

Europe non-deal roadshow slides

8 November 2016

# Disclaimer

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**This presentation on a-iTrust’s results for the quarter ended 30 September 2016 (“2Q FY16/17”) should be read in conjunction with a-iTrust’s quarterly results announcement, a copy of which is available on [www.sgx.com](http://www.sgx.com) or [www.a-iTrust.com](http://www.a-iTrust.com).**

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

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**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, and the common areas such as the lobbies, lift shafts, toilets and staircases of that property, and in respect of which rent is payable.**

**The Indian Rupee and Singapore Dollar are defined herein as “INR/₹” and “SGD/S\$” respectively.**

**Any discrepancy between individual amounts and total shown in this presentation is due to rounding.**

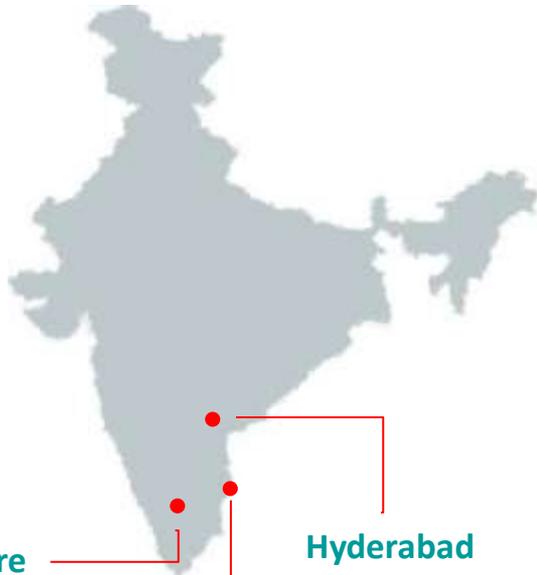
# Content

- Overview
- 



# Introduction to a-iTrust

## Our presence



### Bangalore

- International Tech Park Bangalore

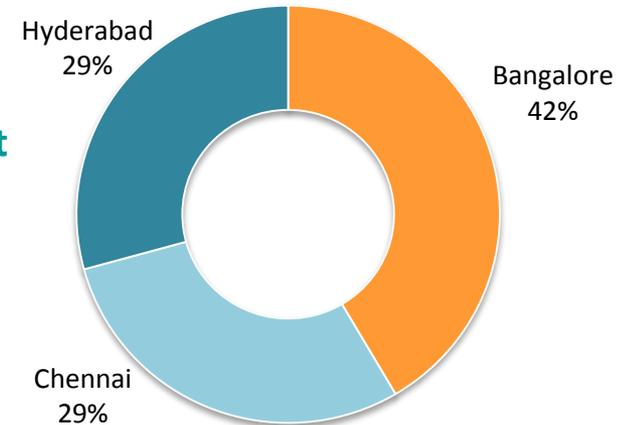
### Chennai

- International Tech Park Chennai
- CyberVale

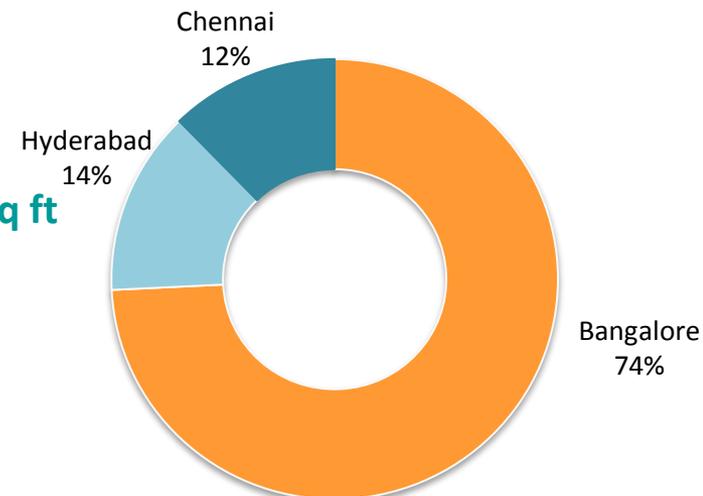
### Hyderabad

- The V
- CyberPearl
- aVance Business Hub

**9.7 million sq ft**  
of completed  
floor area



**3.0 million sq ft**  
of potential  
floor area



# World class IT parks

## Our product



Modern IT Parks built to international specifications & standards.

## Award winning properties

- ITPB: 2012 FIABCI Prix d'Excellence Award Gold Winner, Industrial Category
- ITPC: 2013 FIABCI Prix d'Excellence Award Gold Winner, Industrial Category

1. By floor area; includes LEED and IGBC Platinum, Gold or Silver certifications.

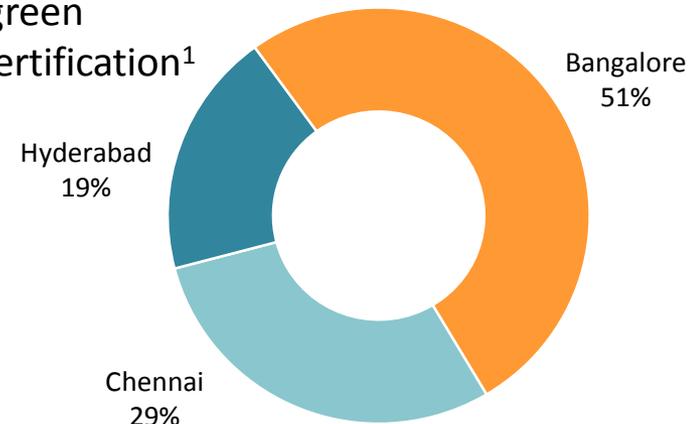
## International business lifestyle

- Recreational activities & amenities



## 70% of portfolio

received green building certification<sup>1</sup>



# Key safeguarding provisions

## Our structure

a-iTrust is a business trust that has voluntarily adopted the following SREIT restrictions:

Permissible investment	Adheres to Property Fund Appendix's definition of allowable investments
Investment restriction	Invests at least 75% of the Trust property in income-producing real estate
Development limit	20% of Trust property
Distributable income	Minimum 90% to be distributed
Tax-exempt distributions	Distributions exempt from Singapore tax
Gearing limit	45%

## Corporate awards

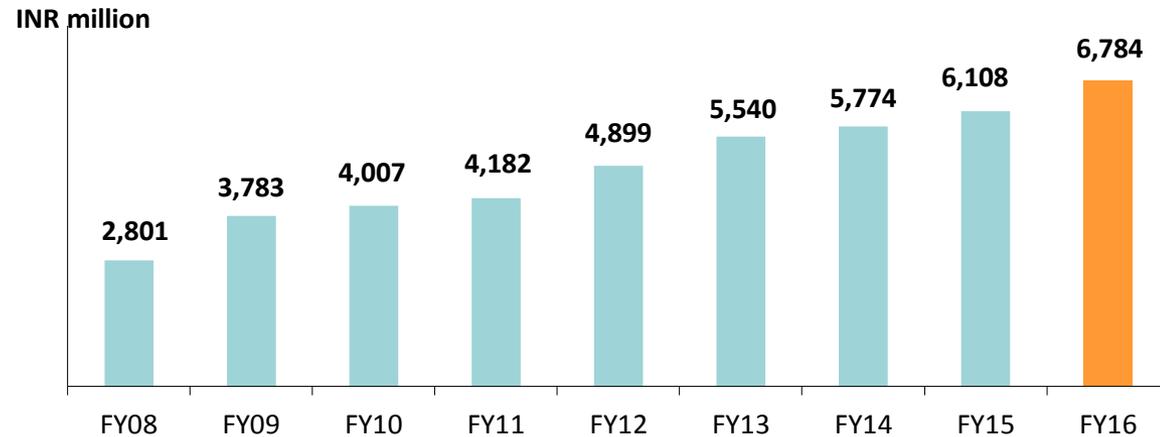
- Merit winner of Singapore Corporate Governance Award twice
- Winner of "Most Transparent Company", New Issue Category

# Stable financial performance

## Our INR financial performance

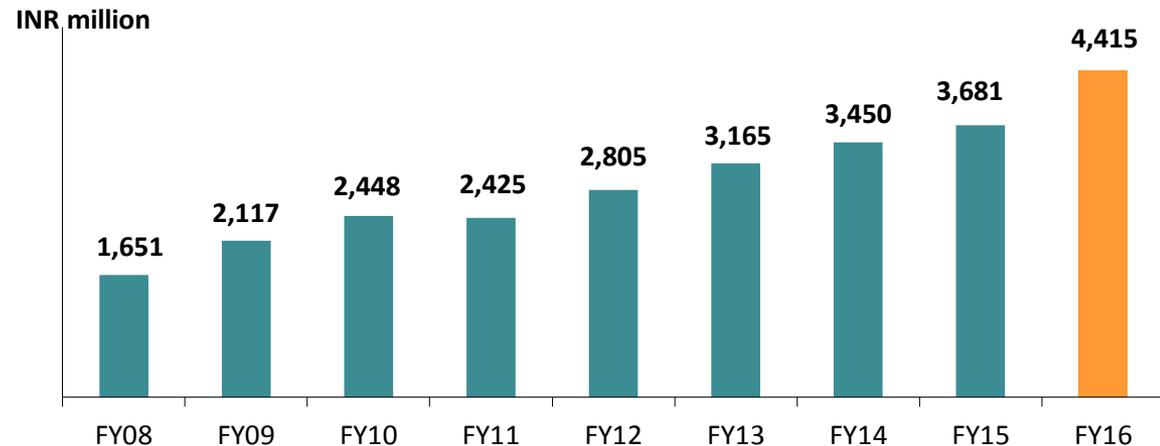
### Total property income

 **12% CAGR**



### Net property income

 **13% CAGR**

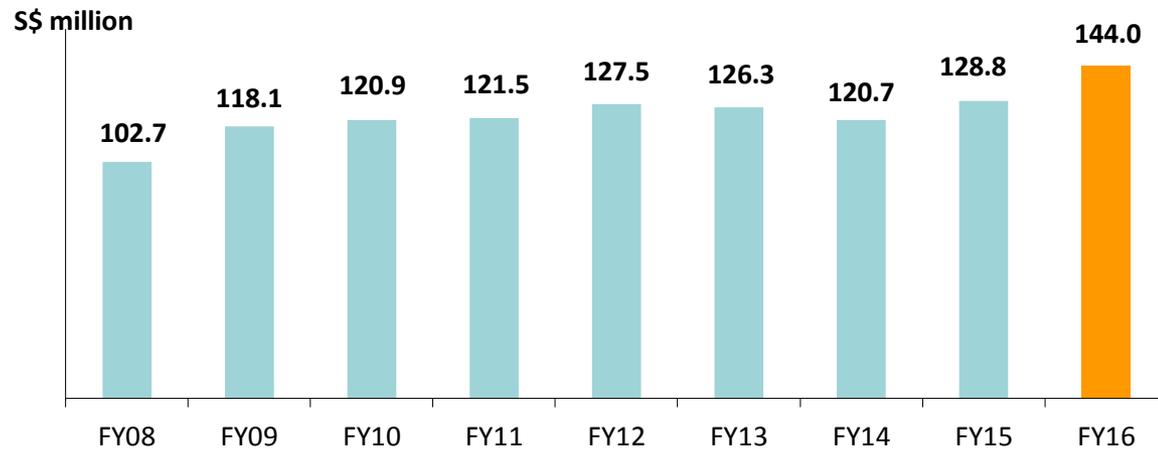


# Stable financial performance

## Our SGD financial performance

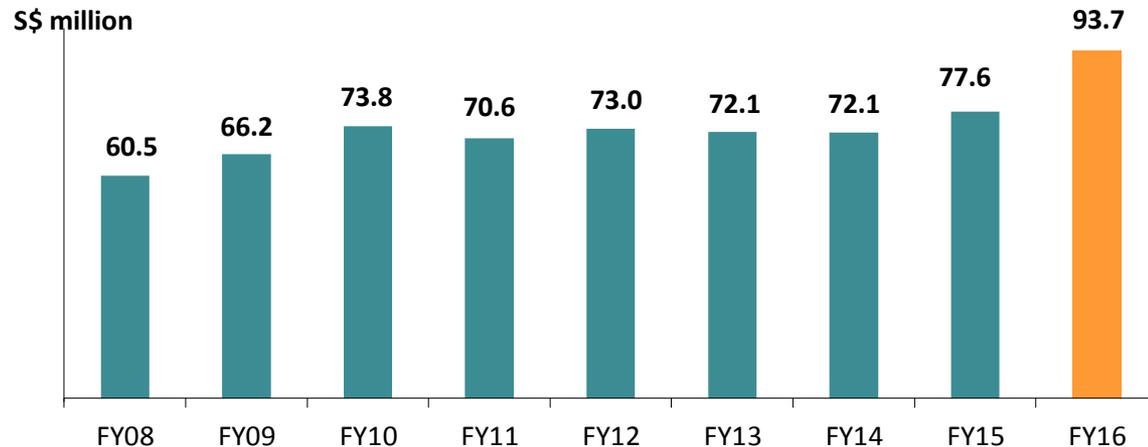
### Total property income

 **4% CAGR**



### Net property income

 **6% CAGR**



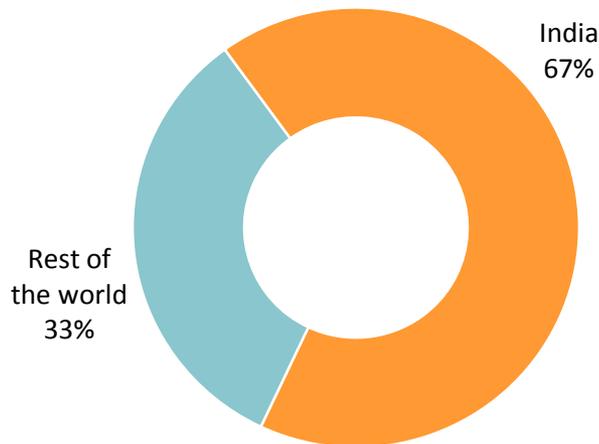
# Content

- Market review

# Global IT powerhouse

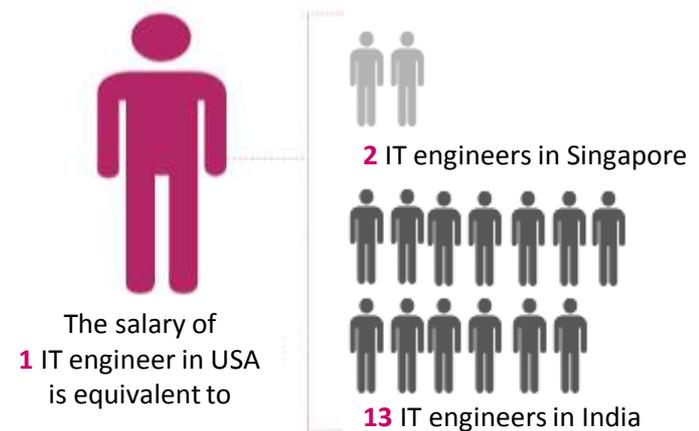
## India's IT industry

### Largest global IT sourcing destination<sup>1</sup>



### Most cost competitive IT sourcing destination<sup>2</sup>

#### IT engineer's salary

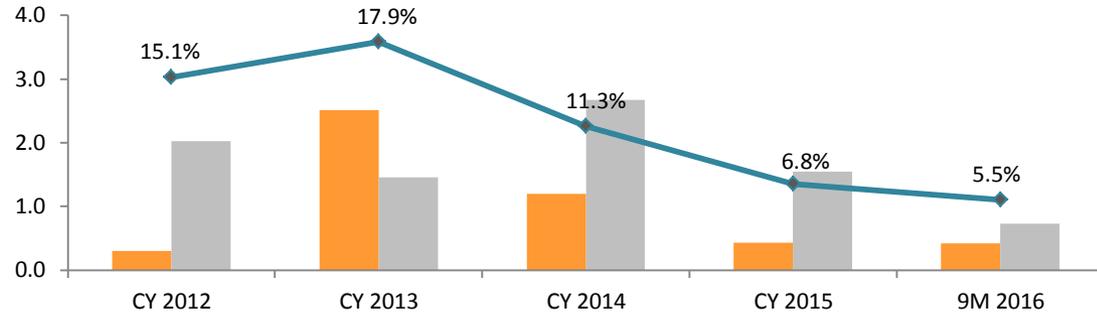


1. Source: India Brand Equity Foundation.
2. Source: September 2016 median salary from PayScale (provider of global online compensation data), converted into USD from local currencies using exchange rate from Bloomberg (30 September 2016)

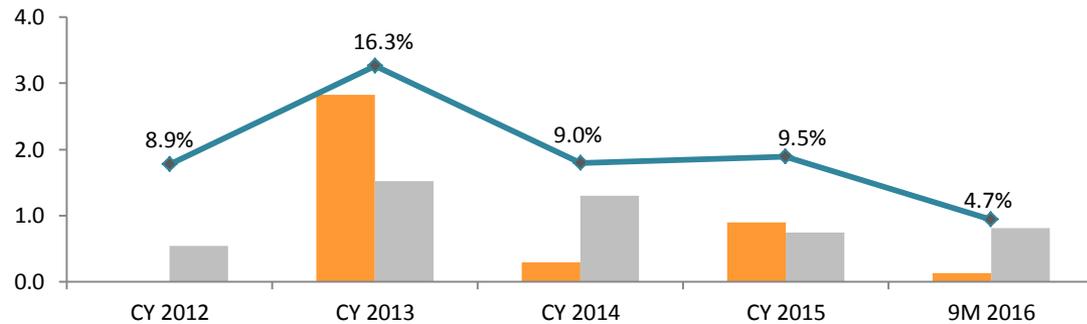
# Improving market fundamentals

## Supply & demand trends<sup>1</sup>

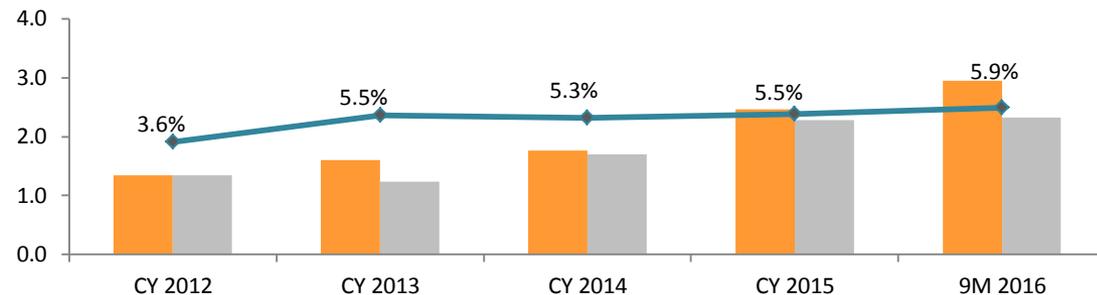
### Bangalore (Whitefield)



### Chennai (OMR)



### Hyderabad (HITEC City)



1. Source: Jones Lang LaSalle Meghraj

Supply (in million sq ft)    Net Absorption (in million sq ft)    Vacancy (%)

# Content

- Operational review



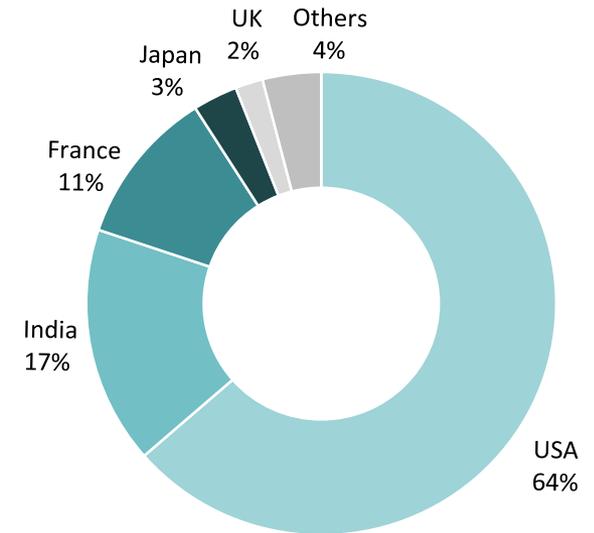
# Top quality tenants

## Tenant statistics

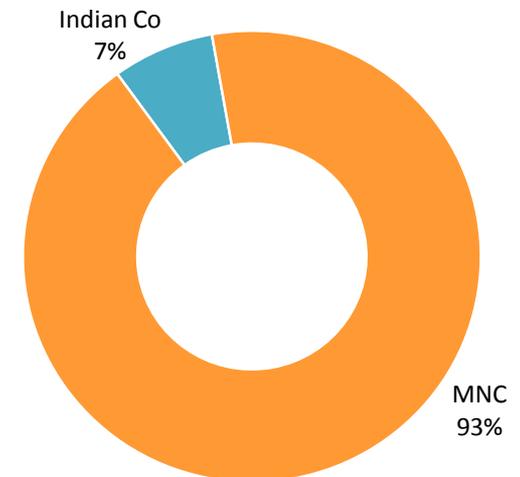
### Top 10 tenants (in alphabetical order)

1	Bank of America
2	Cognizant
3	General Motors
4	Mu Sigma
5	Renault Nissan
6	Societe Generale
7	Tata Consultancy Services
8	The Bank of New York Mellon
9	UnitedHealth Group
10	Xerox

**64%**  
US companies



**93%**  
multinational  
companies



# Diversified tenant base

## Tenant statistics

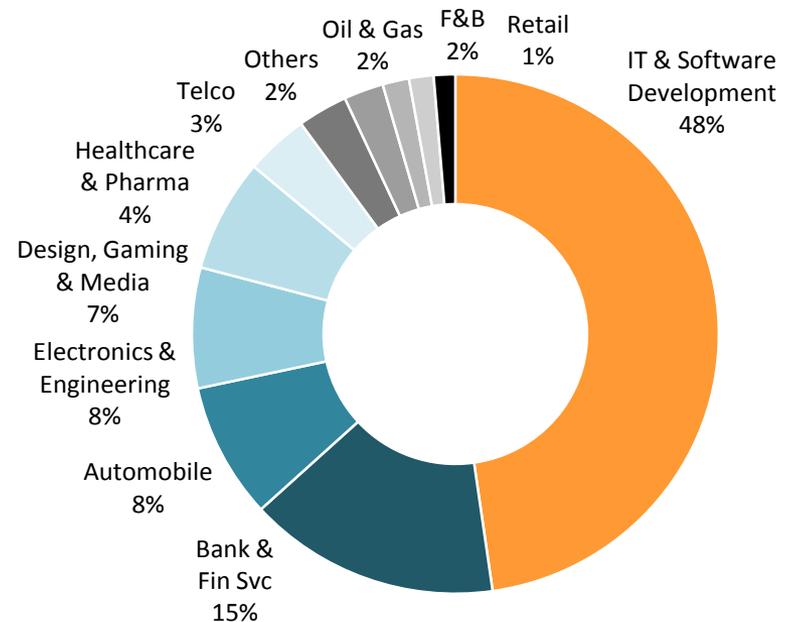
**284** tenants

**95,100** park employees

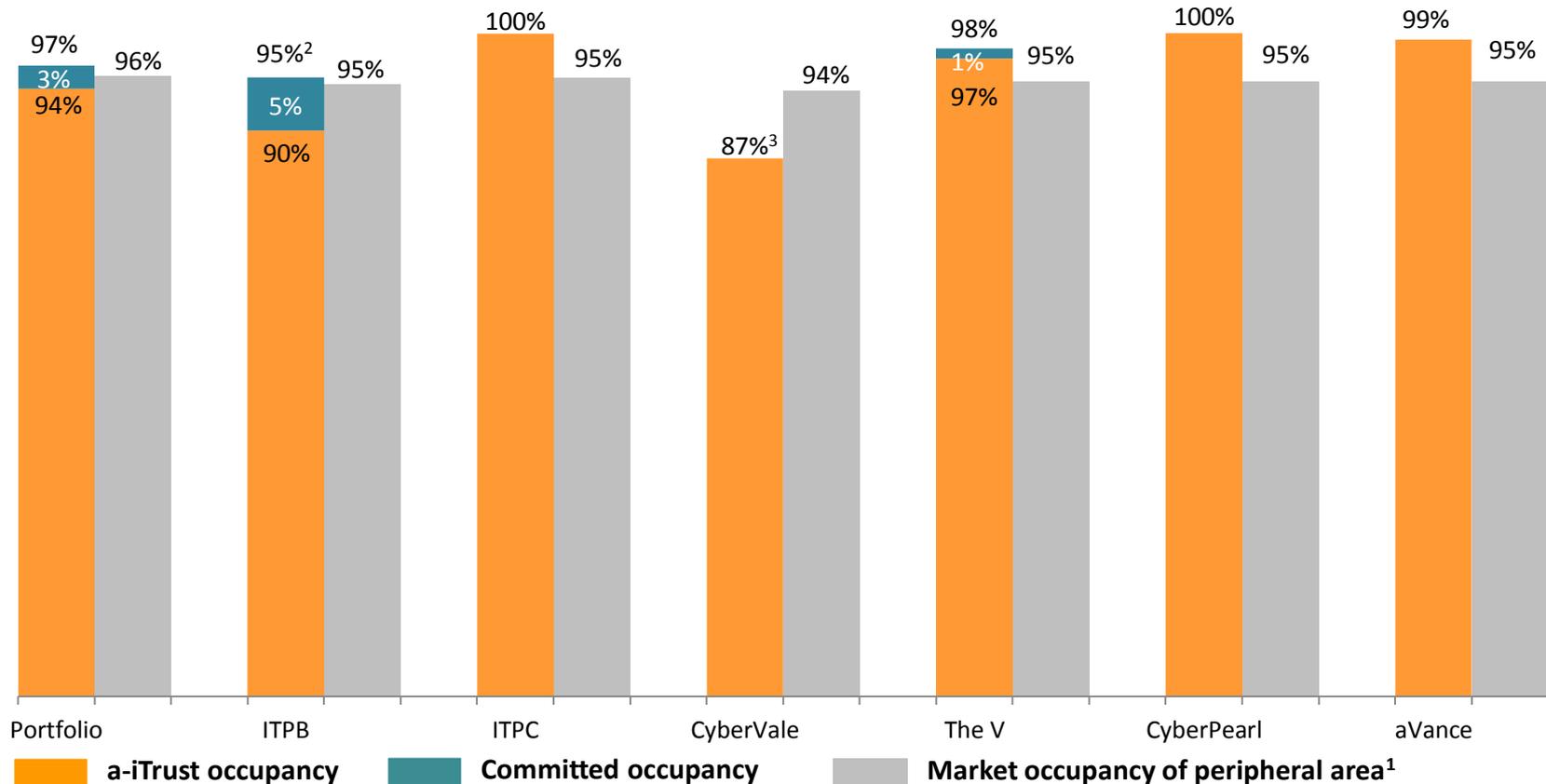
Largest tenant accounts for  
**6% of total base rent**

Top 10 tenants accounts for  
**36% of total base rent**

## Diversified tenant industry



## Occupancy statistics



1. Jones Lang LaSalle Meghraj market report as at 30 September 2016.
2. Includes Victor building which was completed in June 2016 and has a pre-committed occupancy of 100%.
3. Includes building 3 acquired in March 2016. CyberVale's overall occupancy declined as building 3 was 61% occupied as at 30 September 2016. The purchase consideration for the vacant areas of building 3 will only be paid when the space is leased or by May 2019, whichever is earlier.

# Content

- Capital structure



## Overview

### Currency hedging strategy

#### Balance sheet

- Trustee-Manager does not hedge equity.
- At least 50% of debt must be denominated in INR.

#### Income

- Income is repatriated semi-annually from India to Singapore.
- Trustee-Manager locks in the income to be distributed by buying forward contracts on a monthly basis, tying six forward contracts to each semi-annual income repatriation.

### Funding strategy

- Trustee-Manager does not borrow INR loans onshore in India as it cost less to hedge SGD borrowings to INR-denominated borrowings using cross-currency swaps.

### Income distribution policy

- To distribute at least 90% of its income available for distribution.
- a-iTrust retains 10% of its income available for distribution to provide greater flexibility in growing the Trust.

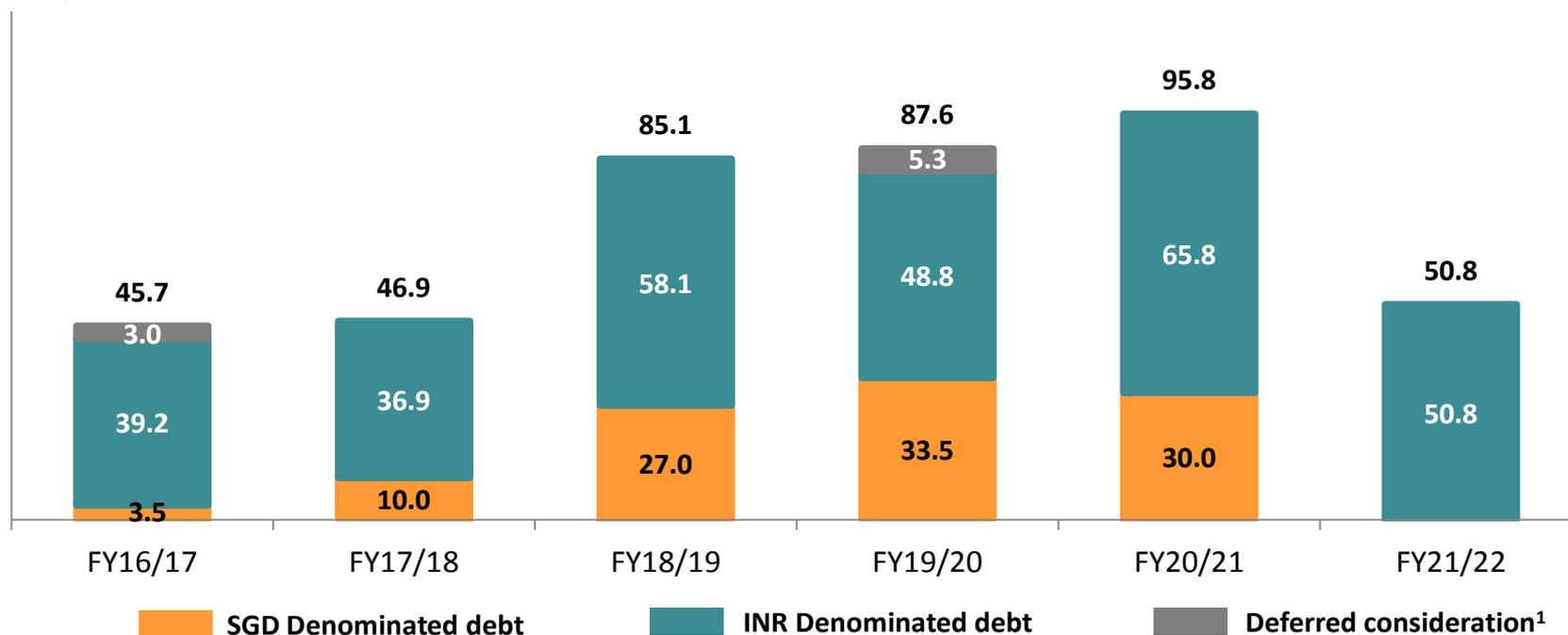
# Debt expiry profile

**Effective borrowings: S\$412 million**

**Hedging ratio**

INR: 75% SGD: 25%

S\$ Million



1. Deferred consideration relates to the remaining purchase consideration on the acquisition of CyberVale 3 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 or by May 2019, whichever is earlier.

# Conservative balance sheet

## Key indicators

Indicator	As at 30 Sep 2016
Interest service coverage (EBITDA/Interest expenses)	3.6 times (YTD FY16/17)
Percentage of fixed rate debt	100%
Percentage of unsecured borrowings	100%
Effective weighted average cost of debt	7.0% <sup>1</sup>
Gearing limit	45%
Available debt headroom	S\$407 million

**Gearing: 29%**

1. Based on borrowing ratio of 75% in INR and 25% in SGD as at 30 Sep 2016.

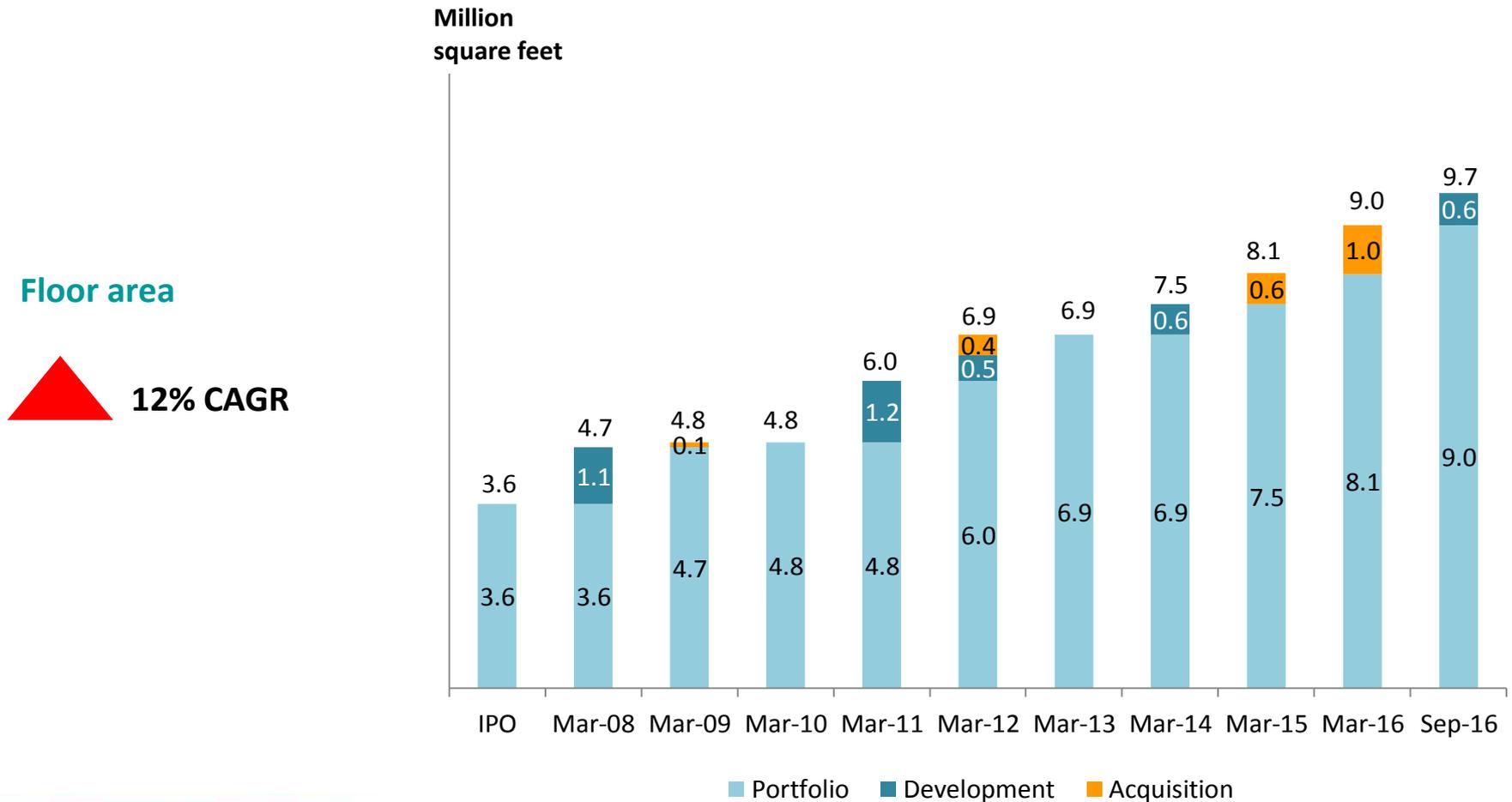
# Content

- Growth strategy

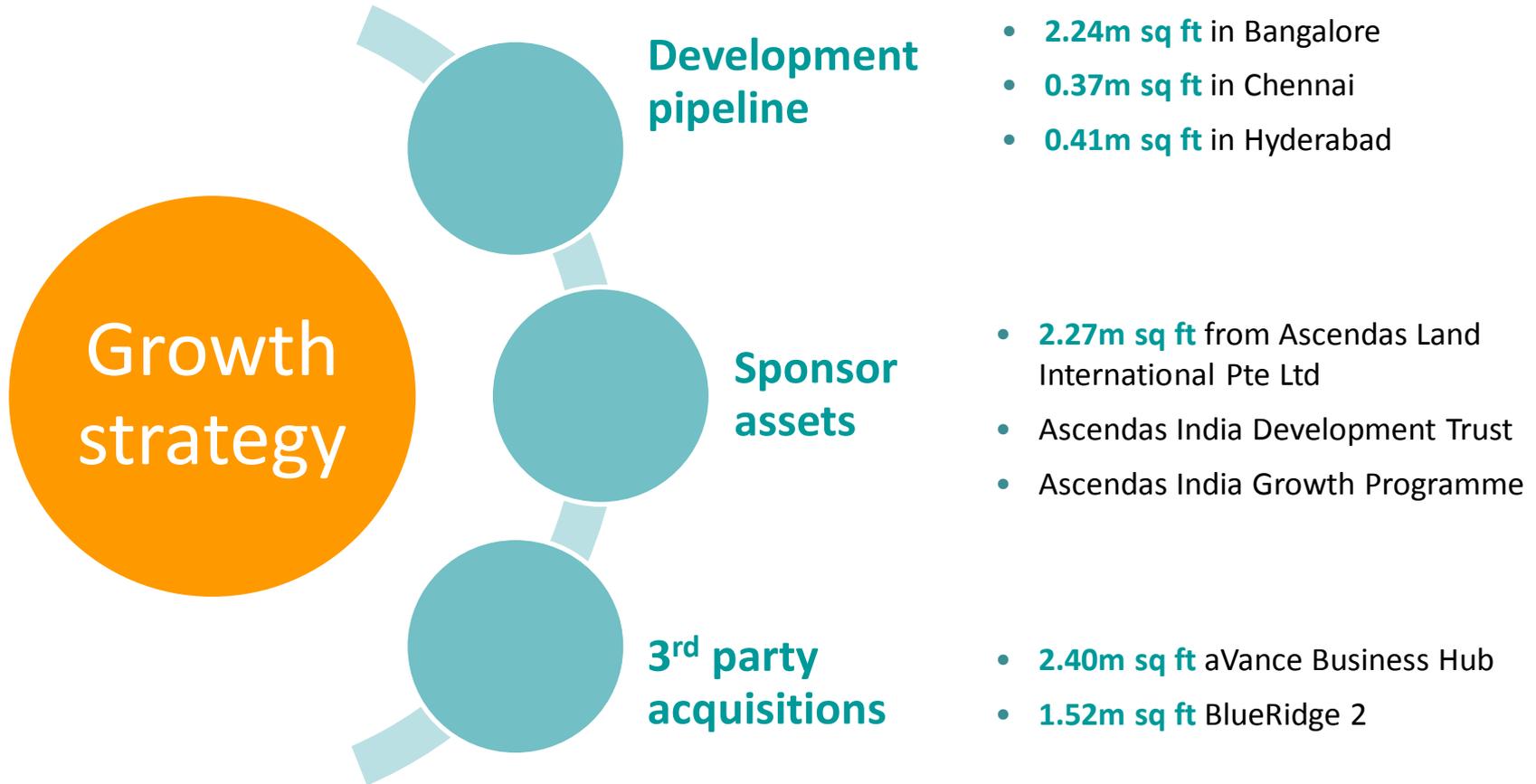


# Steady track record

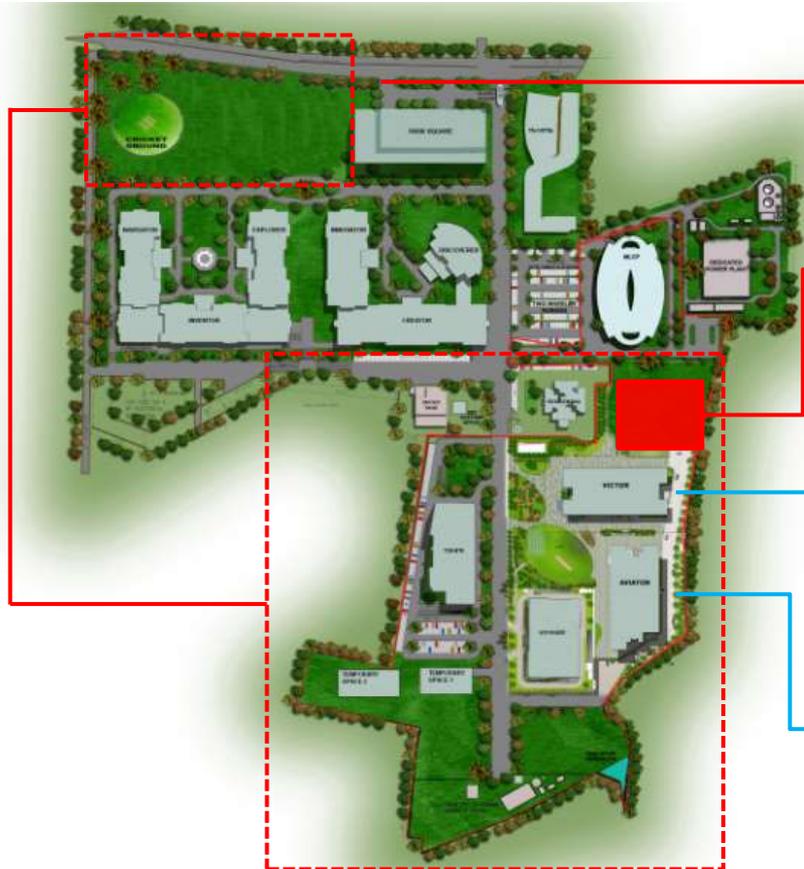
## Portfolio growth



# Clear growth strategy



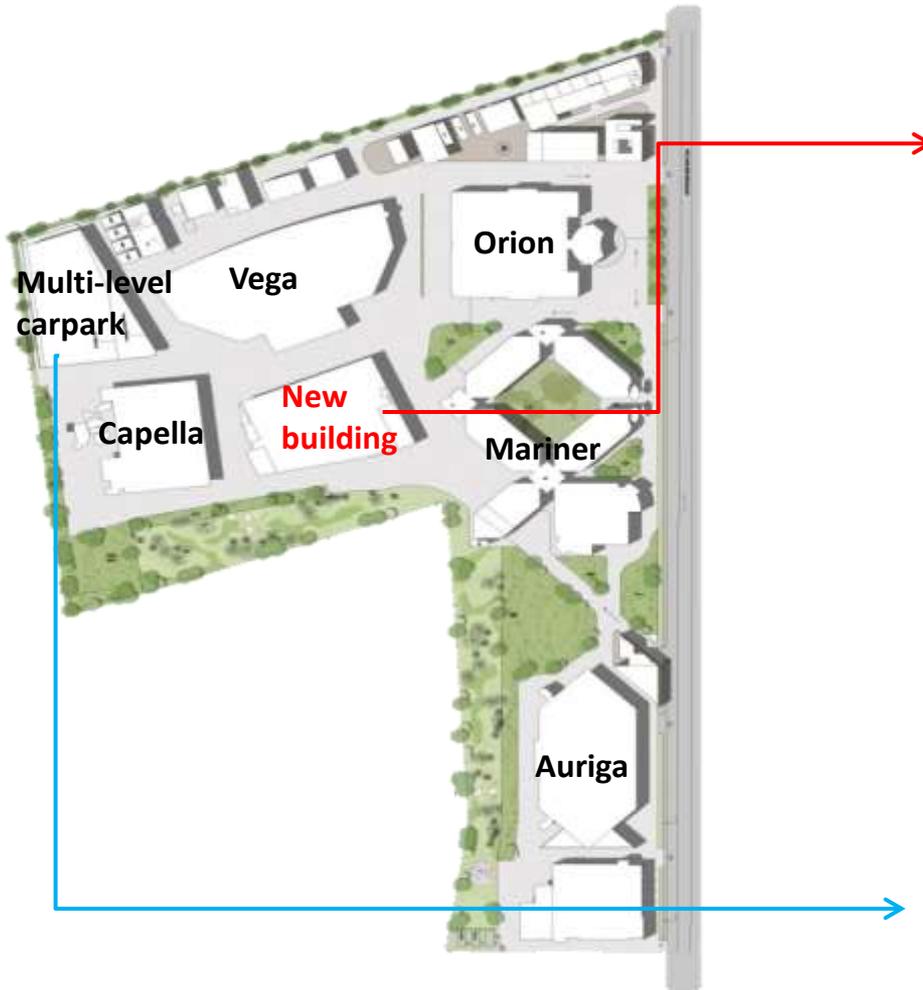
## International Tech Park Bangalore



- **2.24 million sq ft** of additional space can be developed over time.
- A new **0.50 million sq ft** multi-tenanted building is currently being planned.
- Construction expected to commence in early 2017.
- 0.62 million sq ft Victor building
- Completed in June 2016.
- 100% leased.
- 0.60 million sq ft Aviator building
- Completed in January 2014.
- 100% occupied.

# Hyderabad pipeline

## The V



- **0.41 million sq ft** multi-tenanted building under construction.
- Completion expected by 2H 2017.
- 16.6% preleased.



- Multi-level car park with 660 parking lots.
- Completed in March 2016.

## Sponsor presence<sup>1</sup>



### Private funds managed by sponsor

- Ascendas India Development Trust
- Ascendas India Growth Programme

1. Excludes a-iTrust properties.

### International Tech Park, Pune

- 2 phases comprising 1.28 million sq ft completed and leased to Synecron and Infosys
- Starting Phase 3 construction of 0.60 million sq ft in 2H FY16/17
- Vacant land with remaining development potential of 0.39 million sq ft



# Acquiring third-party assets

## Acquisition criteria

### Target cities



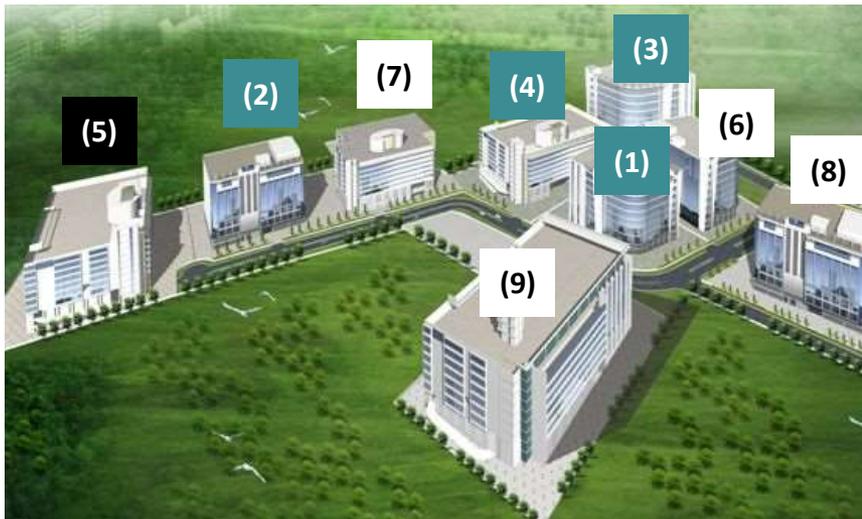
### Investment criteria

- Location
- Tenancy profile
- Design
- Clean land title and land tenure
- Rental and capital growth prospects
- Opportunity to add value

# aVance Business Hub pipeline

## Acquisition details

### Site plan



Location	Hitec City, Hyderabad
Site area	25.7 acres/10.4 ha
Forward purchase of (5)	0.85 million sq ft
ROFR <sup>1</sup> to (6) - (9)	1.16 million sq ft

1. Right of first refusal
2. Converted into SGD using spot exchange rate at the time of acquisition/investment.

### Investment details

- aVance 1 & 2 (0.43 million sq ft)
  - Acquired in February 2012.
- aVance 3 (0.68 million sq ft)
  - Acquired in July 2015.
- aVance 4 (0.39 million sq ft)
  - Provided construction loan of ₹1.10 billion (S\$22 million<sup>2</sup>) in July 2016.
  - a-iTrust has the rights to acquire the building, subject to required occupancy levels being met, amongst other conditions
  - Total consideration is estimated at ₹1.81 billion (S\$37 million<sup>2</sup>).

# Forward purchase of BlueRidge 2

## Acquisition details

### Property details



Location	Hinjewadi, Pune
Floor area	1.52 million sq ft
Tenure	Renewable 99-year lease <sup>1</sup>
Occupancy	52% <sup>2</sup> as at 31 Oct 2016
Cap rate	>10% <sup>3</sup>

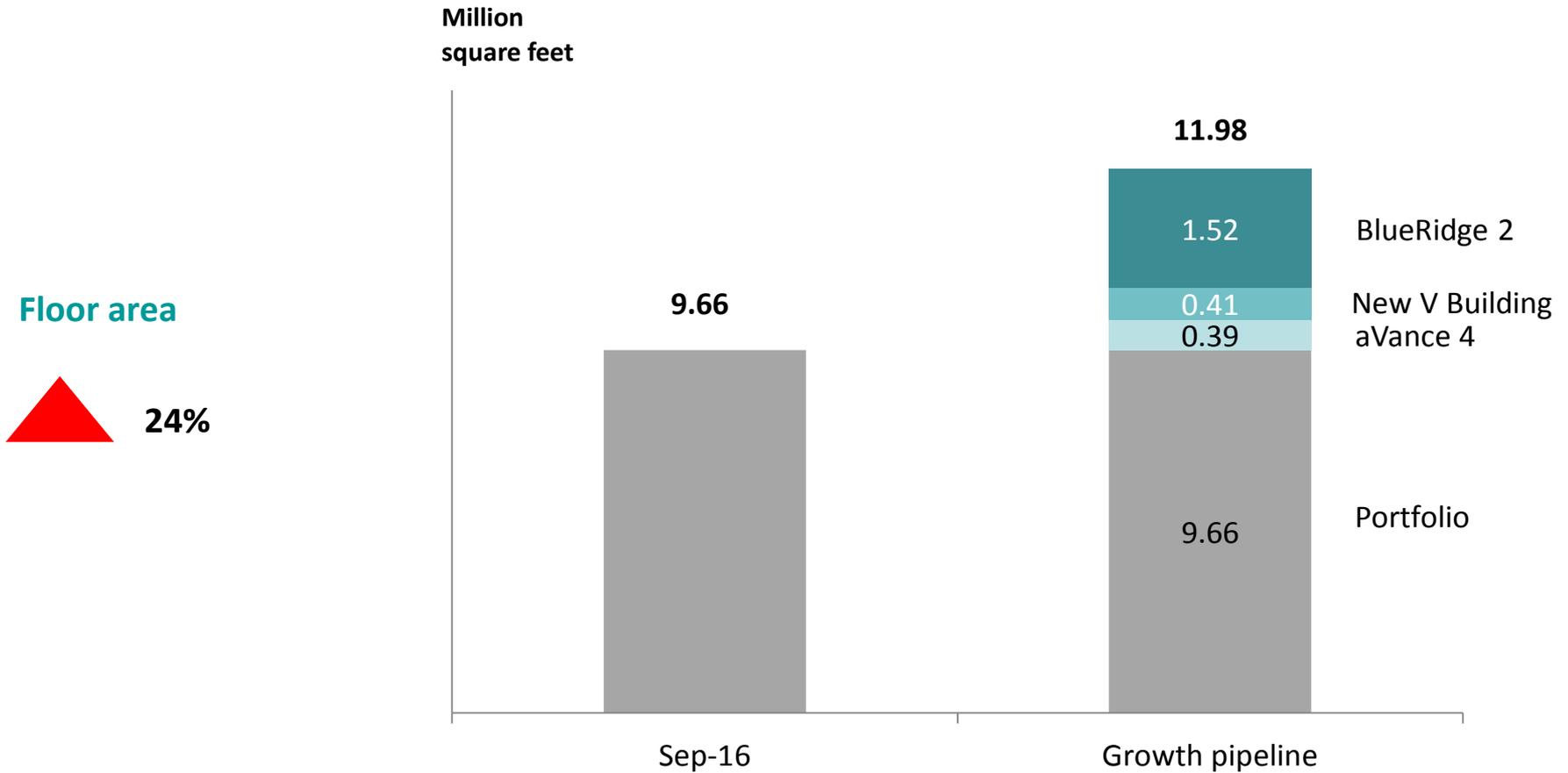
### Investment update

- The acquisition price of BlueRidge 2 was expected to be up to ₹6.41 billion (\$\$133 million<sup>4</sup>), of which ₹2.60 billion (\$\$57 million<sup>4</sup>) had already been paid by a-iTrust in March 2015.
- Provided that 65% of the property is leased, a-iTrust was to complete the purchase by 31 December 2016.
- As the leasing level of BlueRidge 2 is not expected to reach 65% by 31 December 2016<sup>2</sup>, the Trustee-manager is currently renegotiating valuation and other terms with the vendors.

1. Renewable at the option of Flagship Developers Private Limited, the co-developer of BlueRidge 2.
2. An anchor tenant which had previously committed to lease 15% of the floor area was recently acquired by a global IT company and due to the operational synergies from the merger the tenant is currently unable to commit to the space.
3. Upon income stabilisation.
4. The price was based on estimated rentals and lease terms in December 2014. Converted into SGD using spot exchange rate at the time of acquisition/investment.

# Growth pipeline

## Committed growth

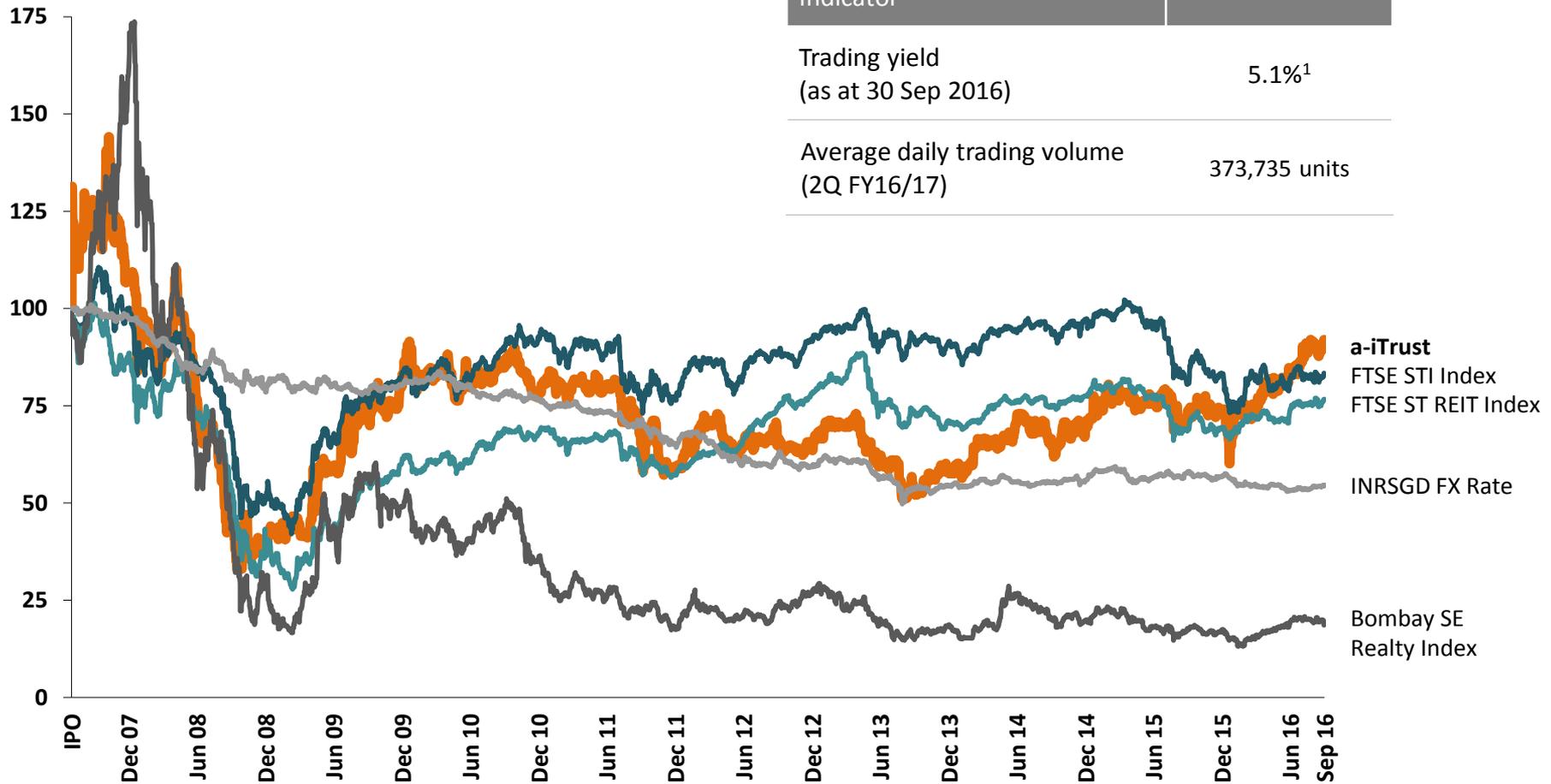


## Glossary

<b>Trust properties</b>	: Total assets.
<b>Derivative financial instruments</b>	: Includes cross currency swaps (entered to hedge SGD borrowings into INR), interest rate swaps and forward foreign exchange contracts.
<b>DPU</b>	: Distribution per unit.
<b>EBITDA</b>	: Earnings before interest expense, tax, depreciation & amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation from settlement of loans).
<b>Effective borrowings</b>	: Calculated by adding/(deducting) derivative financial instruments liabilities/(assets) to/from gross borrowings.
<b>Gearing</b>	: Ratio of effective borrowings to the value of Trust properties.
<b>ITES</b>	: Information Technology Enabled Services.
<b>INR or ₹</b>	: Indian rupees.
<b>m</b>	: Million.
<b>SGD or S\$</b>	: Singapore dollars.
<b>Super Built-up Area or SBA</b>	: Sum of the floor area enclosed within the walls, the area occupied by the walls, and the common areas such as the lobbies, lift shafts, toilets and staircases of that property, and in respect of which rent is payable.

# a-iTrust unit price versus major indices

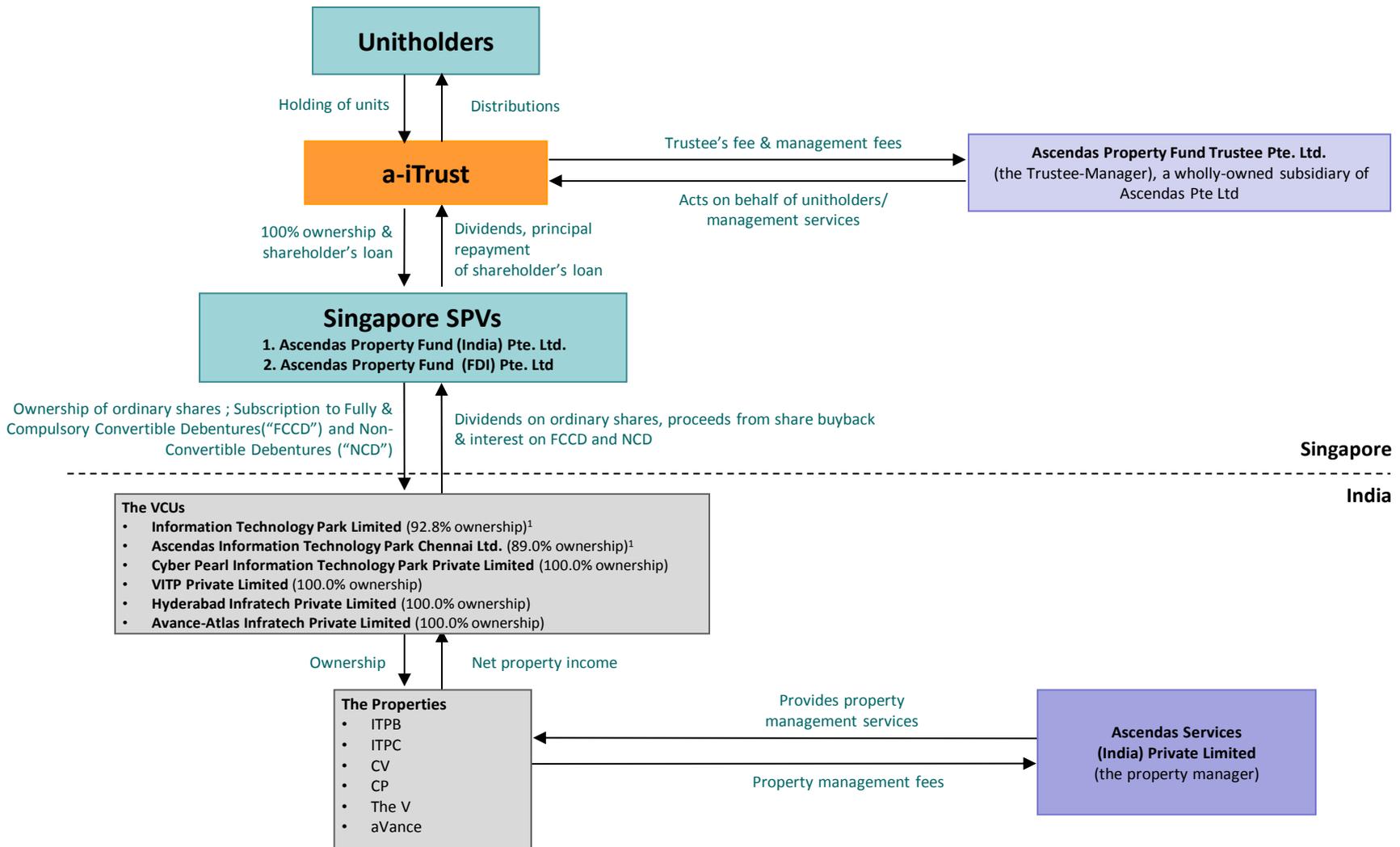
(Indexed)



Source: Bloomberg

1. Trading yield based on annualised 1H FY16/17 DPU of 5.46 cents at closing price of S\$1.08 per unit as at 30 September 2016.

# Structure of Ascendas India Trust



1. Karnataka State Government owns 7.2% of ITPB & Tamil Nadu State Government owns 11.0% of ITPC.

# World-class IT parks

Name	International Tech Park Bangalore	International Tech Park Chennai	CyberVale	CyberPearl	The V	aVance Business Hub
City	Bangalore	Chennai	Chennai	Hyderabad	Hyderabad	Hyderabad
Site area	68.5 acres 27.9 ha	15.0 acres 6.1 ha	18.2 acres 7.4 ha	6.1 acres 2.4 ha	19.4 acres 7.7 ha	25.7 acres 10.4 ha
Completed floor area	4.0m sq ft <sup>1</sup>	2.0m sq ft	0.8m sq ft	0.4m sq ft <sup>1</sup>	1.3m sq ft	1.1m sq ft <sup>1</sup>
Number of buildings	10	3	3	2	5	3
Park population	38,800	22,150	7,650	4,500	12,000	10,000
Land bank (development potential)	2.2m sq ft	-	0.4m sq ft	-	0.4m sq ft	-

1. Only includes floor area owned by a-iTrust.

# Portfolio valuation

Property <sup>1,2</sup>	31 March 2016		31 March 2015		Valuation variance
	Valuation (INR million)	Cap rate	Valuation (INR million)	Cap rate	
International Tech Park Bangalore	23,761	9.75% <sup>3</sup>	20,671	10.25% <sup>3</sup>	14.9%
International Tech Park Chennai	13,332	9.75%	11,809	10.25%	12.9%
CyberVale <sup>4</sup> , Chennai	2,522	10.75%	1,653	11.07%	52.6%
CyberPearl, Hyderabad	2,384	9.75%	2,145	10.50%	11.1%
The V, Hyderabad	8,126	9.75%	6,875	10.50%	18.2%
aVance Business Hub <sup>5</sup> , Hyderabad	5,637	9.75%	2,149	10.50%	162.3%
<b>Portfolio</b>	<b>55,762</b>	<b>N.A.</b>	<b>45,302</b>	<b>N.A.</b>	<b>23.1%</b>
<b>Portfolio (excluding FY15/16 acquisitions)</b>	<b>51,700</b>	<b>N.A.</b>	<b>45,302</b>	<b>N.A.</b>	<b>14.1%</b>

1. The 2015 and 2016 independent market valuations were conducted by Cushman & Wakefield India Pvt Ltd and CBRE South Asia Pvt. Ltd, respectively.
2. The final value of the property is derived from an average of the discounted cash flows and income capitalisation method.
3. Refers to the cap rate for income stabilised office properties in ITPB.
4. 2016 valuation includes the third building acquired in March 2016.
5. 2016 valuation includes aVance 3 which was acquired in July 2015.

# Balance sheet

As at 30 September 2016	INR	SGD
Total assets	₹69.3 billion	S\$1,413 million
Total borrowings	₹20.60 billion	S\$420 million
Deferred consideration <sup>1</sup>	₹0.41 billion	S\$8 million
Derivative financial instruments	(₹0.81 billion)	(S\$17 million)
Effective borrowings <sup>2</sup>	₹20.19 billion	S\$412 million
Non-convertible debentures (BlueRidge 2)	₹2.60 billion	S\$53 million
Fully & compulsorily convertible debentures (aVance 4)	₹1.10 billion	S\$22 million
Net asset value	₹33.63 per unit	S\$0.69 per unit
Adjusted net asset value <sup>3</sup>	₹42.44 per unit	S\$0.87 per unit

1. Deferred consideration relates to the remaining purchase consideration on the acquisition of CyberVale 3. The consideration will be paid in tranches as and when the remaining space in the building is leased or by May 2019, whichever is earlier.
2. Calculated by adding/(deducting) derivative financial instruments liabilities/(assets) to/from gross borrowings, including deferred consideration.
3. Excludes deferred income tax liabilities of ₹8.2 billion (S\$162 million) on capital gains due to fair value revaluation of investment properties.

# 2Q FY16/17 results

	2Q FY16/17	2Q FY15/16	Variance	
<i>SGD/INR FX rate<sup>1</sup></i>	49.6	46.7	6%	
Total property income	₹1,841m	₹1,704m	8%	<ul style="list-style-type: none"> <li>Income from aVance 3, CyberVale 3 and Victor.</li> <li>Positive rental reversions.</li> </ul>
Net property income	₹1,247m	₹1,107m	13%	<ul style="list-style-type: none"> <li>Primarily due to steady revenue growth coupled with stable property expenses.</li> </ul>
Income available for distribution	₹701m S\$14.1m	₹657m S\$14.0m	7% 1%	<ul style="list-style-type: none"> <li>Mainly due to net property income growth.</li> </ul>
Income to be distributed	₹631m S\$12.7m	₹591m S\$12.6m	7% 1%	<ul style="list-style-type: none"> <li>After retaining 10% of income available for distribution.</li> </ul>
Income to be distributed (DPU <sup>2</sup> )	₹0.68 1.37¢	₹0.64 1.37¢	6% -	<ul style="list-style-type: none"> <li>2Q FY16/17 DPU of 1.37 Singapore cents to be distributed.</li> </ul>

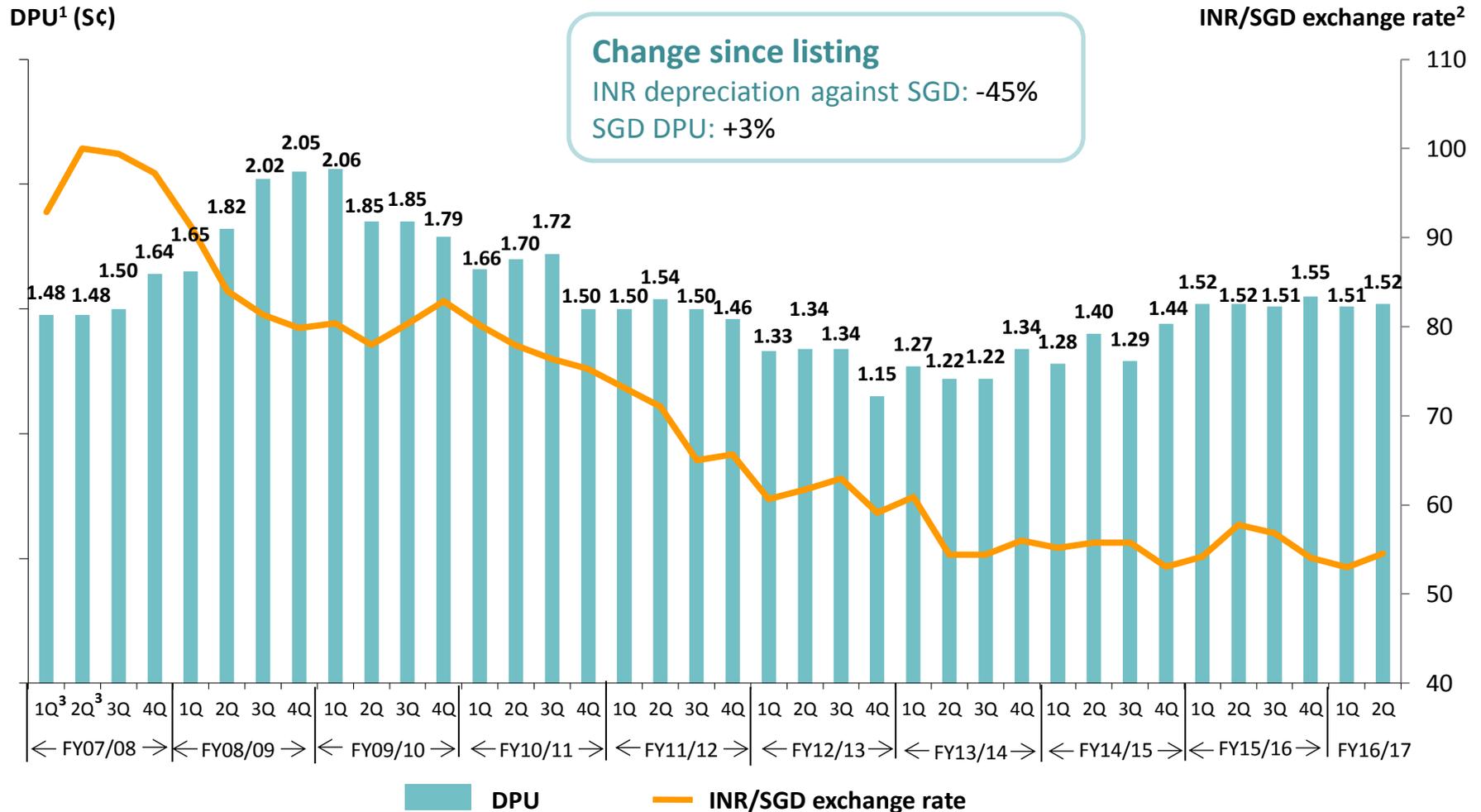
1. Average exchange rates for the period.
2. Distribution per unit.

# 1H FY16/17 results

	1H FY16/17	1H FY15/16	Variance	
<i>SGD/INR FX rate<sup>1</sup></i>	49.4	46.9	5%	
Total property income	₹3,618m	₹3,310m	9%	<ul style="list-style-type: none"> <li>Income from aVance 3, CyberVale 3 and Victor.</li> <li>Positive rental reversions.</li> </ul>
Net property income	₹2,411m	₹2,142m	13%	<ul style="list-style-type: none"> <li>Primarily due to steady revenue growth coupled with stable property expenses.</li> </ul>
Income available for distribution	₹1,391m S\$28.2m	₹1,317m S\$28.1m	6% -	<ul style="list-style-type: none"> <li>Mainly due to net property income growth.</li> </ul>
Income to be distributed	₹1,252m S\$25.3m	₹1,185m S\$25.3m	6% -	<ul style="list-style-type: none"> <li>After retaining 10% of income available for distribution.</li> </ul>
Income to be distributed (DPU <sup>2</sup> )	₹1.35 2.73¢	₹1.28 2.74¢	5% -	<ul style="list-style-type: none"> <li>1H FY16/17 DPU of 2.73 Singapore cents to be distributed.</li> </ul>

1. Average exchange rates for the period.
2. Distribution per unit.

# SGD distributions moderated by weak Indian Rupee



1. DPU (income available for distribution) refers to 100% of distributable income. 10% of distributable income was retained starting from 1Q FY12/13.
2. Spot quarterly INR/SGD exchange rate pegged to 30 June 2007 using data sourced from Bloomberg.
3. 1H FY07/08 DPU was split equally into 2 quarters (1Q FY07/08 & 2Q FY07/08) for illustrative purposes.

# Average currency exchange rate

Average exchange rates used to translate a-iTrust's INR income statement to SGD

1 Singapore Dollar buys	Jul	Aug	Sep
<b>Indian Rupee</b>			
2016	49.8	49.8	49.3
2015	46.7	46.5	46.9
<i>SGD appreciation/(depreciation)</i>	6.5%	7.0%	4.9%

1 Singapore Dollar buys	1Q	2Q	YTD
<b>Indian Rupee</b>			
FY 16/17	49.3	49.6	49.4
FY 15/16	47.0	46.7	46.9
<i>SGD appreciation/(depreciation)</i>	4.9%	6.2%	5.4%

Note: These rates represent the average exchange rates between Indian Rupee & Singapore Dollar for the respective periods.

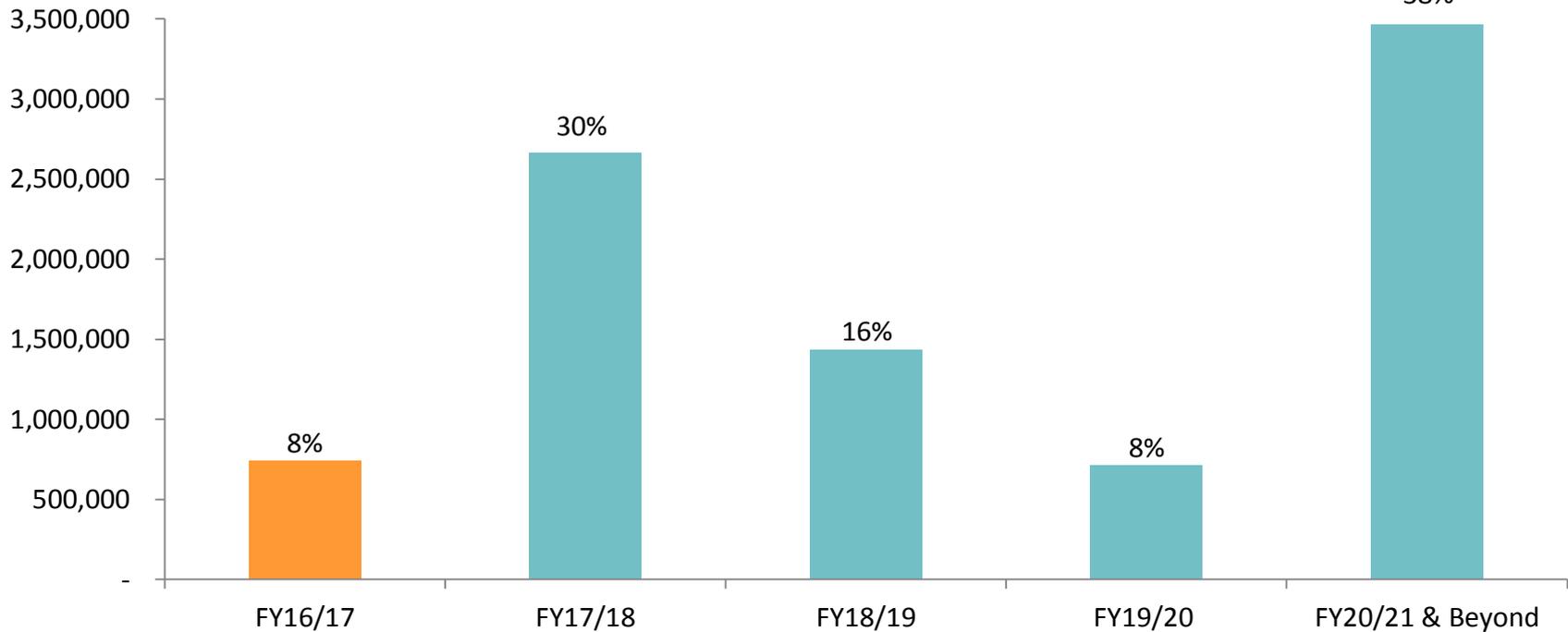
# Lease expiry profile

**Weighted average lease term:**  
**5.7 years**

**Weighted average lease expiry:**  
**3.4 years**

**Retention rate:**  
**75%<sup>1</sup>**

## Sq ft expiring



All information as at 30 September 2016.

1. For the period 1 April 2016 to 30 September 2016.

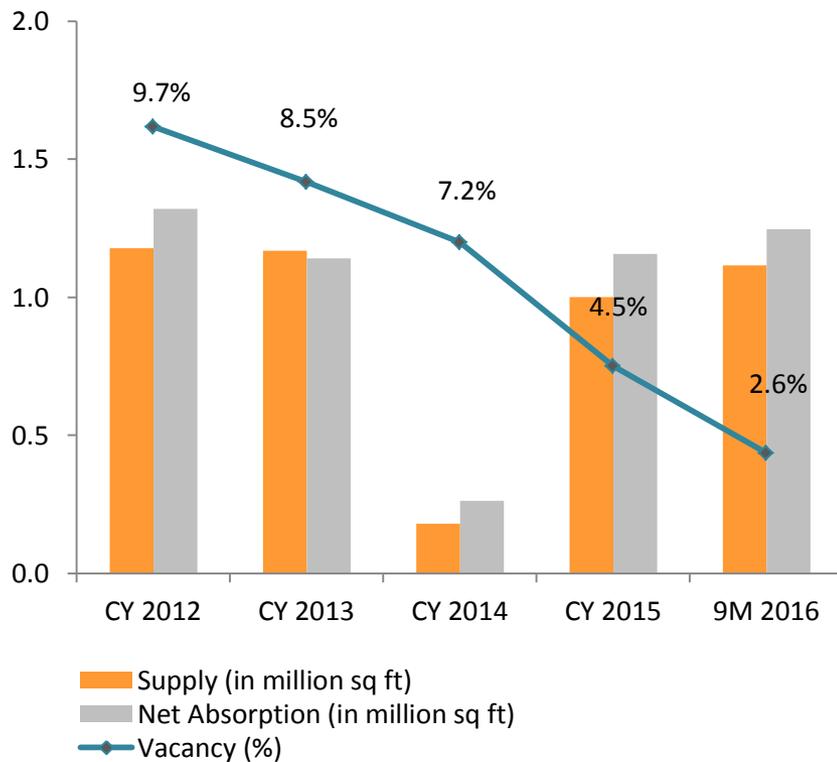
# Lease expiry profile

City	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21 & Beyond	Total
Bangalore	153,200	1,097,800	395,600	135,900	1,817,000	3,599,500
Chennai	474,100	1,119,000	300,300	219,500	601,100	2,714,100
Hyderabad	113,700	449,300	734,400	357,800	1,044,300	2,699,500
Total	741,000	2,666,200	1,430,300	713,200	3,462,400	9,013,100

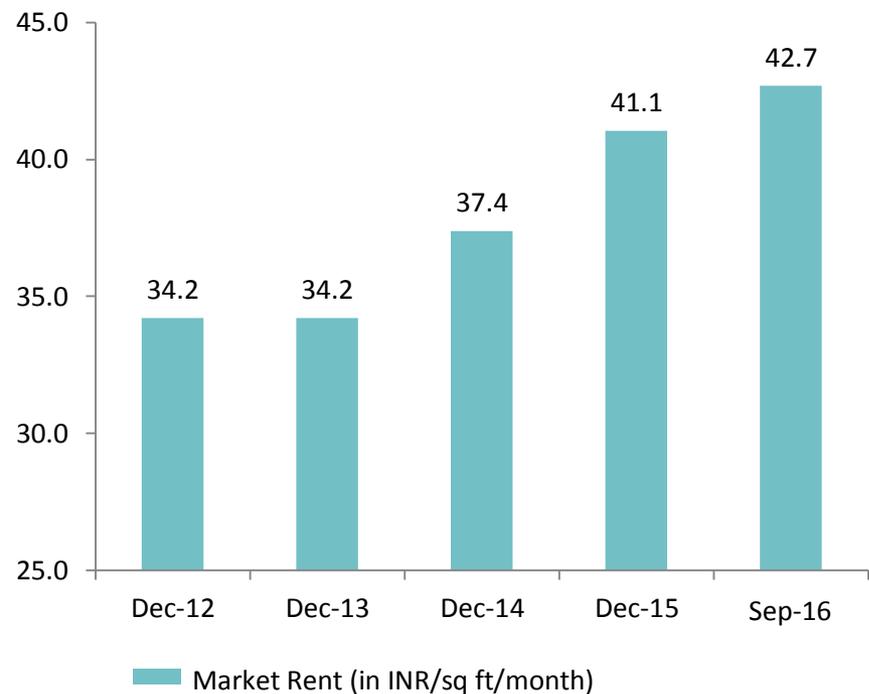
Note: Figures are expressed in square feet

# Pune (Hinjewadi) market fundamentals

## Supply & demand trends



## Market rent trends



Source: Jones Lang LaSalle Meghraj

# Investor contact

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