the Board?	Please refer to page 58 of the report
Members of the Board Guideline 2.6	(a) What is the Board's policy with regard to diversity in identifying director nominees?	Please refer to page 61 of the report.
	(b) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.	The current composition of the Board provides diversity in relation to skills, experience and knowledge. In relation to gender diversity, the Trustee-Manager has plans to nominate female members to the Board in due course.
	(c) What steps has the Board taken to achieve the balance and diversity necessary to maximize its effectiveness?	Please refer to page 61 of the report.
Guideline 4.6	Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.	Please refer to page 61 of the report.
Guideline 1.6	(a) Are new directors given formal training? If not, please explain why.	Yes. Please refer to page 61 of the report.
	(b) What are the types of information and training provided to (i) new directors and (ii) existing directors to keep them up-to-date?	Please refer to pages 61 and 62 of the report.

Guideline		Questions	How has the Company complied?
Guideline 4.4	(a)	What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?	As a guide, Directors should not have more than six listed company board representations. Please refer to page 61 of the report for further details.
	(b)	If a maximum number has not been determined, what are the reasons?	Please see response to 4.4(a) above.
	(c)	What are the specific considerations in deciding on the capacity of directors?	Please refer to page 61 of the report.
Board Evaluation Guideline 5.1	(a)	What was the process upon which the Board reached the conclusion on its performance for the financial year?	Please refer to page 61 of the report.
	(b)	Has the Board met its performance objectives?	The Board is satisfied that it has achieved its performance objectives for FY15/16 and that all Directors have demonstrated full commitment to their roles and contributed effectively to the discharge of their duties. Please refer to page 61 of the report for further details
Independence of Directors Guideline 2.1		Does the Company comply with the guideline on the proportion of independent directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.	Yes. Please refer to pages 59 and 60 of the report.
Guideline 2.3	(a)	Is there any director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent? If so, please identify the director and specify the nature of such relationship.	Not applicable
	(b)	What are the Board's reasons for considering him independent? Please provide a detailed explanation.	Not applicable
Guideline 2.4		Has any independent director served on the Board for more than nine years from the date of his first appointment? If so, please identify the director and set out the Board's reasons for considering him independent.	Not applicable. None of the independent Directors have served on the Board for more than nine years from the date of his first appointment.

Guideline	Questions	How has the Company complied?
Disclosure on Remuneration		
Guideline 9.2	Has the Company disclosed each director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/ bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	No, please refer to page 63 of the report.
Guideline 9.3	(a) Has the Company disclosed each key management personnel's remuneration, in bands of S$250,000 or in more detail, as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/ bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	No, please refer to page 63 of the report.
	(b) Please disclose the aggregate remuneration paid to the top five key management personnel (who are not directors or the CEO).	No, please refer to page 63 of the report.
Guideline 9.4	Is there any employee who is an immediate family member of a director or the CEO, and whose remuneration exceeds S$50,000 during the year? If so, please identify the employee and specify the relationship with the relevant director or the CEO.	Not applicable. No employee is an immediate family member of a director or the CEO.
Guideline 9.6	(a) Please describe how the remuneration received by executive directors and key management personnel has been determined by the performance criteria.	Please see response to Guideline 9.2 above and pages 62 and 63 of the report.
	(b) What were the performance conditions used to determine their entitlement under the short-term and long-term incentive schemes?	
	(c) Were all of these performance conditions met? If not, what were the reasons?	

Guideline	Questions	How has the Company complied?
Risk Management and Internal Controls		
Guideline 6.1	What types of information does the Company provide to independent directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?	Please refer to pages 61 and 62 of the report.
Guideline 13.1	Does the Company have an internal audit function? If not, please explain why.	Yes, the internal audit function is outsourced to KMPG, an international audit firm. Please refer to page 66 of the report.
Guideline 11.3	(a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.	Please refer to page 65 of the report.
	(b) In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the internal auditor that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?	Yes. Please refer to page 65 of the report.
Guideline 12.6	(a) Please provide a breakdown of the fees paid in total to the external auditors for audit and non-audit services for the financial year.	Please refer to page 66 of the report.
	(b) If the external auditors have supplied a substantial volume of non-audit services to the Company, please state the bases for the Audit Committee's view on the independence of the external auditors.	Not applicable.

CORPORATE GOVERNANCE DISCLOSURE GUIDE

Guideline	Questions		How has the Company complied?
Communication with Shareholders			
Guideline 15.4	(a)	Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?	Yes. Please refer to pages 66 and 67 of the report.
	(b)	Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?	Yes. Please refer to page 67 of the report.
	(c)	How does the Company keep shareholders informed of corporate developments, apart from SGXNET announcements and the annual report?	Please refer to pages 34, 35, 66 and 67 of the report.
Guideline 15.5	If the Company is not paying any dividends for the financial year, please explain why.		Not applicable. Please refer to the Distribution Statement on page 89 of the report.

TRUST FINANCIAL STATEMENTS
ASCENDAS INDIA TRUST

CONTENTS

TRUSTEE-MANAGER'S STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

The directors of Ascendas Property Fund Trustee Pte. Ltd., the trustee-manager of Ascendas India Trust (the "Trustee-Manager"), are pleased to present their statement 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 2016, 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.

In the opinion of the directors,

(i) 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 87 to 154 are drawn up so as to give a true and fair view of the financial position of the Group and of the Trust as at 31 March 2016, and of the financial performance, changes in unitholders' funds and cash flows of the Group, for the financial year ended on that date; and

(ii) 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.

In accordance with Section 86(2) of the Singapore Business Trusts Act, we further certify:

(i) 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;

(ii) the interested person transactions entered into by the Group during the financial year ended 31 March 2016 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 relevant transactions; and

(iii) 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 on the interests of all the Unitholders of the Trust as a whole.

DIRECTORS

The directors of the Trustee-Manager in office at the date of this statement are:

Mr Philip Yeo Liat Kok
Mr David Lim Tik En
Mr Chiang Chie Foo (appointed on 1 April 2016)
Mr Manohar Khiatani
Mr Sanjeev Dasgupta
Mr Michael Grenville Gray
Mr Alan Rupert Nisbet (appointed on 30 September 2015)
Mr T.V. Mohandas Pai
Mr Girija Prasad Pande
Mr Ng Eng Leng

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 2015		**31 March 2016**	
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 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 2016.

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, 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 AND RISK COMMITTEE

The Audit and Risk Committee ("ARC") comprises five independent directors. The members at the end of the financial year were as follows:

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

The ARC 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 ARC 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 ARC becomes aware or that it suspects;
- Reporting to the Monetary Authority of Singapore if the ARC 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 ARC to the Board of Directors;
- 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 ARC's terms of reference, whenever it deems necessary; and
- Undertaking such other functions as may be agreed to by the ARC and the Board of Directors of the Trustee-Manager.

AUDIT AND RISK COMMITTEE (CONTINUED)

To assess the independence of the external auditor, the ARC 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 ARC is satisfied that the independence of the external auditor was not impaired by the provision of those non-audit services. The ARC has also conducted a review of interested person transactions.

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

The ARC has recommended to the Board of Directors the re-appointment 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.

MANOHAR KHIATANI
Director

SANJEEV DASGUPTA
Director

27 April 2016

STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

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 DASGUPTA
Chief Executive Officer

27 April 2016

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 powers 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 powers and carrying out its duties as trustee-manager of the 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 the Trustee-Manager in its own capacity;
- Adherence to 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 persons transactions are transparent, properly recorded and reviewed;
- Expenses and cost allocations payable to the Trustee-Manager out of the property of the Trust, and 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 such that the principal investments of the Trust are in 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.

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

POTENTIAL CONFLICTS OF INTEREST

The Trustee-Manager is a related company of Ascendas Land International Pte. Ltd. (the "Sponsor"). The Sponsor is a controlling Unitholder of the Trust and 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 a majority of independent directors;
- 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 a majority of the directors;
- Where applicable, 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 Audit and Risk Committee ("ARC") is required to consider, the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms and are not prejudicial to the interests of the Trust or 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 individual Property Management Agreements with a related corporation, Ascendas Services (India) Pvt Limited ("ASIPL") (the "Property Manager") for management of properties of the Trust. 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.

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 persons 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 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 prices of transactions contemplated pursuant to 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 ARC of the Trustee-Manager, which currently comprises only independent directors; and
- Decided by the Board, which comprises a majority of independent directors.

INTERESTED PERSON TRANSACTIONS IN FY15/16

The interested person transactions done in FY15/16 are set out below:

Name of interested person	Aggregate value of all interested persons transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders mandate pursuant to Rule 920) **2016 S$'000**	2015 S$'000
Ascendas Property Fund Trustee Pte. Ltd.*		
– Trustee-manager fees paid/payable	**9,379**	7,622
Ascendas Services (India) Pvt Ltd ("ASIPL")*		
Fees received/receivable by ASIPL from a-iTrust		
– Property management services	**2,733**	2,415
– Lease management services	**1,367**	1,207
– General management services	**2,919**	2,648
– Marketing services	**2,430**	2,374
– Project management services	**439**	309
Office rental income received/receivable by a-iTrust from:		
– ASIPL	**391**	303
– Olam Information Services Private Limited	**482**	–

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

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 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 FY15/16.

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 purpose vehicle ("SPV"), or 1% of the acquisition price of any authorised investment acquired by the Trustee-Manager on behalf of theTrust; 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 the Trust, 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 the 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.

FEES PAYABLE TO THE TRUSTEE-MANAGER (CONTINUED)

The table below sets out the fees earned by the Trustee-Manager for the financial year ended 31 March 2016:

	Amount ($'000)
Management fee	4,950
Performance fee	3,559
Trustee fee	194
Acquisition fee	676
Total	9,379

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 2016 are set out below:

	Amount ($'000)
Travel & Entertainment	101

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 Trusts Regulations 2005, the Board of Directors of Ascendas Property Fund Trustee Pte. Ltd. as trustee-manager of Ascendas India Trust (the "Trust" and Ascendas Property Fund Trustee Pte. Ltd. as trustee-manager of the Trust, the "Trustee-Manager") 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 Chiang Chie Foo
Mr Michael Grenville Gray
Mr Alan Rupert Nisbet
Mr T. V. Mohandas Pai
Mr Girija Prasad Pande
Mr Ng Eng Leng

Mr Khiatani and Mr Dasgupta are considered non-independent directors by the Board of Directors of the Trustee-Manager. Mr Khiatani is the Deputy Group CEO of the Ascendas-Singbridge Group ("ASB"). Ascendas-Singbridge Pte. Ltd., the ultimate investment holding company of ASB, is a deemed controlling Unitholder of the Trust and the Trustee-Manager is a wholly-owned subsidiary of ASB. Mr Dasgupta is the CEO of the Trustee-Manager.

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

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

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 87 to 154, which comprise the balance sheets of the Group and the Trust as at 31 March 2016, 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 financial statements 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 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.

INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

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 financial position of the Group and of the Trust as at 31 March 2016, and of the financial performance, changes in unitholders' funds 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 and by those subsidiary corporations incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Chartered Accountants

Singapore, 27 April 2016

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	Group	
		2016	2015
		$'000	$'000
Property Income			
Base rent		**89,613**	76,692
Amenities income		**2,036**	1,986
Fit–out rental income		**1,476**	1,659
Operations, maintenance and utilities income		**44,386**	42,894
Car park and other income		**6,448**	5,528
Total property income		**143,959**	128,759
Property Expenses			
Operations, maintenance and utilities expenses		**(34,487)**	(35,949)
Service and property taxes		**(2,940)**	(2,679)
Property management fees		**(6,762)**	(6,261)
Other property operating expenses	5	**(6,050)**	(6,268)
Total property expenses		**(50,239)**	(51,157)
Net Property Income		**93,720**	77,602
Trustee-Manager's fees		**(8,705)**	(7,271)
Other trust operating expenses		**(1,092)**	(1,084)
Finance costs	6	**(23,551)**	(16,457)
Interest income	4	**14,325**	13,620
Fair value gain on derivative financial instruments – realised		**5,091**	2,202
Exchange loss – realised		**(11,395)**	(8,773)
Profit Before Change in Fair Value of Investment Properties, and Unrealised (Loss)/Gain on Derivative Financial Instruments and Foreign Exchange		**68,393**	59,839
Fair value gain on derivative financial instruments – unrealised		**960**	303
Exchange (loss)/gain – unrealised		**(1,706)**	10,576
Fair value gain on investment properties under construction	19	**7,645**	3,818
Fair value gain on investment properties	20	**88,491**	34,778
Profit Before Tax	7	**163,783**	109,314
Income tax expenses	8(a)	**(51,089)**	(38,297)
Net Profit After Tax		**112,694**	71,017
Attributable To:			
Unitholders of the Trust		**104,732**	65,911
Non-controlling interests		**7,962**	5,106
		112,694	71,017
Earnings per unit attributable to Unitholders of the Trust, expressed in cents per unit – basic and diluted	9	**11.33**	7.16

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Group	
	2016	2015
	$'000	$'000
Net profit after tax	**112,694**	71,017
Other Comprehensive Income:		
Items that may be reclassified subsequently to profit or loss:		
– Cash flow hedges	**2,371**	(94)
– Fair value gain on available-for-sale financial assets	**–**	2,477
– Translation differences arising from the conversion of functional currency into presentation currency	**(52,659)**	34,948
Reversal of fair value reserves of available-for-sale financial assets reclassified to profit or loss	**(2,477)**	–
Other comprehensive income for the year	**(52,765)**	37,331
Total comprehensive income for the year	**59,929**	108,348
Total Comprehensive Income Attributable To:		
Unitholders of the Trust	**55,904**	100,675
Non–controlling interests	**4,025**	7,673
	59,929	108,348

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

DISTRIBUTION STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	Group	
		2016	2015
		$'000	$'000
Profit Before Change in Fair Value of Investment Properties, and Unrealised Gain/(Loss) on Derivative Financial Instruments and Foreign Exchange		**68,393**	59,839
Income tax expenses – current	8(a)	**(18,424)**	(14,907)
Trustee-Manager's fees payable in units	10	**4,261**	3,553
Depreciation of equipment	18	**136**	81
Realised exchange loss	10	**6,092**	4,899
Non-controlling interests		**(4,003)**	(3,645)
Distribution Adjustments		**(11,938)**	(10,019)
Income Available for Distribution		**56,455**	49,820
10% retention		**(5,646)**	(4,982)
Income to be Distributed		**50,809**	44,838
Income Available for Distribution per unit (cents)		**6.11**	5.41
Income to be Distributed per unit (cents)		**5.50**	4.86

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

BALANCE SHEETS
AS AT 31 MARCH 2016

	Note	Group		Trust	
		2016 $'000	2015 $'000	**2016 $'000**	2015 $'000
Assets					
Current Assets					
Cash and cash equivalents	11	**85,921**	69,661	**4,485**	9,676
Inventories	12	**686**	738	**–**	–
Other assets	13	**6,640**	4,771	**23**	586
Loans to subsidiaries	14	**–**	–	**438,456**	419,623
Trade and other receivables	15	**15,050**	22,798	**3,850**	13,962
Derivative financial instruments	17	**6,369**	1,850	**6,369**	1,850
Current income tax recoverable	8(b)	**9,808**	6,991	**–**	–
		124,474	106,809	**453,183**	445,697
Non-current Assets					
Other assets	13	**3,290**	6,938	**–**	900
Investment in available-for-sale financial assets	16	**53,376**	108,129	**–**	–
Derivative financial instruments	17	**13,848**	5,893	**13,848**	5,893
Equipment	18	**305**	260	**–**	–
Investment properties under construction	19	**61,812**	32,628	**–**	–
Investment properties	20	**1,077,011**	979,247	**–**	–
Goodwill	21	**15,614**	16,916	**–**	–
Investment in subsidiaries	22	**–**	–	**10,506**	11,382
		1,225,256	1,150,011	**24,354**	18,175
Total Assets		**1,349,730**	1,256,820	**477,537**	463,872
Liabilities					
Current Liabilities					
Trade and other payables	23	**57,433**	42,567	**12,070**	11,495
Borrowings	24	**44,955**	89,914	**44,955**	89,914
Derivative financial instruments	17	**510**	713	**510**	713
		102,898	133,194	**57,535**	102,122
Non-current Liabilities					
Trade and other payables	23	**52,845**	53,757	**462**	900
Borrowings	24	**317,750**	225,255	**317,750**	225,255
Derivative financial instruments	17	**1,245**	4,662	**1,245**	4,662
Deferred income tax liabilities	8(c)	**183,544**	163,865	**–**	–
		555,384	447,539	**319,457**	230,817
Total Liabilities		**658,282**	580,733	**376,992**	332,939
Net Assets		**691,448**	676,087	**100,545**	130,933

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

	Note	Group		Trust	
		2016	2015	**2016**	2015
		$'000	$'000	**$'000**	$'000
Unitholders' Funds					
Units on issue	25	**710,261**	706,432	**710,261**	706,432
Foreign currency translation reserve	26(a)	**(377,031)**	(328,309)	**(208,833)**	(201,224)
Fair value reserve	26(b)	**–**	2,477	**–**	–
Hedging reserve	26(c)	**3,939**	1,568	**3,939**	1,568
Other reserves	26(d)	**62,255**	60,672	**–**	–
Retained earnings	26(e)	**239,110**	183,990	**(404,822)**	(375,843)
Net assets attributable to Unitholders		**638,534**	626,830	**100,545**	130,933
Non-controlling interests		**52,914**	49,257	**–**	–
		691,448	676,087	**100,545**	130,933

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

CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	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**
2016									
Balance at beginning of financial year	**706,432**	**(328,309)**	**2,477**	**1,568**	**60,672**	**183,990**	**626,830**	**49,257**	**676,087**
Profit for the year	–	–	–	–	–	104,732	**104,732**	7,962	**112,694**
Other comprehensive income for the year	–	(48,722)	(2,477)	2,371	–	–	**(48,828)**	(3,937)	**(52,765)**
Transfer to other reserves	–	–	–	–	1,583	(1,583)	**–**	–	**–**
Issue of new units	3,829	–	–	–	–	–	**3,829**	–	**3,829**
Distribution to Unitholders (Note 10)	–	–	–	–	–	(48,029)	**(48,029)**	–	**(48,029)**
Dividends paid to non-controlling interests	–	–	–	–	–	–	**–**	(368)	**(368)**
Balance at end of financial year	**710,261**	**(377,031)**	**–**	**3,939**	**62,255**	**239,110**	**638,534**	**52,914**	**691,448**
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 10)	–	–	–	–	–	(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**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	Group	
		2016	2015
		$'000	$'000
Operating activities			
Net profit after tax		**112,694**	71,017
Adjustments for:			
Income tax expenses	8(a)	**51,089**	38,297
Interest income	4	**(14,325)**	(13,620)
Finance costs	6	**23,551**	16,457
Equipment written off	5	**1**	253
Depreciation of equipment	18	**136**	81
Fair value gain on derivative financial instruments – unrealised		**(960)**	(303)
Fair value gain on investment properties under construction	19	**(7,645)**	(3,818)
Fair value gain on investment properties	20	**(88,491)**	(34,778)
Allowance for impairment of receivables	5	**277**	693
Write-back impairment of advances	5	**–**	(125)
Trustee-Manager's fees paid and payable in units	10	**4,261**	3,553
Exchange differences		**7,798**	(5,677)
Others		**3,959**	4,434
Operating cash flows before changes in working capital		**92,345**	76,464
Changes in working capital			
Inventories		**(5)**	77
Other assets		**878**	(1,956)
Trade and other receivables		**1,490**	1,241
Trade and other payables		**3,792**	4,368
Cash flows from operations		**98,500**	80,194
Interest received		**20,429**	11,733
Income tax paid (net)		**(21,813)**	(12,352)
Net cash flows from operating activities		**97,116**	79,575
Investing activities			
Purchase of equipment	18	**(198)**	(4)
Additions to investment properties under construction	19	**(30,794)**	(12,234)
Additions to investment properties	20	**(12,838)**	(5,491)
Net cash outflow from acquisition of subsidiary	22	**(5,009)**	(34,392)
Proceeds from disposal of investment properties		**–**	81
Investment in available-for-sale financial assets		**(2,974)**	(57,363)
Net cash flows used in investing activities		**(51,813)**	(109,403)

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	Group	
		2016	2015
		S$'000	S$'000
Financing activities			
Repayment of borrowings		**(90,000)**	(50,000)
Distribution to Unitholders		**(48,029)**	(43,393)
Dividends paid to non-controlling interests		**(368)**	(361)
Interest paid		**(22,770)**	(15,900)
Proceeds from borrowings		**137,482**	130,497
Net cash flows (used in)/from financing activities		**(23,685)**	20,843
Net increase/(decrease) in cash and cash equivalents		**21,618**	(8,985)
Cash and cash equivalents at beginning of financial year		**69,661**	74,376
Effects of exchange rate changes on cash and cash equivalents		**(5,358)**	4,270
Cash and cash equivalents at end of financial year	11	**85,921**	69,661

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

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

1. CORPORATE 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 1 Fusionopolis Place #10-10, Galaxis, Singapore 138522.

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 22 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet of the Trust 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 (SGD or $) and all values in the tables are rounded to the nearest thousand ($'000), except when otherwise stated.

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 2015. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Trust.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 annual periods beginning on or after
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 111: *Accounting for Acquisitions of Interests in Joint Operations*	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 2018
FRS 109 *Financial Instruments*	1 January 2018
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined#

The mandatory effective date of this Amendment will be revised from 1 January 2016 to a date to be determined by the Accounting Standards Council.

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. The nature of the impending changes in accounting policy on the adoption of FRS 115 and FRS 109 are described below.

FRS 115 Revenue from Contracts with Customers

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers. Under FRS 115, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in FRS 115 provide a more structured approach to measuring and recognising revenue when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied.

Key issues for the Group include identifying performance obligations, accounting for contract modifications, applying the constraint to variable consideration, evaluating significant financing components, measuring progress toward satisfaction of a performance obligation, recognising contract cost assets and addressing disclosure requirements.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently assessing the impact of FRS 115 and plans to adopt the new standard on the required effective date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Standards issued but not yet effective (continued)

FRS 109 Financial Instruments

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model. Adopting the expected credit losses requirements will require the Group to make changes to its current systems and processes.

FRS 109 is effective for annual periods beginning on or after 1 January 2018 with early application permitted. Retrospective application is required, but comparative information is not compulsory. The Group is currently assessing the impact of FRS 109 and plans to adopt the standard on the required effective date.

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.

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(a) 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.

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 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 is 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.

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.

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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Leases

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 credit and unused tax loss, 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 credit and unused tax loss 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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Taxes (continued)

(b) Deferred tax (continued)

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.

2.19 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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 capital redemption reserve, debenture redemption reserve and general 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.

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

In the process of applying the Group's accounting policies, Management has made judgement relating to determination of lease classification which has the most significant effect on the amounts recognised in the consolidated financial statements.

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) 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 29. The Management is of the view that the valuation methods and estimates are reflective of the current market condition.

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

3.2 Key sources of estimation uncertainty (continued)

(b) 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 loss and Minimum Alternative Tax ("MAT") credit to the extent that it is probable that taxable profit will be available against which the loss and MAT credit can be utilised. Significant management judgement 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.

Ascendas IT Park (Chennai) Limited ("AITPCL") is eligible to claim deduction under section 80IA of the Income Tax Act 1961 (the 'Act') of an amount equal to hundred percent of the profits and gains derived from industrial parks developed. The deduction specified may at the option of the AITPCL 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, AITPCL is required to get the industrial parks developed to be approved/notified by the tax authorities as an eligible undertaking as defined under section 80IA of the Act.

AITPCL had made required applications to the relevant authorities and has been claiming above tax benefit/ deduction in the Income tax returns filed from financial year ended 31 March 2010.

On 21 March 2016, AITPCL obtained approvals for Phases 2 and 3 from the relevant authorities for claiming 80IA benefits commencing from 31 March 2011 and is still awaiting for approvals for Phase 1. AITPCL is eligible to claim these benefits for Phases 2 and 3 for any 10 years out of 15 years from 31 March 2011. Pending approvals/ notifications for Phase 1 and the uncertainty as regards the years for which AITPCL proposes to claim such benefits for Phases 2 and 3, the Management has not claimed any deductions under section 80IA till 31 March 2015 in its financial statements. However, for the financial year ended 31 March 2016, being the 6th year (last year of exemption) out of 15 years for Phases 2 and 3 over which the benefit can be claimed, AITPCL has claimed 80IA benefits in its financial statements.

AITPCL is confident of receiving Phase 1 approvals/notification but as a matter of prudence, AITPCL has deferred the accounting for such benefits for Phases 2 and 3 including consequential effects thereof, till the receipt of final approvals/notification for Phase 1.

4. INTEREST INCOME

	Group 2016 $'000	Group 2015 $'000
Interest income		
– Financial institutions	**5,132**	5,740
– Investment in available-for-sale financial assets	**8,416**	6,202
– Others	**777**	1,678
	14,325	13,620

5. OTHER PROPERTY OPERATING EXPENSES

	Group 2016 $'000	Group 2015 $'000
Advertising and publication	**466**	413
Depreciation of equipment	**136**	81
Employee benefits	**208**	118
Insurance	**223**	203
General management fee	**2,919**	2,648
Travel and hotel accomodation	**87**	67
Professional fees	**1,043**	1,294
Allowance for impairment of receivables	**277**	693
Write-back impairment of advances	**–**	(125)
Equipment written off	**1**	253
Other direct costs	**690**	623
	6,050	6,268

6. FINANCE COSTS

	Group 2016 $'000	Group 2015 $'000
Interest expenses		
– Financial institutions	**13,169**	8,560
– Medium term notes	**10,189**	7,873
– Others	**193**	24
	23,551	16,457

7. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Group 2016 $'000	Group 2015 $'000
Auditors of the Group:		
– Audit fees	**236**	262
– Non-audit fees	**44**	51
Inventories recognised as expenses in "Operations, maintenance and utilities expenses"	**10,871**	15,384

8. INCOME TAXES

(a) Income tax expenses

	Group	
	2016 $'000	2015 $'000
Tax expenses attributable to profit is made up of:		
Current income tax expenses		
– Based on current year's results	**18,457**	14,980
– Over provision in respect of prior years	**(33)**	(73)
	18,424	14,907
Deferred income tax expenses		
– Based on current year's results	**32,665**	19,706
– Effect of change in deferred tax rate	**–**	3,684
	51,089	38,297

The reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 March 2016 and 2015 is as follows:

	Group	
	2016 $'000	2015 $'000
Profit before tax	**163,783**	109,314
Tax calculated at tax rate of 34.61% (2015: 33.99%)	**56,685**	37,156
Effects of:		
– Expenses not deductible for tax purpose	**1,927**	3,906
– Tax incentives	**(6,615)**	(4,927)
– Fair value gains on investment properties subject to lower tax rate	**(6,168)**	(5,393)
– Effect of change in deferred tax rate	**–**	3,684
– Dividend distribution tax and withholding tax	**5,558**	3,778
– Over provision in respect of prior years	**(33)**	(73)
– Others	**(265)**	166
	51,089	38,297

In financial year 2016, the corporate tax rate applicable in India was 34.61% (2015: 33.99%). In financial year 2015, in calculating deferred tax assets and/or liabilities, the Group had taken into account the corporate tax rate of 34.61%.

Tax incentives comprise tax holiday benefits 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.

8. INCOME TAXES (CONTINUED)

(a) Income tax expenses (continued)

Minimum Alternate Tax ("MAT")

Under the Indian income tax law, MAT will be payable only where tax liability, as computed, is less than 18.5% (2015: 18.5%) 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 2007-08 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	
	2016	2015
	$'000	$'000
Balance at beginning of financial year	**6,991**	9,260
Tax charge for the year	**(18,457)**	(14,980)
Over provision in respect of prior years	**33**	73
Arising from acquisition of subsidiary	**–**	(30)
Tax paid during the year	**12,079**	3,106
Tax deducted at source (net)	**9,734**	9,246
Translation differences	**(572)**	316
Balance at end of financial year	**9,808**	6,991

(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	
	2016	2015
	$'000	$'000
Deferred income tax assets:		
– To be settled after one year	**(4,265)**	(10,043)
Deferred income tax liabilities:		
– To be settled after one year	**187,809**	173,908
Deferred income tax liabilities – net	**183,544**	163,865
The above comprises the following:		
– Fair value gains on investment properties	**187,809**	173,908
– Minimum alternate tax credit	**(4,265)**	(10,043)
	183,544	163,865

8. INCOME TAXES (CONTINUED)

(c) Deferred income tax liabilities and assets (continued)

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**
2016			
Balance at beginning of financial year	**173,908**	**(10,043)**	**163,865**
Tax charged to income statement	**27,600**	**5,065**	**32,665**
Translation differences	**(13,699)**	**713**	**(12,986)**
Balance at end of financial year	**187,809**	**(4,265)**	**183,544**
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

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

(d) Dividend distribution tax on undistributed earnings

At the reporting date, the Group had potential dividend distribution tax liability amounting to $20,800,000 (2015: $19,300,000) 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.

9. EARNINGS PER UNIT

The calculation of basic earnings per unit is based on:

	Group	
	2016	2015
Total profit attributable to Unitholders ($'000)	**104,732**	65,911
Weighted average number of units outstanding during the year ('000)	**924,419**	920,071
Earnings per unit (cents)	**11.33**	7.16

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.

10. DISTRIBUTION TO UNITHOLDERS

	Group and Trust	
	2016	2015
	$'000	$'000
Distribution paid:		
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
Exempt distribution of 2.46 cents per unit paid on 26 May 2015	**22,683**	–
Exempt distribution of 2.74 cents per unit paid on 27 November 2015	**25,346**	–
	48,029	43,393

A tax-exempt distribution of 2.76 cents per unit amounting to $25,572,000 was approved on 27 April 2016 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 2017.

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 $4,261,000 (2015: $3,553,000) in financial year 2016.

During the financial year, net realised exchange loss of $6,092,000 (2015: $4,899,000) arose from the refinancing of SGD-denominated loans.

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.

11. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2016	2015	**2016**	2015
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**9,639**	15,669	**4,485**	9,676
Fixed deposits	**76,282**	53,992	**–**	–
	85,921	69,661	**4,485**	9,676

The exposure of cash and cash equivalents to interest rate risks and currency risks is disclosed in Note 28.

Fixed deposits at the balance sheet date had an average maturity of 6 months (2015: 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 2016, certain companies of the Group had cash and deposit balances denominated in INR amounting to approximately $81,225,000 (2015: $59,598,000) 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.

12. INVENTORIES

	Group	
	2016	2015
	$'000	$'000
Operational supplies	**686**	738

13. OTHER ASSETS

	Group		Trust	
	2016	2015	**2016**	2015
	$'000	$'000	**$'000**	$'000
Current				
Deposits	**6,449**	3,946	**–**	–
Prepayments	**191**	825	**23**	586
	6,640	4,771	**23**	586
Non-current				
Deposits	**3,230**	6,027	**–**	–
Prepayments	**60**	911	**–**	900
	3,290	6,938	**–**	900

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

14. LOANS TO SUBSIDIARIES

	Trust	
	2016	2015
	$'000	$'000
Loans to subsidiaries		
– Non-interest bearing	**221,043**	189,230
– Interest bearing	**217,413**	230,393
	438,456	419,623

As at 31 March 2016, 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% (2015: 2.58% to 9.15%) per annum.

15. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2016	2015	**2016**	2015
	$'000	$'000	**$'000**	$'000
Trade receivables	**7,632**	9,015	**–**	–
Less: Allowance for impairment of receivables	**(2,212)**	(3,230)	**–**	–
Trade receivables – net	**5,420**	5,785	**–**	–
Other receivables				
Advances to regulatory authorities	**2,386**	2,585	**–**	–
Less: Allowance for impairment of advances	**(2,386)**	(2,585)	**–**	–
Other receivables - net	**–**	–	**–**	–
Amounts owing from subsidiary	**–**	–	**3,673**	13,874
Non-related parties				
– Advances to suppliers	**1,054**	2,125	**–**	–
– Interest receivable	**4,022**	10,769	**–**	–
– Service input tax recoverable	**4,414**	3,877	**–**	–
– Others	**140**	242	**177**	88
	15,050	22,798	**3,850**	13,962

Amounts owing from subsidiary 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 28.

As disclosed in Note 5, allowance for impairment of receivables of $277,000 (2015: $693,000) and a write-back for impairment of advances recoverable from regulatory authorities of $Nil (2015: $125,000) were included in "Other property operating expenses".

16. INVESTMENT IN AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2016	2015
	$'000	$'000
Balance at beginning of financial year	**108,129**	45,353
Additions	**2,782**	57,139
Derecognition upon acquisition of subsidiary	**(51,688)**	–
Transaction cost capitalised	**192**	224
Fair value gain	**–**	2,477
Translation differences	**(6,039)**	2,936
Balance at end of financial year	**53,376**	108,129

As at 31 March 2016, the investment in available-for-sale financial assets pertains to the subscription of Non-Convertible Debentures ("NCD") in Flagship Developers Private Limited ("FDPL") with a coupon rate of 12% per annum. NCD amounting to INR 2,616 million (equivalent to $53,376,000) (2015: $57,624,000) 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 by 31 December 2016. The NCD is secured by a charge over FDPL's property, land lease and shares.

The NCD is carried at cost because the cost approximates its fair value, as the coupon rate of 12% per annum approximates the market rate of return for similar instruments.

In the previous financial year, investment in available-for-sale financial assets also included subscription of fully and compulsorily convertible debentures ("FCCD") in Avance-Atlas Infratech Private Limited ("AAIPL"), formerly known as Phoenix Hitec City Private Limited. The FCCD may be fully converted into equity shares of AAIPL 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 AAIPL 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.

On 28 July 2015, the Group subscribed to additional FCCD amounting to INR 130 million (equivalent to $2,782,000). On 30 July 2015, the Group acquired the entire issued and paid up capital of AAIPL for a cash consideration amounting to INR 367 million (equivalent to $7,858,000) (Note 22). Accordingly, AAIPL became a wholly-owned subsidiary of the Group. The FCCD in AAIPL (which is now a subsidiary) is eliminated on consolidation and derecognised upon the acquisition of subsidiary. The acquisition of AAIPL is described in more detail in Note 22.

17. DERIVATIVE FINANCIAL INSTRUMENTS

	Group and Trust					
	2016			2015		
	Contract/ notional amount	**Fair values**		Contract/ notional amount	Fair values	
		Assets	**Liabilities**		Assets	Liabilities
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Current						
Cash flow hedges						
– Interest rate swaps	**–**	**–**	**–**	49,000	130	(54)
– Currency swaps	**45,000**	**6,004**	**(472)**	41,000	1,714	–
Non-hedging instruments						
– Currency forwards	**39,000**	**365**	**(38)**	16,600	6	(659)
		6,369	**(510)**		1,850	(713)
Non-current						
Cash flow hedges						
– Interest rate swaps	**32,000**	**–**	**(204)**	6,000	9	–
– Currency swaps	**219,500**	**13,848**	**(1,041)**	170,500	5,884	(4,662)
		13,848	**(1,245)**		5,893	(4,662)
Total		**20,217**	**(1,755)**		7,743	(5,375)

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 financial years ended 31 March 2016 and 2015.

The Group held interest rate swaps to exchange floating-rate interest, on SGD loans of $32,000,000 (2015: $55,000,000), into fixed-rate interest at an average rate of 3.37% (2015: 3.53%) per annum.

The Group entered into currency swaps to exchange floating-rate SGD loans of $163,000,000 (2015: $120,000,000) for INR obligations at average fixed-rate of 7.90% (2015: 7.75%) per annum and also currency swaps to exchange fixed-rate medium term notes of $101,500,000 (2015: $91,500,000) for fixed-rate INR obligation at average fixed-rate of 8.60% (2015: 8.67%) per annum.

The rationale for entering into currency forwards is disclosed in Note 28(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 expenses over the period of borrowings.

18. EQUIPMENT

	Group Computers, furniture and equipment	
	2016 **$'000**	2015 $'000
Cost		
Balance at beginning of financial year	**7,346**	7,111
Additions	**198**	4
Acquisition of subsidiary (Note 22)	**–**	156
Disposals/write-offs/transfer	**(2,902)**	(331)
Translation differences	**(473)**	406
Balance at end of financial year	**4,169**	7,346
Accumulated depreciation		
Balance at beginning of financial year	**7,086**	6,698
Depreciation charge	**136**	81
Disposals/write-offs/transfer	**(2,901)**	(78)
Translation differences	**(457)**	385
Balance at end of financial year	**3,864**	7,086
Net book value		
Balance at end of financial year	**305**	260
Balance at beginning of financial year	**260**	413

19. INVESTMENT PROPERTIES UNDER CONSTRUCTION

	Group	
	2016 **$'000**	2015 $'000
Balance at beginning of financial year	**32,628**	–
Additions during the year	**30,794**	12,234
Transfer (to)/from investment properties (Note 20)	**(5,627)**	15,161
Fair value gain	**7,645**	3,818
Translation differences	**(3,628)**	1,415
Balance at end of financial year	**61,812**	32,628

Investment properties under construction are stated at fair value, which has been determined based on residual valuations performed by CBRE South Asia Pvt. Ltd. as at 31 March 2016. The details of the valuation techniques and inputs used are disclosed in Note 29.

During the financial year, $5,627,000 was transferred to "Investment properties" on completion of multi-storey car park in VITP Private Limited. In previous financial year, freehold land was transferred at fair value of $15,161,000 to "Investment properties under construction" for the construction of a multi-tenanted building in Information Technology Park Limited.

20. INVESTMENT PROPERTIES

	Group	
	2016	2015
	$'000	$'000
Balance at beginning of financial year	**979,247**	869,085
Additions during the year – Cash paid	**12,838**	5,491
– Deferred consideration	**8,309**	–
Acquisition of subsidiary (Note 22)	**62,764**	36,124
Disposals	**–**	(89)
Amortisation of marketing fee	**(556)**	(254)
Straightlining of rent free period	**(836)**	(385)
Transfer from/(to) investment properties under construction (Note 19)	**5,627**	(15,161)
Fair value gain	**88,491**	34,778
Translation differences	**(78,873)**	49,658
Balance at end of financial year	**1,077,011**	979,247

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 CBRE South Asia Pvt. Ltd. as at 31 March 2016. The details of the valuation techniques and inputs used are disclosed in Note 29.

21. GOODWILL

	Group	
	2016	2015
	$'000	$'000
Balance at beginning of financial year	**16,916**	15,997
Translation differences	**(1,302)**	919
Balance at end of financial year	**15,614**	16,916

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 $13,769,000 (2015: $14,916,000) and $1,845,000 (2015: $2,000,000) 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.

22. 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 2016 %	Percentage of equity held by the trust 2015 %	Trust Cost of investment 2016 $'000	Trust Cost of investment 2015 $'000
Direct subsidiaries							
Ascendas Property Fund (India) Pte. Ltd. *	Investment vehicle of listed trust	Singapore	Ordinary	**100**	100	**10,506**	11,382
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 and Chennai	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 Pvt Ltd **	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		
Avance-Atlas Infratech Private Limited **	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	**100**	–		

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

22. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Amalgamation of Cyber Pearl Information Technology Park Private Limited and Ascendas IT SEZ (Chennai) Private Limited

On 21 July 2015, Cyber Pearl Information Technology Park Private Limited ("Cyber Pearl"), a wholly-owned subsidiary of the Trust, received approval from the High Court of Madras for the amalgamation of Ascendas IT SEZ (Chennai) Private Limited ("AITSC") with Cyber Pearl. AITSC was accordingly dissolved, with Cyber Pearl as the surviving entity.

Acquisition of subsidiaries

On 30 July 2015, the Group's subsidiary, Ascendas Property Fund (India) Pte Ltd acquired 100% equity interest in Avance-Atlas Infratech Private Limited (formerly known as Phoenix Hitec City Private Limited) ("AAIPL") for a consideration of INR 367 million (equivalent to $7,858,000).

On 31 March 2015, the Group's subsidiary, Cyber Pearl acquired 100% equity interest in AITSC for a consideration of INR 1,613 million (equivalent to $35,173,000).

The acquisition of AAIPL and AITSC augments the Trust's presence in Hyderabad and Chennai respectively and is in line with the investment strategy to invest in quality income producing assets.

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

	Cost recognised on acquisition	
	2016	2015
	$'000	$'000
Investment properties (Note 20)	**62,764**	36,124
Equipment (Note 18)	**–**	156
Other assets	**–**	251
Inventories	**–**	68
Trade and other receivables	**975**	422
Cash and cash equivalents	**3,575**	1,769
	67,314	38,790
Trade and other payables	**(59,456)**	(3,277)
Current income tax payable	**–**	(30)
Deferred income tax liabilities (net)	**–**	(310)
	(59,456)	(3,617)
Total identifiable net assets	**7,858**	35,173
Transaction costs capitalised	**726**	988
	8,584	36,161
Consideration transferred for acquisition:		
Cash paid	**7,858**	35,173
Transaction costs	**726**	988
	8,584	36,161
Less: Cash and cash equivalent acquired	**(3,575)**	(1,769)
Net cash outflow from acquisition of subsidiary	**5,009**	34,392

23. TRADE AND OTHER PAYABLES

	Group		Trust	
	2016 $'000	2015 $'000	**2016 $'000**	2015 $'000
Current				
Trade payables	**775**	841	**–**	–
Amounts owing to subsidiary	**–**	–	**162**	–
Other payables				
– Non-related parties				
– Interest payable	**5,909**	4,955	**5,903**	5,877
– Construction cost payable	**2,164**	1,278	**–**	–
– Advances	**753**	868	**–**	–
– Companies controlled by a Unitholder that has significant influence over the Group	**5,192**	4,680	**4,931**	4,567
Accruals	**12,304**	9,876	**1,074**	1,051
Rental deposits	**26,153**	18,556	**–**	–
Deferred consideration	**3,021**	–	**–**	–
Others	**1,162**	1,513	**–**	–
	57,433	42,567	**12,070**	11,495
Non-current				
Rental deposits	**45,863**	49,820	**–**	–
Deferred consideration	**5,288**	–	**–**	–
Accruals	**1,304**	1,862	**462**	900
Others	**390**	2,075	**–**	–
	52,845	53,757	**462**	900
	110,278	96,324	**12,532**	12,395

Amounts owing to subsidiary is unsecured, interest free and repayable on demand.

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.

Deferred consideration relates to amounts due to vendor arising from acquisition of a building.

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 28.

24. BORROWINGS

	Group and Trust	
	2016	2015
	$'000	$'000
Current		
Secured bank loans	**–**	25,000
Less: Unamortised transaction costs	**–**	(11)
	–	24,989
Unsecured bank loans	**20,000**	65,000
Less: Unamortised transaction costs	**(22)**	(75)
	19,978	64,925
Medium term notes	**25,000**	–
Less: Unamortised transaction costs	**(23)**	–
	24,977	–
Total current borrowings	**44,955**	89,914
Non-current		
Unsecured bank loans	**175,000**	86,000
Less: Unamortised transaction costs	**(1,386)**	(368)
	173,614	85,632
Medium term notes	**145,000**	140,000
Less: Unamortised transaction costs	**(864)**	(377)
	144,136	139,623
Total non-current borrowings	**317,750**	225,255
Total borrowings	**362,705**	315,169

24. BORROWINGS (CONTINUED)

Debt repayment schedule

	Group and Trust		
	Total $'000	Within 1 year $'000	After 1 year but within 5 years $'000
2016			
Unsecured bank loans			
– Variable rate SGD term loans	**193,592**	**19,978**	**173,614**
Unsecured SGD notes			
– 5 year notes	**104,536**	**24,977**	**79,559**
– 6 year notes	**64,577**	**–**	**64,577**
	169,113	**24,977**	**144,136**
Total	**362,705**	**44,955**	**317,750**
2015			
Secured bank loans			
– Variable rate SGD term loans	24,989	24,989	–
Unsecured bank loans			
– Variable rate SGD term loans	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

Security granted

As at 31 March 2016, all borrowings are unsecured.

In the previous financial year, a SGD term loan was 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. The term loan was refinanced during the current financial year and the security was discharged.

24. BORROWINGS (CONTINUED)

Interest rate

The weighted average effective interest rates of total borrowings at the balance sheet date were as follows:

	Group and Trust	
	2016	2015
Secured SGD bank loans	–	3.16%
Unsecured SGD bank loans	**2.83%**	2.33%
Unsecured SGD notes		
– 5 year notes	**3.76%**	3.70%
– 6 year notes	**3.80%**	3.80%

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 2016, which still remains outstanding, is $170,000,000 (2015: $140,000,000), 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.

(d) $30,000,000 MTN 6, which bears a fixed interest rate of 3.90% per annum, payable semi-annually in arrears and matures on 5 October 2020.

25. UNITS ON ISSUE

	Group and Trust			
	2016		2015	
	Number of units (In Thousands)	**$'000**	Number of units (In Thousands)	$'000
Balance at beginning of financial year	**921,453**	**706,432**	917,139	703,050
Issue of new units				
– Fee paid in units	**4,287**	**3,829**	4,314	3,382
Balance at end of financial year	**925,740**	**710,261**	921,453	706,432

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.

26. RESERVES

(a) Foreign currency translation reserve

	Trust	
	2016	2015
	$'000	$'000
Balance at beginning of financial year	**(201,224)**	(207,704)
Translation differences arising from the conversion of functional currency into presentation currency	**(7,609)**	6,480
Balance at end of financial year	**(208,833)**	(201,224)

(b) Fair value reserve

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

(c) Hedging reserve

Hedging reserve represents the effective portion of cash flow hedge relationship existing as at the reporting date.

(d) Other reserves

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

26. RESERVES (CONTINUED)

(e) Retained earnings

	Trust	
	2016	2015
	$'000	$'000
Balance at beginning of financial year	**(375,843)**	(331,375)
Profit/(loss) for the year	**19,050**	(1,075)
Distribution to Unitholders (Note 10)	**(48,029)**	(43,393)
Balance at end of financial year	**(404,822)**	(375,843)

27. 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.

27. RELATED PARTY TRANSACTIONS (CONTINUED)

(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.

(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;

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.

27. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Property Manager's management fees (continued)

(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.

Some of the Group's transactions and arrangements are with (a) the Trustee-Manager; and (b) the significant corporate Unitholders, Ascendas Pte Ltd and Temasek Holdings (Private) Limited, and their associates. The effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free, repayable on demand and expected to be settled in cash unless otherwise stated.

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

	Group	
	2016	2015
	$'000	$'000
Trustee-Manager's fees paid/payable	**9,379**	7,622
Property management services	**2,733**	2,415
Lease management services	**1,367**	1,207
General management fee	**2,919**	2,648
Marketing services	**2,430**	2,374
Project management fees	**439**	309
Rental income received/receivable	**(873)**	(303)

Acquisition fee

During the financial year, acquisition fee of INR 32 million (equivalent to $676,000) (2015: INR 16 million, equivalent to $352,000) was paid/payable to the Trustee-Manager relating to the acquisition of AAIPL and the building at CyberVale (2015: acquisition of AITSC).

28. FINANCIAL RISK MANAGEMENT

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.

Management 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 Management's organisational and reporting structure, operating manuals and delegation of authority guidelines.

The Audit and Risk Committee ("ARC") 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. ARC 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 ARC.

(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 entered into cross currency swaps to manage foreign exchange exposure to SGD arising from SGD denominated borrowings.

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.

28. FINANCIAL RISK MANAGEMENT (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 follows:

	INR $'000	SGD $'000	USD $'000	**TOTAL $'000**
2016				
Financial Assets				
Cash and cash equivalents	81,225	4,678	18	**85,921**
Trade and other receivables	9,582	–	–	**9,582**
Investment in available-for-sale financial assets	53,376	–	–	**53,376**
Other financial assets	9,679	–	–	**9,679**
Total financial assets	153,862	4,678	18	**158,558**
Financial Liabilities				
Trade and other payables	(103,920)	(5,995)	(3)	**(109,918)**
Borrowings	–	(362,705)	–	**(362,705)**
Total financial liabilities	(103,920)	(368,700)	(3)	**(472,623)**
Net Financial Assets/(Liabilities)	49,942	(364,022)	15	**(314,065)**
Less: Net financial liabilities denominated in the respective entities' functional currencies	(49,942)	–	–	**(49,942)**
Currency swaps	–	264,500	–	**264,500**
Currency forwards	–	39,000	–	**39,000**
Net Currency Exposure	–	(60,522)	15	**(60,507)**
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)**

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

If SGD and USD changes against INR by 10% (2015: 10%) respectively with all other variables including tax rate being held constant, the effects on profit or loss from the net position will be as follows:

	2016	2015
	S$'000	S$'000
	<----- Increase/(Decrease) ----->	
SGD against INR		
– Strengthened	**(6,052)**	(8,935)
– Weakened	**6,052**	8,935
USD against INR		
– Strengthened	**2**	(8)
– Weakened	**(2)**	8

(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.

Management has established credit limits for customers and monitors their balances on an on-going basis. Credit appraisal is performed by the Management 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.

28. FINANCIAL RISK MANAGEMENT (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:

	2016 $'000	2015 $'000
Past due 0 to 3 months	**3,448**	2,896
Past due over 3 months	**1,972**	2,889
	5,420	5,785

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:

	2016 $'000	2015 $'000
Gross amount	**4,598**	5,815
Less: Allowance for impairment	**(4,598)**	(5,815)
	–	–
Balance at beginning of financial year	**5,815**	4,920
Currency translation difference	**(1,494)**	327
Allowance made	**277**	693
Allowance written back	**–**	(125)
Balance at end of financial year	**4,598**	5,815

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.

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

Management monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations. In addition, Management 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
2016			
Net-settled swaps	**(11,801)**	**(9,973)**	**(12,540)**
Net-settled currency forwards	**968**	**–**	**–**
Trade and other payables	**(57,342)**	**(52,576)**	**–**
Borrowings (including interest)	**(55,894)**	**(59,602)**	**(280,931)**
	(124,069)	**(122,151)**	**(293,471)**
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)

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. Steps are being taken to agree refinancing terms with lenders for borrowings maturing within a year.

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk

Management'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, Management may issue new units or source for additional borrowing from both financial institutions and capital markets.

Management monitors capital based on gearing ratio. As provided for in the Trust Deed, the maximum gearing ratio is 40% or higher if allowed under Property Funds Appendix ("PFA") or up to a maximum of 60% only if a credit rating is obtained. In January 2016, the approved gearing ratio allowed under the PFA was amended to a single ratio of 45%.

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.

	2016 $'000	2015 $'000
Total effective borrowings	**344,570**	312,148
Value of Trust Property	**1,349,730**	1,256,820
Gearing ratio	**26%**	25%

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 2016 and 2015.

29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE

(a) Accounting classifications

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

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**
2016							
Financial Assets							
Cash and cash equivalents	11	–	–	85,921	–	–	**85,921**
Other financial assets		–	–	9,679	–	–	**9,679**
Trade and other receivables		–	–	9,582	–	–	**9,582**
Investment in available-for-sale financial assets	16	–	–	–	53,376	–	**53,376**
Currency forwards	17	365	–	–	–	–	**365**
Currency swaps	17	–	19,852	–	–	–	**19,852**
		365	19,852	105,182	53,376	–	**178,775**
Financial Liabilities							
Trade and other payables		–	–	–	–	109,918	**109,918**
Borrowings	24	–	–	–	–	362,705	**362,705**
Currency forwards	17	38	–	–	–	–	**38**
Currency swaps	17	–	1,513	–	–	–	**1,513**
Interest rate swaps	17	–	204	–	–	–	**204**
		38	1,717	–	–	472,623	**474,378**

29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (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**
2015							
Financial Assets							
Cash and cash equivalents	11	–	–	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	16	–	–	–	108,129	–	**108,129**
Currency forwards	17	6	–	–	–	–	**6**
Currency swaps	17	–	7,598	–	–	–	**7,598**
Interest rate swaps	17	–	139	–	–	–	**139**
		6	7,737	96,430	108,129	–	**212,302**
Financial Liabilities							
Trade and other payables		–	–	–	–	95,773	**95,773**
Borrowings	24	–	–	–	–	315,169	**315,169**
Currency forwards	17	659	–	–	–	–	**659**
Currency swaps	17	–	4,662	–	–	–	**4,662**
Interest rate swaps	17	–	54	–	–	–	**54**
		659	4,716	–	–	410,942	**416,317**

29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(a) Accounting classifications (continued)

Trust	Note	Fair value through profit or loss $'000	Fair value – hedging instrument $'000	Loans and receivables $'000	Other financial liabilities within the scope of FRS 39 $'000	**Total carrying amount $'000**
2016						
Financial Assets						
Cash and cash equivalents	11	–	–	4,485	–	**4,485**
Loans to subsidiaries	14	–	–	438,456	–	**438,456**
Trade and other receivables	15	–	–	3,850	–	**3,850**
Currency forwards	17	365	–	–	–	**365**
Currency swaps	17	–	19,852	–	–	**19,852**
		365	19,852	446,791	–	**467,008**
Financial Liabilities						
Trade and other payables	23	–	–	–	12,532	**12,532**
Borrowings	24	–	–	–	362,705	**362,705**
Currency forwards	17	38	–	–	–	**38**
Currency swaps	17	–	1,513	–	–	**1,513**
Interest rate swaps	17	–	204	–	–	**204**
		38	1,717	–	375,237	**376,992**

29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(a) Accounting classifications (continued)

Trust	Note	Fair value through profit or loss $'000	Fair value – hedging instrument $'000	Loans and receivables $'000	Other financial liabilities within the scope of FRS 39 $'000	**Total carrying amount $'000**
2015						
Financial Assets						
Cash and cash equivalents	11	–	–	9,676	–	**9,676**
Loans to subsidiaries	14	–	–	419,623	–	**419,623**
Trade and other receivables	15	–	–	13,962	–	**13,962**
Currency forwards	17	6	–	–	–	**6**
Currency swaps	17	–	7,598	–	–	**7,598**
Interest rate swaps	17	–	139	–	–	**139**
		6	7,737	443,261	–	**451,004**
Financial Liabilities						
Trade and other payables	23	–	–	–	12,395	**12,395**
Borrowings	24	–	–	–	315,169	**315,169**
Currency forwards	17	659	–	–	–	**659**
Currency swaps	17	–	4,662	–	–	**4,662**
Interest rate swaps	17	–	54	–	–	**54**
		659	4,716	–	327,564	**332,939**

29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(a) *Accounting classifications* (continued)

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.

(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.

29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(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**
2016			
Recurring fair value measurements			
Assets			
Financial assets:			
Derivative financial instruments			
– Currency forwards	365	–	**365**
– Currency swaps	19,852	–	**19,852**
– Investment in available-for-sale financial assets	–	53,376	**53,376**
Total financial assets	20,217	53,376	**73,593**
Non-financial assets:			
Investment properties	–	1,077,011	**1,077,011**
Investment properties under construction	–	61,812	**61,812**
Total non-financial assets	–	1,138,823	**1,138,823**
Liabilities			
Financial liabilities:			
Derivative financial instruments			
– Currency forwards	38	–	**38**
– Currency swaps	1,513	–	**1,513**
– Interest rate swaps	204	–	**204**
Total financial liabilities	1,755	–	**1,755**

29. 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**
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**

29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(c) Fair value measurements (continued)

(ii) Level 2 fair value measurements

As at 31 March 2016, 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.

(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 2016 $'000	Valuation techniques	Unobservable inputs	Range
Recurring fair value measurements				
– Investment properties	1,077,011	Discounted cash flow method, income capitalisation method	Discount rate, capitalisation rate	14.00 – 15.50% 9.75 – 10.75%
– Investment properties under construction	61,812			
– Investment in available-for-sale financial assets	53,376	Market comparable approach	Market rate of return	12.00%

Description	Fair value at 31 March 2015 $'000	Valuation techniques	Unobservable inputs	Range
Recurring fair value measurements				
– Investment properties	979,247	Discounted cash flow method, income capitalisation method	Discount rate, capitalisation rate	12.25 – 13.50% 10.25 – 11.00%
– Investment properties under construction	32,628			
– Investment in available-for-sale financial assets	50,505			

29. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(c) Fair value measurements (continued)

(iii) Level 3 fair value measurements

The valuation of investment properties and investment properties under construction 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 CBRE South Asia Pvt. Ltd.

The valuation of investment in available-for-sale financial assets comprising non-convertible debentures is determined using market comparable approach, whereby the 12% per annum coupon rate approximates the market rate of return for similar instruments.

In financial year 2015, the investment in available-for-sale financial assets comprised fully and compulsory convertible debentures whereby the subscription to the debentures was a multi-stage process to eventually acquire an investment property called aVance 3 (Note 16). The valuation of the investment in available-for-sale financial assets was 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 was then discounted to a present value at an appropriate discount rate. The final valuation determined was an average of the two approaches employed by Cushman & Wakefield India Pte. Ltd.

30. COMMITMENTS

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

(a) Development and investment expenditure

	2016 **$'000**	2015 $'000
Amounts approved and contracted for		
– Investment	**194,004**	201,019
– Development	**17,363**	52,433
Amounts approved but not contracted for		
– Development	**897**	2,074
	212,264	255,526

30. COMMITMENTS (CONTINUED)

(a) Development and investment expenditure (continued)

As at 31 March 2016, amount approved and contracted for includes:

(i) $116,000,000 (2015: $117,000,000) 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 2 to 3 years.

(ii) $78,000,000 (2015: $84,000,000) pertaining to the acquisition of the shares of FDPL.

(iii) $17,400,000 (2015: $52,400,000) pertaining to investment properties under construction in ITPL and VITP (Note 19).

(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:

	2016 $'000	2015 $'000
Lease receivables:		
– Within 1 year	**79,875**	64,912
– After 1 year but within 5 years	**80,971**	86,620
– After 5 years	**2,860**	5,320
	163,706	156,852

31. 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, Management considers that the Group operates within a single business segment and within a single geographical segment.

32. 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 ("ITAT"), 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. ITPL understands that the income tax department has filed an appeal through special leave petition in Supreme Court, even though no notice was received till date. 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 185 million (equivalent to $3,783,000). AITPCL had received favourable orders from ITAT, considering rental income as business income for assessment years 2008-09 and 2009-10 respectively. The income tax department has filed an appeal with Honourable High Court of Madras against the order of ITAT for Assessment Year 2008-09.

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 September 2014. The potential tax exposure, including penalty amounted to INR 89 million (equivalent to $ 1,815,000). 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 2014 and demand of service tax on electricity, water charges and fit-out for the period from October 2005 to March 2014. As at 31 March 2016, the total service tax in dispute not recognised in the financial statements, including penalties and interest, amounts to INR 897 million (equivalent to $18,291,000). 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 2014.

VITP Private Limited ("VITP") 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 September 2012. The potential tax exposure, including penalty attributable to such demand notices is estimated to be INR 214 million (equivalent to $4,371,000). VITP 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.

32. CONTINGENT LIABILITIES (CONTINUED)

(c) Value added tax on fit-out rental

VITP and Cyber Pearl Information Technology Park Private Limited ("Cyber Pearl") 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 Cyber Pearl had obtained opinion from an independent legal counsel who is of the view that VITP and Cyber Pearl 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 $1,110,000) for VITP and INR 10 million (equivalent to $212,000) for Cyber Pearl.

(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 $214,000).

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 $2,255,000).

(e) Water supply and sanitary connection charges

ITPL has received a demand notice from Bangalore Water Supply and Sewerage Board ("BWSSB") towards prorata and other charges for water supply and sanitary connection amounting to INR 239 million (equivalent to $5,083,000). ITPL has replied to the notice contesting the demand as the Management is of the view that no such charges are payable by ITPL.

Further, based on legal advice, ITPL is confident of maintaining its claim and does not expect any significant impact on account of the above matter.

33. COMPARATIVE FIGURES - RECLASSIFICATION

	Note	2015 As reclassified $'000	2015 As previously classified $'000
Consolidated income statement			
Fair value gain on investment properties	(a)	**34,778**	38,596
Fair value gain on investment properties under construction	(a)	**3,818**	–
Consolidated statement of cash flows			
Operating activities			
Fair value gain on investment properties	(a)	**34,778**	38,596
Fair value gain on investment properties under construction	(a)	**3,818**	–
Exchange differences	(b)	**(5,677)**	(10,576)
Others	(b)	**4,434**	9,333
Financing activities			
Proceeds from borrowings	(c)	**130,497**	80,647
Proceeds from medium term notes	(c)	**–**	49,850

(a) In prior year, "Fair value gain on investment properties" line item comprised fair value gains on both investment properties and investment properties under construction. Fair value gain pertaining to investment properties under construction has been reclassified to be presented as a separate line item.

(b) Realised exchange loss arising from loans settlement was classified under "Others" in prior year instead of "Exchange differences". Reclassification was done to be in line with current year presentation.

(c) In the prior year, proceeds from medium term notes were separately disclosed under "Proceeds from medium term notes". These proceeds have been reclassified to be included under "Proceeds from borrowings" line item to be in line with current year presentation.

34. 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 27 April 2016.

TRUSTEE-MANAGER FINANCIAL STATEMENTS

ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.

CONTENTS

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

The directors are pleased to present their statement 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 2016.

OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and statement of cash flow together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2016 and of the financial performance 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.

DIRECTORS

The directors of the Company in office at the date of this statement are:

Mr Philip Yeo Liat Kok
Mr David Lim Tik En
Mr Chiang Chie Foo (appointed on 1 April 2016)
Mr Manohar Khiatani
Mr Sanjeev Dasgupta
Mr Michael Grenville Gray
Mr Alan Rupert Nisbet (appointed on 30 September 2015)
Mr T.V. Mohandas Pai
Mr Girija Prasad Pande
Mr Ng Eng Leng

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 its related corporations, either at the beginning or end of the financial year, except as follows:

Name of director and corporations in which interests are held	Description of interests	Holdings registered in the name of the director, spouse or infant children	
		At 1 April 2015 or date of appointment	**At 31 March 2016**
Mr Philip Yeo Liat Kok			
Singapore Technologies Engineering Ltd	Ordinary Shares	4,000	**4,000**
Singapore Telecommunications Limited	Ordinary Shares	1,080	**1,080**
Mr David Lim Tik En			
Neptune Orient Lines Limited	Ordinary Shares	5,000	**5,000**
Singapore Telecommunications Limited	Ordinary Shares	2,190	**2,190**
StarHub Ltd	Ordinary Shares	3,000	**3,000**
Mr Manohar Khiatani			
Neptune Orient Lines Limited	Ordinary shares	14,000	**14,000**
Singapore Airlines Limited	Ordinary Shares	4,000	**4,000**
Mr Michael Grenville Gray			
Singapore Airlines Limited	Ordinary Shares	3,000	**3,000**
Singapore Telecommunications Limited	Ordinary Shares	6,000	**6,000**
Tiger Airways Holdings Limited	Ordinary Shares	232,300	**–**
Mr Alan Rupert Nisbet			
Singapore Airlines Limited	Ordinary shares	10,000	**10,000**
Mr Ng Eng Leng			
Neptune Orient Lines Limited	Ordinary Shares	11,000	**11,000**
Singapore Telecommunications Limited	Ordinary Shares	883	**883**
StarHub Ltd	Ordinary Shares	5,000	**5,000**

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

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 or 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.

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.

AUDITOR

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

On behalf of the board of directors:

MANOHAR KHIATANI
Director

SANJEEV DASGUPTA
Director

27 April 2016

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

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Ascendas Property Fund Trustee Pte. Ltd. (the "Company") set out on pages 160 to 182, which comprise the balance sheet of the Company as at 31 March 2016, the statement of comprehensive income, the statement of changes in equity and statement of cash flow 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 financial statements 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 financial position of the Company as at 31 March 2016 and of the financial performance, 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, 27 April 2016

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	2016 $'000	2015 $'000
Revenue	4	**9,379**	7,622
Other income	5	**1,759**	1,393
Expenses			
Depreciation of property, plant and equipment	9	**(6)**	(10)
Employee compensation	6	**(2,142)**	(2,098)
Other operating expenses	7	**(1,868)**	(1,743)
Total expenses		**(4,016)**	(3,851)
Profit Before Tax		**7,122**	5,164
Income tax expenses	8	**(703)**	(688)
Net Profit After Tax		**6,419**	4,476
Other Comprehensive Income:			
Items that may be reclassified subsequently to profit or loss			
Available-for-sale financial assets			
– fair value (loss)/gain	10	**(1,048)**	4,053
Total Comprehensive Income for the year		**5,371**	8,529

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

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	**2016 $'000**	2015 $'000
Assets			
Non-Current Assets			
Deferred income tax assets	8	**9**	10
Property, plant and equipment	9	**9**	9
Available-for-sale financial assets	10	**31,259**	28,478
		31,277	28,497
Current Assets			
Trade and other receivables	11	**5,158**	5,205
Prepayments		**39**	54
Deposits		**7**	7
		5,204	5,266
Total Assets		**36,481**	33,763
Liabilities			
Current Liabilities			
Trade and other payables	12	**2,091**	2,028
Current income tax liabilities	8	**1,174**	890
Total Liabilities		**3,265**	2,918
Net Assets		**33,216**	30,845
Equity			
Share capital	13	**1,000**	1,000
Fair value reserve	14	**1,789**	2,837
Revenue reserve		**30,427**	27,008
Total Equity		**33,216**	30,845

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	Share capital $'000	Fair value reserve $'000	Revenue reserve $'000	**Total equity $'000**
2016					
Balance at beginning of financial year		**1,000**	**2,837**	**27,008**	**30,845**
Profit for the year		–	–	6,419	**6,419**
Other comprehensive income:					
Available-for-sale financial assets					
– fair value loss		–	(1,048)	–	**(1,048)**
Total comprehensive income for the year		–	(1,048)	6,419	**5,371**
Dividends	15	–	–	(3,000)	**(3,000)**
Balance at end of financial year		**1,000**	**1,789**	**30,427**	**33,216**
2015					
Balance at beginning of financial year		**1,000**	**(1,216)**	**25,032**	**24,816**
Profit for the year		–	–	4,476	**4,476**
Other comprehensive income:					
Available-for-sale financial assets					
– fair value gain		–	4,053	–	**4,053**
Total comprehensive income for the year		–	4,053	4,476	**8,529**
Dividends	15	–	–	(2,500)	**(2,500)**
Balance at end of financial year		**1,000**	**2,837**	**27,008**	**30,845**

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

STATEMENT OF CASH FLOW

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	2016 $'000	2015 $'000
Operating activities		
Net profit after tax	**6,419**	4,476
Adjustments for:		
Income tax expenses	**703**	688
Depreciation of property, plant and equipment	**6**	10
Dividend income	**(1,758)**	(1,393)
Fund management fee received/receivable in units of listed property trust	**(4,260)**	(3,553)
Operating cash flows before changes in working capital	**1,110**	228
Changes in working capital		
Trade and other receivables	**478**	1,307
Prepayments	**15**	(22)
Trade and other payables	**63**	125
Cash flows from operations	**1,666**	1,638
Income tax paid	**(418)**	(527)
Net cash flows from operating activities	**1,248**	1,111
Investing activities		
Purchase of property, plant and equipment	**(6)**	(4)
Dividends received	**1,758**	1,393
Net cash flows from investing activities	**1,752**	1,389
Financing activity		
Dividends paid	**(3,000)**	(2,500)
Net cash flows used in financing activity	**(3,000)**	(2,500)
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 2016

1. CORPORATE INFORMATION

Ascendas Property Fund Trustee Pte. Ltd. (the "Company") is a limited liability company, which is domiciled and incorporated in Singapore. The registered office and the principal place of business of the Company is located at 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522.

Its immediate holding company is Ascendas Investment Pte Ltd and intermediate holding company is Ascendas Pte Ltd. Its ultimate holding entity was JTC Corporation, a body incorporated by statute in Singapore, up to 10 June 2015. On 10 June 2015, Temasek Holdings (Private) Limited became the ultimate holding company. All companies are incorporated in Singapore.

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 financial periods beginning on or after 1 April 2015. The adoption of these standards did not have any effect on the financial performance or position of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Standards issued but not yet effective

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

Description	*Effective for annual periods beginning on or after*
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 111: *Accounting for Acquisitions of Interests in Joint Operations*	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
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 2018
FRS 109 *Financial Instruments*	1 January 2018
Amendments to FRS 110 and FRS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined#

The mandatory effective date of this Amendment will be revised from 1 January 2016 to a date to be determined by the Accounting Standards Council

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 (CONTINUED)

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

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Financial assets (continued)

(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.

(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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Financial assets (continued)

(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.

(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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

2.10 Income taxes

(a) Current income tax

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, in the countries where the Company 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 equity. The Company 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)

2.10 Income 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 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credit and unused tax loss, 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 credit and unused tax loss 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.

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 taxation authority.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Provisions for other liabilities and charges

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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.

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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flow, 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.

2.17 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 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.

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 judgement relating to impairment of available-for-sale financial assets, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

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

	2016 $'000	2015 $'000
Fund management fee from a-iTrust	**4,950**	4,181
Trustee fee from a-iTrust	**194**	165
Performance fee from a-iTrust	**3,559**	2,925
Acquisition fee from a-iTrust	**676**	351
	9,379	7,622

5. OTHER INCOME

Other income comprise the following:

	2016 $'000	2015 $'000
Dividend income from a-iTrust	**1,758**	1,393
Government grant	**1**	–
	1,759	1,393

6. EMPLOYEE COMPENSATION

	2016 $'000	2015 $'000
Salaries, wages and employee benefits	**2,044**	1,983
Employer's contributions to defined contribution plans including Central Provident Fund	**98**	115
	2,142	2,098

7. OTHER OPERATING EXPENSES

Other operating expenses comprise the following:

	2016 $'000	2015 $'000
Professional fees		
– related company	**514**	289
– non-related parties	**26**	47
Travel expenses	**224**	280
Communication expenses	**38**	51
Insurance	**31**	55
Directors' fees	**886**	887
Rental expenses paid to a related company	**104**	72
Others	**45**	62
	1,868	1,743

8. INCOME TAXES

(a) Income tax expenses

	2016 $'000	2015 $'000
Tax expenses attributable to profit is made up of:		
Current income tax		
– based on current year's results	**861**	685
– over provision in respect of prior years	**(159)**	–
Deferred income tax		
– current year	**1**	3
Income tax expenses recognised in profit or loss	**703**	688

A reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 March 2016 and 2015 is as follows:

	2016 $'000	2015 $'000
Profit before tax	**7,122**	5,164
Income tax using the statutory tax rate of 17% (2015: 17%)	**1,211**	878
Effect of partial tax exemption	**(26)**	(26)
Tax effect of non-deductible expenses	**1**	105
Income not subject to tax	**(299)**	(237)
Effect of tax incentives	**(25)**	(32)
Over provision in respect of prior years	**(159)**	–
Others	**–**	#
Income tax expenses recognised in profit or loss	**703**	688

\# Less than $1,000

(b) Movements in current income tax liabilities

	2016 $'000	2015 $'000
Balance at beginning of financial year	**890**	732
Current income tax	**861**	685
Over provision in respect of prior years	**(159)**	–
Income tax paid	**(418)**	(527)
Balance at end of financial year	**1,174**	890

8. INCOME TAXES (CONTINUED)

(c) Deferred income tax assets

	2016 $'000	2015 $'000
Deferred income tax assets		
– To be settled after one year	**(9)**	(10)
	(9)	(10)

Movements in the deferred income tax account are as follows:

	2016 $'000	2015 $'000
Balance at beginning of financial year	**(10)**	(13)
Movement in temporary difference	**1**	3
Balance at end of financial year	**(9)**	(10)

9. PROPERTY, PLANT AND EQUIPMENT

	Renovations and improvements $'000	Computers, furniture and equipment $'000	Total $'000
2016			
Cost			
Balance at beginning of financial year	10	68	**78**
Additions	–	6	**6**
Balance at end of financial year	10	74	**84**
Accumulated depreciation			
Balance at beginning of financial year	10	59	**69**
Depreciation charge	–	6	**6**
Balance at end of financial year	10	65	**75**
Net book value			
Balance at end of financial year	–	9	**9**

9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Renovations and improvements $'000	Computers, furniture and equipment $'000	Total $'000
2015			
Cost			
Balance at beginning of financial year	10	62	72
Additions	–	6	6
Balance at end of financial year	10	68	78
Accumulated depreciation			
Balance at beginning of financial year	10	49	59
Depreciation charge	–	10	10
Balance at end of financial year	10	59	69
Net book value			
Balance at end of financial year	–	9	9

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2016 $'000	2015 $'000
Balance at beginning of financial year	**28,478**	21,042
Additions	**3,829**	3,383
Fair value (loss)/gain recognised in equity (Note 14)	**(1,048)**	4,053
Balance at end of financial year	**31,259**	28,478

Available-for-sale financial assets are analysed as follows:

	2016 $'000	2015 $'000
Quoted equity securities - Singapore	**31,259**	28,478

11. TRADE AND OTHER RECEIVABLES

	2016 $'000	2015 $'000
Trade receivables		
– a-iTrust	**4,972**	4,410
Other receivables		
– a-iTrust	**37**	36
– intermediate holding company	**96**	728
– other related companies	**44**	28
– non-related parties	**9**	3
	186	795
	5,158	5,205

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 2016, trade receivables arising from a-iTrust amounting to $2,453,000 (2015: $2,022,000) 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.

Trade and other receivables together with deposits represent the Company's total loans and receivables.

12. TRADE AND OTHER PAYABLES

	2016 $'000	2015 $'000
Other payables		
– other related companies	**246**	75
– non-related parties	**1,126**	1,202
	1,372	1,277
Accrued operating expenses	**719**	751
	2,091	2,028

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 $674,000 (2015: $654,000) that relates to directors' fees for the current financial year.

Trade and other payables represent the Company's total financial liabilities carried at amortised cost.

13. SHARE CAPITAL

The Company's share capital comprises fully-paid up 1,000,000 (2015: 1,000,000) ordinary shares with no par value, amounting to a total of $1,000,000 (2015: $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

	2016 $'000	2015 $'000
Balance at beginning of financial year	**2,837**	(1,216)
Fair value (loss)/gain on available-for-sale financial assets (Note 10)	**(1,048)**	4,053
Balance at end of financial year	**1,789**	2,837

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

15. DIVIDENDS

	2016 $'000	2015 $'000
Declared and paid during the financial year		
Dividends on ordinary shares:		
– Final tax exempt (one-tier) dividend for financial year ended 31 March 2015 paid of $3.00 (2015: dividend for financial year ended 31 March 2014 paid of $2.50) per share	**3,000**	2,500
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 (2015: $3.00) per share	**3,000**	3,000

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:

	2016 $'000	2015 $'000
Directors fees paid to:		
– immediate holding company	**103**	61
– directors	**763**	573
	866	634
Key management personnel compensation (excluding directors' fees)		
– salaries and other short term employee benefits	**1,015**	1,430
– contribution to CPF	**15**	46
	1,030	1,476

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 2016, 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:

	2016		2015	
	Profit after tax $'000	**Equity $'000**	Profit after tax $'000	Equity $'000
Equity securities				
Listed in Singapore				
– increased by 34% (2015: 27%)	**–**	**10,628**	–	7,689
– decreased by 34% (2015: 27%)	**–**	**(10,628)**	–	(7,689)

(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 customer 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 2016 and 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 31 March 2016 and 2015.

The following table presents the assets and liabilities measured at fair value at the end of the reporting period:

	Level 1 $'000
2016	
Financial Assets	
Available-for-sale financial assets	
– Quoted equity securities	**31,259**
2015	
Financial Assets	
Available-for-sale financial assets	
– Quoted equity securities	28,478

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 2016 were authorised for issue in accordance with a resolution of the directors on 27 April 2016.

UNITHOLDING STATEMENT

AS AT 9 MAY 2016

ANALYSIS OF UNITHOLDINGS

Number of Units Issued	:	926,510,959
Market Capitalisation	:	889,450,521
Voting Rights	:	One vote per Unit

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	12	0.13	210	0.00
100 – 1,000	4,675	50.65	4,658,214	0.50
1,001 – 10,000	2,811	30.46	16,173,668	1.75
10,001 – 1,000,000	1,712	18.55	81,011,805	8.74
1,000,001 and above	19	0.21	824,667,062	89.01
Total	9,229	100.00	926,510,959	100.00

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	DBS Nominees (Private) Limited	191,003,545	20.62
2	Ascendas Land International Pte Ltd	183,279,388	19.78
3	Citibank Nominees Singapore Pte Ltd	108,384,289	11.70
4	DBSN Services Pte. Ltd.	85,689,923	9.25
5	Raffles Nominees (Pte) Limited	82,981,994	8.96
6	HSBC (Singapore) Nominees Pte Ltd	53,951,908	5.82
7	DBS Vickers Securities (Singapore) Pte Ltd	41,594,600	4.49
8	Ascendas Property Fund Trustee Pte. Ltd.	36,700,597	3.96
9	Bank of Singapore Nominees Pte. Ltd	11,162,500	1.20
10	BNP Paribas Securities Services Singapore Branch	8,495,417	0.92
11	DB Nominees (Singapore) Pte Ltd	7,507,240	0.81
12	United Overseas Bank Nominees (Private) Limited	3,932,425	0.42
13	CIMB Securities (Singapore) Pte. Ltd.	1,633,036	0.18
14	Yim Chee Chong	1,600,000	0.17
15	Ng Soo Boon or Ng Soo Boon @ Low Siew Koon @ Lau Siew Koon	1,589,000	0.17
16	Tan Wai See	1,458,000	0.16
17	Unitronic Components Pte Ltd	1,400,000	0.15
18	OCBC Nominees Singapore Private Limited	1,256,200	0.14
19	Ng Pau Ling Simon	1,047,000	0.11
20	Lai Siok Fung Dawn	1,000,000	0.11
	Total	825,667,062	89.12

UNITHOLDING STATEMENT

AS AT 9 MAY 2016

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 9 May 2016, approximately 46.21% 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 9 MAY 2016)

Name	Direct	Deemed	Total	%
Temasek Holdings (Private) Limited	–	220,802,985	220,802,985	23.83
Tembusu Capital Pte. Ltd.	–	219,979,985	219,979,985	23.74
Bartley Investments Pte. Ltd.	–	219,979,985	219,979,985	23.74
Mawson Peak Holdings Pte. Ltd.	–	219,979,985	219,979,985	23.74
Glenville Investments Pte. Ltd.	–	219,979,985	219,979,985	23.74
TJ Holdings (III) Pte. Ltd.	–	219,979,985	219,979,985	23.74
Ascendas-Singbridge Pte. Ltd.	–	219,979,985	219,979,985	23.74
JTC Corporation	–	219,979,985	219,979,985	23.74
Ascendas Pte Ltd	–	219,979,985	219,979,985	23.74
Ascendas Land International Pte Ltd	183,279,388	–	183,279,388	19.78
Matthews International Capital Management, LLC	–	72,549,700	72,549,700	7.83
Matthews International Funds	–	55,437,500	55,437,500	5.98
Massachusetts Financial Services Company	–	64,692,400	64,692,400	6.98
Kabouter Management, LLC	–	74,096,398	74,096,398	8.00
Kabouter International Opportunities Fund II, LLC	56,977,086	–	56,977,086	6.15
JF Asset Management Limited	55,676,400	–	55,676,400	6.01
J.P. Morgan Chase & Co	–	63,305,400	63,305,400	6.83

Notes:

(1) Temasek Holdings (Private) Limited ("Temasek"), Tembusu Capital Pte. Ltd., Bartley Investments Pte. Ltd., Mawson Peak Holdings Pte. Ltd., Glenville Investments Pte. Ltd., TJ Holdings (III) Pte. Ltd., Ascendas-Singbridge Pte. Ltd., JTC Corporation and Ascendas Pte. Ltd. are deemed interested in the units held by Ascendas Land International Pte Ltd and Ascendas Property Fund Trustee Pte. Ltd.. Temasek is also deemed interested in the units in which other subsidiaries and associated companies of Temasek hold or have deemed interests.

(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 interested in the units held through funds managed by Kabouter Management, LLC.

(5) J.P. Morgan Chase & Co. is deemed interested in the units held by JF Asset Management Limited and other J.P. Morgan affiliates.

GLOSSARY

AAIPL Avance-Atlas Infratech Private Limited
Adjusted EBITDA Earnings Before Interest Expenses, Tax, Depreciation and Amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation from settlement of loans). Earnings include interest income.
a-iTrust/the Trust Ascendas India Trust
AGM Annual General Meeting
AIDT Ascendas India Development Trust
AIGP Ascendas India Growth Programme
AITPCL Ascendas IT Park (Chennai) Limited
AITSC Ascendas IT SEZ (Chennai) Private Limited
ALI /Sponsor Ascendas Land International Pte Ltd
APFT/Trustee-Manager/the Company Ascendas Property Fund Trustee Pte Ltd
ARC Audit and Risk Committee
ASB Ascendas-Singbridge Group
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
BTA Business Trusts Act
BWSSB Bangalore Water Supply and Sewerage Board
CAGR Compound Annual Growth Rate
CDP Central Depository (Pte) Limited
CEO Chief Executive Officer
CFO Chief Financial Officer
CGU Cash Generating Units
CIS Code on Collective Investment Schemes
Code Code of Corporate Governance of 2012
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
E&Y Ernst & Young
FCCD Fully & Compulsorily Convertible Debentures
FDI Foreign Direct Investment
FDPL Flagship Developers Private Limited
FRS Singapore Financial Reporting Standards
FY Financial Year Ended / Ending 31 March
FY14/15 Financial Year Ended 31 March 2015
FY15/16 Financial Year Ended 31 March 2016
FY16/17 Financial Year Ended 31 March 2017
GDP Gross Domestic Product
Group a-iTrust and its subsidiaries
HIPL Hyderabad Infratech Pvt. Ltd.
HRRC Human Resource & Remuneration Committee
IC Investment Committee
IGBC Indian Green Building Council
INR/₹ Indian Rupee
INT FRS Interpretation to FRS
IPT Interested Person Transactions
IT Information Technology
ITAT Income Tax Appellate Tribunal
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
LEED Leadership in Energy & Environmental Design
Listing Manual The Listing Manual of SGX-ST
m/mil Million
MAS Monetary Authority of Singapore
MAT Minimum Alternative Tax
MFS Massachusetts Financial Services Company
MICM Matthews International Capital Management
MIF Matthews International Funds
MNC Multinational Corporation
MTN Medium Term Note
NC Nominating Committee
NCD Non-convertible Debentures
NPI Net Property Income
O&M Operations and Maintenance
PFA Property Funds Appendix
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
USGBC U.S. Green Building Council
VAT Value Added Tax
VCU Venture Capital Undertaking
VITPPL VITP Pvt Ltd
WSHMS Workplace Safety and Health Management System

MARKET RESEARCH REPORT

An independent market research has been carried out by CBRE South Asia Pvt Ltd, as per the requirements stated by and is addressed to its Client, viz. all entities within the Ascendas India Trust group of companies, Ascendas Property Fund Trustee Pte Ltd (being the trustee-manager of Ascendas India Trust), and their affiliates, designates, assignees, rating agencies, banks, auditors, existing investors and prospective investors, and no other party shall have any right to rely on the information provided by CBRE without prior written consent.

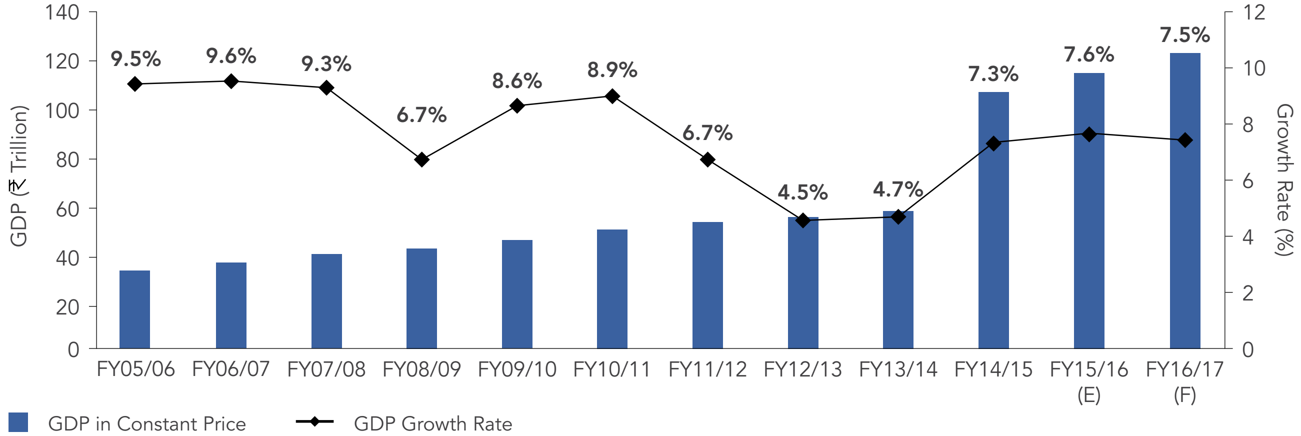
A INDIA ECONOMIC AND COMMERCIAL REAL ESTATE OVERVIEW

1 INDIA ECONOMIC OVERVIEW

The FY15/16 witnessed a strong growth momentum in the economy, with a positive macro-adjustment visible during the period, with growth of 7.5% in GDP at constant prices till December 2015. The growth trend continued throughout Q3 FY15/16 in the three months period October to December 2015 to reach 7.3% as compared to 7.1% in the previous review period, clearly positioning the country as the fastest growing major economy in the world. The growth in GDP during the third quarter of FY15/16 was further accentuated by a narrowing current account deficit along with robust agricultural production. India's overall economic size has grown from less than US$900 billion[1] (₹40,149 billion) in FY05/06 to over US$2 trillion[2] (₹124,900 billion) in FY14/15. This was on the back of an average growth of approximately 8%[2] during this decade. On the backdrop of improving economic situation, India's consumer confidence level continues to top the chart in the survey conducted by AC Neilson during the third quarter of FY15/16.

India's growth has been led by the services sector (comprising sub sectors such as trade, hotels, transport, communications, financial institutions, real estate, business services, social and personal services); which contributed about 53%[1] to the overall GDP of the country in FY14/15. The industrial sector (which includes manufacturing, mining & quarrying, electricity, water and gas supply, construction, etc.) was the second largest contributor with a share of approximately 31%[1], followed by the agriculture sector contributing approximately 16%[1] to the GDP. Improvements in domestic demand and an uptick in infrastructure investments by the Government further supported the growth.

Growth in India's Gross Domestic Product (FY05/06-FY16/17)



Source: Ministry of Statistics and Programme Implementation & IMF (for FY16/17 F); Please note: GDP for FY 14/15 and beyond, are based on FY11/12 constant prices

[1] Source: World Bank

[2] Source: IMF World Economic Outlook Update: Jan 2016

A INDIA ECONOMIC AND COMMERCIAL REAL ESTATE OVERVIEW

1 INDIA ECONOMIC OVERVIEW (CONTINUED)

1.1 India and Global Economy Linkages

India and the rest of emerging Asia have been projected to continue to witness steady growth; however some countries might face strong headwinds from China's economic rebalance and global manufacturing weakness. IMF's World Economic Outlook (WEO) update in January 2016 downgraded the growth in Developing and Emerging Asia to 6.3%[2] for FY15/16 from 6.6% in FY14/15 due to the slowing Chinese economy, weak external demand and low commodity prices. IMF has also marginally revised GDP growth of China to 6.3%[2] in FY16/17 and 6.0%[2] in FY17/18, primarily due to weak investor sentiment as the economy is moving towards becoming a consumer driven market. China's GDP growth fell to a six year low of 6.9% in Q3 FY15/16, but further reforms and stimulus packages are likely to contain the decline in the coming quarters.

As per the WEO update in January 2016, the slowdown in the Chinese economy along with declining commodity prices are expected to impact emerging economies, reflecting in the coming year's growth prospects. However, IMF reiterated that India and the rest of emerging Asia are expected to record robust growth rates in the coming years. India's growth forecasts were given as 7.6% in FY15/16 and 7.5%[2] in FY16/17. Global growth rates were also marginally revised to 3.1%[2] in FY15/16 and 3.4%[2] in FY16/17.

Despite the slow global economic growth, India's exports sector reached approximately US$196.9 billion (₹12,699 billion)[3] in FY15/16 (till December 2015). As per World Trade Organization (WTO) report 2015, India is the 19th largest merchandise exporter with a share of 1.7% and 12th largest importer with a share of 2.4% of world trade. An important factor contributing to the growth in trade has been the periodic rounds of successful multilateral and bilateral trade negotiations which have led to a considerable reduction in tariffs on goods crossing national borders. India has recently concluded Free Trade Agreement with countries such as Finland, Nepal, Africa, and Chile and has also entered into an agreement as SAARC preferential trading arrangement. India's major trading partners are EU, China, USA and the United Arab Emirates (UAE), even as the Government is also shifting focus on African and Latin American markets. Petroleum products, gems and jewellery, engineering goods and chemical and its related products are amongst the major commodities of the country's foreign trade.

Despite the current economic turbulence impacting both established and emerging economies, India is considered to be amongst one of the most promising economies in the world, primarily due to consumer centric growth initiatives, infrastructure investments and a good mix of manufacturing, agriculture and services sector. The urban population in India is expected to grow from 340 million (30% of total population) in 2008 to 590 million (40% of total population) in 2030. As a consequence of urbanisation, more and more households are emerging with increased purchasing power and a heightened desire towards consumerism. Consequently, the per capita income (at constant prices) rose from US$1,259 (₹83,422) in FY14/15 to US$1,333 (₹88,315) in FY15/16, displaying an increment of 6%.

1.2 Current Account Deficit

The Current Account Deficit (CAD) is estimated to be 1.2%[4] of GDP for FY15/16 and is projected to be 1.5% of GDP for FY16/17. This compares with a CAD of 1.3%[4] of GDP for FY14/15. Key influencing factors include contraction in trade deficit, marginal improvement in net services, reduction in global oil prices and consolidation of fiscal deficit. The resultant impact of reduction in current account deficit would potentially result in an increase of India's forex reserves. This is expected to favourably impact the Rupee, making it appreciate against US Dollar and help stabilise the currency fluctuation.

[3] Source: Department of Commerce

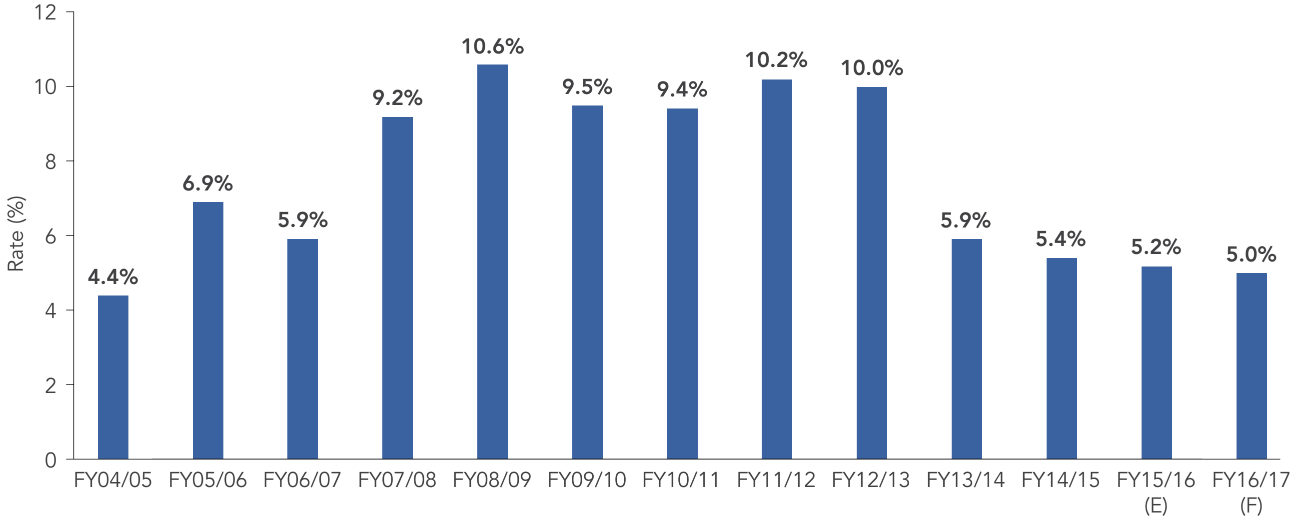
[4] Source: Reserve Bank of India (RBI)

1 INDIA ECONOMIC OVERVIEW (CONTINUED)

1.3 Consumer Price Index

Inflation Rate (retail) is currently at a 3-month low at 5.2%[5] in March 2016 with forecasted moderate deceleration to 5% for FY16/17 (subject to inter-quarter variations). Primary reasons behind a decline in inflation rate includes good food management by the Government, alignment of variation in minimum support price in India to world food prices and decline in global crude oil prices.

Inflation Rate – Consumer Price



Source: IMF, RBI

1.4 Forex Reserves

India's Forex reserves also touched an all-time high of US$360 billion[4] in March 2016, surpassing the previous high of US$330 billion in March 2015. This was driven by the strengthening of the Indian Rupee against the US Dollar and increased fund flow into the equity and bond market in India.

[5] Source: Reserve Bank of India – First bi-monthly monetary policy statement for FY16/17

A INDIA ECONOMIC AND COMMERCIAL REAL ESTATE OVERVIEW

1 INDIA ECONOMIC OVERVIEW (CONTINUED)

1.5 Policy Initiatives

The Government projects a GDP growth of 7.6% for FY15/16 based on numerous steps undertaken to further improve the economic situation which have been highlighted below:

- **Real Estate Investment Trusts (REITs):** The government has allowed REITs as eligible financial instruments under the Foreign Exchange Management Act (FEMA) in India. The introduction of REITs in India, will provide access to additional funding for developers and a structured and transparent commercial real estate market, resulting in better valuation of properties.

  REITs will also provide retail investors an opportunity to participate in India's growing commercial realty market. Demand from institutional investors will also be strong as REITs are formally organised, and regulated.

  To promote REITs in India, the Indian Government has proposed various amendments with regards to MAT. The exchange of shares in SPVs with units of the REITs is not considered as a transfer and hence it is not subjected to capital gains tax. However, MAT on capital gains is payable at the time of transfer of the units to an investor. Additionally, in the recent Union Budget, the finance minister, proposed an exemption on levy of Dividend Distribution Tax in respect of distributions made by SPV to the business trust. The proposed exemption will ensure that dividend received by the business trust and its investor shall not be taxable in the hands of trust or investor. This exemption is provided that REIT is a 100% holder of the nominal value of equity share capital of such SPV company.

- **Real Estate (Regulation and Development) Bill:** The Union Cabinet has approved amendments proposed in the Bill that aims to provide a uniform regulatory environment, to protect consumer interests, help speedy adjudication of disputes and ensure orderly growth of the real estate sector.

- **Streamlining Land Acquisition Process:** Land Acquisition Bill has been referred to a joint parliamentary committee. The Bill outlines the process to be followed when land is acquired for a public purpose. The Bill is expected to bring transparency to the process of land acquisition, for the purpose of setting up factories or buildings, infrastructural projects and assures rehabilitation of affected land owners. The legislation is expected to benefit the industry as well as land owners, as the Bill provides provision for two times compensation in urban areas and four times in rural areas, in comparison to the circle rate. The valuation guidelines will be decided by the local government on the basis of average sale price of land for the last 3 years or last 3 months whichever is higher.

- **Rollout of the Goods and Services Tax (GST):** The GST implementation has been pushed forward and is expected to come into effect during FY16/17. This will create a common national market and replace a plethora of indirect taxes across the country. It will also have a direct bearing on the warehousing sector, as one can expect developers to aim for consolidating smaller warehouses into larger ones and shift their strategy from mere tax considerations to operational efficiency.

2 INDIA INVESTMENT OVERVIEW

The global economic landscape has been witnessing lacklustre growth due to a slowdown in China coupled with falling commodity prices. However, the investment scenario both in developed and emerging economies continues to attract investment interest and dominate the investment activity.

As per AT Kearney's Global FDI Confidence Index 2015, investment activity was mainly driven by the United States, China and European Countries. China, Japan and India were amongst the most attractive investment locations, followed by leading economies of South East Asia. Additionally, as per EY Attractiveness Survey 2015, 32% of international investors ranked India as the most attractive market, while 60% placed the country among the top three investment destinations. The report also indicated that those who have established their business in India were more confident about the countries investment attractiveness. Moreover, top business leaders find India's macroeconomic and political stability, FDI policy and ease of doing business more attractive in CY2015 as compared to CY2014. HSBC Global Research's 'The Great Migration' also projected a shift in FDI inflows from China to India and other countries such as Indonesia and Vietnam primarily due to the higher labour costs and currency appreciation.

India has attracted FDI investment worth US$408 billion[6] (₹26,724 billion) from April 2000 to December 2015. This includes FDI equity inflows worth US$277 billion[6] (₹18,206 billion), reinvested earnings and other capital. The FDI equity inflows into India stood at approximately US$29 billion[6] (₹1,910 billion) from April 2015 to December 2015, while the inflows for FY15/16 are likely to be above the level of US$31 billion[6] (₹1,891 billion) of FY14/15. The Government has recently eased FDI norms across fifteen sectors including defence, banking, construction, single brand retail, broadcasting, civil aviation, etc. This is aimed at improving investor sentiment and further encourages foreign investment into the country.

2.1 Private Equity Investments in Real Estate Sector

Post the global economic slowdown in 2008, developers in India faced difficulty with project funding. With increasing cost of borrowing, developers were exploring alternative funding channels and to meet the increasing need for capital, developers started partnering with private equity funds. Since then, private equity project funding has gained visibility in the Indian Real Estate space.

Private equity funding in real estate, picked up pace in FY12/13 and had witnessed strong growth since then. During the CY2015, the real estate sector along with consumer technology and BFSI were top sectors to attract private equity funding. Real estate sector witnessed an increase of 31% in private equity investment in the CY2015, in comparison to last year.

Foreign private equity space was dominated by players such as Government of Singapore Investment Corp. Pte Ltd (GIC), a sovereign wealth fund, Blackstone Group LP and Warburg Pincus LLC. Among the domestic funds, Piramal Fund Management Pvt Ltd was one of the biggest investor.

[6] Source: Department of Industrial Policy and Promotion (Exchange Rate 1US$ = ₹65.5)

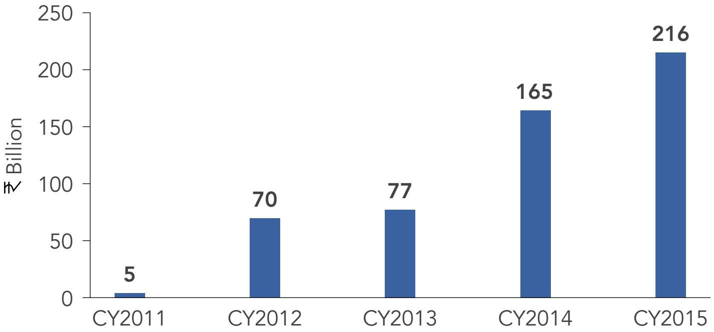
A INDIA ECONOMIC AND COMMERCIAL REAL ESTATE OVERVIEW

2 INDIA INVESTMENT OVERVIEW (CONTINUED)

2.1 Private Equity Investments in Real Estate Sector (Continued)

It is expected that in the coming years, private equity investors are expected to infuse more money in Indian real estate, on account of their confidence in long term viability and success of the sector.

PE Investments in Indian Real Estate



Source: CBRE Research

3 INDIA IT/ITES[7] INDUSTRY OVERVIEW

3.1 Evolution and Key Hubs

FY04/05-FY11/12:

- IT firms enhance their service delivery capabilities through a combination of Greenfield initiatives, cross-border mergers & acquisitions, partnerships with local players, etc.
- Establishment of captive development centres across the country (viz. Microsoft, IBM, Oracle, Google, etc.)
- Introduction of the SEZ Act in 2005 – with a view to attract larger foreign investments in India and to accelerate economic activity, employment, etc. through the establishment of SEZs. Incentives included exemption from excise duties, exemption from Minimum Alternate Tax (MAT)[8] and Dividend Distribution Tax (DDT)[9] as well as exemption from the Central Sales Tax
- Many IT firms align their internal processes and practices to international standards resulting in an increased credibility of the service offerings

[7] IT (Information Technology) – the study, design, development, implementation, support or management of computer-based information systems, particularly software applications and computer hardware; ITES (Information Technology enabled Services) – a form of outsourced service which has emerged due to involvement of IT in various fields such as banking and finance, telecommunications, insurance, etc.

[8] Minimum Alternate Tax (MAT) (Source: Minimum Alternate Tax India IT Act Section 115JB) was introduced in the direct tax system to make sure that companies having large profits and declaring substantial dividends to shareholders but who were not contributing to the Government by way of corporate tax, by taking advantage of the various incentives and exemptions provided in the Income-tax Act, pay a fixed percentage of book profit as minimum alternate tax (currently at 18.5% (excluding surcharges) of taxable income). This tax was exempt for units operating in SEZs and the same was introduced for SEZ units/developers from year 2011

[9] Dividend distribution tax (DDT) is the tax levied by the Indian Government on companies according to the dividend paid to a company's investors (currently at 15% (excluding surcharges) of dividend distributed). This tax was exempt for units operating in SEZs and the same was introduced for SEZ units/developers from year 2011

3 INDIA IT/ITES INDUSTRY OVERVIEW (CONTINUED)

3.1 Evolution and Key Hubs (Continued)

FY12/13-FY15/16:

- The Indian IT sector has inculcated new age computing technologies such as cloud computing, SOA etc. A growing number of Indian IT companies are adopting services in the Cloud as a part of their wider product range.
- Online retailing, cloud computing and e-commerce leading to rapid growth in the IT industry.
- Remote managed IT Service (RMITS) has gained prominence, especially among the smaller organisations which lacked adequate internal IT resources to manage their ICT infrastructure.
- The recent Government campaigns in Digital India, Make in India, Skilling India, etc. are fuelling growth in the domestic market.

3.2 IT/ITES Industry – Performance Highlights

The table mentioned below highlights industry performance over the last few years:

Particulars	Unit	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16(E)	FY 16/17(F)
IT-BPM Revenues	US$ billion	74	88	100	109*	119*	132*	143	157-160
Growth in IT-BPM Revenues	%	6.9	19.2	14.5	8.0	9.7	10.4	8.5	10-12
Exports	US$ billion	50	60	69	77	86	98	108	118-120
Growth in Exports	%	5.5	18.6	16.2	11.6	11.6	12.3	10.3	10-12
Exports as % of Total Revenues	%	68	67	68	71	72	74	76	76
Employment	In million	2.3	2.5	2.8	3.0	3.3	3.5	3.7	3.9
Increase in Employment	No.	104,000	241,000	233,000	191,000	323,000	231,000	200,000	200,000

*Source: NASSCOM, Department of Electronics & Information Technology (DeitY); *These values exclude revenues from the e-commerce sector*

The IT industry has been one of the most significant growth drivers for the Indian economy, with revenue growing from US$74 billion in FY10/11 to an estimated US$143 billion in FY15/16. India's IT and BPM sector exports is estimated to grow by 10.3% to US$108 billion in FY15/16 and domestic revenues are estimated to grow to US$35 billion for the same period. For FY16/17, NASSCOM forecasts that the Indian IT and BPM sector would grow by 10-12%. This growth is expected to be fuelled by an 11-13% growth in domestic revenue, while exports are forecasted to grow at 10-12% with a further net employment addition of approximately 200,000 in FY16/17.

A INDIA ECONOMIC AND COMMERCIAL REAL ESTATE OVERVIEW

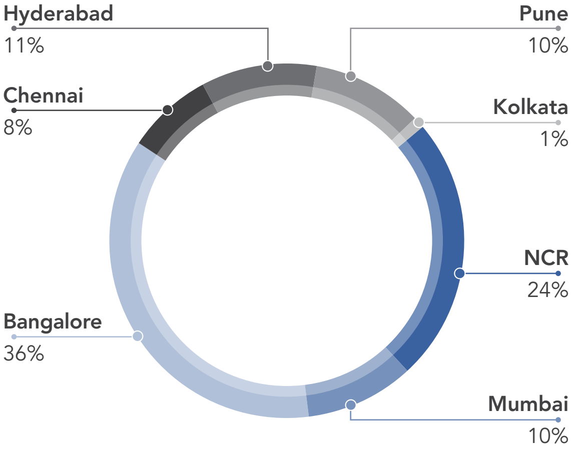
4 INDIA OFFICE MARKET OVERVIEW

The emergence of organised commercial real estate has supported the entry and expansion plans of large number of corporates looking to set up base in India, besides growth of a strong domestic corporate class. Steady occupier interest led to growth in office space absorption across the leading cities during CY2015. Overall office space absorption during CY2015 was approximately 41 million sq ft, highlighting the strongest office demand on record. The Southern cities of Bangalore, Chennai and Hyderabad accounted for 55% of the country's commercial absorption in CY2015. The strong demand in the southern cities is assisting in the reduction of oversupply in their key micro-markets. A healthy increase in office space demand is indicative of an overall improved economic sentiment among domestic and international firms. Bangalore remained the most preferred destination for corporates looking for office space with a share of approximately 35% followed by Delhi NCR region with 21%.

The evolution of the office market in the aforementioned micro-markets was driven by a number of factors namely, availability of land for commercial development, supporting development norms and policies by the local authorities, setting up of IT focused townships by the state Governments through Public Private Partnerships, incentives to incoming occupiers and developers, which led to an expansion of the quality office market and availability of quality skilled labour.

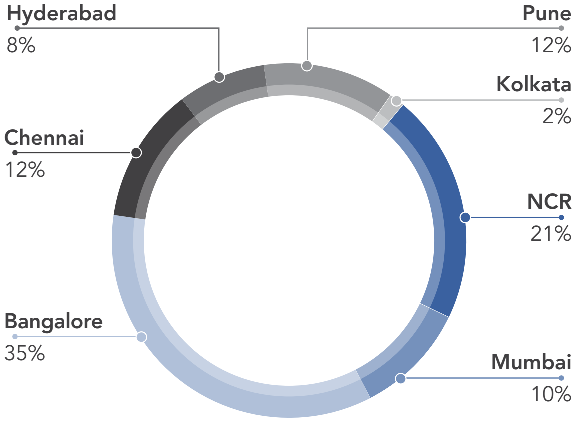
The India office market is concentrated in seven key cities in the country, which contribute to the majority of the investment grade office stock in the country.

New Office Supply CY2015



(100% – 37 million sq ft in CY2015)

New Office Absorption CY2015



(100% – 41 million sq ft in CY2015)

Source: CBRE Research

4 INDIA OFFICE MARKET OVERVIEW (CONTINUED)

4.1 Supply Trend

In CY2015, supply additions increased across the leading cities, with Bangalore (36%) and Delhi NCR (24%) constituting a majority share in overall development completions reported during the year. The Southern cities of Bangalore, Chennai and Hyderabad contributed approximately 55% of the supply infusion witnessed during the year. Commercial (non-IT) office space contributed to approximately 65% of the completed stock during the year, while approximately 22% of supply was concentrated in the SEZ segment. Sustained occupier demand and pent up supply led to a concentration of newly completed projects in the secondary/peripheral locations of most cities.

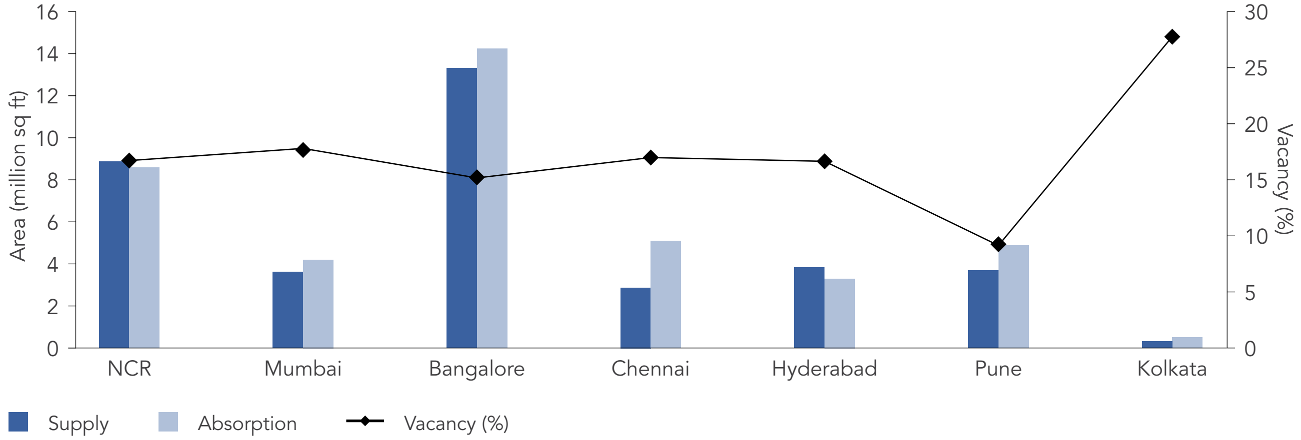
4.2 Absorption Trend

Based on historic absorption figures tracked by CBRE, the overall office space absorption during CY2015 was the highest on record. Demand for office space is limited to the leading office hubs of Delhi-NCR, Mumbai and Bangalore; the Southern cities of Bangalore, Hyderabad and Chennai accounting for approximately 55% of the absorption during CY2015. IT/ITES, banking and financial services and engineering sectors continued to drive demand for corporate office space across leading cities in CY2015. However, the e-Commerce segment also accounted for significant corporate office space take-up during the year. The October-December 2015 quarter witnessed office absorption of approximately 12 million sq ft (share of southern cities 58%) vis-à-vis approximately 9.7 million sq ft witnessed in the previous quarter. The year saw a few instances of occupiers purchasing their own office spaces, mainly in Bangalore and Mumbai. This has been a good indicator of multi-national corporations reiterating their faith in the Indian economy. Rental values of corporate real estate across key micro-markets such as Bangalore CBD (13-15%), Bangalore ORR (15-16%), initial stretches of Chennai OMR (18-20%), Gurgaon Cybercity (IT SEZ: 21-22%, IT Non-SEZ: 17-18%), etc. in the leading cities saw a significant y-o-y increase due to non-availability of quality ready-to-move-in office spaces.

4.3 Vacancy Trend

As the southern cities of Bangalore, Chennai and Hyderabad accounted for maximum share in office space absorption, the resultant impact was visible in vacancy trends for the respective cities in CY2015. Vacancy levels in Bangalore declined from 18% in CY2014 to 15% in CY2015. Similarly vacancy levels in Chennai declined from 17% in CY2014 to 15% in CY2015. The vacancy levels in Hyderabad remained constant at 17%, as the impact of absorption on vacancy was offset by a higher fresh supply added to the city stock in CY2015.

Supply and Absorption Across Key Leading Cities In CY2015



Source: CBRE Research

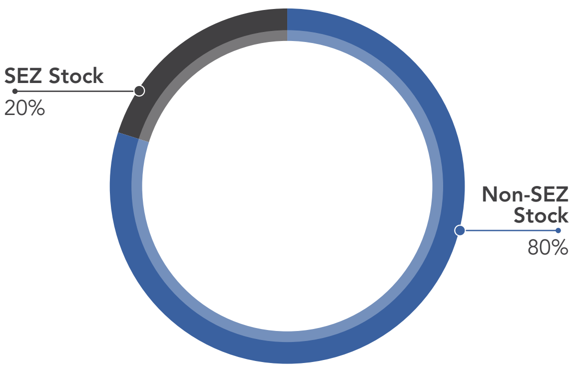
A INDIA ECONOMIC AND COMMERCIAL REAL ESTATE OVERVIEW

4 INDIA OFFICE MARKET OVERVIEW (CONTINUED)

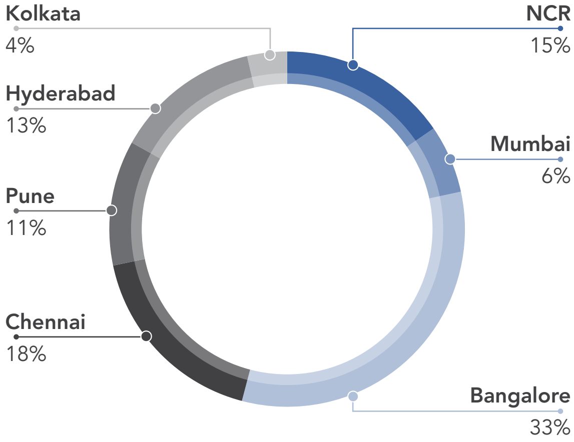
4.4 IT/ITES SEZ Office Sector Dynamics

Approximately 20% of total office stock across the seven leading cities consists of SEZ space, more than 60% of which are located in the southern cities of Bangalore, Chennai and Hyderabad. Moreover, only 16% of the upcoming corporate real estate supply over the next two years is expected to consist of SEZ developments, mainly in Hyderabad, NCR (Gurgaon and Noida) and Chennai. Negligible SEZ space is expected to be released in Mumbai and Kolkata during this period.

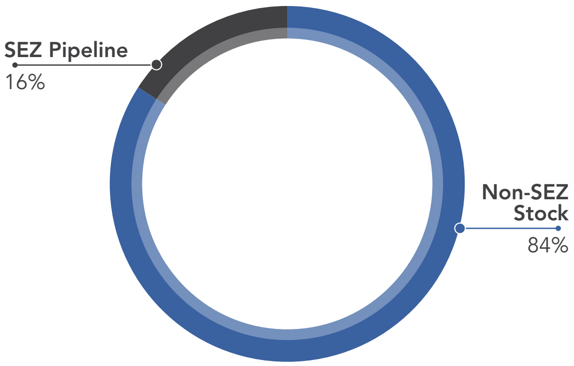
SEZ Space as a Share of Overall Office Stock in India



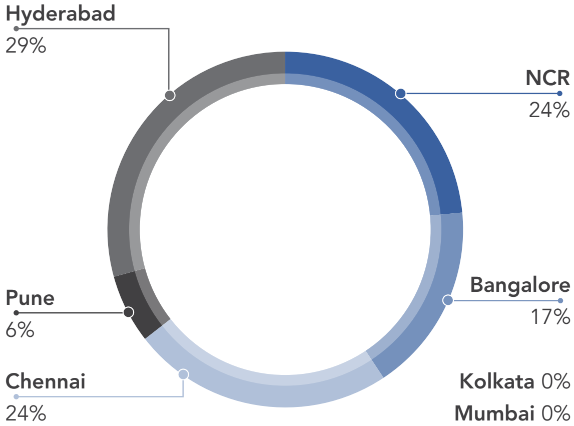
City-wise Spread of Existing SEZ Stock



SEZ Share in Office Supply Pipeline in FY16/17



City-wise Spread of Upcoming SEZ Supply



Source: CBRE Research, Data as of Dec 2015

Analysis of office transaction activity revealed that take-up of SEZ space dropped marginally in CY2015, garnering a share of 23% in overall office space absorption as compared to about 27% in CY2014. Bangalore and the NCR were the focus markets for SEZ take-up during CY2014; take-up in CY2015 has so far been dominated by Bangalore, Pune and Chennai.

5 OUTLOOK

With the recent relaxation in Foreign Direct Investment (FDI) guidelines for India's real estate sector, the Government has now permitted 100% FDI under the automatic route in completed projects for the operation and management of business centres. This easing of investment restrictions is likely to help in the monetisation of completed commercial assets, increasing liquidity for most developers in the country. This is a tremendous opportunity for foreign investors, and in the long run can significantly boost the share of foreign capital in India's real estate sector.

The India office market has witnessed a recovery on the back of an improving domestic and US economy; and the country has remained the preferred destination for the corporate occupiers in the IT-Business Process Management industry and the nascent but growing e-Commerce segment. Demand for quality commercial space will be supported by new global corporate office occupiers setting up operations in the country as they continue to off-shore and send knowledge/product based work to India.

India remains an excellent business delivery centre for the IT-BPM industry; the weakening of the Indian Rupee and increased operational efficiency have ensured the country's positioning as the world's most cost competitive sourcing destination. Even Tier I cities in India such as Bangalore continue to be about 8-10 times significantly cheaper than other low-cost destinations such as China, Philippines, certain Eastern European Countries, etc.

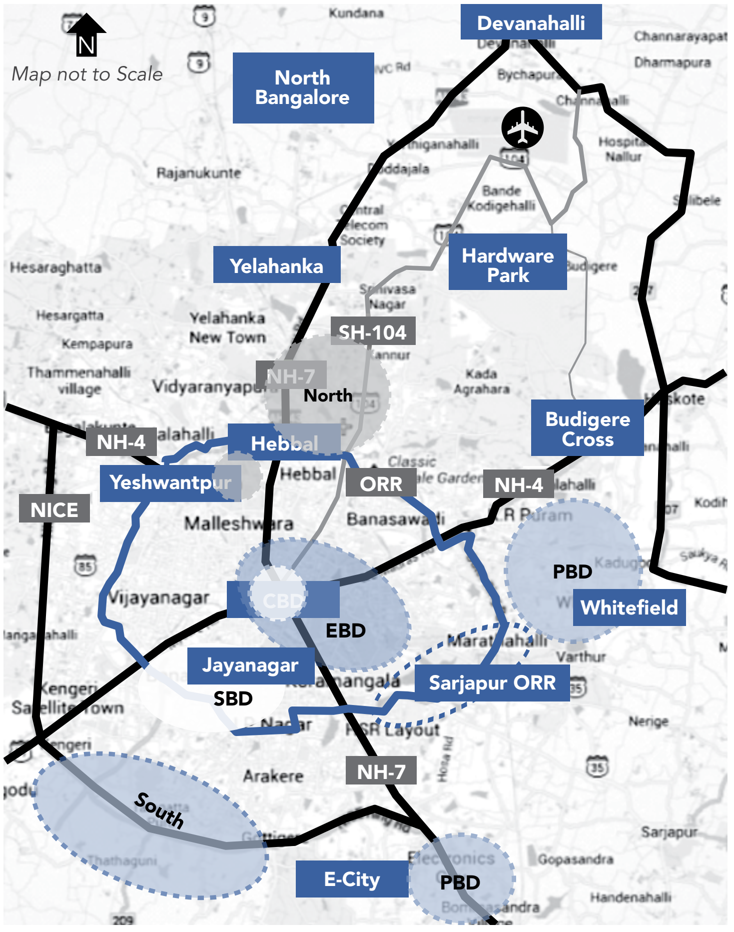
To offer additional value-cost to Clients, the India IT-BPM players are continuously looking out for lower cost destinations within the country (Kochi, Indore, etc.) to move certain operations such as IS outsourcing, testing, customer interaction, etc. thus providing significant cost arbitrage. While challenges around economic volatility, protectionism, competition and customer understanding will need to be addressed, the Indian IT-BPM industry is expected to continue to partner with clients to enable business success in the digital era, and is set on its goal to reach revenues of US$300 billion (₹19,677 billion) by FY19/20.

B BANGALORE COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW

Bangalore, renowned as the 'Silicon Valley' of India, is the capital city and the main economic centre of Karnataka state. It is also the 4th largest technology cluster in the world and is recognised as the Asia's 'Fastest growing Technopolis'. Bangalore's population is 9.59 million as per Census 2011 and is India's third most populous city after NCR (National Capital Region) & Mumbai and the city's population had a decadal growth rate of approximately 47% over 2001-2011.

Bangalore emerged as a prominent hub for Research & Development in India, with reputed institutes like the Indian Institute of Science and Indian Space Research Organization having set their base in the city. With the advent of IT/ITES industry in 1990s, Bangalore attracted large scale IT investments on account of its conducive weather conditions, pro-active government policies, and ample availability of suitable manpower resources. Since then Bangalore has witnessed a phenomenal transition in its economic growth and image from being known as the 'Pensioners Paradise' to becoming the country's most attractive IT destination. In addition to the established IT/ITES industry, aerospace research, biotechnology and established premier education institutions makes it one of the most cosmopolitan city in India. In the context of economic advancement, Bangalore is one of the fastest growing cities in India. A major part of this growth can be attributed to the information technology boom, which has reflected strongly in the real estate industry.



Currently, Bangalore alone accounts for approximately 33% of software exports from India. Software Technology Park of India registered units exported approximately US$19 billion in FY14/15 from the state. Apart from the significant IT/ITES activity, the city is also witnessing enhanced activity levels across diverse sectors such as aerospace research, biotechnology & textile sector. The city is ranked 3rd among Indian cities in attracting Foreign Direct Investment (total investment amounting to US$17 billion between April 2000 to April 2010).

Over the years, large campus developments by IT majors initiated the commercial activity in Electronic City and Hosur Road to the south and Whitefield towards the eastern periphery of the city. These large campuses attracted a significant number of smaller IT/ITES companies to follow suit and the two regions emerged as the commercial growth vectors of the city. Prominent global companies across the city include Microsoft, Shell, Google, EY, KPMG, Goldman Sachs, Accenture, IBM, Capgemini, etc.

1 CITY OVERVIEW (CONTINUED)

A significant amount of infrastructure initiatives have been undertaken by the state government to reduce the infrastructure inadequacies attributed to the increasing population density. Some of the key infrastructure initiatives undertaken are highlighted below:

Project	Description
Metro Rail (Phase 1)	**Overview:** The metro rail is aimed at connecting important hubs in the city through 32 stations and 2 lines, with an estimated travel time of 33 minutes from end to end. Bangalore Metro (Phase -1) connecting Hessarghatta to Jaragenehalli (North-South) and Mysore Road to Byappanahalli Terminal (West – East) – Divided into 4 reaches it is expected to be completed by Q2 CY2016 • Reach I – Swami Vivekananda station, Trinity Circle, Ulsoor, Byappanahalli (Operational since Q3 CY2011) • Reach II – Magadi Road, Vijayanagar, Mysore Road Terminal (Operational since Q4 CY2015) • Reach III – Malleshwaram, Rajajinagar, Yeshwanthpur, Peenya (Operational since Q1 CY2014) • Reach IV – Jayanagar, R V Road terminal, Puttenahalli (Expected completion Q2 CY2016) **Impact:** The Reach I (operational since October 2011) has been witnessed to provide enhanced connectivity to Old Madras Road, located in proximity to the subject micro-market of Whitefield.
Metro Rail (Phase 2)	**Overview:** The second phase of the project is expected to cover 72 km with 61 stations. The routes proposed are Mysore Road to Kengeri, Byappanahalli to Whitefield, Hesarghatta Cross to BIEC, Puttenahalli Cross to Anjanapura Township, IIM-B to Nagavara, and R V Road to Bommasandra. Based on interactions with government officials we understand that the Detailed Project Report (DPR) has been prepared by the Delhi Metro Rail Corporation. Construction for Phase 2 is expected to commence by end of CY2016 (post operations of Phase 1) and is expected to be operational by CY2021. **Impact:** The Phase 2 is expected to provide direct connectivity to the subject micro-market of Whitefield from the other parts of the city.
Peripheral Ring Road (Phase 1)	**Overview:** The proposed phase 1 of Peripheral Ring Road is 63.4 km long with 6-lane bi-directional carriageway (3 lanes on either side). The project is expected to circumnavigate the city linking the major highways such as Tumkur Road (North West), Bellary Road (North) and Old Madras Road (East). Bangalore Development Authority (BDA) has already finalised the DPR for the Phase 1 between Tumkur Road and Hosur Road (via Bellary Road), and the construction is expected to begin shortly. Land acquisition for development of the road is currently underway. Phase 2 of Peripheral Ring Road is currently under planning stages only. **Impact:** Peripheral Ring Road is expected to provide direct connectivity to Whitefield (subject micro-market) with other parts of the city in North and South Bangalore.

Source: CBRE Research

B BANGALORE COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW (CONTINUED)

1.1 Bangalore Micro-market Classification and Key Commercial Hubs:

Bangalore has been classified into different activity zones based on the concentration and profile of development activity, as detailed below:

Micro-market	Locations Included	Description
Central Business District (CBD)	MG Road, Residency Road, Richmond Road, Lavelle Road, St. Marks Road, Kasturba Road, etc.	• Established commercial hub of the city • Primarily witnessed to house Non-IT tenants such as R&D, Telecom, Banking and Financial Services, etc. • Prominent companies that have presence in this micro-market are EY, 3M, Credit Swiss, HSBC Bank, ING Vysya, etc.
Extended Business District (EBD)	Indira Nagar, Koramangala, Old Madras Road, CV Raman Nagar, etc.	• Spill over activity from CBD witnessing mix of commercial and residential activity • Tenant profile characterised by a mix of IT and Non-IT occupiers • Prominent companies that have presence in this micro-market are Intel, IBM, Goldman Sachs, Volvo, Texas Instruments, etc.
South Bangalore	Bannerghatta Road, JP Nagar, Jayanagar, Mysore Road, etc.	• Tenant profile primarily characterised by IT/ITES occupiers • Prominent companies that have presence in this micro-market are Honeywell, Mindtree, Oracle, Accenture, etc.
Peripheral Business District (PBD)	Electronic City, Whitefield, Hosur Road etc.	• IT/ITES hub of the city – presence of designated zones promoted by KIADB • Organised commercial developments mostly IT/ITES in nature • Prominent companies that have presence in this micro-market are Infosys, HP, TCS, I flex, Wipro, etc.
ORR	Marathahalli to Sarjapur Road Stretch	• Currently a preferred IT/ITES hub of the city • Characterised by large Grade – A developments (SEZ and Non-SEZ) with superior infrastructure provisions • Tenant profile characterised by prominent IT/ITES occupiers • Ample availability of land that can be developed
North Bangalore	Nagavara ORR, Yeshwantpur, Bellary Road	• Future growth vector of the city • Organised commercial developments mostly IT/ITES in nature witnessed at present • Prominent companies that have presence in this micro-market are IBM, Alcatel Lucent, Philips, Fidelity, Nokia Siemens, etc.

Source: CBRE Research

1 CITY OVERVIEW (CONTINUED)

1.2 Whitefield Micro-market Overview

The subject micro-market of Whitefield is located in the eastern part of Bangalore. Located at a distance of approximately 47-48 km from Bangalore International Airport and approximately 21-22 km from MG Road, the subject micro-market has emerged as a prominent IT/ITES destination subsequent to the establishment of International Technology Park Ltd. (ITPL) in 1998.

Currently, Whitefield is one of the established commercial suburbs of Bangalore and is a prominent IT/ITES hub in the city. The development activity is a combination of owned campus spaces as well as large scale IT/ITES parks which houses many built-to-space blocks. With the increase in IT/ITES activity in the recent past, residential activity has also witnessed a commensurate increase in and around the region to support the increasing demand of working populace looking at housing options close to their workplace. Further, social infrastructure facilities in the form of retail malls, hotels, educational institutes and hospitals are contributing to the region developing into a self-sustaining suburb. However, in spite of the growing commercial & residential activity, Whitefield region has not been supported by adequate physical infrastructure. The region suffers from heavy traffic congestion along major roads connecting to the CBD, thereby increasing travel time for commuters to & from the city. The operational metro rail link from MG Road to Baiyappanahalli (viz. Phase I) and the flyover on the Sai Baba Ashram road have improved connectivity. However, the extension of the metro line from Byapanahalli to Whitefield is expected to commence soon, post which the connectivity is expected to improve. However, in the interim during the construction phase, the traffic congestion is expected to be heightened. Thus, in the medium term, the subject micro-market is expected to emerge as an attractive investment destination and a prominent real estate hub on account of the infrastructure initiatives to cater to the increasing developments in the region and therefore, is also expected to witness good demand levels across all real estate segments.

B BANGALORE COMMERCIAL MARKET OVERVIEW

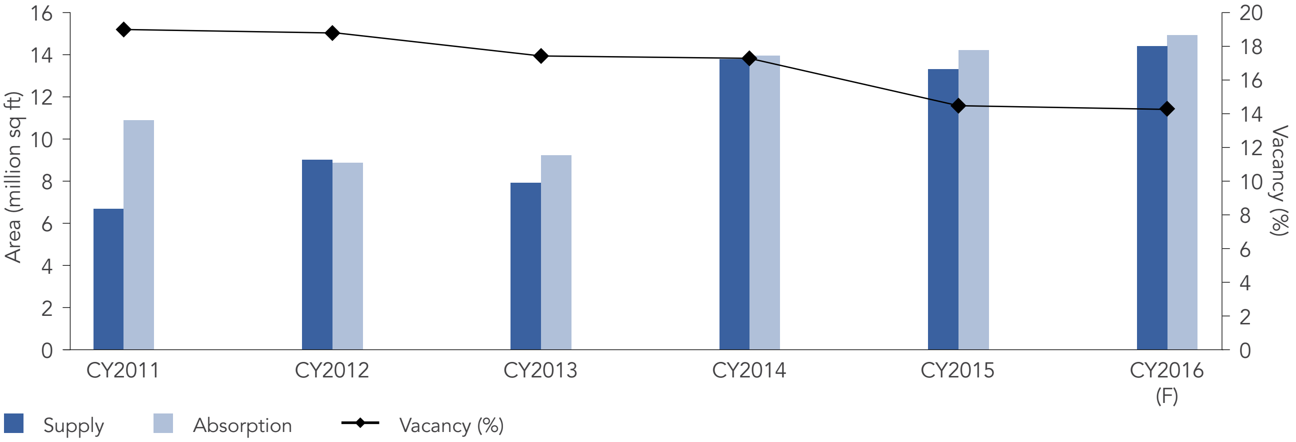
2 SUPPLY, ABSORPTION & VACANCY TRENDS: BANGALORE

Bangalore city has witnessed a total completed commercial space supply (both SEZ and Non-SEZ) of approximately 129.0 million sq ft from 1995-96 till CY2015.

The following exhibit provides a break-up of completed stock with emphasis on Whitefield:

Stock Breakup	SEZ (million sq ft)	Non-SEZ (million sq ft)	Total (million sq ft)
Bangalore	32.5	96.5	129.0
Whitefield	5.6	24.1	29.7

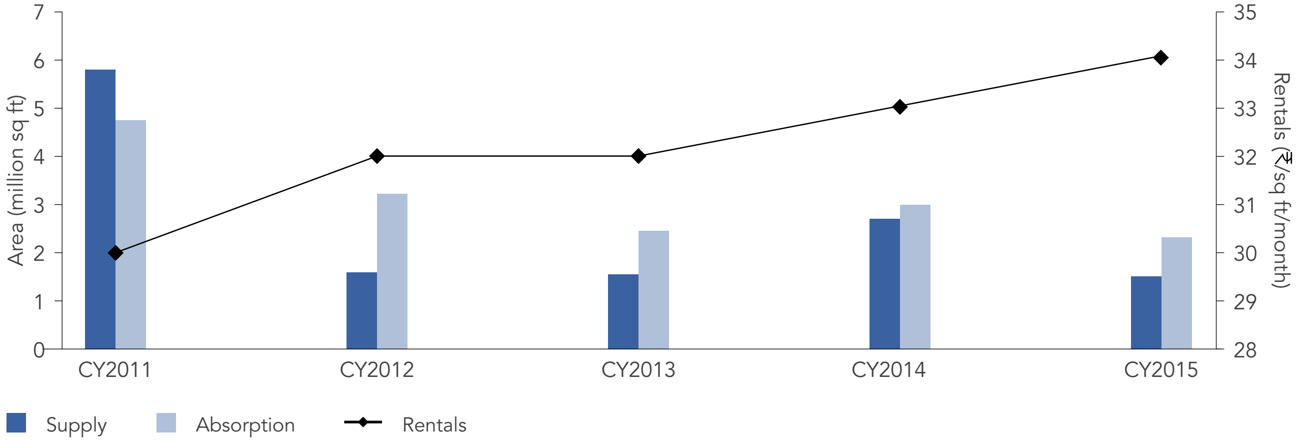
City – Supply, Absorption, Vacancy



Source: CBRE Research; Note: Supply – refers to fresh completed supply added each year; Absorption – refers to the occupancy witnessed in each year which is reflective of both fresh and secondary leasing; The vacancy in the chart accounts for the gap between cumulative stock and occupied space in the city in any given year and includes secondary spaces (if any) being generated due to churn in the market.

3 SUPPLY, ABSORPTION & RENTAL TRENDS: WHITEFIELD MICRO-MARKET

Supply, Absorption Trends for Office in Whitefield



Source: CBRE Research; Note: Chart reflective of commercial supply/absorption trend in Whitefield. In addition, the rental levels depicted in the report are reflective of good quality Grade A buildings by prominent developers which have witnessed a steady increase in rentals owing to good demand levels seen in these buildings

Whitefield has witnessed a total completed supply of approximately 13.1 million sq ft (approximately 26% of Bangalore city), during the last 5 years. The supply is dominated by the IT/ITES sector.

Over the last 5 years, Whitefield has witnessed a total absorption of approximately 15.6 million sq ft (both SEZ and Non-SEZ). Further, Whitefield constitutes of approximately 27% of the total absorption witnessed in Bangalore during this time period. Going forward in the next 2 years, the subject zone is expected to witness an influx of over approximately 1.6 million sq ft of commercial space. Some of the prominent upcoming supply within Whitefield includes Bhoruka II, Brigade Lake Shore, SJR Vogue, Kalyani Platina-Cedar and Pine, etc.

In peak market conditions (till Q2 2008), the quoted rental levels for Grade-A IT/ITES space in Whitefield were in the range of ₹28-30 per sq ft. However, slowdown witnessed in FY09/10 coupled with upcoming supply levels resulted in the rationalisation of rental levels. Further, with the recovery in global economic conditions (post FY10/11) along with limited availability of completed supply on ORR, an increase in leasing activity has been witnessed in Whitefield thereby resulting in the increase in the lease rentals. Currently, the prevailing lease rentals range between ₹34-36 per sq ft per month for Grade-A warm shell space.

4 ANALYSIS OF DEVELOPMENTS IN WHITEFIELD

4.1 Current Commercial Developments in Whitefield

Building Name	Developer	Year of Completion	Total Area (million sq ft)	Vacancy (% of total area)	Main Occupiers
Prestige Shantiniketan	Prestige Group	2011	3.6	18%	Sonus Networks, Alcon, Huwaei, Cap Gemini
Divyasree Tech Park	DivyaSree	2011	3.3	Negligible	Accenture, Tesco
Gopalan Global Axis	Gopalan	2010-14	1.7	11%	Oracle, L&T Infotech, TCS
Brigade Summit	Brigade Group	2010 & 15	1.3	38%	Capgemini, GE, Volvo, E&Y
Kalyani Platina	Kalyani	2010 & 13	1.3	Negligible	UL India, HP, Delphi, Mu Sigma
Beary's Global Research Triangle	Beary's Group	2010	1.0	38%	Schneider Electric

Source: CBRE Research

4.2 Upcoming Commercial Developments in Whitefield

Building Name	Developer	Expected Completion	Total Area (million sq ft)
Bhoruka II	Bhoruka	2016	0.32
Kalyani Platina-Cedar	Kalyani Developers	2016	0.40
Kalyani Platina-Pine	Kalyani Developers	2016	0.30
SJR Vogue	SJR Prime Corp	2016	0.33

Source: CBRE Research

4 ANALYSIS OF DEVELOPMENTS IN WHITEFIELD

4.3 Current Retail Developments in Whitefield

Development	Year of Operation	Total Built Up Area (sq ft)	Vacancy Status	Prominent Tenants
Phoenix Market City	2011	885,762	10%	PVR, Home Town, Marks & Spencers, Zara, Hyper Future Grp
VR Bangalore	2015	450,000	37%	H&M, GANT, Arvind Store
Inorbit Mall	2012	240,000	15%	Shoppers Stop, YLG, YUM, Bata, Gloria Jeans, Cinemax, etc.
Forum Value Mall	2009	217,800	10%	Cinepolis, Life Style, Auchan

Source: CBRE Research

4.4 Upcoming Retail Developments in Whitefield

Development	Year of Operation	Status	Total Built Up Area (sq ft)
Virginia Mall	2016	Under Construction	380,000
Forum Mall II	2017	Under Construction	450,000

Source: CBRE Research

5 OUTLOOK

CBRE is of the opinion that Whitefield has emerged as a self-sustained hub, and is likely to witness growth in residential and retail projects to complement the presence of large scale commercial developments. IT/ITES demand trends are expected to improve in-line with continued strong performance of this sector in India with a positive impact on Whitefield. The IT/ITES supply addition within Whitefield in CY2016 is expected to be marginally higher than CY2015 (approximately 1.9-2.0 million sq ft) with an expected absorption of approximately 2.0 million sq ft. Rentals expected to remain stable, hovering between ₹34-36 per sq ft per month, over the short term horizon due to large supply of IT/ITES office space under various stages of construction across Whitefield. In addition, the competing micro-market such as ORR is also expected to offer large supply of IT/ITES office space in the next 2-3 years, thus keeping the rentals in check.

C PROPERTY ANALYSIS: INTERNATIONAL TECH PARK BANGALORE

1 INTRODUCTION

ITPB is located in Whitefield, in the eastern part of Bangalore City. The micro-market of Whitefield is considered as one of the most prominent suburbs of Bangalore and is recognised as a prominent IT/ITES hub of the city. The commercial IT/ITES office activity is well supported by significant residential, retail and hospitality activity. The subject property is located on Whitefield Main Road. Whitefield Main Road is a prominent road comprising prominent (IT/ITES) commercial and mixed use developments such as ITPB (subject development), Prestige Shantiniketan, Brigade Metropolis, etc.

2 PROFILE OF ITPB, BANGALORE

Overview

Year of Operation	Discoverer: 1998 Innovator: 1998 Creator: 1998 Explorer: 2002 Inventor: 2004	Navigator: 2007 Concourse: 1998 Park Square Mall: 2011 Voyager SEZ: 2011 Aviator SEZ: 2014

Configuration

Total Project Area (in acres)	68.5*	
Development Mix	Commercial office space (Non-SEZ and SEZ) with support retail and a retail mall	
Leasable Area	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: 111,779 sq ft	
Under Construction Area**	Victor: 620,000 sq ft	
Floor Plate (approximately)	Discoverer: 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: 100,000 sq ft Park Square Mall: 75,000 sq ft Voyager (SEZ): 40,000 sq ft Aviator (SEZ): 45,000 sq ft
No. of Floors	Discoverer: G+13 Innovator: G+11 Creator: G+5 Explorer: G+11 Inventor: G+8	Navigator: G+11 Concourse: LG Park Square Mall: LG+4 Voyager SEZ: G+13 Aviator SEZ: G+13

2 PROFILE OF ITPB, BANGALORE (CONTINUED)

Location

Address	Sadarmangala/Pattandur Agrahara, Krishnarajpura Hobli, Bangalore urban district.
Proximity to CBD	Approximately 21-22 km
Proximity to Airport	Approximately 47-48 km from Bangalore International Airport
Proximity to Railway Station	Approximately 8-9 km from KR Puram Railway Station
Proximity to Nearest Prime Residential Development	Approximately 1-2 km
Connecting Arterial Roads	Whitefield Main Road (viz. approximately 100 ft wide double carriageway)

Infrastructure

Power Supply & Backup	Dedicated captive power plant of 20 MW operating in synchronous with 220 KV state grid
Fire Protection Systems	Includes smoke detectors, water sprinklers, portable fire extinguishers and fire hydrant hose reels and 24-hour security
Parking	Basement car park and a Multi-level Car Park

Amenities

Business center, food courts, restaurants, medical and dental clinic, bank branches, atms, recreational areas, security etc.

Source: Ascendas Property Fund Trustee Pte Ltd (as trustee-manager of Ascendas India Trust) and CBRE Research

* Includes 0.7 acres of residential land

** The subject property also consists of an under construction block viz. Victor. The leasable area of Victor Block is approximately 620,000 sq ft and the development activity for the same is expected to be completed by June 2016

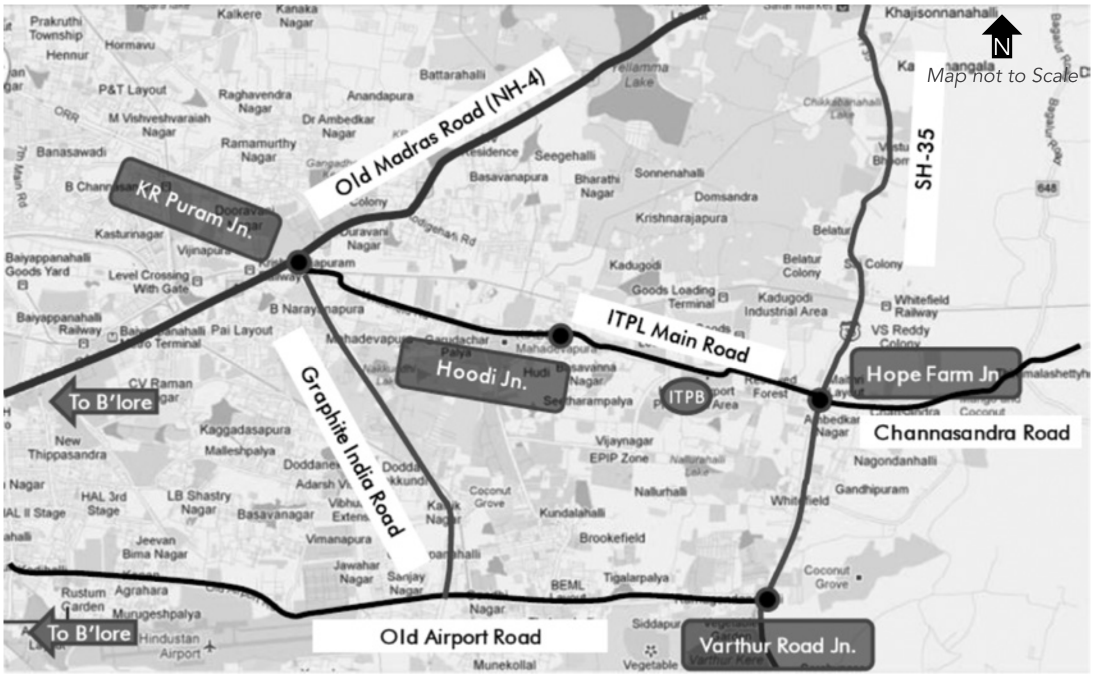
C PROPERTY ANALYSIS: INTERNATIONAL TECH PARK BANGALORE

3 LOCATION & ACCESSIBILITY

The subject property is located on Whitefield Main Road in Whitefield, towards the eastern part of Bangalore City. The distance of the subject property from some of the prominent nodes in the city is provided in the exhibit below:

Key Nodes	Approximate Distance (km)
Outer Ring Road	7-8
KR Puram Railway Station	8-9
M G Road (CBD Area of Bangalore)	21-22
Bangalore International Airport	47-48

Source: CBRE Research



Source: CBRE Research

4 TENANT MIX

The property houses a diverse set of clientele ranging from IT/ITES, Telecom, Market Research Firms supported by retail and other amenities. ITPB caters to companies like IBM Global Solutions, Mu Sigma, Xerox, Societe General, Affiliated Computer Services etc. with average space requirements in the range of approximately 13,000-15,000 sq ft. Majority of the tenants are MNCs (US based) and caters to software development, R&D activities, etc. In addition, the Park Square Mall houses a mix of anchor and vanilla tenants such as Reliance Mart, Q Cinemas, Amoeba, Pizza Hut, etc.

5 DEVELOPMENT PERFORMANCE

ITPB is spread over 68.5 acres with a total operational leasable area of approximately 3.4 million sq ft spread across Non-SEZ space, SEZ Space, Concourse and Park Square Mall. The Non-SEZ comprises 6 commercial buildings (viz. Discoverer, Innovator, Creator, Explorer, Inventor and Navigator supported by Concourse retail space). The SEZ comprises the Voyager and Aviator blocks and the Retail component comprises of the Park Square Mall. The subject development includes an under construction block christened 'Victor' within SEZ area measuring 620,000 sq ft. The development is equipped with 100% power backup and other supporting infrastructures and amenities. In spite of the fact that the development charges a premium on rentals as compared to the rest of the market, it has been able to achieve an occupancy level of close to 92-94% in the last 3-4 years.

6 SWOT ANALYSIS

Strengths

- Superior Location – located in an established IT/ITES hub of Bangalore
- Large integrated mixed use development including commercial office space (Non-SEZ and SEZ), retail mall and a 5 Star Hotel currently being operated by Taj
- Wide range of supporting infrastructure, amenities, services and recreational facilities
- Captive power generation plant of 20 MW operating in sync with 220 KV state grid

Weaknesses

- Traffic congestion witnessed in the micro-market during peak hours
- Distance of the subject development from the city centre (21-22 km) and Bangalore International Airport (47-48 km)

Opportunities

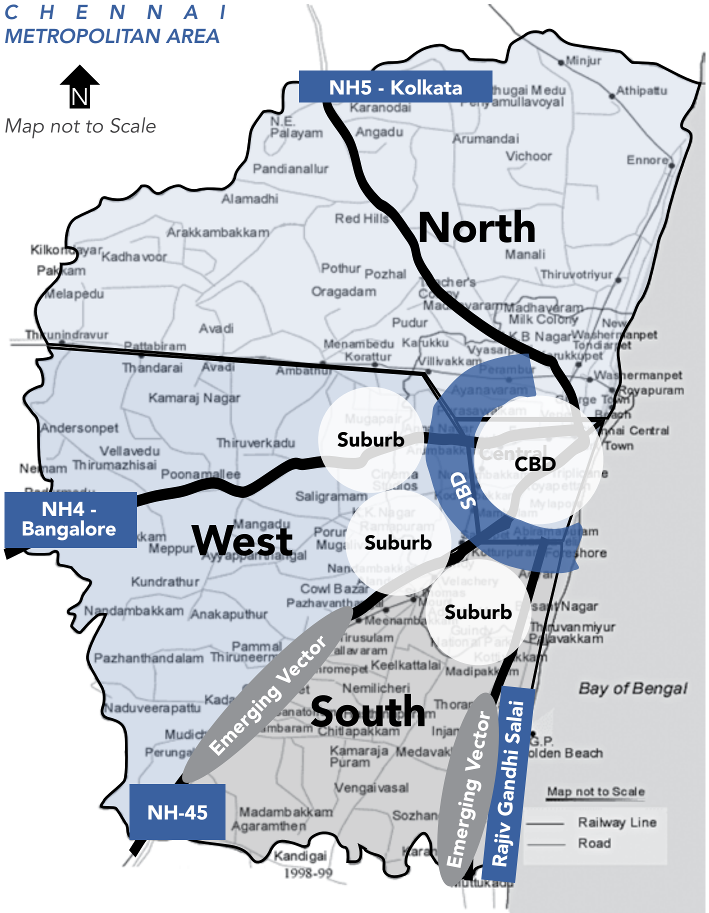
- Improving image of Whitefield owing to development of social infrastructure
- Emergence of the micro-market into a self-sustained integrated real estate destination
- Potential for further development within the subject property

Threats

- Competing supply is expected from the other micro-markets, such as ORR, North Bangalore, etc.
- Competition within micro-market – projects by several developers under various stages of construction and planning

D CHENNAI COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW



Chennai is the sixth largest city in India in terms of population and is the capital of State of Tamil Nadu. It is the gateway to South India, and is famous for its traditional culture, temples and a long coastline. Chennai Metropolitan Area spreads over an area of 1,189 sq km[10]. The population of Chennai Metropolitan Area has increased steadily and is currently estimated at approximately 8.65 million people[11].

The primary economic drivers for the city include Industrial sector (specifically in automobile and manufacturing), Information Technology sector and Trading. The city is also well known for its medical infrastructure. In addition, the city houses prominent educational institutions and is well known for availability of quality manpower. The same are prime factors for major IT/ITES and manufacturing companies to set up operations in the city. Some of the key industrial and IT/ITES establishments in the city include Ford Motor Company, Hyundai Motor Company, Saint Gobain Glass, TVS Industries, Infosys, TCS, Cognizant Technology Solutions etc. amongst many others. In addition, the city has been witnessing sustained interest with BMW, Flextronics, Nissan, etc., have already established large scale manufacturing units over the recent years.

State Government has been initiating various programmes to attract large national groups and MNC's to establish industries/campuses in the city. As part of their initiatives, State Government has identified Rajiv Gandhi Salai (in South Chennai) and Chennai-Bangalore Highway (towards west) as the designated IT corridor and Industrial corridor respectively. The city is also experiencing development of large-scale industrial parks by private developers. A few prominent examples include Mahindra World City in Chengalpet promoted by Mahindra Group, Sri City in Tada promoted by Sri City Private Limited and Ascendas One Hub promoted by Ascendas-Singbridge Group.

Chennai city enjoys enhanced connectivity via road, rail, waterways and air to key locations in India and abroad. Chennai is well connected to prominent cities in India through a confluence of National as well as State Highways. NH-4, NH-5 and NH-45 connects Chennai city to various parts of India. Large number of infrastructure initiatives has been undertaken by the National and State level authorities to reduce the traffic congestion in the city. Some of the key infrastructure initiatives undertaken are highlighted in the exhibit overleaf:

10 Source: CMDA Second Master Plan

11 Source: Census of India, 2011

1 CITY OVERVIEW (CONTINUED)

Project	Description
Outer Ring Road (ORR):	**Overview:** This corridor is being developed by Chennai Metropolitan Development Authority along the periphery of Chennai Metropolitan Area. The length of outer ring road is approximately 62 km. The corridor is envisaged between NH-45 (in Vandalur micro-market) in the South and TPP Road (in Minjur micro-market) in the North through major arterial roads of Chennai such as NH-4, NH-5, etc. **Impact:** The outer ring road is expected to help provide better connectivity to the micro-markets located in North Chennai from the micro-markets such as Singaperumalkoil and Vandalur
Inner Ring Road (also referred to as Jawaharlal Nehru Salai)	**Overview:** Developed by Chennai Metropolitan Development Authority, this road is one of the main arterial roads/transportation corridors of Chennai. The existing stretch of Inner Ring Road extends from Madhavaram Junction in the North to Taramani micro-market in the South (via. Poonamallee High Road and Chennai Thiruvallur High Road) and it provides excellent connectivity between various micro-markets of the city. **Impact:** The Inner Ring Road is expected to help provide better connectivity to North Chennai from Taramani micro-market
IT Corridor	**Overview:** Rajiv Gandhi Salai (erstwhile Old Mahabalipuram Road), IT corridor of Chennai, is being upgraded into a six lane expressway. The work for this development has been undertaken in two phases. Development works for the first phase between Madhya Kailash junction and Siruseri micro-market has been completed. Further, the second phase between Siruseri micro-market and Mahabalipuram is currently under development. **Impact:** This is expected to ease traffic congestion along the IT Corridor thereby providing enhanced connectivity to Taramani Micro-market
Chennai Metro Rail	**Overview:** Metro rail network for the city comprises of two corridors and is currently under various stages of planning and development. Corridor I would connect Washermenpet micro-market in the North to Chennai Airport to the South through central and Eastern parts of Chennai city. The corridor II would extend from Fort/central railway station in the North to St. Thomas Mount in the South through central and Western parts of the city. The corridor II of the network would be integrated with the Suburban rail system in St. Thomas micro-market. The total length of Corridor I & II is approximately 45.1 km. The first phase of the project has commenced operations recently and is operational from Koyambedu till Alandur covering a distance of about 10 km. **Impact:** Corridor I & II is expected to improve connectivity within the city thereby reducing the travel time from different parts of the city to the Taramani Micro-market
Mass Rapid Transit System	**Overview:** MRTS network in the city comprises of three phases. Development of stretch from Park to Thiruvanmiyur (i.e. Phase I) and stretch from Thiruvanmiyur to Velachery (Phase II) has been completed and are currently operational. Development activity for Phase III involving stretch between Velachery and St. Thomas Mount is under final stages of completion and is expected to be completed by CY2016. **Impact:** The same is expected enhance the connectivity between MRTS and Metrorail system thereby enhancing the connectivity to Taramani Micro-market which is located in close proximity to Velachery

Source: CBRE Research

D CHENNAI COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW (CONTINUED)

1.1 Chennai micro-market classification and key commercial hubs:

Growth of commercial real estate began from the regions surrounding the seaport which is now perceived as old part of Chennai city. The city then gradually expanded and the same has initiated the development of central Chennai as the commercial hub. The existing Central Business District (CBD) zone of Chennai includes locations such as Anna Salai, Nungambakkam High Road, Alwarpet, T. Nagar, RK Salai and Egmore. The Secondary Business District (SBD) region encompasses regions within Chennai city limits, but outside the CBD. Major micro-markets in SBD include MRC Nagar, Kilpauk, Adyar, Guindy, Anna Nagar and Taramani.

The suburban and peripheral areas include micro-markets that are in the periphery or beyond the existing city limits. The stupendous growth witnessed by the IT/ITES sector in the 90's led to the requirement for large space at subsidised real estate occupancy costs in all major cities in India. This led to the emergence of suburban/peripheral locations as these locations were characterised by ample supply of land to cater to the requirements of these companies.

Based on profile of the location and developments, geographical spread, etc., commercial activity in Chennai can be categorised into the following micro-markets:

Micro-market	Locations Included	Description
Central Business District (CBD)	Anna Salai, Nungambakkam High Road, RK Salai, Alwarpet, T Nagar, Egmore etc.	• Development in the region comprises of mix of Grade A and Grade B developments • Commercial developments in the region commands distinct premium attributable to its central location, business image, etc. New supply is very limited due to restricted availability of land
Secondary Business District (SBD)	Kilpauk, MRC Nagar, Adyar, Santhome, Anna Nagar, Taramani, etc.	• Development in the region comprises of mix of Grade A and Grade B developments • Notable space occupiers in the zone include Banks/Financial Institutions, Insurance companies, Automobile showrooms, etc.
Suburban Areas	Mount Poonamallee Road, Perungudi, Velachery, etc.	• Primarily comprises of larger-sized Grade A developments • IT/ITES companies and back-end operations of financial institutions are some of the notable occupiers in the zone
Peripheral Areas	Rajiv Gandhi Salai, Grand Southern Trunk Road, etc.	• Houses large-scale IT parks/SEZ developments • Requirement of large space at subsidised real estate costs from IT/ITES companies have catalysed development activity in the zone

Source: CBRE Research

1 CITY OVERVIEW (CONTINUED)

1.2 Micro-market Overview

Rajiv Gandhi Salai

Rajiv Gandhi Salai (the erstwhile Old Mahabalipuram Road) was identified as the IT corridor and has consequently witnessed tremendous real estate activity. Rajiv Gandhi Salai extends from Madhya Kailash Junction (located in Adyar micro-market) to the tourist town of Mahabalipuram (located at a distance of approximately 50 km). The corridor has witnessed extensive real estate development activity in commercial/IT and residential segments over the last 10 to 12 years.

Grand Southern Trunk Road

However, over the last 7-8 years, a few other locations such as Guindy, Ambattur and Grand Southern Trunk Road Micro-market (Mount Poonamallee Road and National Highway 45) have been emerging as significant IT hubs. Grand Southern Trunk road originates from Kathipara Junction and connects Chennai to Trichy (a prominent city in Tamil Nadu) in the south-west. The initial stretch of the corridor, beyond city limits, is characterised by the presence of large tracts of vacant land parcels and unorganised residential settlements catering to the needs of the local populace. In addition, the corridor is also characterised by the presence of few large scale industrial and IT developments. A few notable examples include Mahindra World City, SIDCO Maraimalai Nagar Industrial Estate, Estancia, Shriram – The Gateway, etc. and these developments have been profiled as part of this section.

2 SUPPLY, ABSORPTION & VACANCY TRENDS: CHENNAI

Commencement of TIDEL IT Park in early 2000's marked the emerging prominence of Rajiv Gandhi Salai ~ the designated IT/ITES corridor of Chennai. Spurt in commercial office activity levels was witnessed in South & West Chennai during 2006-2009. This was primarily driven by noted IT/ITES SEZ developments and large campus developments such as Chennai One, Gateway IT Park, etc.

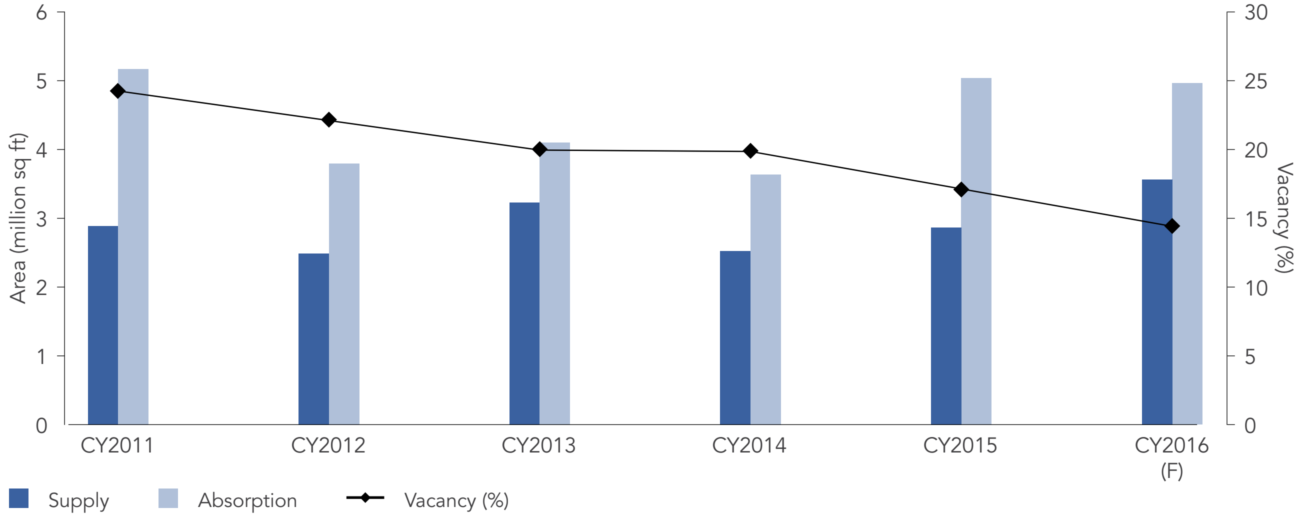
The following exhibit provides a break-up of completed stock in Chennai:

Stock Breakup	SEZ (million sq ft)	Non-SEZ (million sq ft)
Chennai	16.4	41.2
Rajiv Gandhi Salai	7.9	21.5
Grand Southern Trunk Road	8.5	0.9

D CHENNAI COMMERCIAL MARKET OVERVIEW

2 SUPPLY, ABSORPTION & VACANCY TRENDS: CHENNAI (CONTINUED)

City – Supply, Absorption, Vacancy



Source: CBRE Research; Note: Supply – refers to fresh completed supply added each year; Absorption – refers to the occupancy witnessed in each year which is reflective of both fresh and secondary leasing; The vacancy in the chart accounts for the gap between cumulative stock and occupied space in the city in any given year and includes secondary spaces (if any) being generated due to churn in the market

The average annual supply during CY2011-2015 was witnessed to be in the range of approximately 2.75-3 million sq ft and the average annual absorption during the same period has been ranging between approximately 4.0-4.5 million sq ft per annum. The limited supply additions and steady demand levels have contributed to reduction of vacancy levels in the market. Over the next 1 year, Chennai is expected to witness a total absorption of approximately 5.0 million sq ft and increase in stock by 3.6 million sq ft.

3 SUPPLY, ABSORPTION & RENTAL TRENDS: RAJIV GANDHI SALAI MICRO-MARKET

The total completed stock for office segment (both IT/ITES and Non-IT) in Chennai city has been estimated to be approximately 57.6 million sq ft. Rajiv Gandhi Salai, the designated IT corridor of Chennai, constitutes significant share in terms of completed office stock. The balance stock in office segment is distributed among CBD & other notable IT regions of the city such as Mount Poonamallee Road, National Highway 45, Ambattur Industrial Estate, etc. Out of the total completed stock in the city, IT/ITES component constitutes of approximately 84% (approximately 48.3 million sq ft) with the balance being constituted by Non-IT segment.

Over the last 5 years (CY 2011-2015), Chennai has witnessed a total influx of approximately 14.1 million sq ft of commercial office space (both IT/ITES, IT SEZ and Non-IT), translating into an average annual supply of approximately 2.8-3.0 million sq ft. Further, the city has witnessed an absorption/demand of approximately 21.6 million sq ft during the same period translating into an average annual absorption of approximately 4.0-4.5 million sq ft.

Rajiv Gandhi Salai has witnessed absorption of approximately 12.5 million sq ft over the same period thereby, translating into an average annual absorption of approximately 2.5-2.8 million sq ft per annum. Thus, Rajiv Gandhi Salai contributes approximately 55-60% of the overall demand for office segment.

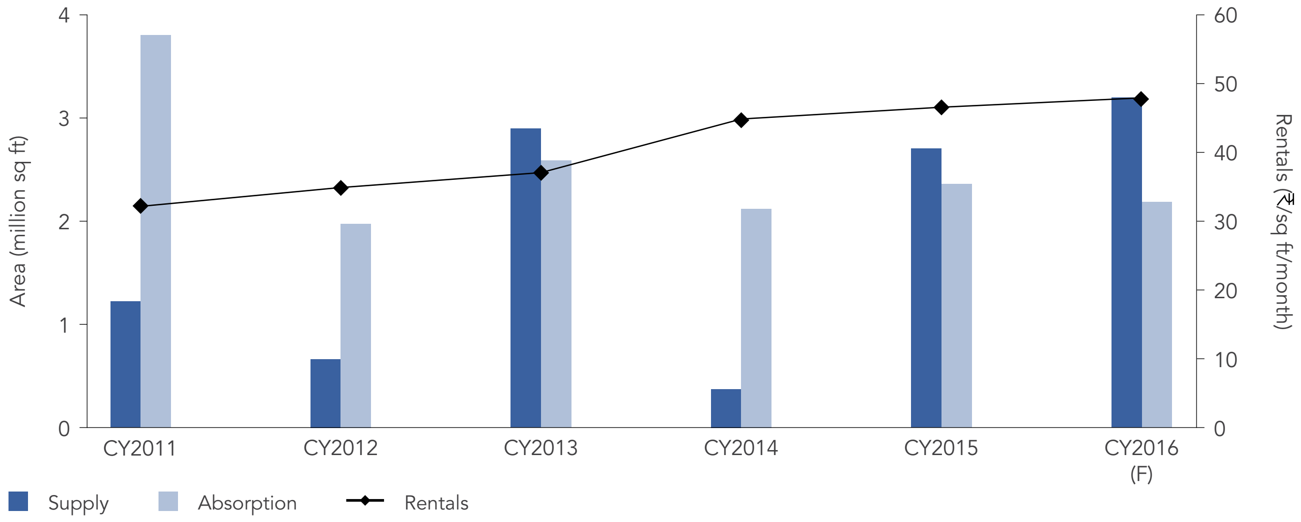
3 SUPPLY, ABSORPTION & RENTAL TRENDS: RAJIV GANDHI SALAI MICRO-MARKET (CONTINUED)

Based on our market study, we understand that the developments situated in micro-markets that are located in close proximity to the city such as Taramani, Perungudi, Thoraipakkam, Shollinganallur, etc., (Stretch I) are witnessing higher demand than IT parks located farther away. Grade A developments situated in these micro-markets are currently exhibiting negligible vacancy levels. Further, it was observed that Rajiv Gandhi Salai is expected to witness an influx of approximately 3-3.5 million sq ft of commercial space (viz. under construction developments of SEZ & Non-SEZ formats) over the next 1-2 years. The current vacancy levels in the completed developments in Rajiv Gandhi Salai stand at approximately 5.0-5.5 million sq ft and the major share of vacant space is contributed by the developments located in Stretch II (beyond Shollinganallur micro-market). As stated earlier, Grade A developments situated in the initial stretch of Rajiv Gandhi Salai are currently exhibiting negligible vacancy levels (less than 5%).

Keeping the historic supply in Rajiv Gandhi Salai in perspective and considering factors such as growing preference from IT/ITES players to establish campuses in Stretch I, improvement in overall market sentiment, etc., we are of the opinion that the absorption levels for commercial office space in the subject region (viz. Rajiv Gandhi Salai) would range between 2.3-2.8 million sq ft per annum over the short to medium term horizon.

Rental values for commercial office spaces located within Perungudi and Taramani micro-market currently range between approximately ₹55-60 per sq ft per month. This is indicative of the highest ever rental achieved in these micro-markets till date and is fuelled by strong growth in the rentals of approximately 7-8% per annum during CY 2011-2015. This is primarily attributable to paucity of Grade A commercial office space, limited vacancy levels exhibited in the parks, etc. The rentals for developments in the latter stretch currently ranges between approximately ₹34-37 per sq ft per month and has witnessed a growth rate of approx. 4-5% year on year during the last 5 years.

Supply, Absorption Trends for Office in Rajiv Gandhi Salai



Source: CBRE Research

D CHENNAI COMMERCIAL MARKET OVERVIEW

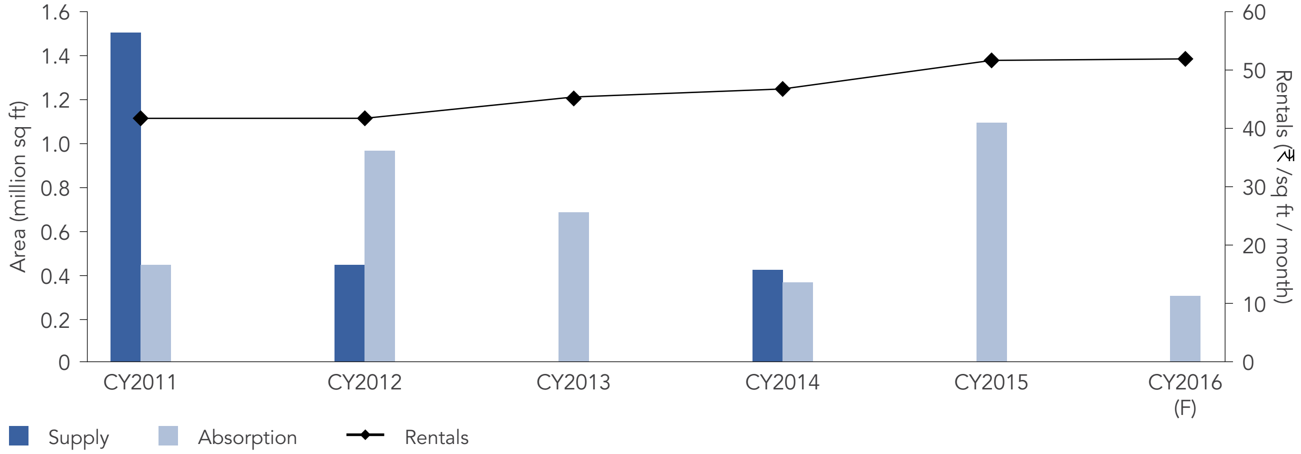
4 SUPPLY, ABSORPTION & RENTAL TRENDS: GRAND SOUTHERN TRUNK ROAD MICRO-MARKET

Grand Southern Trunk Road has witnessed a combined absorption of approximately 3.53 million sq ft over the same period. Based on our market study, we understand that the developments located along Mount Poonamallee Road the initial stretch of National Highway 45 (Perungaluthur micro-market) are witnessing higher demand vis-à-vis developments located in other micro-markets along National Highway 45. Further, National Highway 45 is expected to witness negligible influx of new commercial/office space (both IT/ITES & Non-IT) in the short to medium term time frame in spite of availability of developable land parcels owing to factors such as subdued demand, distance from city, preference of companies towards Rajiv Gandhi Salai, etc.

The current vacancy levels in the completed developments along National Highway 45 stand at approximately 0.2-0.25 million sq ft. The subject development is located within Mahindra World City and is exhibiting minimal vacancy levels (approximately 4-5%).

Rental values for SEZ office space located along National Highway 45 currently range between approximately ₹40-42 per sq ft per month. In addition, the stretch has witnessed growth rate of approximately 4-5% (CAGR) per annum during CY2011-2015. The lease rentals for SEZ office space developments located along Mount Poonamalle Road range between approximately ₹60-62 per sq ft per month and have witnessed a growth rate of approximately 6-7% year on year during the last 5 years.

Supply, Absorption Trends for Office in Grand Southern Trunk Road



Source: CBRE Research

5 ANALYSIS OF DEVELOPMENTS IN RAJIV GANDHI SALAI & GRAND SOUTHERN TRUNK ROAD

5.1 Current Commercial Developments Along Rajiv Gandhi Salai

Building Name	Developer	Year of Completion	Total Area (million sq ft)	Vacancy (% of total area)	Main Occupiers
Tidel Park	Government Promoted	2000	1.3	Fully Occupied	I Nautix , Satyam Infoway, E&Y , Ajuba
Ramanujan IT City	TRIL	2011-13	3.1	< 2%	Latent View, Citi, HP
RMZ Millenia	RMZ Corp	2000-07	2.3	< 2%	Franklin Templeton, Daimler, Cable and Wireless, Ford
SP Infocity	Shapoorji Pallonji	2010-15	2.5	10-12%	HSBC, Amazon, Lister, Ford
Prince Infocity 2	Prince Foundations	2005-11	1.1	9-10%	Maersk, Infosoft, TCS

Source: CBRE Research

5.2 Upcoming Commercial Developments Along Rajiv Gandhi Salai

Building Name	Developer	Expected Completion	Total Area (million sq ft)
Chennai One Phase II (South Tower)	ETL Infra	2016	1.2
Tek Heights	Ratha	2017	0.5

Source: CBRE Research

5.3 Current Commercial Developments Along NH-45 (GST)

Building Name	Developer	Year of Completion	Total Area (million sq ft)	Vacancy (% of total area)	Main Occupiers
Shriram Gateway	Shriram Properties	2008	1.7	5-7%	Sutherland, Accenture

Source: CBRE Research

D CHENNAI COMMERCIAL MARKET OVERVIEW

6 OUTLOOK

6.1 Rajiv Gandhi Salai

Rajiv Gandhi Salai is the designated IT corridor of Chennai. There has been a growing preference from IT/ITES companies to establish campuses in the region. IT/ITES demand trends expected to improve in line with continued strong performance of this sector in India. The IT/ITES supply addition within Rajiv Gandhi Salai in CY2016 is expected to be marginally higher than CY2015 (approximately 3.0-3.5 million sq ft) with an expected absorption of approximately 2.2 million sq ft. Rentals expected to remain stable, hovering between ₹46-50 per sq ft per month, over the short term horizon due to increase in supply of IT/ITES office space under various stages of construction across Rajiv Gandhi Salai.

6.2 Grand Southern Trunk Road (GST Road)

GST Road is expected to witness negligible supply within the short to medium term time span despite the presence of large tracts of vacant land within the immediate vicinity of due factors such as limited support infrastructure, distance from the city, etc. This is expected to result in subdued absorption of approximately 0.3 million sq ft. In spite of negligible levels of vacancy, the rentals is expected to remain constant at ₹50-54 per sq ft within Grand Southern Trunk Road and are expected to grow at a slower pace as the destination is yet to attract large IT/ITES players, due to the above mentioned factors. CBRE is of the opinion that the organic growth of commercial office demand within the city and paucity of large land parcels in established micro-markets of the city will drive the supply in the long term time frame.

E PROPERTY ANALYSIS: INTERNATIONAL TECH PARK CHENNAI

1 INTRODUCTION

The subject property is located in Taramani micro-market, an established IT/ITES destination in South Chennai. The subject region has been witnessing extensive real estate activity in the commercial IT/ITES segments over the last 9 to 10 years. In addition, the region is also witnessing considerable development activity in residential, retail and hospitality segments.

2 PROFILE OF ITPC, CHENNAI

Overview

Year of Operation	Pinnacle Block: 2005 Crest Block: 2008 Zenith Block: 2011

Configuration

Total Project Area (in acres)	14.97
Development Mix	Commercial Office (IT/ITES)
Leasable Area	1,996,579 sq ft (including ancillary space)
Floor Plate (approximately)	Pinnacle: 65,000 sq ft Crest: 70,000 sq ft Zenith: 70,000 sq ft
No. of Floors	Pinnacle: 12 Floors Crest: 15 Floors Zenith: 14 Floors

Location

Address	CSIR Road, Taramani, Chennai, Tamil Nadu
Proximity to CBD	Approximately 10.0-11.0 km from CBD
Proximity to Airport	Approximately 15.0-16.0 km from Chennai International Airport
Proximity to Railway Station	Approximately 14.0-15.0 km from Chennai Central Station
Proximity to Nearest Prime Residential Development	Approximately 1-2 km
Connecting Arterial Roads	Rajiv Gandhi Salai, Six lane expressway

Infrastructure

Power Supply & Backup	100% power backup
Fire Protection Systems	The development is equipped with fire alarms and sprinklers
Parking	A total of 2,254 car parking slots & 5,436 two-wheeler parking slots

Amenities

Food court, cafeteria, fitness centre, business centre, support retail facilities etc.

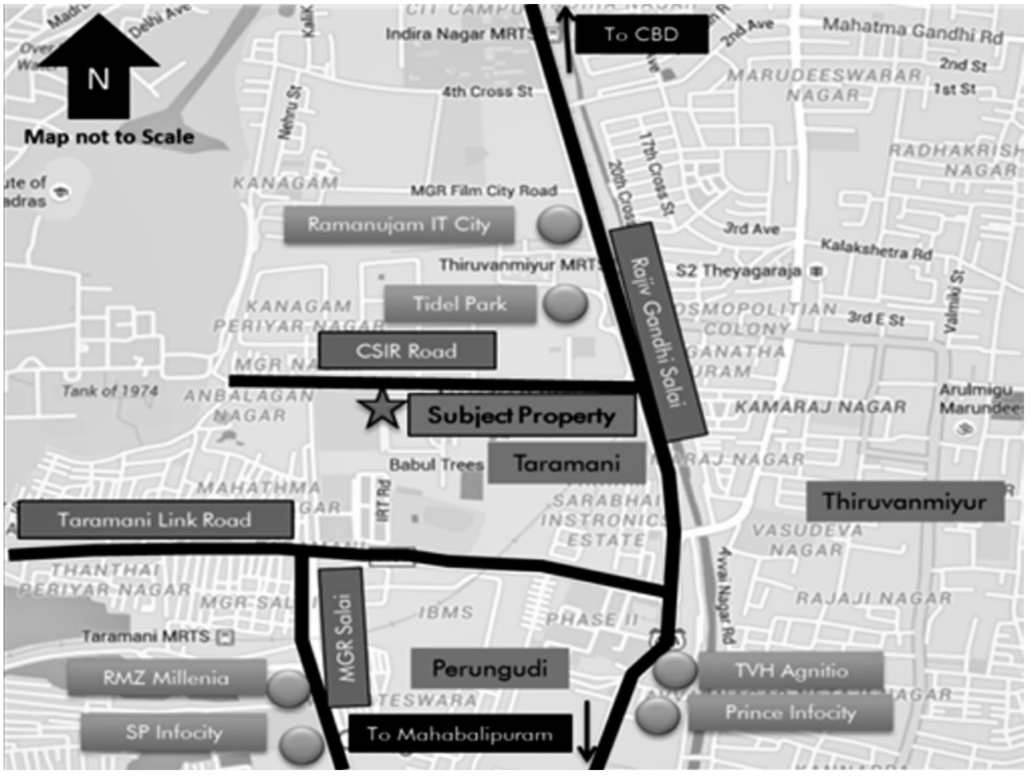
Source: Ascendas Property Fund Trustee Pte Ltd (as trustee-manager of Ascendas India Trust) & CBRE Research

E PROPERTY ANALYSIS: INTERNATIONAL TECH PARK CHENNAI

3 LOCATION & ACCESSIBILITY

The subject property is located in Taramani, an established IT/ITES destination located in South Chennai. In addition, the property is located just off Rajiv Gandhi Salai, the designated IT corridor of the city. The distance of the subject property from some of the prominent nodes in the city is provided in the exhibit below:

Key Nodes	Approximate Distance (km)
Rajiv Gandhi Salai	<0.5
Madhya Kailash Junction	2.0-3.0
CBD	10.0-11.0
Chennai Central Railway Station	14.0-15.0
Chennai International Airport	15.0-16.0



Source: CBRE Research

4 TENANT MIX

Office space across blocks in the subject development have been leased out to multiple tenants operating in the IT/ITES segment such as Foster Wheeler, Wipro, BNP Paribas, Bank of America Merrill Lynch, Siemens, etc. with average space requirements in the range of approximately 50,000-70,000 sq ft. Majority of the tenants are Multi-National Corporations and cater to banking and financial services, back-end operations, etc.

5 DEVELOPMENT PERFORMANCE

International Tech Park Chennai is a large scale IT/ITES park developed under the regulations of Software Technology Parks of India (STPI). The subject development consists of three blocks viz. Pinnacle, Crest and Zenith with a total leasable area of approximately 1.99 million sq ft. All blocks in the subject development are currently operational (witnessed approximately 99% occupancy over the last 2-3 quarters).

6 SWOT ANALYSIS

Strengths

- Higher scalability options vis-à-vis other emerging commercial destinations of the city
- The subject location has adequate physical infrastructure
- Excellent connectivity (via. Road and rail) to important hubs in the city

Weaknesses

- Lack of availability of land for future expansion purposes
- Traffic bottleneck during peak hour

Opportunity

- Development of the micro-market into an integrated real estate destination with superior physical and social infrastructure – ideally suited to cater to leading IT/ITES tenants

Threat

- No immediate threat

F CYBERVALE: PROPERTY ANALYSIS

1 INTRODUCTION

The subject property is located within in Mahindra World City (MWC) – a planned business city. It is spread over an area of approximately 1,600 acres. The park is located along National Highway-45 at Singaperumalkoil. MWC is a fully developed park with all supporting industrial infrastructure and other amenities such as roads, street lights, water supply, power, sewerage system, security, bank, convenient shopping, etc. MWC comprises of two distinct zones namely, Business zone and Lifestyle zone. The Business zone in the development comprises of three sector specific Special Economic Zone (i.e. IT ~ Services and Manufacturing SEZ, Auto Ancillaries SEZ & Apparel and Fashion Accessories SEZ) and a Domestic Tariff Area (DTA). The lifestyle zone in the development comprises of multiple phases of residential development, The Canopy (a shopping centre), a 40 bed hospital being developed by JSP Hospitals and Mahindra World School.

2 PROFILE OF CYBERVALE, CHENNAI

Overview

Year of Operation	Lakeview Block: 2007 Springfield Block: 2008 Building 3: 2008

Configuration

Total Project Area (in acres)	18.18
Development Mix	Commercial Office
Leasable Area – Existing Blocks	Lakeview: 257,620 Springfield: 309,860 Building 3: 280,000
Leasable Area – Future Development	371,000 sq ft
Floor Plate (approximately)	Lakeview: 64,000 sq ft Springfield: 60,000 sq ft Building 3: 70,000 sq ft
No. of Floors	Lakeview: G+3 Springfield: G+4 Building 3: G+3

Location

Address	CyberVale, Mahindra World City, National Highway 45, Singaperumalkoil, Chennai, Tamil Nadu
Proximity to CBD	Approximately 50-51 km from CBD
Proximity to Airport	Approximately 35-37 km from International Airport
Proximity to Railway Station	Approximately 58-60 km from Chennai Central Station
Proximity to Nearest Prime Residential Development	Approximately 4-5 km
Connecting Arterial Roads	NH-45

Infrastructure

Power Supply & Backup	100% power backup
Fire Protection Systems	The development is equipped with fire alarms and sprinklers
Parking	A total of 555 car parking slots

2 PROFILE OF CYBERVALE, CHENNAI (CONTINUED)

Amenities

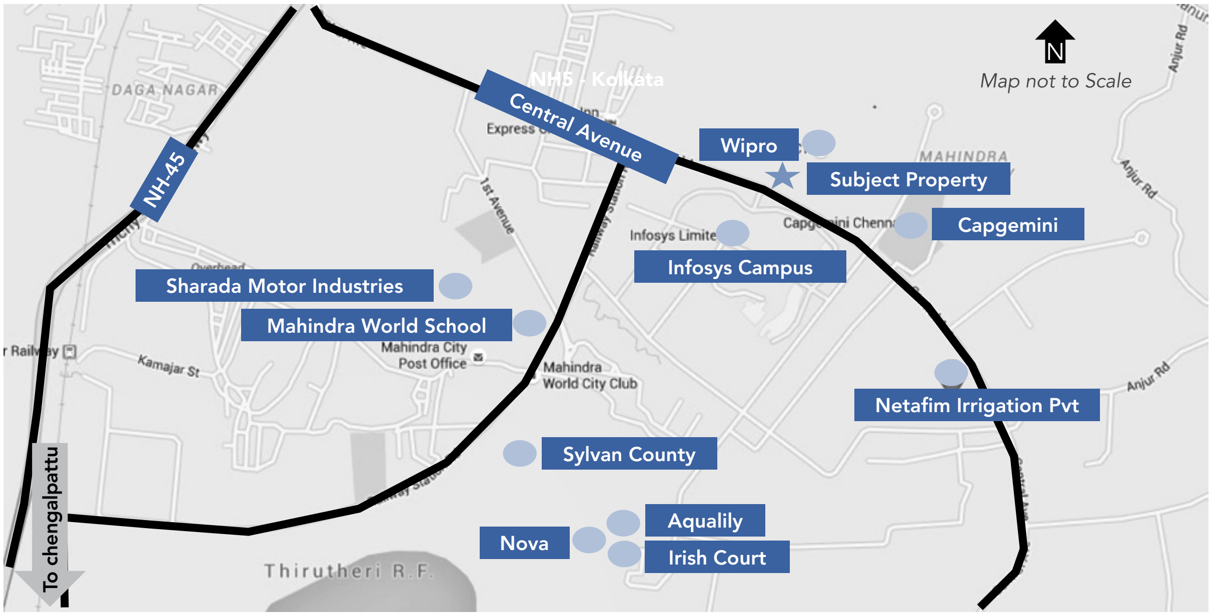
Food Court

Source: Ascendas Property Fund Trustee Pte Ltd (as trustee-manager of Ascendas India Trust) & CBRE Research

3 LOCATION & ACCESSIBILITY

The subject property is located in Singaperumalkoil in the southern periphery of Chennai and is part of Mahindra World City, a fully integrated business city. The distance of the subject property from some of the prominent nodes in the city is provided in the exhibit below:

Key Nodes	Approximate Distance (km)
Kathipara Junction	40-42
Central Business District (CBD)	50-51
Chennai Central Railway Station	58-60
Chennai International Airport	35-37



Source: CBRE Research

4 TENANT MIX

Office space across blocks in the subject development have been leased out to multiple tenants operating in the Automotive and IT/ITES segment such as Nissan, Capgemini etc. with average space requirements in the range of approximately 40,000-50,000 sq ft. Majority of the tenants are Multinational Corporations and cater to banking and financial services, back-end operations, etc.

F CYBERVALE: PROPERTY ANALYSIS

5 DEVELOPMENT PERFORMANCE

The subject property is located within Mahindra World City in Singaperumalkoil micro-market. Further, we understand that the subject property is an existing IT SEZ campus developed under the regulations of Special Economic Zones Act of India (2005). Based on visual inspection, it was observed that the subject property consists of three operational blocks namely Lakeview, Springfield and Building 3 with a total leasable area of approximately (847,480 sq ft).

Further, the subject development also comprises of a vacant land parcel (approximately 4.39 acres) earmarked for future development. In addition, the leasable area of future development/proposed block, as per inputs provided by the client, in the development is approximately 371,000 sq ft.

6 SWOT ANALYSIS

Strengths

- Located in the Integrated Business City – Mahindra World City
- Excellent Connectivity (via. Road and Rail) to important hubs in the city

Weakness

- Distance from CBD – located at a considerable distance from CBD (approximately 50 km)

Opportunity

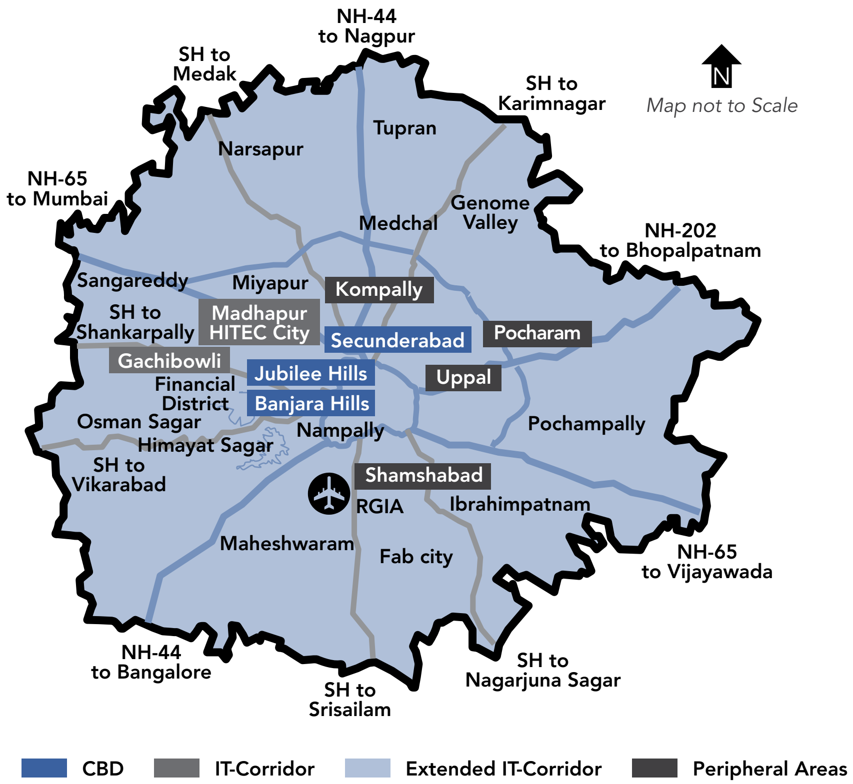
- Cost Advantage – as compared to other established and emerging vectors, Grand Southern Trunk provides better quality space options at competitive rentals

Threat

- Limited availability of support infrastructure such as retail malls in the region

G HYDERABAD COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW



Hyderabad[12] is the common capital for the states of Andhra Pradesh and Telangana for a period of 10 years with effect from 2nd June 2014. The total area covered under the Hyderabad Metropolitan Development Authority (HMDA) is approximately 7,228 sq km (India's second largest metropolis by area). The city was initially positioned as an important trading hub of South India for silverware, silk wear, cotton wear, pearls and ornaments. Further, the city enjoys excellent connectivity to other major cities through three National Highways and a grid of State Highways.

From a traditional trading hub, Hyderabad has established itself as a manufacturing and services hub with the establishment of prominent educational institutes such as Osmania University, Jawaharlal Nehru Technological University (JNTU), the highly acclaimed Indian School of Business (ISB) and Indian Institute of Information Technology (IIIT). Owing to the availability of qualified work force, the city has gradually established itself as a manufacturing and services hub.

The manufacturing activities in the city focus on cement, fertiliser and pharmaceutical industries. Over the last decade, the city has emerged as an important IT/biotech hub in India. The transition process started with the establishment of Cyberabad (HITEC Layout) as the hub for commercial (IT/ITES) activity in 1998.

Hyderabad is at the forefront in terms of infrastructure up-gradation. Many focused initiatives by the State Government in development of physical (Outer Ring Road, Manjeera water supply pipeline, international airport, up-gradation and development of roads, flyovers etc.), social (sports stadiums, ISB, IIIT etc.) and business infrastructure (Cyberabad – HITEC Layout, Hardware Park, SEZs, Genome Valley, International Convention Centre, etc.) over the last decade has resulted in Hyderabad emerging as a preferred destination for domestic and multi-national corporates. This has resulted in large-scale development initiatives by many local, national and foreign developers across real estate segments.

Hyderabad region enjoys enhanced connectivity via road, rail and air to key locations in India and abroad. Hyderabad is well connected to prominent cities in India through a confluence of National as well as State Highways.

[12] Area notified as the Greater Hyderabad Municipal Corporation under the Hyderabad Municipal Corporation Act, 1955 is the common capital for both the Telangana and Andhra Pradesh States

G HYDERABAD COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW (CONTINUED)

Large number of infrastructure initiatives has been undertaken by the State Government to reduce the infrastructure inadequacies attributed to the increasing population density. Some of the key infrastructure initiatives[13] undertaken are highlighted below:

Project	Description
Outer Ring Road (ORR)	**Overview:** The key objective of this project is to facilitate better connectivity with key activity nodes of the city and ease traffic congestion along the Inner Ring Road. This project comprises a 160 km circular envelope around the city and is divided into 2 phases as highlighted below: • **Phase 1:** Length – 22 km stretch (Cyberabad to Hyderabad International Airport) which has 8 lanes and is operational since Nov 2008 • **Phase 2A:** 62 km stretch (Shamshabad to Pedda Amberpet and Narsingi to Patancheru). Operational since Q2 CY2011 • **Phase 2B:** 76 km stretch (Patancheru to Pedda Amberpet). Patancheru to Shamirpet stretch (viz. stage 1 of phase 2B) has been operational since Dec CY2012. Pedda Amberpet – Ghatkesar stretch is operational since Q1 CY2015; Shamirpet to Pedda Amberpet stretch is currently under construction – expected to be operational by Q3 CY2016 **Impact:** Phase 1 connects HITEC City to the airport and significantly reduces the travel time from the IT Corridor to the Airport. Other phases to improve connectivity across the city.
Mass Rapid Transport System (MRTS)	**Overview:** Hyderabad Metro Rail has been conceptualised to connect the important hubs in the city through 67 stations across 3 lines. The key objective of the metro rail is to decongest traffic in the city and to reduce travel time. It will be spread across a total length of approximately 71.16 km comprising of 3 lines viz. Line 1 (LB Nagar – Miyapur), Line 2 (Jubilee Bus Stand – Falaknuma) and Line 3 (Nagole – Raidurg). It is one of the largest PPP initiatives being undertaken in India on design, built, finance, operate & transfer (DBFOT) basis. A Consortium headed by L&T has been awarded the concession rights for undertaking this project with proposed completion timelines of CY2017. The estimated project cost is expected to be approximately ₹141,320 million. The work on Line 1 and Line 3 have already commenced with Phase 1 (Nagole – Mettuguda) of Line 3 is expected to be completed by CY2016 and Line 2 is expected to be completed by CY2017. **Impact:** Line 3 connects HITEC City (subject micro-market) to key residential pockets of the city – to result in improved connectivity to the subject region

Source: CBRE Research

[13] All dates mentioned in this section of the report are based on inputs received from public sources. Also, it should be noted that these are based on current status of the project and are subject to change.

1 CITY OVERVIEW (CONTINUED)

1.1 Hyderabad micro-market classification and key commercial hubs:

Hyderabad has been classified into different activity zones based on the concentration and profile of development activity, as detailed below:

Micro-market	Locations Included	Description
Central Business District (CBD)	Banjara Hills, Jubilee Hills, Begumpet, Somajiguda etc.	• Existing commercial hub of the city, primarily Non-IT focussed spaces • Characterised by low rise, high density developments with limited infrastructure provisions • Prominent companies that have presence in this micro-market are DE Shaw, Karvy, Intergraph, PWC, ICICI Bank, ADP, Pramati Technologies, NCR, etc. • Activity currently restricted to re-development initiatives and development of land sporadically auctioned by the Government
IT/Extended IT Corridor	Kondapur, Madhapur, Gachibowli, Nanakramguda etc.	• Alternate commercial hub of the city • Located towards the west of the city, the commercial activity primarily comprises of IT/ITES activity • Characterised by Grade – A developments with superior infrastructure provisions • Commercial supply in this market comprises of SEZ and Non-SEZ space • Prominent companies include TCS, Accenture, IBM, Deloitte, Microsoft, Infosys, Cognizant, HSBC, Amazon, etc.
Peripheral Business District (PBD)	Uppal, Pocharam, Shamshabad etc.	• Emerging hub for commercial activity • Organised commercial developments comprising of a mix of SEZ & Non-SEZ space options • Prominent companies include Genpact, Cyient, Infosys, etc.

Source: CBRE Research

G HYDERABAD COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW (CONTINUED)

1.2 HITEC City Overview:

HITEC City is located towards the west of Hyderabad city and forms part of the Cyberabad region. Cyberabad was a term coined to denote a separate area earmarked for IT/ITES led activity by the state Government. The evolution of this region was kick-started with the launch of the HITEC Layout (Cyber Towers) in CY1998. The success of HITEC Layout along with the focused approach and facilitation by successive State Governments has resulted in a continuous influx of national and global institutions, prominent IT/ITES companies into Cyberabad region (the subject micro-market).

The Cyberabad region has initially (in early 2000's) witnessed high levels of commercial real estate development activity along key arterial roads such as HITEC layout road, Kondapur road, etc., comprising of notable developments such as HITEC Layout, The V, Raheja Mind Space, TCS Deccan Park, E Park, Laxmi Cyber City, DivyaSree Omega, Meenakshi e-Park, Jayabheri Silicon Towers, etc. Further, due to the limited availability of privately held non-litigated land parcels for future development along these roads coupled with the pro-active infrastructure initiatives undertaken by State Govt. (viz. promotion of financial district – a 150 acre dedicated park aimed to attract IT/ITES and financial services company) in locations such as Gachibowli, the commercial office activity witnessed spill over to geographically contiguous locations such as Raidurg, Gachibowli, Nanakramguda, etc. Some of the prominent commercial developments in these areas include Waverock, DivyaSree Orion, DLF Cyber City, etc. These locations are also known for some of the prominent campus developments including Microsoft, Infosys, Wipro, Franklin Templeton, ICICI Towers, TCS, etc.

In addition, HITEC City is also characterised by developments across retail, entertainment and hospitality segments. Some of the prominent hospitality developments include The Westin, Novotel Accor, Hyatt, Ella Suites, The Avasa, Lemon Tree, etc. Inorbit Mall by K Raheja Developers is one of the prominent completed organised retail malls in the region.

2 SUPPLY, ABSORPTION & VACANCY TRENDS: HYDERABAD

Hyderabad has a total commercial stock (both IT/ITES and Non-IT) of approximately 47 million sq ft as of CY2015. West Zone[14] constitutes of approximately 79% of the total completed stock. The balance stock (viz. approximately 21%) is distributed among CBD & other regions of the city. Out of the total office stock in West Hyderabad, IT/ITES component constitutes of approximately 78% with the balance being constituted by the Non-IT segment.

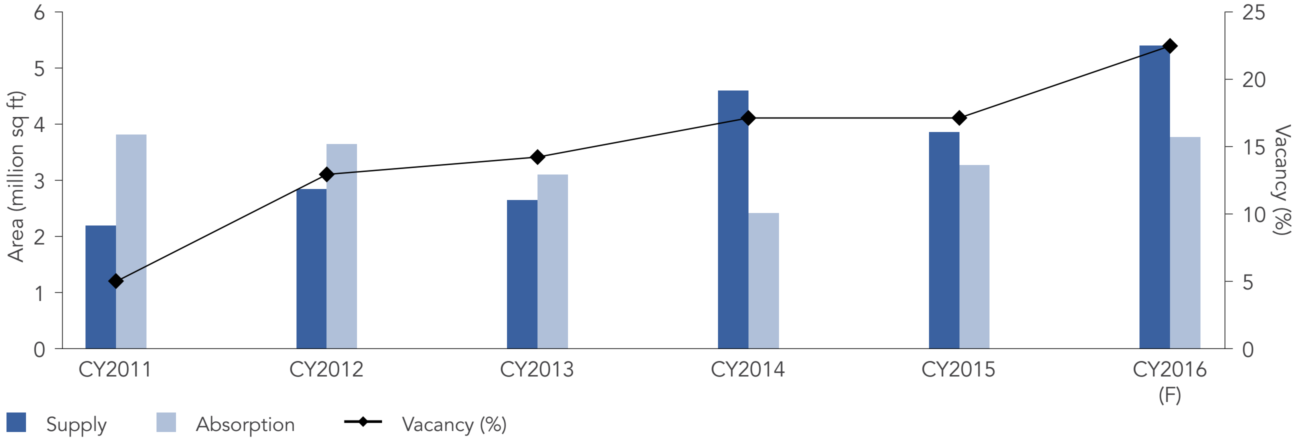
Over the last 5 years, Hyderabad has witnessed a total commercial stock (both IT/ITES and Non-IT) of approximately 16.1 million sq ft, translating into an average annual supply of approximately 3.2-3.4 million sq ft. West Zone constitutes approximately 94% of the total stock witnessed in Hyderabad during this time period.

Over the last 5 years (viz. CY2011-2015), Hyderabad has witnessed a total absorption of approximately 16 million sq ft (both IT/ITES and Non-IT), translating into an average annual off-take of approximately 3.1-3.3 million sq ft. Currently, there is a vacancy of approximately 16-18% in the completed stock in the city. However, this vacant stock is primarily located in the peripheral micro-markets of the city which are witnessing limited interest levels from corporates and the IT/ITES sector. Over the next 1 year, Hyderabad is expected to witness a total absorption of approximately 3.7 million sq ft and increase in stock by 5.4 million sq ft.

14 Western parts of Hyderabad comprising micro-markets such as Madhapur, Kondapur, HITEC city, Raidurg, Gachibowli, Nanakramguda, etc.

2 SUPPLY, ABSORPTION & VACANCY TRENDS: HYDERABAD (CONTINUED)

The exhibit overleaf highlights the supply, demand and vacancy trends in Hyderabad on a year on year basis:



Source: CBRE Research; Note: Supply – refers to fresh completed supply added each year; Absorption – refers to the occupancy witnessed in each year which is reflective of both fresh and secondary leasing; The vacancy in the chart accounts for the gap between cumulative stock and occupied space in the city in any given year and includes secondary spaces (if any) being generated due to churn in the market

3 SUPPLY, ABSORPTION & RENTAL TRENDS: WEST HYDERABAD MICRO-MARKET

West Hyderabad has witnessed a total commercial stock of approximately 37.4 million sq ft (approximately 79% of the total stock in the city). IT/ITES component dominates the completed supply in the micro-market. Out of the total commercial stock, SEZ constitutes approximately 31% (approximately 11.5 million sq ft) with the balance being constituted by the Non-SEZ segment. Over the next 1 year, West Hyderabad is expected to witness a total absorption of approximately 3.25 million sq ft and increase in stock by 5.0 million sq ft.

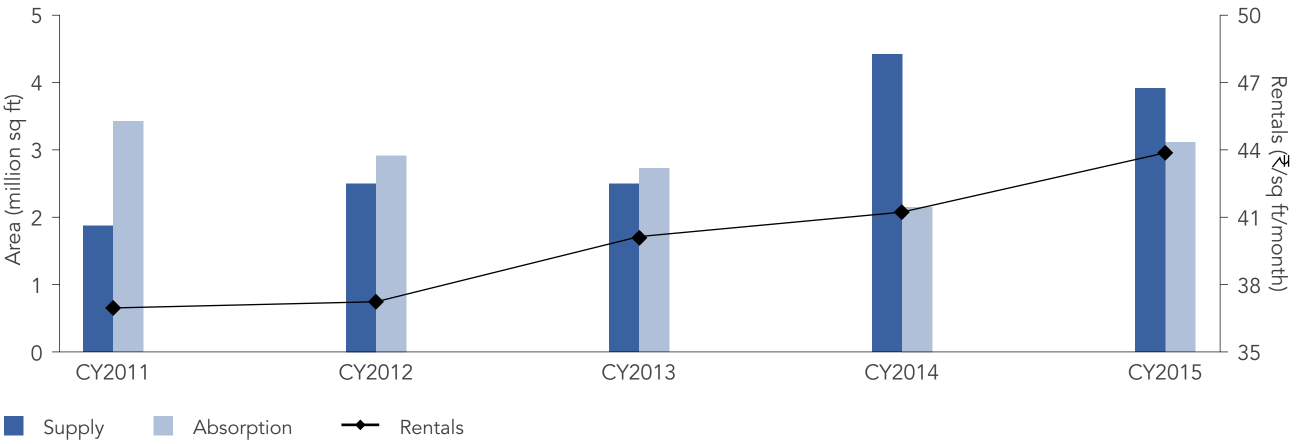
Over the last 5 years, West Hyderabad has witnessed a total absorption of approximately 14.3 million sq ft (both IT/ITES and Non-IT), translating into an average annual off-take of approximately 2.8-3.0 million sq ft. This absorption has been primarily witnessed in two main micro-markets of IT Corridor (HITEC layout, Madhapur & Kondapur) and extended IT Corridor (Raidurg, Gachibowli, Financial District & Nanakramguda). Further, out of the total current vacancy in West Hyderabad, the vacancy in the IT Corridor (micro-markets where Ascendas developments are located) constitutes to approximately 10% (viz. The V, Cyber Gateway, The Watermark, Krishe Sapphire, Raheja Mindspace, Cyber Pearl, etc.)

Going forward, West Zone is expected to witness an influx of over approximately 12-13 million sq ft of commercial space over the next 2-3 years (viz. both SEZ & Non-SEZ formats under various stages of construction completion). The Non-SEZ space accounts for approximately 69%-71% of this upcoming stock (viz. Meenakshi Technova, DivyaSree Trinity 2, The V -B6, Salarpuria Knowledge City – Phase II, etc.), translating to approximately 8.0-9.0 million sq ft as part of 15-16 prominent developments in this Zone.

G HYDERABAD COMMERCIAL MARKET OVERVIEW

3 SUPPLY, ABSORPTION & RENTAL TRENDS: WEST HYDERABAD MICRO-MARKET

In CY2011-2012, the average rental values in the subject micro-market for Grade-A IT/ITES space ranged between ₹36-38 per sq ft per month. However, from CY2013 onwards the rentals in the micro-market have witnessed a gradual increase with current rentals ranging between ₹43-45 per sq ft per month. This can primarily be attributed due to increase in the overall leasing activity across key micro-markets along with the positive socio political environment in the state post the bifurcation. The city has witnessed some of the largest pre-commitments in the last one year and a similar trend is expected in the next 1-2 years. Further, the limited existing supply levels in key micro-markets such as Madhapur, Gachibowli and Raidurg are expected to further drive the rental values with an upward bias over the short term period.



Source: CBRE Research; Note: Supply – refers to fresh completed supply added each year; Absorption – refers to the occupancy witnessed in each year which is reflective of both fresh and secondary leasing

4 ANALYSIS OF DEVELOPMENTS IN WEST HYDERABAD

4.1 Current Commercial Developments Around West Hyderabad

Building Name	Developer	Year of Completion	Total Area (million sq ft)	Vacancy (% of total area)	Main Occupiers
Meenakshi Tech Park	Meenakshi Group	2013	0.8	Fully Occupied	JDA, Xilinx, Deloitte
Cyber Gateway	L&T	2002-03	0.9	18%	Vertex, Genpact, Oracle, Roufus, FCS, etc.
Orion (SEZ)	DivyaSree Developers	2008-14	2.0	5%	Accenture, IBM, Wells Fargo, Invesco, Prokarma, Mindtree, etc.
Omega	DivyaSree Developers	2007-14	1.3	Fully Occupied	Deloitte, Google, Synopsys, IVY Comptech, etc.
Mindspace	K Raheja Corp	2004-15	5.3 (Non-SEZ) & 3.0 (SEZ)	6%	HSBC, Qualcomm, Accenture, Deloitte, IBM, CSC, Facebook, JPMC, Thomson Reuters, Bank of America, etc.

Source: CBRE Research; Note: reflective of relevant competing developments to Ascendas' developments in West Hyderabad

4 ANALYSIS OF DEVELOPMENTS IN WEST HYDERABAD (CONTINUED)

4.2 Upcoming Commercial Developments Around West Hyderabad

Building Name	Developer	Expected Completion	Total Area (million sq ft)
Orion (SEZ) – Block 5	DivyaSree Developers	2016	0.8
Mindspace West – Bldg No 12 C	Raheja Corp	2016	0.8
Waverock – Phase 2.2 (SEZ)	Tishman Speyer	2017	0.5
Salarpuria Knowledge City – Phase II	Salarpuria	2017	1.5
Western Pearl	Western Constructions	2016	0.5

Source: CBRE Research

5 OUTLOOK

CBRE is of the opinion that West Hyderabad (comprising Madhapur, HITEC City and surrounding areas), is expected to witness significant increase in IT/ITES supply in the medium term – supply additions to be in line with demand growth. West Hyderabad is the preferred destination owing to easy accessibility from key residential hubs, availability of quality residential options, presence of social infrastructure, etc. IT/ITES demand trends are expected to improve in line with continued strong performance of this sector in India with a positive impact West Hyderabad (the IT/ITES hub of Hyderabad). SEZ space is expected to witness sustained demand over the short - medium term horizon. Subject micro-market and surrounding areas are expected to continue to being the preferred IT/ITES and SEZ destination. The city has witnessed some of the largest pre-commitments in the last one year in the under-construction developments and a similar trend is expected in the next 1-2 years. Over the next 1 year, West Hyderabad is expected to witness a total absorption of approximately 1.68 million sq ft and increase in stock by 2.94 million sq ft for the SEZ space. Rentals to have an upward bias over the short term horizon – minimal availability of completed stock of IT/ITES space across West Hyderabad (particularly in IT Corridor where Ascendas developments are located) have pushed up the rentals. This restricted existing supply levels are expected to further drive the rental values with an upward bias over the short term period. Over the next 1 year, West Hyderabad is expected to witness a rental of ₹45-47 per sq ft per month.

H PROPERTY ANALYSIS: AVANCE BUSINESS HUB

1 INTRODUCTION

The subject property is located near Madhapur, an established IT/ITES and residential hub located towards West of Hyderabad city. The subject micro-market is primarily characterised by IT/ITES activity, comprising MTB[15]/BTS[16] formats as well as IT/ITES Parks.

2 PROFILE OF THE AVANCE BUSINESS HUB, HYDERABAD

Overview

Year of Operation	Building No. H08: 2008 Building No. H01A: 2008 Building No. H06: 2013

Configuration

Total Project Area (in acres)	5.20
Development Mix	Commercial Office
Leasable Area	1.11 million sq ft
Floor Plate (approximately)	Building No. H08: 32,700 sq ft Building No. H01A: 33,100 sq ft Building No. H06: 97,500 sq ft
No. of Floors	Building No. H08: 7 Floors Building No. H01A: 7 Floors Building No. H06: 7 Floors

Location

Address	Survey Nos. 30 (Part), 34 (Part), 35(Part) and 38(Part), Gachibowli Village, Serilingampally Mandal, Ranga Reddy District
Proximity to CBD	Approximately 15-16 km from CBD
Proximity to Airport	Approximately 32-35 km from International Airport
Proximity to Railway Station	Approximately 17-19 km from Nampally station
Proximity to Nearest Prime Residential Development	Approximately 1-2 km
Connecting Arterial Roads	4 lane carriageway road (viz. approximately 100 ft wide) emanating from HITEC Layout-1 road

Infrastructure

Power Supply & Backup	100% power backup
Fire Protection Systems	All the three developments are equipped with fire alarms and sprinklers
Parking (H01A & H08)	Four Wheeler (covered) – 148 Two Wheeler (covered) – 250 Two Wheeler (un-covered) – 230

Amenities

Cafeteria, recreational areas, security etc.

Source: Ascendas Property Fund (India) Pte Ltd & CBRE Research

[15] Multi Tenanted Building

[16] Built-to-suit

3 LOCATION & ACCESSIBILITY

The subject property is located in Gachibowli, in proximity to Madhapur which is an established IT/ITES and residential hub located towards West of Hyderabad city. The distance of the subject property from some of the prominent nodes in the city is provided in the exhibit below:

Key Nodes	Approximate Distance (km)
ORR at Gachibowli	4-5
Panjagutta 'X' Roads (CBD Area of Hyderabad)	15-16
Nampally Railway Station	17-19
Rajiv Gandhi International Airport	32-35

Source: CBRE Research

Source: CBRE Research

4 TENANT MIX

The IT Park has a tenant mix of IT, ITES firms with majority of tenants being MNCs (US based) as well as Indian IT majors and caters to software development, healthcare service product development, R&D activities, etc.

5 DEVELOPMENT PERFORMANCE

The aVance Business Hub is a Government approved sector specific SEZ (Special Economic Zone) for IT/ITES sector and is part of a larger land parcel admeasuring approximately 25.2 acres. Further, Building Nos. H01A, H08 & H06 (viz. total leasable area admeasuring approximately 1,110,579 sq ft) are currently operational. All the three buildings are equipped with 100% power backup, food courts, high efficiency offices, etc. and witnessed near 98% occupancy during FY15/16.

H PROPERTY ANALYSIS: AVANCE BUSINESS HUB

6 SWOT ANALYSIS

Strengths

- Superior location – located in the established IT/ITES hub of Hyderabad
- Excellent connectivity (via. road) to important hubs in the city

Weakness

- Property located off key arterial road

Opportunity

- Development of the micro-market into an integrated real estate destination with superior physical and social infrastructure – ideally suited to cater to leading IT/ITES tenants

Threat

- Upcoming competing supply in the micro-market and as part of the same layout

I PROPERTY ANALYSIS: THE V

1 INTRODUCTION

The subject property is located in Madhapur, an established IT/ITES hub located towards West of Hyderabad city. The subject micro-market is primarily characterised by IT/ITES activity, comprising MTB/BTS formats as well as IT/ITES Parks.

2 PROFILE OF THE V, HYDERABAD

Overview

Year of Operation	Mariner: 2000 Auriga: 2002 Orion: 2004 Capella: 2005 Vega: 2007 MLCP[17]: 2016
Under Construction Block	MTB 6: 2017

Configuration

Total Project Area (in acres)	19.40
Development Mix	Commercial Office Space
Leasable Area including Ancillary space	1,274,438 sq ft
Leasable Area (Under Construction Property)	MTB 6: 407,805 sq ft MLCP: 232,051 sq ft (Block for Parking)
Floor Plate (approximately)	Mariner: 32,000 sq ft Auriga: 30,600 sq ft Orion: 33,900 sq ft Capella: 24,500 sq ft Vega: 51,800 sq ft
No. 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, Andhra Pradesh
Proximity to CBD (km)	9-11
Proximity to Airport (km)	34-36
Proximity to Railway Station	Approximately 15-17 km from Nampally station
Proximity to Nearest Prime Residential Development	Approximately 1-2 km
Connecting Arterial Roads	4 lane Inorbit mall road (viz. approximately 150 ft wide)

[17] MLCP has partial occupancy permit to operate with effect from 13th February 2016.

2 PROFILE OF THE V, HYDERABAD (CONTINUED)

Infrastructure	
Power Supply & Backup	100% power backup
Fire Protection Systems	All developments are equipped with fire alarms and sprinklers
Parking (Existing Blocks)	Four Wheeler (covered) – 818 Four Wheeler (open) – 387 Two Wheeler (covered) – 2,723
Parking (Under Construction Blocks)	MTB 6 Four Wheeler (covered) – 440 MLCP Basement 2 & Basement 3 – 250 Basement 1, GF, 1, 2 & 3 – 410

Amenities
Convenience stores, gyms, recreational areas, security etc.

Source: Ascendas Property Fund (India) Pte Ltd & CBRE Research

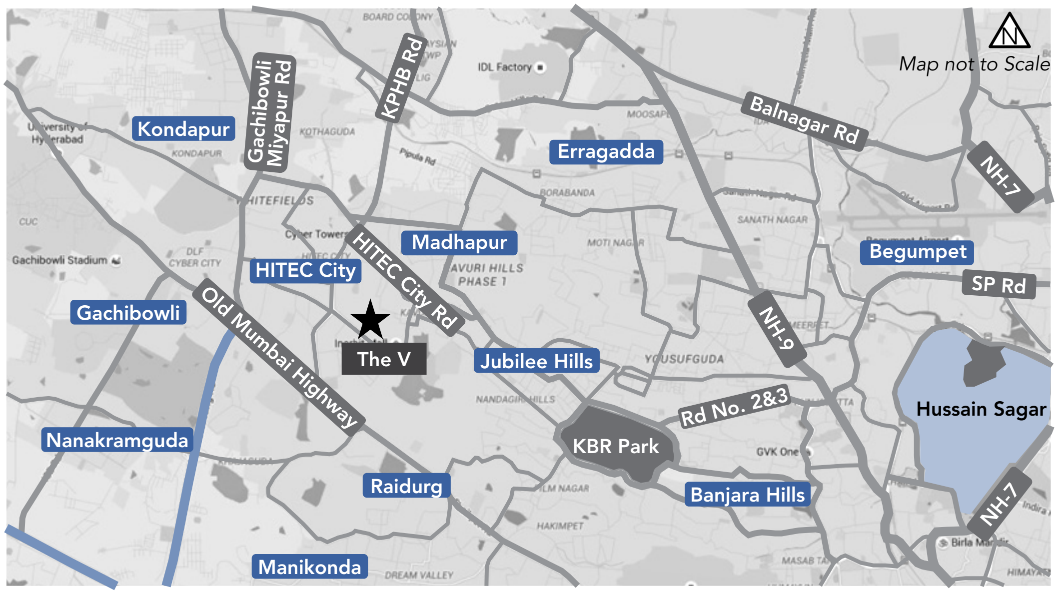
3 LOCATION & ACCESSIBILITY

The subject property is located in Madhapur, towards West of Hyderabad city. The distance of the subject property from some of the prominent nodes in the city is provided in the exhibit below:

Key Nodes	Approximate Distance (km)
ORR at Gachibowli	3-5
Panjagutta 'X' Roads (CBD Area of Hyderabad)	9-11
Nampally Railway Station	15-17
Rajiv Gandhi International Airport	34-36

Source: CBRE Research

3 LOCATION & ACCESSIBILITY (CONTINUED)



Source: CBRE Research

4 TENANT MIX

The IT Park has a tenant mix of IT, BPO, ITES, Market Research firms supported by retail, F&B, gym, etc. The V caters to companies like EA Games, AT&T, Cubic, Cordy's R&D, Diebold, etc. Majority of the tenants are MNCs (US based) and caters to software development, R&D activities, etc.

5 DEVELOPMENT PERFORMANCE

The V is an IT park spread over 19.4 acres with a total saleable area of approximately 1.30 million sq ft for completed blocks (including cafeteria area) and leasable area of approximately 0.4 million sq ft for under construction MTB 6 block. It also has an under-construction block for parking facilities with a saleable area of 0.23 million sq ft. The operational blocks comprises 5 commercial buildings (viz. Mariner, Auriga, Orion, Vega, and Capella). The development is equipped with 100% power backup, food courts, gym, etc., and has enabled the park to achieve approximately 100% occupancy during FY15/16.

6 SWOT ANALYSIS

Strengths

- Superior location – located in the established IT/ITES hub of Hyderabad
- Excellent connectivity (via. road) to important hubs in the city
- Excellent tenant profile

Weakness

- Lack of availability of land for future expansion – limited scalability options

Opportunity

- Development of the micro-market into an integrated real estate destination with superior physical and social infrastructure – ideally suited to cater to leading IT/ITES tenants

Threat

- Upcoming competing supply in the subject micro-market

J PROPERTY ANALYSIS: CYBERPEARL

1 INTRODUCTION

The subject property is located in Madhapur, an established IT/ITES hub located towards West of Hyderabad city. The subject micro-market is primarily characterised by IT/ITES activity, comprising MTB/BTS Formats as well as IT/ITES Parks.

2 PROFILE OF CYBERPEARL, HYDERABAD

Overview	
Year of Operation	Phase I: 2004 & Phase II: 2006
Configuration	
Total Project Area (in acres)	6.05
Development Mix	Commercial – IT/ITES office space
Leasable Area	0.43 million sq ft
Floor Plate (approximately)	Phase I: 30,000 sq ft & Phase II: 37,000 sq ft
No. of Floors	Phase I: 7 floors & Phase II:7 floors
Location	
Address	Plot no 9, Survey no: 64/Part, HITEC City, Madhapur, Hyderabad, Andhra Pradesh
Proximity to CBD	10-12 km
Proximity to Airport	35-37 km
Proximity to Railway Station	Approximately 16-18 km from Nampally station
Proximity to Nearest Prime Residential Development	Approximately 2-3 km
Connecting Arterial Roads	4 lane carriageway (viz. approximately 150 ft wide) HITEC City main road
Infrastructure	
Power Supply & Backup	100% power backup for all units
Fire Protection Systems	All developments are equipped with fire alarms and sprinklers
Parking	Four Wheeler (covered) – 314 Four Wheeler (open) – 213 Two Wheeler (covered) – 406 Two Wheeler (open) – 411
Amenities	
Convenience stores, gym, recreational areas, security, food court, etc.	

Source: Ascendas Property Fund (India) Pte Ltd

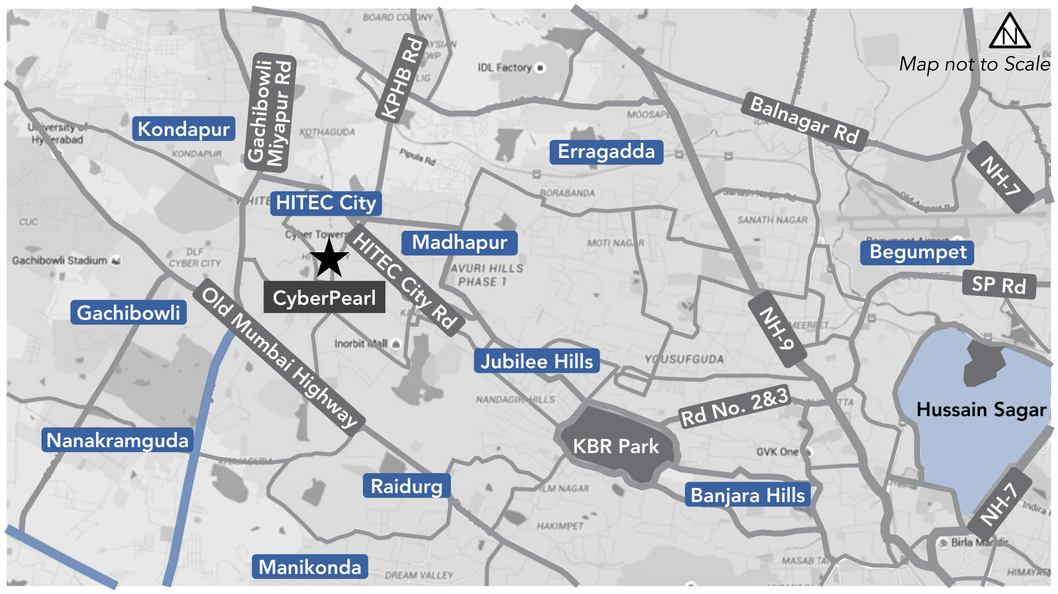
J PROPERTY ANALYSIS: CYBERPEARL

3 LOCATION & ACCESSIBILITY

The subject property is located in Madhapur towards West of Hyderabad city. The distance of the subject property from some of the prominent nodes in the city is provided in the exhibit below:

Key Nodes	Approximate Distance (km)
ORR at Gachibowli	3-5
Panjagutta 'X' Roads (CBD Area of Hyderabad)	10-12
Nampally Railway Station	16-18
Rajiv Gandhi International Airport	35-37

Source: CBRE Research



Source: CBRE Research

4 TENANT MIX

The IT Park is a multi-tenanted building and predominantly comprises IT, BPO, ITES tenants supported by retail, F&B, etc. CyberPearl caters to companies like Powerwave Technologies, GE, Market tools Research, etc. Majority of the tenants are MNCs (US based) and cater to software development, banking and financial services, engineering, etc.

5 DEVELOPMENT PERFORMANCE

The IT Park is spread over approximately 6 acres with leasable area of approximately 0.43 million sq ft developed over 2 blocks. The development is equipped with 100% power backup, food courts, business centres, etc.

6 SWOT ANALYSIS

Strengths	Weakness
• Superior location – located in the established IT/ITES hub of Hyderabad • Excellent connectivity (via. road) to important hubs in the city	• Lack of availability of land for future expansion
Opportunity	**Threat**
• Development of the micro-market into an integrated real estate destination with superior physical and social infrastructure – ideally suited to cater to leading IT/ITES tenants	• Upcoming competing supply in the subject micro-market

K ABBREVIATIONS

sq ft	Square Feet
sq km	Square Kilometre
MAT	Minimum Alternate Tax
DDT	Dividend Distribution Tax
STPI	Software Technology Parks of India
IIT	Indian Institute of Technology
IIIT	Indian Institute of Information Technology
EoU	Export Oriented Unit
US$	United States Dollar
GDP	Gross Domestic Product
FDI	Foreign Direct Investment
SEZ	Special Economic Zone
PE	Private Equity
IP	Internet Protocol
ISO	International Organization for Standardization
CMM	Capability Maturity Model
MTB	Multi-Tenanted Building
BTS	Built-to-Suit
IT/ITES	Information Technology/Information Technology Enabled Services
CBD	Central Business District
BPO/KPO	Business Process Outsourcing/Knowledge Process Outsourcing
MNC	Multi-National Company
₹	Indian National Rupee

L CAVEATS AND LIMITATIONS

For the purposes of this research exercise, no special assumptions have been made other than those contained elsewhere in the text of this report, and as below:

- Information pertaining to the Client's developments is based on information provided by the Client. CBRE has not undertaken any independent validation of the same
- CBRE has collated its information from secondary sources. The same would not be verified with actual records/registries in Government Departments
- Considering the unorganised nature of real estate markets in India, all comparable evidence (if any) provided in the research report would be limited to the basic details such as the area of asset, quoted rates, broad location/building name etc. Tenant/purchaser and owner details would be provided only if the information is available in public domain
- The research exercise is based on prevailing market dynamics as on the date of the report and does not take into account any unforeseeable developments which could impact the same in the future
- All information that has been or will be supplied to us by the Client has been or will be accepted as being correct unless otherwise stated

LIMITING CONDITIONS

This research report is subject to the following conditions:

- This document is for the sole usage of all entities within the Ascendas India Trust group of companies, Ascendas Property Fund Trustee Pte Ltd (being the trustee-manager of Ascendas India Trust), its managers, and their affiliates, designates, assignees, rating agencies, banks, auditors, existing investors and prospective investors, and no other party shall have any right to rely on the research provided by CBRE without prior written consent.
- Where it is stated in the report that another party has supplied information to CBRE, this information is believed to be reliable but CBRE can accept no responsibility if this should prove not to be so. Where information is given without being attributed directly to another party, this information has been obtained by our search of the records and examination of documents.
- CBRE's responsibility in connection with this research report is limited to the Client to whom it is addressed and to that Client only. CBRE disclaims all responsibility and will accept no liability to any other party.
- Any sketch, plan or map in this report is included to assist reader while visualizing the properties and assume no responsibility in connection with such matters.
- All measurements, areas and ages quoted in our report are approximate.
- In the event that the Client requests CBRE to give testimony or to appear in court by reason of this research report, resulting in the determination of, any default or liability on the part of CBRE, the Client agrees to reimburse CBRE for reasonable costs and expenses actually incurred by CBRE for such court appearance.

NOTICE OF ANNUAL GENERAL MEETING

a-itrust
ascendas india trust

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 Ninth Annual General Meeting of the Unitholders of Ascendas India Trust ("**a-iTrust**") will be held at Orchard Hotel Singapore, Orchard Ballroom 3, Level 3, 442 Orchard Road, Singapore 238879 on Wednesday, 29 June 2016 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

Resolution 1

To receive and adopt the Trustee-Manager's Statement and Audited Financial Statements of a-iTrust, for the financial year ended 31 March 2016, together with the Auditor's 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 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), 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) calculated in accordance with subparagraph (2) below;

(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 of a-iTrust or (ii) the date by which the next AGM of a-iTrust 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 or Units notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(6) the Trustee-Manager and any of its Directors 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 or, as the case may be, the Director 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
Ascendas Property Fund Trustee Pte. Ltd.
as Trustee-Manager of Ascendas India Trust

Mary Judith de Souza
Company Secretary

Singapore
6 June 2016

NOTICE OF ANNUAL GENERAL MEETING

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, (ii) the date by which the next AGM of a-iTrust is required by the applicable regulations to be held, or (iii) the day on which such authority is revoked or varied by the Unitholders in a general meeting, whichever is earlier, to issue Units and to make or grant 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 (in each case, excluding treasury units, if any).

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.

Ordinary Resolution 3, if passed, will empower the Trustee-Manager from the date of this AGM until the date of the next AGM of a-iTrust, to allot and issue Units to itself instead of cash in the event the Trustee-Manager elects in accordance with Clause 12 of the Trust Deed to receive all or any part of the fees due and payable to it in Units, provided that such allotment and issue shall be in accordance with the provisions of the Trust Deed, BTA and applicable regulations.

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, such Unitholder of a-iTrust (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.

PROXY FORM

IMPORTANT

1. This Proxy Form is not valid for use by CPF/SRS Investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
2. **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 6 June 2016.

a-iTrust
ascendas india trust

ASCENDAS INDIA TRUST

(Registration Number: 2007004)
(a business trust registered under the 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")

NINTH ANNUAL GENERAL MEETING

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 Ninth Annual General Meeting of a-iTrust to be held at Orchard Hotel Singapore, Orchard Ballroom 3, Level 3, 442 Orchard Road, Singapore 238879 on Wednesday, 29 June 2016 at 3.00 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 Trustee-Manager's Statement and the Audited Financial Statements of a-iTrust, for the financial year ended 31 March 2016, together with the Auditor's 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 ____________ 2016

Total Number of Units held	

____
Signature(s) of Unitholder(s)/Common Seal

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in Singapore only

ascendas india trust

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

1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

Phone: (65) 6774 1033
Fax: (65) 6774 9563

TRUSTEE-MANAGER

Ascendas Property Fund Trustee Pte. Ltd.

INDEPENDENT AUDITOR

Ernst & Young LLP
Public Accountants and Certified Public 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 Chiang Chie Foo
Mr Manohar Khiatani
Mr Sanjeev Dasgupta
Mr Michael Grenville Gray
Mr Alan Rupert Nisbet
Mr T. V. Mohandas Pai
Mr Girija Prasad Pande
Mr Ng Eng Leng

AUDIT AND RISK COMMITTEE

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

INVESTMENT COMMITTEE

Mr David Lim Tik En (Chairman)
Mr Manohar Khiatani
Mr Sanjeev Dasgupta
Mr T. V. Mohandas Pai
Mr Girija Prasad Pande

NOMINATING COMMITTEE

Mr Philip Yeo Liat Kok (Chairman)
Mr David Lim Tik En
Mr Manohar Khiatani

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr Philip Yeo Liat Kok (Chairman)
Mr David Lim Tik En
Mr Manohar Khiatani

COMPANY SECRETARIES

Ms Mary Judith de Souza
Mr Hon Wei Seng

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

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