DESIGNED FOR GROWTH

ascendas India Trust

Annual Report 2016/2017

WHO WE ARE

Ascendas India Trust ('a-iTrust' or the 'Trust') is a property trust which owns seven IT parks in India valued at S$1.4 billion as at 31st March 2017. With a 11.1 million square feet portfolio spread across Bangalore, Chennai, Hyderabad and Pune, 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 income-producing real estate used primarily as business space in India. 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.

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 31st March 2017 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.

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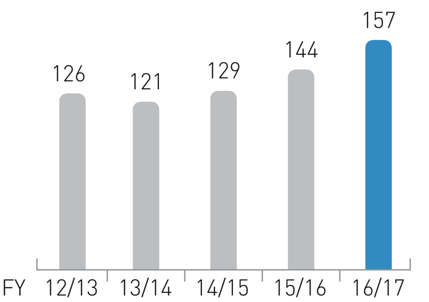
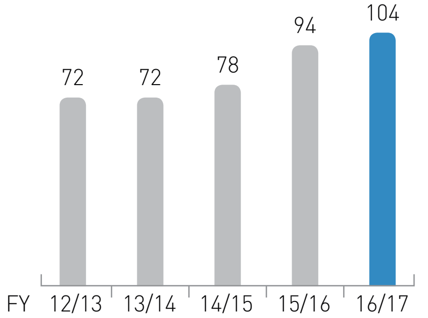
AT A GLANCE

7 IT Parks
across 4 key Indian cities

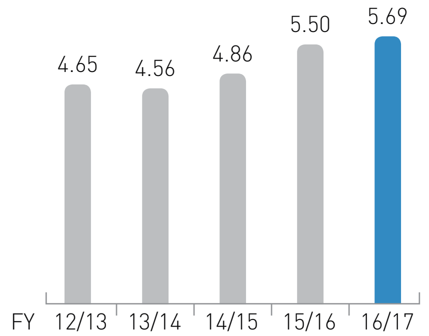
Revenue
(S$ million)



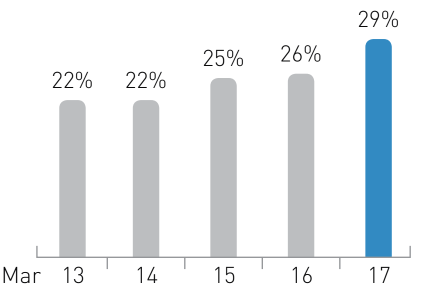
Net Property Income
(S$ million)



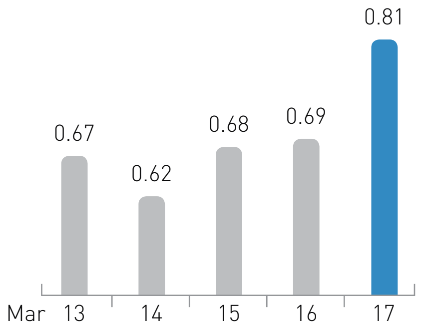
DPU[1]
(S¢)



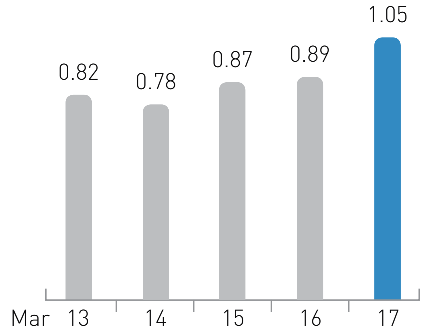
Gearing



NAV[2]
(S$)

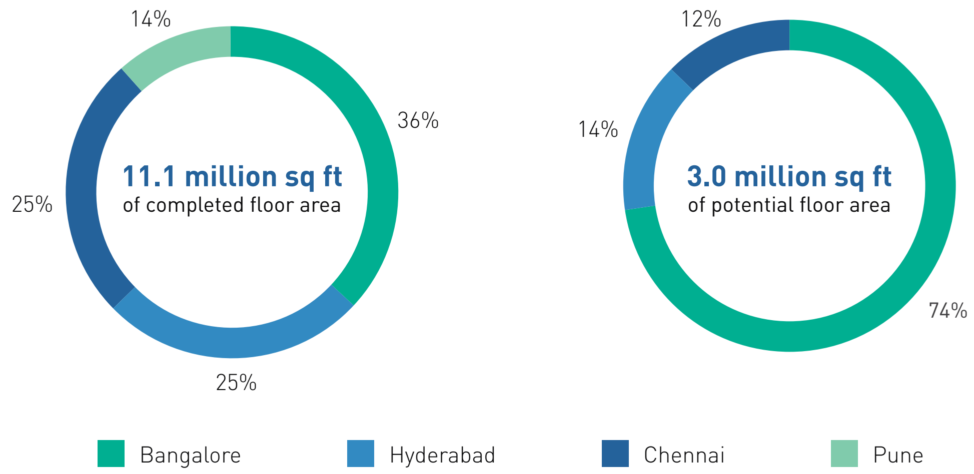


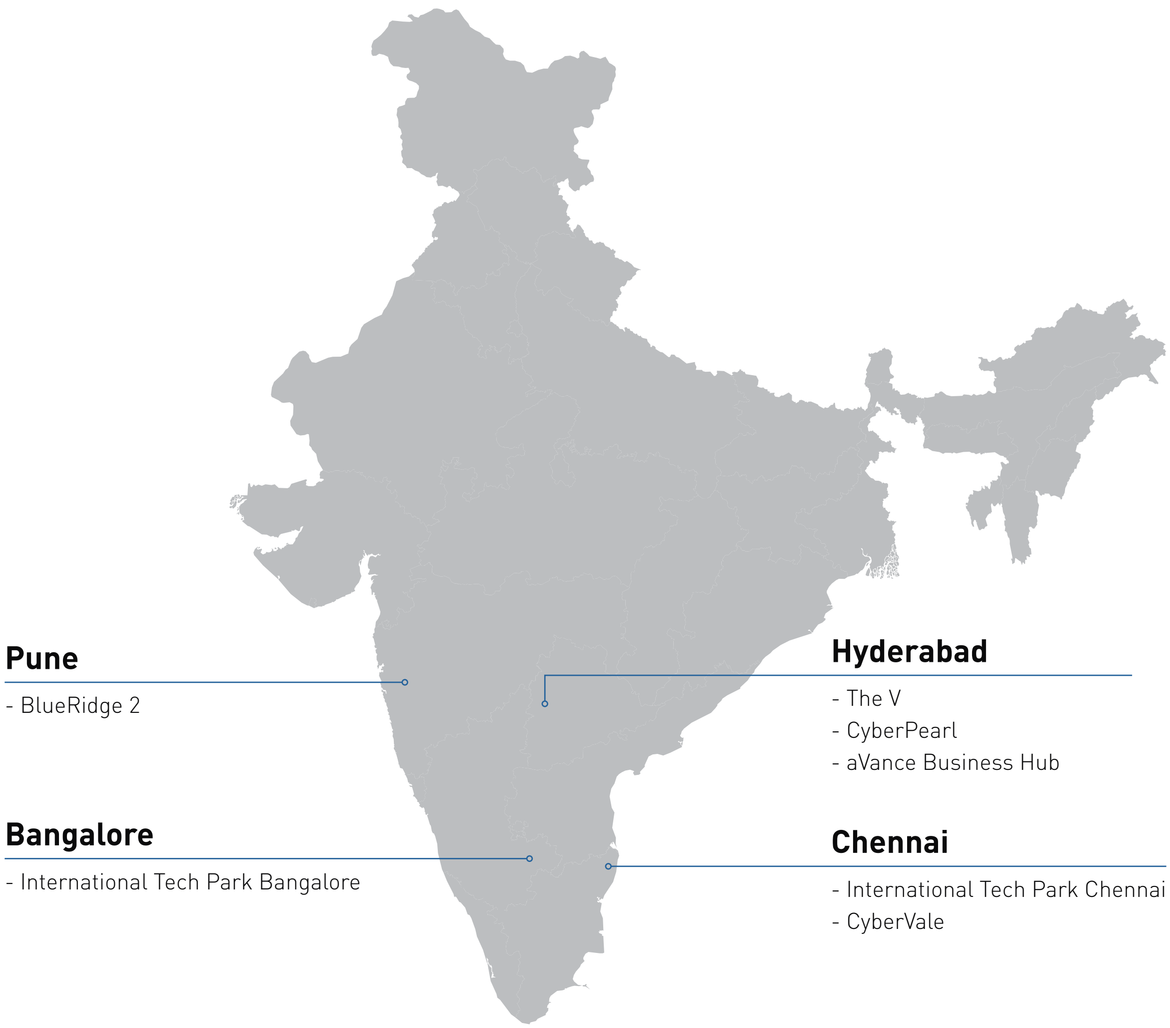
Adjusted NAV[3]
(S$)



Refer to pages 38 to 49 for more information on our performance.

[1] Refers to distribution per unit post retention of 10% of income.
[2] Net asset value per unit.
[3] Adjusted NAV excludes deferred income tax liabilities on capital gains due to fair value revaluation of investment properties.



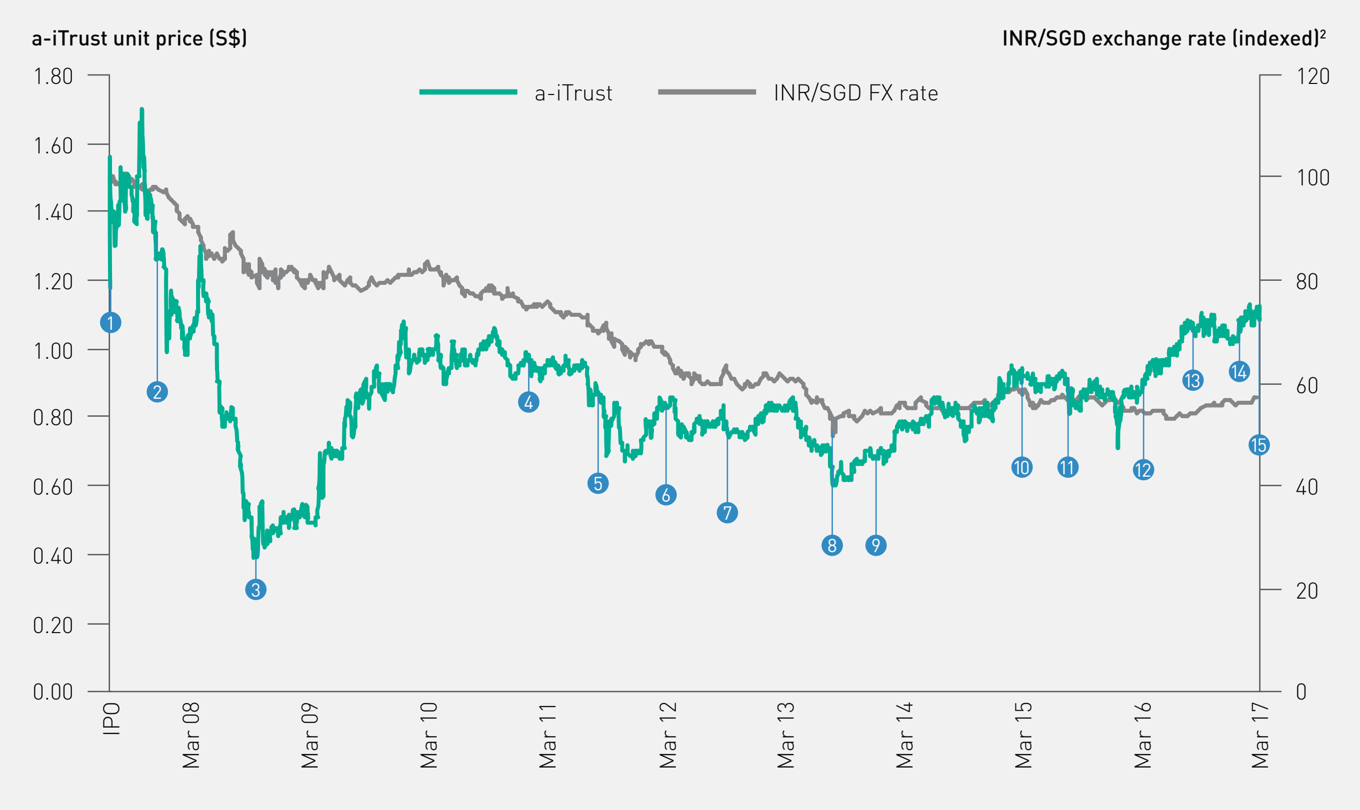


Refer to pages 38 to 39 for more information on our portfolio.

MARKING OUR 10TH ANNIVERSARY

	Absolute	Compound Annual Growth Rate
Total Shareholder Returns[1]	↑ 86.0%	↑ 6.6%
Floor Area Growth	↑ 7.6 million sq ft	↑ 13.2%
Net Property Income (INR)	↑ ₹3.4 billion	↑ 13.2%

[1] Sourced from Bloomberg; calculated by taking the change in unit price from IPO to 31st March 2017, assuming that distributions paid were reinvested.
[2] Indexed using daily spot INR/SGD exchange rate pegged to 1st August 2007, using data sourced from Bloomberg.



1 **Aug-07**
a-iTrust listed with IPO price of S$1.180. Portfolio comprised four properties with 3.6 mil sq ft of floor area. SGD/INR FX rate was 26.7.

2 **Dec-07**
Completed Vega building (0.4 mil sq ft) in The V & Crest building (0.7 mil sq ft) in ITPC.

3 **Oct-08**
a-iTrust closed at an all-time low of 39¢ at the height of the Global Financial Crisis.

4 **Dec-10**
Completed Park Square (0.4 mil sq ft) in ITPB & Zenith building (0.7 mil sq ft) in ITPC.

5 **Jun-11**
Completed Voyager building (0.5 mil sq ft) in ITPB.

6 **Feb-12**
Acquired aVance 1 & 2 (0.4 mil sq ft) in Hyderabad.

7 **Oct-12**
Raised S$100 mil equity with private placement.

8 **Aug-13**
SGD/INR FX rate reached all-time low of 53.7 due to concerns on Indian economy.

9 **Jan-14**
Completed Aviator building (0.6 mil sq ft) in ITPB.

10 **Mar-15**
Acquired CyberVale 1 & 2 (0.6 mil sq ft) in Chennai.

11 **Jul-15**
Acquired aVance 3 (0.7 mil sq ft) in Hyderabad.

12 **Mar-16**
Acquired CyberVale 3 (0.3 mil sq ft) in Chennai.

13 **Jun-16**
Completed Victor building (0.6 mil sq ft) in ITPB.

14 **Feb-17**
Acquired BlueRidge 2 (1.5 mil sq ft) in Pune.

15 **Mar-17**
a-iTrust unit price closed at S$1.125 on 31st March 2017. Portfolio has grown to seven properties with 11.1 mil sq ft of floor area. SGD/INR FX rate was 46.4. The INR had depreciated by 42.5% against the SGD since IPO.

CHAIRMAN'S MESSAGE

Chiang Chie Foo
Chairman & Independent Director

Dear Unitholder

This year marks a special milestone as we celebrate the tenth anniversary of Ascendas India Trust's listing on the Singapore Exchange (SGX-ST). We take great pride in sharing with you the progress that Ascendas India Trust has made in the past decade despite facing difficult economic and market conditions. Since listing, the Indian Rupee has lost 43%[1] of its value against the Singapore Dollar, impacting the Singapore Dollar distributions received by Unitholders. To mitigate the negative impact of currency losses, we focused on growing the Trust's portfolio to generate positive returns for you. From an initial portfolio of four properties with total floor area of 3.6 million square feet, the Trust's portfolio has since tripled in size to seven properties with 11.1 million square feet as at 31st March 2017. Our strategy has proved effective - Unitholders who had invested in Ascendas India Trust at the initial public offering would have achieved annual total shareholder returns of 6.6%[2] as on 31st March 2017. This compares favourably with the annual total shareholder returns of 3.6%[2] provided by the benchmark FTSE ST REIT Index over the same period.

For the Financial Year ended 31st March 2017 (FY16/17), Ascendas India Trust's revenue has increased in Singapore Dollar terms by 9% over the previous year. The Distribution per Unit (DPU)[3] correspondingly rose 3% to 5.69 cents in FY16/17, supported by income from new acquisitions, the completion of Victor building in Bangalore and positive rental reversions across the portfolio.

One of the Board's key guiding principles to Management is to run the business in a sustainable and responsible manner. During the year, SGX-ST introduced sustainability reporting on a 'comply or explain' basis. We have complied with SGX-ST's requirement this year by preparing our sustainability report for FY16/17 in accordance with the Core option of the Global Reporting Initiative (GRI) G4 Guidelines and the GRI Construction and Real Estate Sector Supplement. Since listing, we have progressively implemented sustainable practices and policies in the areas of environmental, social and corporate governance to our business. Our sustainability report, which is enclosed in this Annual Report, provides you with more information on the progress that both the Trustee-Manager and the Property Manager have made on that front.

As we look ahead, we will continue to build on the strong foundations laid in the past decade. The Trust today has a strong development and acquisition pipeline, providing ample avenues for growth in the next few years. We are also cognisant of new challenges that the Trust may face in the coming decade. Advancements in artificial intelligence, automation and other emerging technologies will create new opportunities and risks for us and our tenants. We will monitor these developments closely and make the necessary adjustments to ensure that Ascendas India Trust remains a relevant and strong player in India going forward. Besides investing in and developing quality IT Parks that remain relevant to our tenants, the fast-growing logistics sector in India is a new market that holds a lot of promise for the Trust. The robust growth in the Indian economy, e-commerce boom and introduction of Goods and Services Tax are some of the macro factors that are expected to drive demand for modern warehouses in India. The Board will continue to work closely with Management to formulate strategies to take advantage of the opportunities presented.

What we have achieved in the past decade was made possible by the astute leadership of past and current members of the Board. In particular, on behalf of my fellow Directors, I would like to express our sincere appreciation to Mr Philip Yeo, our previous Chairman of the Board, Mr David Lim, previous Deputy Chairman of the Board and Chairman of the Investment Committee, and Mr Michael Gray, previous Chairman of the Audit and Risk Committee, who retired from the Board last year as part of our Board renewal process. In their place, I was appointed Chairman of the Board; Mr Manohar Khiatani was appointed Deputy Chairman of the Board and Chairman of the Investment Committee; Mr Alan Nisbet was appointed Chairman of the Audit and Risk Committee. In addition, we warmly welcome Mr Jonathan Yap, the Chief Investment Officer of Ascendas-Singbridge, who rejoined our Board last year. The Board now comprises eight members, five of whom are Independent Directors.

Finally, on behalf of the Board and Management, we would like to express our deepest appreciation to our tenants and Unitholders for their continued support and confidence in Ascendas India Trust. I would also like to thank my fellow Directors for their counsel and contributions, as well as our staff for their hard work in achieving yet another year of good performance.

Chiang Chie Foo
Chairman & Independent Director

[1] Calculated using spot INR/SGD exchange rate of 26.7 on 1st August 2007 and 46.4 on 31st March 2017.
[2] Sourced from Bloomberg; the compound annual growth rate of total shareholder returns is calculated by taking the change in unit price from date of listing to 31st March 2017, assuming that distributions paid were reinvested.
[3] Refers to distribution per unit post retention of 10% of income.

CEO'S REVIEW

Sanjeev Dasgupta
Executive Director & CEO

Dear Unitholder

I am pleased to share with you a review of Ascendas India Trust's progress and performance in FY16/17.

Operational review

We employ a proactive asset management strategy to maximise the operational and financial performance of our properties. In FY16/17, we invested S$7 million to upgrade and rejuvenate our properties. These investments allow us to maintain distinctive spaces that our discerning tenants have come to expect. We have also been able to forge long-lasting relationships with our tenants by providing end-to-end solutions, and actively engaging them through various networking events.

These measures were instrumental in helping us to maintain the high portfolio occupancy of 98%[1] as at 31st March 2017 with a tenant retention rate of 80%. In this financial year, we saw positive rental reversions across our properties in Bangalore, Chennai and Hyderabad. This trend closely mirrors the strong demand witnessed across the top seven cities in India, as gross absorption increased in 2016 by 9% to close at 43 million square feet[2].

Investment review

Our development and investment strategy is one of the key drivers of growth for the Trust. Ascendas India Trust is fairly unique within the Singapore REIT universe as it holds substantial land bank on its balance sheet. Our development strategy entails progressively developing the Trust's land bank so as to reduce risks and maximise returns for Unitholders. In June 2016, we completed the construction of a 620,000 square feet multi-tenanted building named Victor in International Tech Park Bangalore (ITPB). Victor building, located in the Special Economic Zone of ITPB, was fully committed when completed. On the acquisition front, we completed the acquisition of a 1.5 million square feet property called BlueRidge 2 in Hinjewadi, Pune in February 2017. Pune, which is located approximately 150 kilometres from Mumbai, is an established engineering and automobile hub in India, and is home to many large corporations. As the occupancy of BlueRidge 2 was below the stipulated leasing threshold of 65% at the point of acquisition, we successfully negotiated for certain pricing deductions. While BlueRidge 2's leasing commitment at 55% is below the portfolio average, we are confident of leasing out the remaining vacant space in the coming months as Hinjewadi vacancy rates remained very low at 2%[3] as at 31st March 2017.

Balance sheet review

As we grow our portfolio, we continue to adopt a prudent and disciplined approach towards capital management to maintain our strong financial position. In FY16/17, we secured a S$100 million committed term loan, part of which was used to refinance all loans due in the last financial year. With this, the weighted average debt maturity was extended to 3.4 years. As at 31st March 2017, the Trust's total effective borrowings[4] stood at S$475 million while gearing remained healthy at 29%. With a gearing limit of 45%, the available debt headroom was S$456 million. We continue to maintain a conservative hedging strategy, with 73% of total borrowings denominated in Indian Rupee and 27% in Singapore Dollars. The effective weighted average cost of debt was 7% and interest service coverage remained comfortable at 3.7 times. Almost all of the Trust's borrowings are unsecured and have fixed interest rates. This allows us

[1] Excludes BlueRidge 2 which was acquired in February 2017. Including BlueRidge 2, the committed portfolio occupancy was 92%.
[2] Source: CBRE South Asia Pvt. Ltd..
[3] Source: Jones Lang LaSalle Meghraj.
[4] Calculated by adding/(deducting) derivative financial instruments liabilities/(assets) to/from gross borrowings, inclusive of deferred consideration.

Q&A WITH CEO

to maintain financial flexibility and eliminate exposure to interest rate risk.

Financial review

In FY16/17, Ascendas India Trust recorded 9% growth in revenue to S$157 million as compared to the previous year. Additional income from CyberVale 3 (which was acquired in March 2016), Victor building in Bangalore (which was completed in June 2016) and BlueRidge 2 (which was acquired in February 2017), and positive rental reversions contributed to the growth in revenues. Total property expenses increased by 4% to S$52 million, mainly due to the addition of CyberVale 3, Victor building and BlueRidge 2. Net property income grew by 11% to S$104 million.

The Trust's Distribution per Unit (post retaining 10% of income) rose by 3% to 5.69 cents.

Outlook

The outlook for the Indian office market remains positive in 2017. Property consultants expect vacancy rates in our markets to remain low, which could support further rental growth. We will be capitalising on the healthy demand, particularly in Hyderabad, through our development and investment strategy. In April 2017, we completed the acquisition of aVance 4, a 390,000 square feet IT building in Hyderabad. This is the fourth building that we have acquired from the vendor since 2012. We also expect to complete Atria, a 428,000 square feet IT building in The V, by the second half of 2017. These two assets are expected to contribute to the Trust's income in the coming financial year.

Sanjeev Dasgupta
Executive Director & CEO

How will the Goods and Services Tax (GST) reform affect the real estate sector in India?

The GST is probably the biggest taxation reform in India as it seeks to mitigate differences in indirect taxes across various states by imposition of a pan-India tax. Due to multiple tax rates levied at the different state levels, goods often get stuck in transit for a considerable amount of time while crossing state boundaries. With GST, multiple taxations would be eliminated and this should bring down the costs of raw materials. Creating a common tax structure will increase transparency and efficiency for the industry.

Many consultants agree that GST is likely to be the most beneficial to the logistics and warehousing sector. Cost of warehousing operations is likely to decline and as warehouses consolidate, new warehousing hubs are expected to emerge. As a result, there will be an increased demand for large and high quality warehouses, which could attract an influx of institutional capital. Prominent private equity firms and regional developers have already conveyed their intention to develop large and modern warehousing facilities across the country.

As part of our mandate to invest in business spaces in India, we are looking into the logistics and warehousing space for opportunities to enhance returns to our Unitholders.

What is the impact of demonetisation on the Indian economy and a-iTrust?

In early November 2016, the Government of India announced the withdrawal of the legal tender of all existing ₹500 and ₹1,000 currency notes overnight in a bid to nullify "black money" hoarded in cash, and curb funding of terrorism with counterfeit notes. This announcement caught many people by surprise as the country faced severe cash shortages in the weeks following the move. This event has had minimal impact on our business thus far as the vast majority of our tenants are multi-national corporations and cash transactions are rare. However, due to the temporary disruptions effected by the cash shortages, International Monetary Fund (IMF) cut India's GDP forecast for FY16/17 by one percentage point from its previous estimate to 6.8%. However, IMF expects the impact of demonetisation to be temporary and has forecasted a recovery through early 2017 and a rebound to 7.2% growth in FY17/18.

Do you have plans to list a-iTrust in India now that Indian REIT regulations have been passed?

No, we do not have any plans to list in India at the moment. As far as we are aware, there is no mechanism to transfer a-iTrust's listing to India, nor are there provisions under the Indian REIT regulations that allow for a dual-listing structure. In order for a-iTrust to be listed in India, a-iTrust would have to be delisted in Singapore and relisted in India subsequently. This process entails considerable risks and costs, especially since the Indian REIT market is still in its infancy.

Nonetheless, we are encouraged by the steps taken by the Indian government to promote REIT listings in India. The introduction of a REIT market in India would likely lead to enhanced transparency and governance in the real estate sector and a greater inflow of institutional funding, which is beneficial to the economy.

TRUST & ORGANISATION STRUCTURE

UNITHOLDERS

Own units
Distributions

a-iTrust

Trustee-Manager's fees
Acts on behalf of Unitholders/provides management services

100% ownership & shareholder's loan
Dividends, interest & principal repayment of shareholder's loan

SINGAPORE SPVs

Ascendas Property Fund (India) Pte. Ltd.
Ascendas Property Fund (FDI) Pte. Ltd.

Ownership of ordinary shares; subscription to Fully & Compulsorily Convertible Debentures (FCCD) and Non-Convertible Debentures (NCD)
Dividends on ordinary shares, proceeds from share buyback & interest on FCCD and NCD

Singapore
India

VENTURE CAPITAL UNDERTAKINGS

Information Technology Park Ltd.	Ascendas Information Technology Park (Chennai) Ltd.	Cyber Pearl Information Technology Park Pte. Ltd.	VITP Pte. Ltd.	Hyderabad Infratech Pte. Ltd.	Avance-Atlas Infratech Pte. Ltd.
92.8% ownership[1]	**89.0%** ownership[2]	**100%** ownership	**100%** ownership	**100%** ownership	**100%** ownership

Ownership
Net property income

THE PROPERTIES

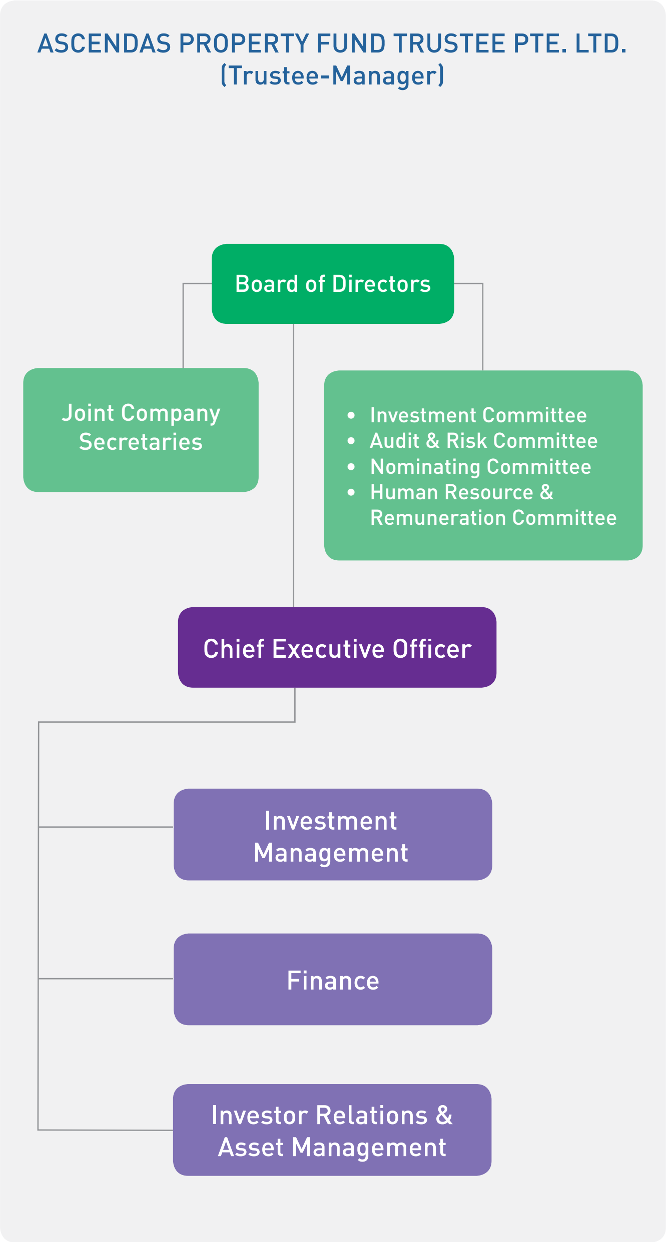
International Tech Park Bangalore
International Tech Park Chennai
CyberPearl
CyberVale
The V
aVance Business Hub
BlueRidge 2

Property management fees
Provides property management services

ASCENDAS SERVICES (INDIA) PTE. LTD.

(Property Manager)

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..



TRUST 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 Funds 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 not subjected to 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

01.

MR CHIANG CHIE FOO
Chairman & Independent Director

02.

MR MANOHAR KHIATANI
Deputy Chairman & Non-Executive Director

05.

MR ALAN RUPERT NISBET
Independent Director

06.

MR T.V. MOHANDAS PAI
Independent Director

03.

MR JONATHAN YAP NENG TONG
Non-Executive Director

04.

MR SANJEEV DASGUPTA
Executive Director & CEO

07.

MR GIRIJA PRASAD PANDE
Independent Director

08.

MR NG ENG LENG
Independent Director

BOARD OF DIRECTORS

01.

MR CHIANG CHIE FOO

Chairman & Independent Director

Date of Appointment as Director

1st April 2016

Length of Service as Director

1 year (as at 31st March 2017)

Board Committees Served on

- Nominating Committee (Chairman)
- Human Resource & Remuneration Committee (Chairman)

Academic & Professional Qualifications

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

Present Directorships as at 31st March 2017

Other Listed Companies

Nil

Others

- Central Provident Fund Board (Chairman)
- PUB, Singapore's National Water Agency (Chairman)
- Lee Kuan Yew Exchange Fellowship
- Valencia Club de Futbol

Major Appointment as at 31st March 2017

- Senior Advisor, Ministry of Defence
- Member, Asia-Pacific Breweries Foundation Board of Trustees

Past Directorships in Listed Companies Held Over the Last 3 Years

- Rowsley Ltd.

02.

MR MANOHAR KHIATANI

Deputy Chairman & Non-Executive Director

Date of Appointment as Director

1st June 2013

Length of Service as Director

3 years and 10 months (as at 31st March 2017)

Board Committees Served on

- Investment Committee (Chairman)
- 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 31st March 2017

Other 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 31st March 2017

- Deputy Group CEO, Ascendas-Singbridge Group

Past Directorships in Listed Companies Held Over the Last 3 years

Nil

03.
MR JONATHAN YAP NENG TONG
Non-Executive Director

Date of Appointment as Director
8th July 2016

Length of Service as Director
9 months (as at 31st March 2017)

Board Committees Served on
- Investment Committee (Member)

Academic & Professional Qualifications
- Bachelor of Science in Estate Management (Honours), National University of Singapore
- Master of Science in Project Management, National University of Singapore

Present Directorships as at 31st March 2017
Other Listed Companies
Nil

Others
- Ascendas India Development Fund Management Pte. Ltd.
- Ascendas China Commercial Fund Management Pte. Ltd.
- Ascendas Asia Fund Management Pte. Ltd.
- Ascendas (Korea) Pte. Ltd.
- Ascendas Land International Pte. Ltd.
- Ascendas Pte. Ltd.
- Ascendas Asia Real Estate Fund Management Pte. Ltd.
- Ascendas Investment Pte. Ltd.
- Ascendas Asia-Pacific (Holdings) Pte. Ltd.
- Ascendas India Development VI Pte. Ltd.
- Ascendas Land International (Investments) Pte. Ltd.
- Ascendas Development (Holdings) Pte. Ltd.
- Ascendas India Logistics Holdings Pte. Ltd.
- Ascendas India Logistics Pte. Ltd.
- ASB Flex Pte. Ltd.

Major Appointment as at 31st March 2017
- Chief Investment Officer, Ascendas-Singbridge Group

Past Directorships in Listed Companies Held Over the Last 3 Years
- Ascendas Property Fund Trustee Pte. Ltd. (as Trustee-Manager of Ascendas India Trust)

04.
MR SANJEEV DASGUPTA
Executive Director & CEO

Date of Appointment as Director
1st October 2014

Length of Service as Director
2 years and 6 months (as at 31st March 2017)

Board Committees Served on
Nil

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 31st March 2017
Other Listed Companies
Nil

Others
- Ascendas Property Fund (India) Pte. Ltd.
- Ascendas Property Fund (FDI) Pte. Ltd.
- AIGP 1 Pte. Ltd.
- AIGP2 Fund Pte. Ltd.
- AIGP 1 Pune A Pte. Ltd.
- AIGP 1 Pune B Pte. Ltd.
- AIL 1 (FPI) Pte. Ltd.
- Information Technology Park Ltd.
- True Developers Private Limited
- Onehub (Chennai) Private Limited
- Cyber Pearl Information Technology Park Private Limited
- VITP Private Limited
- Hyderabad Infratech Private Limited
- G.P. Realtors Private Ltd.
- Dr Fresh SEZ Phase 1 Private Limited
- Ascendas IT Park (Chennai) Limited
- Flagship Developers Private Limited
- Avance – Atlas Infratech Private Limited
- Aarush Logistics Park Private Limited
- Aarush (Phase II) Logistics Park Private Limited
- Aarush (Phase III) Logistics Park Private Limited
- Aarush (Phase IV) Logistics Park Private Limited
- Aarush (Phase V) Logistics Park Private Limited

Major Appointment as at 31st March 2017
Nil

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

BOARD OF DIRECTORS

05.

MR ALAN RUPERT NISBET

Independent Director

Date of Appointment as Director
30th September 2015

Length of Service as Director
1 year 6 months (as at 31st March 2017)

Board Committees Served on
- Audit & Risk Committee (Chairman)
- Nominating Committee (Member)
- Human Resource & Remuneration 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 31st March 2017
Other Listed Companies
- Halcyon Agri Corporation Limited
- KrisEnergy Ltd.

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

Major Appointment as at 31st March 2017
Nil

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

06.

MR T.V. MOHANDAS PAI

Independent Director

Date of Appointment as Director
1st December 2011

Length of Service as Director
5 years and 4 months (as at 31st March 2017)

Board Committees Served on
- Audit & 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 31st March 2017
Other Listed Companies
- Havells India Limited

Others
- Manipal Global Education Services Private Limited
- Manipal Health Enterprises Private Limited
- MEMG International India Private Limited
- International Tax Research and Analysis Foundation
- National Stock Exchange India Limited
- Invest Karnataka Forum

Major Appointment as at 31st March 2017
- Aarin Asset Advisors LLP (Partner)
- Aarin Capital Partners (Partner)
- 3one4capital Advisors LLP (Partner)
- 3one4 Holdings LLP (Partner)
- Neev Assets Advisors LLP (Nominee Body Corp - Partner)
- Ideaspring Advisors LLP (Nominee Body Corp - Partner)
- Mohan & Krishna (Partner)
- Mohan Pai & Co. (Proprietor)

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

07.

MR GIRIJA PRASAD PANDE

Independent Director

Date of Appointment as Director
15th January 2013

Length of Service as Director
4 years and 2 months (as at 31st March 2017)

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 31st March 2017
Other 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.

Major Appointment as at 31st March 2017
- Singapore International Chamber of Commerce
- National Council of Social Services
- Singapore Indian Development Association (Board of Trustee)
- NUS Institute of South Asian Studies (Member of Management Board)

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

08.

MR NG ENG LENG

Independent Director

Date of Appointment as Director
1st April 2013

Length of Service as Director
4 years (as at 31st March 2017)

Board Committees Served on
- Audit & 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 31st March 2017
Other Listed Companies
Nil

Others
Nil

Major Appointment as at 31st March 2017
- Partner, Dentons Rodyk & Davidson LLP

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

TRUSTEE-MANAGER

MR SANJEEV DASGUPTA
Executive Director & Chief Executive Officer

Mr Dasgupta is both an Executive Director and the Chief Executive Officer of the Trustee-Manager. His experience can be found under the Board of Directors section.

MR ARTHUR TAN MENG TECK
Chief Financial Officer

Mr Tan has more than 20 years of experience in accounting, auditing, mergers and acquisitions, capital markets, taxation, treasury and financial planning.

Prior to joining the Trustee-Manager, Mr Tan was the Chief Financial Officer of Longcheer Holdings Limited, which is listed on the mainboard of SGX-ST. In this role, Mr Tan oversaw the group's finance operations, reporting requirements, treasury and taxation. Prior to that, Mr Tan was Director of Mergers & Acquisitions (M&A) with Shanghai Fortune Investment Consulting Co., Ltd, an investment advisory firm specialising in the restructuring of state owned enterprises in China.

Between 1999 and 2004, Mr Tan held various senior regional finance and M&A roles in multinational and local corporations based in Singapore. He started his career with KPMG Singapore in 1995.

Mr Tan is a Fellow of the Association of Chartered Certified Accountants.

MR RAM SOUNDARARAJAN
Head, Investment Management

Mr Soundararajan has more than 12 years of experience in real estate investment, asset management, fund management and real estate investment banking in India and Southeast Asia.

Prior to rejoining Ascendas-Singbridge in August 2012, Mr Soundararajan was Associate Director, Real Estate with Ernst & Young, where he worked on real estate transactions in Singapore and Southeast Asia. Before that, Mr Soundararajan was with GIC Real Estate in Singapore responsible for investments and asset management of GIC's portfolio of direct and indirect assets in India and global real estate funds. Mr Soundararajan was with Ascendas-Singbridge from late 2005 to 2008 as Investment Manager for a-iTrust.

Mr Soundararajan holds a Masters in Business Administration Degree (Specialization in Finance) from the Bharatidasan Institute of Management in India.

MR JAMES GOH CHAT SHEN
Head, Investor Relations & Asset Management

Mr Goh has more than 16 years of experience in the fields of investor relations, asset management and analytical research. He has extensive experience in the real estate industry, having worked at several leading property companies.

Prior to joining the Trustee-Manager in 2011, Mr Goh was a key member of the investor relations team at Global Logistics Properties, and the Head of Investor Relations and Research at Frasers Centrepoint Trust.

Mr Goh is a CFA charter holder and a graduate of Nanyang Technological University with a Bachelor of Accountancy (Honours) degree.

PROPERTY MANAGER

MS MARY JUDITH DE SOUZA

Joint Company Secretary

Ms de Souza joined Ascendas-Singbridge in 2005 and has more than 18 years of practice as a corporate and commercial lawyer.

Ms de Souza's experience was acquired during her appointment as a legal counsel with a government-linked technology group and thereafter, while in practice in a local law firm based in Singapore with several branches in the region. Ms de Souza has worked with both local and foreign companies and has acquired a broad-based understanding of concerns and needs of investors in Southeast Asia. As a result of her regional exposure while in legal practice, Ms de Souza has been able to acquire first hand knowledge of the commercial, business, cultural, and operational issues encountered in doing business outside Singapore.

Ms de Souza currently heads Ascendas-Singbridge's Legal team. She holds an LL.B. (Hons) degree from the National University of Singapore and is an advocate and solicitor of the Supreme Court of Singapore.

MR HON WEI SENG

Joint Company Secretary

Mr Hon joined Ascendas-Singbridge in 2015 and has more than 18 years of practice as a corporate and commercial lawyer.

Prior to that, Mr Hon served as a corporate counsel for Genting Singapore PLC, Stamford Land Corporation, Singapore Power, ST Telemedia and Frontline Technologies (since merged with BT Group).

Admitted as an Advocate & Solicitor of the Supreme Court of Singapore, Mr Hon holds LL.B. (Hons) and LL.M. degrees from National University of Singapore, and a MTM degree from the University of Queensland, Australia.

MR SANJAY DUTT

CEO, ASIPL

Mr Dutt has over 22 years of experience in the real estate business in India and spearheaded major strategies across cities.

Mr Dutt was previously the Managing Director of India at Cushman & Wakefield, where he used to provide end-to-end real estate solutions across State government and State owned entities, Occupiers, Developers and Investors. The businesses include Research, Valuation, Strategic Consulting, Transaction Services, Project Management and Asset Management Services.

Prior to joining Cushman & Wakefield in 2012, Mr Dutt was associated with Jones Lang Lasalle (2008 – 2012), Cushman & Wakefield (2001 – 2008) and CBRE (1996 - 2001). He also had a short stint as an entrepreneur working in the logistics sector in the late 1980s.

Mr Dutt holds a Bachelor's degree in Commerce, Accounting & Business Management from Delhi University, India and a Post Graduate Diploma in Marketing and Human Resource from the International Management Institute, New Delhi, India. He was awarded Fellowship by the Royal Institution of Chartered Surveyors (FRICS) and is a former Co-Chair for CORENET, India Chapter.

MR BHAVESH MADEKA

Head, Finance, ASIPL

Mr Madeka joined Ascendas-Singbridge, in December 2013. He was earlier heading the Business Development unit before taking over the role as Head, Finance in October 2016. He has spent over 18 years working in Singapore with various companies and has handled Finance for the large part of his career.

Mr Madeka is a qualified Chartered Accountant with over 30 years of experience in the field of finance and investments. He is also trained in general law from the University of Mumbai.

Prior to joining Ascendas-Singbridge, Mr Madeka was Deputy Head – India with Mapletree India Management Services Pvt. Ltd. overseeing the India operations. In his prior corporate experiences, he has handled the roles of Director at Zen Consulting, Financial Controller at School of Audio Engineering Asia Pte. Ltd., Finance Director of Goldhill Properties Pte. Ltd., apart from other assignments.

STRATEGY

MISSION

Generate attractive portfolio returns for Unitholders by investing in quality IT Parks and other real estate used primarily as business space in India.

1. INVESTMENT MANAGEMENT

Objective: To develop or acquire quality assets which provide attractive cash flows, enhance earnings, and improve the diversification of the portfolio.

What we do: We grow by developing our land bank and acquiring stabilised properties from third parties and our sponsor.

To read more, go to pages 26-29

2. ASSET MANAGEMENT

Objective: To maximise the financial and operational performance of the properties.

What we do: We provide distinctive spaces and nurture strong tenant relationships to attract and retain quality tenants, thereby achieving high rental and occupancy levels.

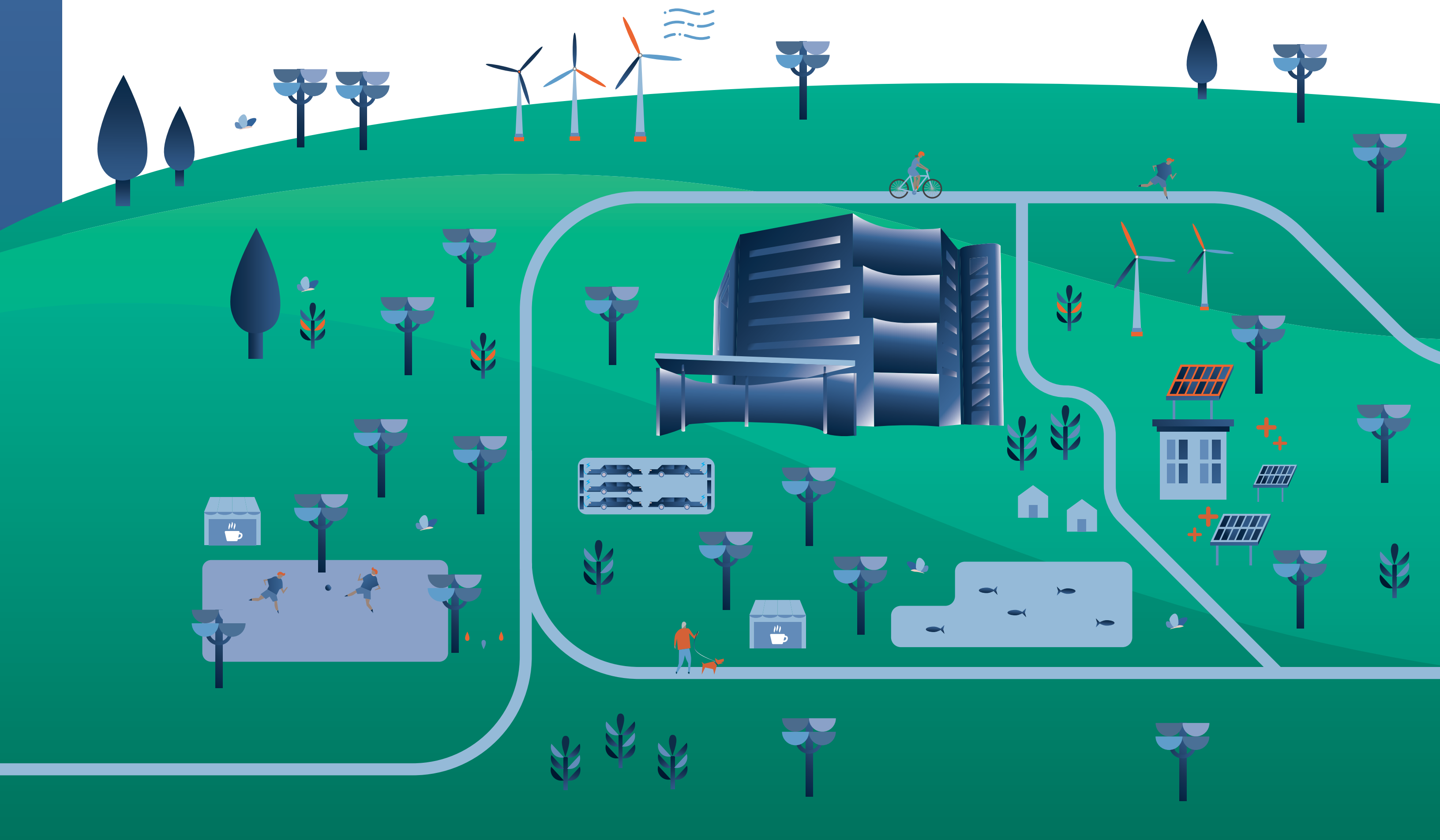
To read more, go to pages 30-31

3. CAPITAL MANAGEMENT

Objective: To maintain a strong financial position as we grow the portfolio.

What we do: We consider raising fresh equity and debt to fund our growth, to ensure that the Trust's gearing remains at an appropriate level. We also employ strategies to manage our exposure to interest rate, currency and liquidity risks.

To read more, go to pages 32-33



4. RISK MANAGEMENT

Objective: To protect and optimise returns for Unitholders.

What we do: We maintain an enterprise-wide risk management process that identifies material risks and implements key controls to mitigate those risks.

To read more, go to pages 34-35

5. INVESTOR RELATIONS

Objective: To help investors make informed investment decisions on a-iTrust.

What we do: We provide timely and transparent information to the investment community to apprise them of significant developments regarding the Trust.

To read more, go to pages 36-37

6. BUSINESS SUSTAINABILITY

Objective: To run our business in a sustainable and responsible manner.

What we do: We incorporate sound environmental, social and governance practices into our business.

To read more, go to pages 50-68

MARKET REVIEW

Source: CBRE South Asia Pvt. Ltd.

ECONOMIC OVERVIEW

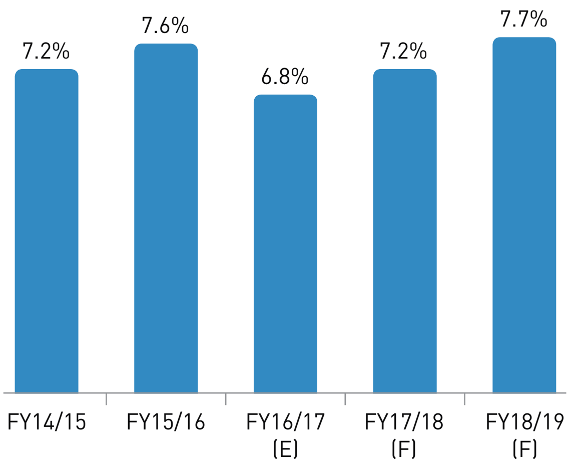
India has emerged as one of the fastest growing G20 economies and has witnessed strong growth momentum during the past few years. On 8th November 2016, the Indian Government announced the demonetization of the legal tender denomination notes of INR 500 and INR 1,000 issued by the Reserve Bank of India (RBI).

This resulted in cash shortage and payment disruptions, undermining consumption and business activity in the short-term. As a result, the International Monetary Fund (IMF) in April 2017 marginally reduced GDP growth estimates for FY16/17 to 6.8%[1], as compared to growth of 7.6%[2] registered in FY15/16. Despite lower growth expectations in FY16/17, demonetization is likely to have negligible long term impact due to India's strong economic fundamentals, demographic potential coupled with a dynamic policy regime.

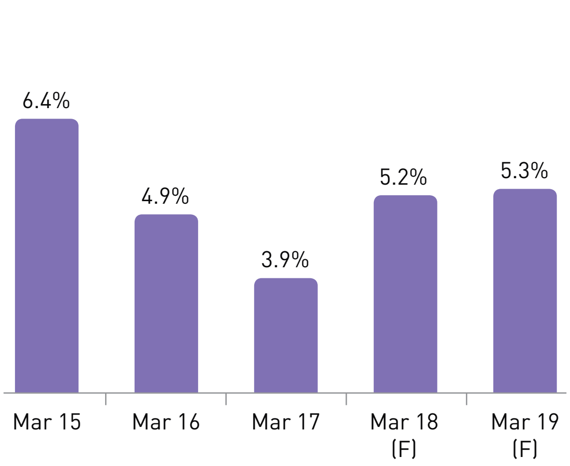
IMF has forecast a rebound in FY17/18 GDP growth to 7.2%[1] as the temporary disruptions caused by the cash shortage gradually dissipates. Strong consumer sentiments, tailwinds from a favourable monsoon and low oil prices are also expected to support the recovery of India's GDP growth in FY17/18.

India's Consumer Price Index (CPI) inflation rate in March 2017 was at a low of 3.89%[2], which is within Reserve Bank of India's target of 5% for March 2017. IMF expects India's inflation to remain contained in the near term, but inflationary pressures are set to rise in the second half of 2017, in part reflecting government pay reviews and the waning effects of the oil price collapse.

GDP Growth



CPI Inflation



Source: Ministry of Statistics and Programme Implementation, IMF and RBI

[1] IMF World Economic Outlook Update, April 2017
[2] Ministry of Statistics and Program Implementation

IT INDUSTRY OVERVIEW

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

Particulars	Unit	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17E[3]
IT-BPM Revenues	USD billion	109*	119*	132*	143	155
Growth in IT-BPM Revenues	%	8.0	9.7	10.4	8.5	8.6
Exports	USD billion	77	86	98	108	118
Growth in Exports	%	11.6	11.6	12.3	10.3	9.3
Exports as % of Total Revenues	%	71	72	74	76	76
Employment	in million	3.0	3.3	3.5	3.7	3.9
Increase in Employment	No.	191,000	323,000	231,000	200,000	170,000

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 USD 109 billion in FY12/13 to an estimated USD 155 billion in FY16/17. India's IT and BPM sector exports is estimated to grow by 9.3% to USD 118 billion in FY16/17. IT majors such as Infosys and TCS saw revenue growth of approximately 17% and 15% respectively in 2016. Cloud computing, digital technologies and e-commerce are amongst the most important drivers leading to continued growth in the IT industry. One major emerging trend in the Indian IT sector is the growing importance of start-ups in India. India is currently the 3rd largest start-up ecosystem globally[4] and the Indian start-up base has grown by 10-12%[4] in 2016. Bangalore, Delhi-NCR and Mumbai account for approximately 70% of India's start-ups.

Looking ahead, key risks for the industry include uncertainty in the short term macroeconomic outlook and potential increase in protectionist policies in the US and other developed markets.

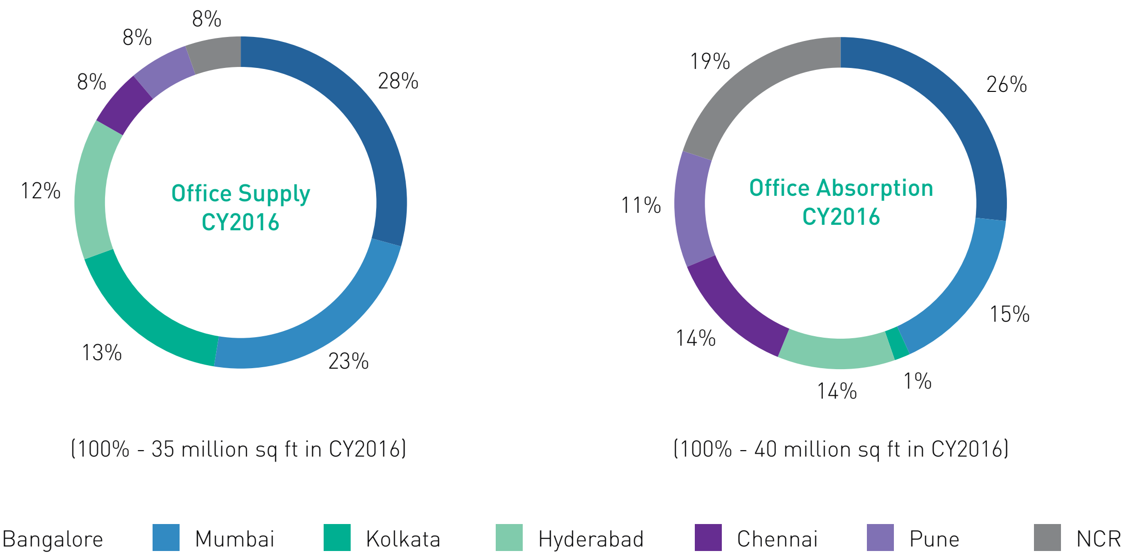
OFFICE MARKET OVERVIEW

Overall office space absorption during CY2016 for the top seven cities in India (National Capital Region, Mumbai, Bangalore, Chennai, Hyderabad, Pune and Kolkata) was approximately 43 million sq ft. Approximately 40 million sq ft[5] pertained to absorption of occupied stock, whereas remaining 3 million sq ft refers to pre-committed stock in operational buildings. The India office market is concentrated in seven key cities in the country, which make up the majority of investment grade office stock in the country.

[3] 25th Edition of the Annual NASSCOM India Leadership Forum
[4] Indian Start-Up Ecosystem Maturing, 2016, NASSCOM & Zinnov Consultants
[5] For the purpose of this report all analysis related to absorption/demand is based on 40 million sq ft of occupied stock.

MARKET REVIEW

Source: CBRE South Asia Pvt. Ltd.



Source: CBRE Research

Supply Trend

In CY2016, supply addition marginally reduced to touch about 35 million sq ft across the leading cities, with Bangalore (28%) and Mumbai (23%) driving overall development completions – both cities witnessed a release of pent-up supply. The cities of Bangalore, Chennai, Hyderabad and Pune in particular contributed approximately 56% of the supply infusion witnessed during the year.

Absorption Trend

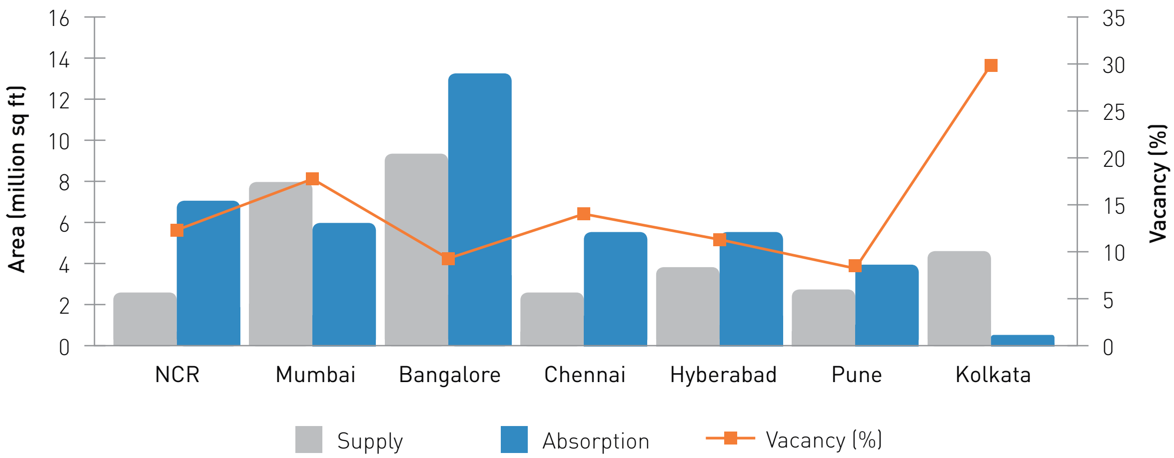
The overall occupied stock of office space during CY2016 was approximately 40 million sq ft, which is marginally lower as compared to 41 million sq ft witnessed in CY2015. Demand for office space in Bangalore, Hyderabad, Chennai and Pune account for approximately 65% of the absorption during CY2016. A significant increase in office space demand in Hyderabad in particular is on account of stable political environment post bifurcation of the state into Telangana and Andhra Pradesh, proactive measures taken by the government to bring in investments and relative rental advantage in comparison to other southern cities, which have led to an overall improved preference of domestic and international occupiers to locate in the city. Bangalore remained the most preferred destination for corporates looking for office space with a share of approximately 26% followed by Delhi-NCR with 19%.

Rental values of corporate real estate across key micro-markets in the leading cities saw a significant year-on-year increase due to non-availability of quality ready-to-move-in office spaces. The year recorded a divergence in rental movement across cities – rental growth was witnessed in Bangalore, Hyderabad, Chennai and Pune where most micro-markets witnessed steady quarterly rise driven by low base rental values and sustained occupier interest. This was in stark contrast to Delhi-NCR and Mumbai, where rents maintained stability post touching a comparatively higher rental base.

Vacancy Trend

The southern cities of Bangalore, Chennai and Hyderabad witnessed a healthy quantum of office space absorption in CY2016, which resulted in a decrease in vacancy levels for the respective cities. Vacancy levels in Bangalore declined from 15% in CY2015 to 10% in CY2016. Similarly vacancy levels in Chennai declined from 15% in CY2015 to 14% in CY2016. The vacancy levels in Hyderabad also declined from 17% in CY2015 to 12% in CY2016 after being stable for about two years. In the case of Pune, a marginal supply-demand gap resulted in vacancy levels declining slightly from 9% in CY2015 to 8% in CY2016.

Supply and Absorption across key leading cities in CY2016



Source: CBRE Research

OUTLOOK

The commercial real estate sector in India continued to evolve in 2016 with rising share of smaller cities in overall space take-up and addition of quality supply across markets. However, global economic uncertainty triggered by Brexit and the expected protectionist US policies might have a long term impact on the commercial real estate sector in India.

Locally, while occupier sentiments seem to remain undaunted by the impact of the demonetization drive, the overall impact is likely to become clearer in the coming quarters. The liquidity crunch might slow down construction activity in select locations (mostly involving smaller unlisted players), which is likely to have an adverse impact on the transaction activity in the residential market in the short term.

Nevertheless, the long term benefits of demonetization are immense, particularly from the perspective of greater institutional investments flowing into the real estate sector and an overall increase in transparency.

The coming year is also expected to witness the implementation of Real Estate Regulatory Act (which also covers the commercial segment) and the country's first REIT listing – both likely to increase the appeal of commercial real estate in the country. With both global and domestic factors playing out in the coming months, the real estate sector in India is expected to go through a necessary transition – emerging as a more formalised/organised sector which would continue to support corporates entering or expanding their footprint across leading cities.

INVESTMENT MANAGEMENT

OVERVIEW

Objective

Our investment management objectives include:

- progressively developing the Trust's land bank, taking into consideration market conditions and leasing demand, so as to reduce risks and maximise returns; and
- acquiring quality assets which provide attractive cash flows, enhance earnings, and improve the diversification of the portfolio.

DEVELOPMENT STRATEGY

Since listing, a-iTrust has developed 4.00 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 3.04 million sq ft.

In Hyderabad, we are redeveloping The V in phases to gain additional floor area. In March 2016, we completed a multi-level carpark with 660 lots. We are currently constructing Atria, a new multi-tenanted IT building with floor area of 0.43 million sq ft, which is expected to be completed by the second half of 2017. We have secured 84% leasing commitment for Atria, and discussions are ongoing with existing and new tenants to cater to their growth plan. We expect Atria to boost the income of a-iTrust after its completion.

In June 2016, we completed the construction of Victor, a 0.62 million sq ft multi-tenanted IT building in International Tech Park Bangalore, which is 100% leased and income-generating. After constructing Victor, we still have 2.24 million sq ft of potential built up area within International Tech Park Bangalore. Given the market demand for IT space in this micro-market, we have commenced the design of a new 0.50 million sq ft multi-tenanted IT building. The remaining land bank will be developed in phases to meet market demand.

Lastly, 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.

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.

IT/ITES office space will continue to be our principal focus. We are also actively evaluating acquisitions in the logistics/warehousing and corporate office segment to enhance the diversification of the portfolio.

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.

Third-party acquisitions

Case study: Acquisition of BlueRidge 2

In December 2014, we entered into an agreement to provide construction funding and acquire BlueRidge 2, a 1.5 million sq ft IT property in Hinjewadi, Pune.

The acquisition of BlueRidge 2 was structured as a two-stage process:

- a-iTrust had first subscribed to Non-Convertible Debentures (NCDs) amounting to ₹2,600 million (S$57 million[1]) issued by the co-developer of BlueRidge 2. The proceeds from the NCDs were used to fund the construction of the property.
- Upon meeting the pre-specified property leasing threshold of 90% or by 31st December 2016 (subject to meeting 65% leasing threshold), whichever is earlier, a-iTrust was to proceed to complete the acquisition of BlueRidge 2. The acquisition price was determined in accordance with an agreed formula which takes into account the rental, rental escalation, and leasing level at the time of sale.

However, as of 31st December 2016, the leasing commitment was at 53%, below the leasing threshold. In January 2017, a-iTrust entered into an amended share purchase agreement to revise the terms to:

- acquire 100% of equity upfront with certain pricing deductions due to the lower leasing level; and
- pay a deferred consideration linked to incremental leasing commitment.

In February 2017, a-iTrust completed the acquisition. Post acquisition, discussions are ongoing for another 14.5% of leasable area. As a result of the pricing deductions, the BlueRidge 2 acquisition would be a financially attractive investment upon stabilisation.

Key Highlights of the Acquisition

- Well located in Hinjewadi, Pune, the preferred location for many top IT companies.
- Key tenants include blue chip companies such as Accenture Services Pvt Ltd, EMC Software and Services India Pvt Ltd, L&T Infotech Ltd, Tata Technologies Ltd, and KPIT Technologies.

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

INVESTMENT MANAGEMENT

Sponsor pipeline

Ascendas-Singbridge 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 1.28 million sq ft of completed and leased space and land with development potential of 0.99 million sq ft. Construction of Phase 3 has commenced and is expected to add another 0.62 million sq ft of space.
- Ascendas India Development Trust, a real estate fund that develops greenfield projects. It has committed equity of S$500 million and land in Gurgaon, Chennai and Coimbatore.

In addition, Ascendas-Singbridge also manages 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.

aVance Business Hub pipeline

Our agreement with Phoenix Infocity Pvt Ltd (Vendor) provided us the right to acquire six 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 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 multi-national corporations such as UnitedHealth Group and ValueLabs as anchor tenants.

In April 2017, we completed the acquisition of aVance 4. The aggregate consideration (including deferred component for vacant space) is estimated to be ₹1,942 million (S$42 million[1]). The building has attained a leasing commitment of 80.4% with IBM India as the anchor tenant. The deferred payment for the vacant space will be made over the next 12 months in tranches based on leasing. In addition to the above four buildings already acquired, a-iTrust has the right to acquire two additional buildings, aVance 5 (estimated floor area 1.13 million sq ft) and aVance 6[2] (estimated floor area 0.63 million sq ft).

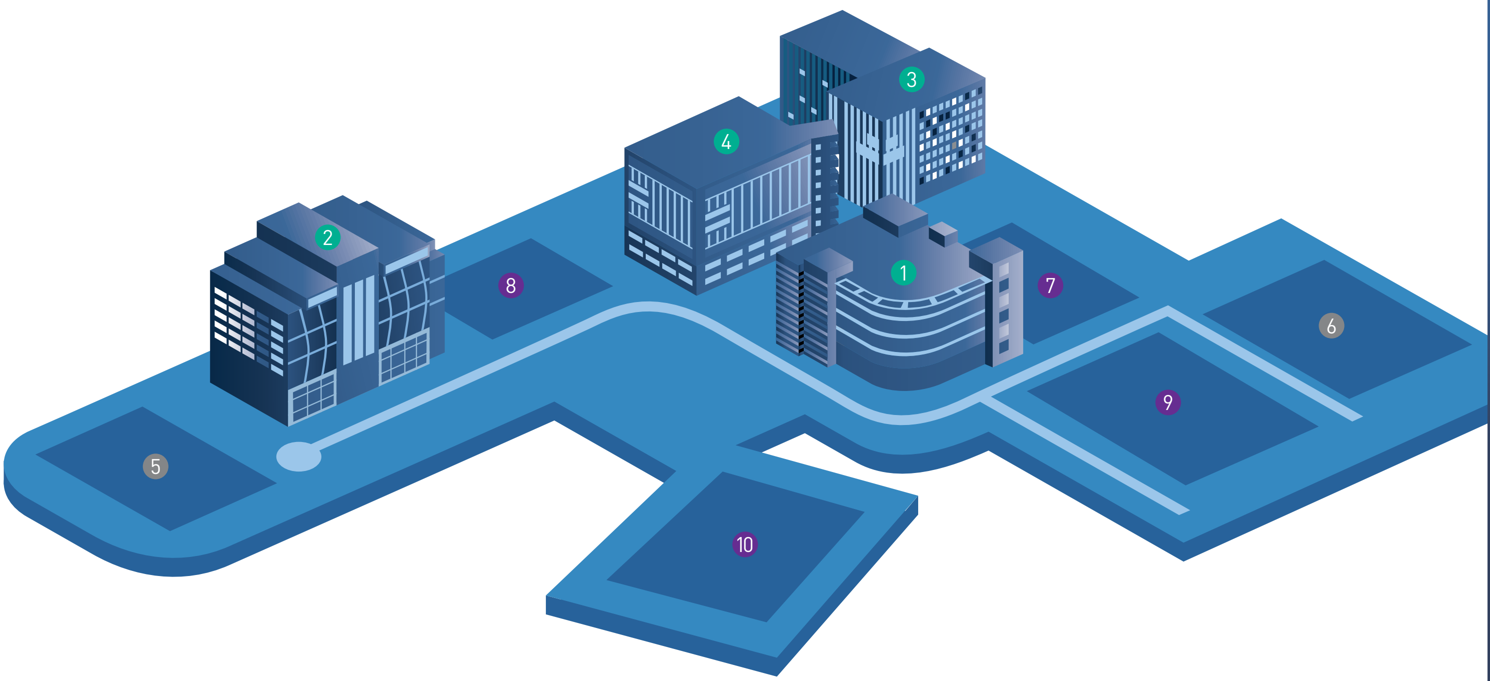
In addition to the agreement with the Vendor, a-iTrust was granted a ROFR to acquire four other buildings totaling 1.16 million sq ft within aVance Business Hub.

To ensure that new buildings built by the Vendor meet our requirements, a-iTrust and the Vendor has set up a project committee to oversee the design and development of new buildings. 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.

[1] Amount translated into Singapore Dollars using spot exchange rate at the time of investment.
[2] Under the Master agreement with the Vendor, aVance 6 was to be covered under a-iTrust's acquisition if developed as an IT SEZ building

Summary

	Building	Floor area (million sq ft)	Status
a-iTrust Properties	aVance 1	0.23	Acquired
	aVance 2	0.20	Acquired
	aVance 3	0.68	Acquired
	aVance 4	0.39	Acquired
	Total	**1.50**	
Right to acquire	aVance 5	1.13	Excavation started
	aVance 6	0.63	Under Construction
	Total	**1.76**	
Right of first refusal to acquire	aVance 7	0.23	Completed
	aVance 8	0.29	Completed
	aVance 9	0.21	Completed
	aVance 10	0.43	Completed
	Total	**1.16**	



ASSET MANAGEMENT

OVERVIEW

Objective

Our asset management objectives include:

- providing distinctive spaces and end-to-end solutions to tenants;
- nurturing strong and long-standing relationships with tenants; and
- maximising the financial and operational performance of the properties.

PRODUCT STRATEGY

We offer distinctive 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.

With the rising threat of terrorism, our properties are fitted with a combination of security features to provide tenants with a peace of mind. Our security officers are trained to handle different threats and contingency situations. Armed guards, vehicle arrestors at main entrances and power fencing lining the boundary walls are added precautions provided in our properties. In addition, we work closely and regularly receive intelligence inputs from the local police, the State Intelligence Bureau and the Centre for Counter Terrorism.

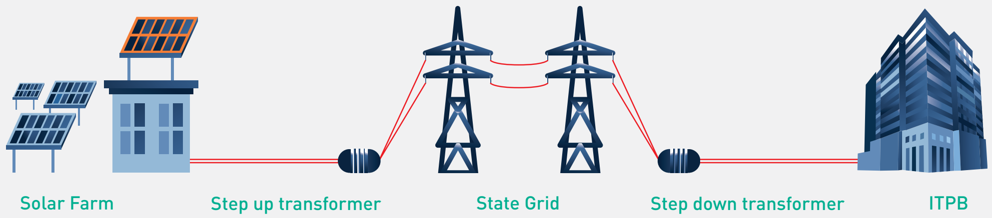
Lastly, we provide an international business lifestyle within our properties that inspires knowledge workers. Extensive amenities are provided within aesthetically landscaped settings incorporating lush gardens and artworks. Amenities on our IT Parks include gymnasium and fitness facilities, large food courts, restaurants and cafes. Conveniences range from automated teller machines, banks, gift shops and travel agencies to pharmacies and spa facilities.

Case study: Procurement of solar power in Bangalore

Going green is not just good for the environment; it is good for our business as well. Starting from FY17/18, we will be procuring 40 million kWh of solar power per annum from an Independent Power Producer (IPP). This represents approximately 30% of power consumed by International Tech Park Bangalore (ITPB) annually. Besides reducing our carbon footprint, we will also enjoy cost savings with the help of government subsidies on renewable energy sources.

Model for procurement of solar power

The agreement requires the IPP to set up a solar farm to supply power to ITPB. The power generated from the solar farm is fed into the state power grid, and ITPB will continue to draw power from the state power grid. This arrangement mitigates the risk of potential shortfall in power supply from the solar farm, as the power is drawn at all times from the state grid. In the event of a shortfall in the quantum of solar power generated, the IPP will compensate ITPB for the difference in pricing for the units consumed.



Refer to pages 50 to 68 to read a-iTrust's sustainability report.

TENANT STRATEGY

To attract quality customers that are willing to commit to long leases, we offer innovative and end-to-end solutions that go beyond meeting their basic requirements.Throughout their tenure with us, we maintain open communication 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. The Property Manager gave out awards and prizes to the top performing agents. This year, over 100 property agents attended this event in Bangalore. On top of that, we regularly organise activities including festive celebrations and sporting and charity events to create a vibrant and balanced lifestyle for our tenants. We have received constant feedback from our tenants that such events help keep their employees engaged and satisfied, which in turn lowers their staff attrition rate.

Calendar of events:

Quarter	Location	Event
1	Chennai	Chess Tournament
	Bangalore	Amit Trivedi Concert
	Bangalore, Chennai and Hyderabad	Green Month Celebrations
2	Chennai	Health Week 2016, Livewire 2016
	Bangalore	Livewire 2016
	Bangalore, Chennai and Hyderabad	Bizquiz 2016
3	Chennai	ITPC Sports Meet
	Bangalore	ITPB FM Connect, ITPB Carnival
4	Bangalore	ITPB Sports Meet, Interface 2017, CEO's Night, Benny Dayal Charity Show
	Chennai	International Women's Day


Amit Trivedi Concert

CAPITAL MANAGEMENT

OVERVIEW

Objective

Our capital management objectives include:

- employing the appropriate strategy to manage currency risk;
- diversifying our funding sources;
- maintaining a healthy balance sheet by keeping gearing at a sensible level; and
- ensuring sufficient liquidity to meet our business requirements.

Key Indicators

Indicator	As at 31st March 2017	As at 31st March 2016
Gearing ratio[1]	29%	26%
Interest service coverage (Adjusted EBITDA[2] / Interest expenses)	3.7 times	4.2 times
Percentage of Indian Rupee debt	73%	73%
Percentage of fixed rate debt	99%	100%
Percentage of unsecured borrowings	100%	100%
Effective weighted average cost of debt	6.8%	6.9%
Available debt headroom	S$456 million	S$463 million[3]
Net asset value	S$0.81 per unit	S$0.69 per unit
Adjusted net asset value[4]	S$1.05 per unit	S$0.89 per unit

FUNDING STRATEGY

Our strategy is to diversify funding sources from financial institutions and capital markets to reduce the Trust's reliance on any single source of funding. The Trust has established a S$500 million Medium Term Note (MTN) programme and its principal bankers include DBS Bank, UOB, Mizuho Bank, Citibank, HSBC and Standard Chartered Bank. As at 31st March 2017, the Trust has total effective borrowings[5] of S$475 million, comprising S$200 million of MTN notes, S$264 million of bilateral loans and S$12 million of deferred consideration.

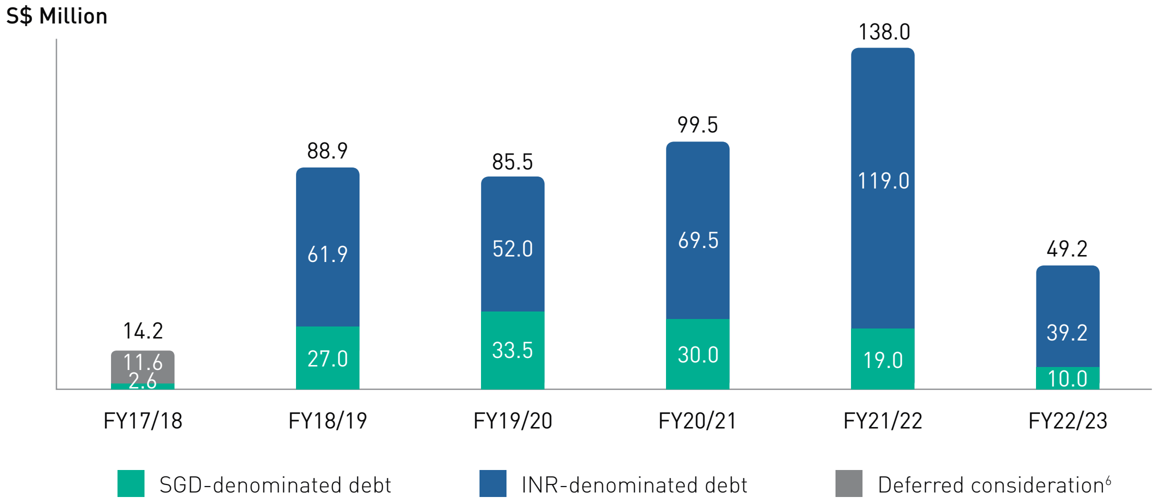
Our approach to equity raising is predicated on maintaining a strong balance sheet by keeping the Trust's gearing ratio at an appropriate level. We will carefully consider the impact on a-iTrust's DPU and net asset value before making any decision on raising equity.

We lower the Trust's borrowing cost by having a mix of Indian Rupee and Singapore Dollar borrowings. As at 31st March 2017, 73% of the Trust's borrowings was denominated in Indian Rupee with the remaining 27% in Singapore Dollar. The weighted average interest cost of Singapore Dollar and Indian Rupee borrowings were 3.6% and 8.0% respectively as at 31st March 2017. a-iTrust's overall weighted average cost of debt was 6.8% as at 31st March 2017.

We do not borrow Indian Rupee loans onshore in India as it costs 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 expense, tax, depreciation & amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation from settlement of loans). Earnings include interest income.
[3] Available debt headroom is based on approved gearing limit of 45% in accordance with the Trust Deed.
[4] Excludes deferred income tax liabilities on capital gains due to fair value revaluation of investment properties.
[5] Calculated by adding/(deducting) derivative financial instruments liabilities/(assets) to/from gross borrowings, including deferred consideration.

Debt expiry profile



Debt headroom

As at 31st March 2017, the Trust may increase its borrowings by S$456 million before reaching the gearing limit of 45% as provided for under the Trust Deed of a-iTrust. This provides the Trust with significant resources to fund potential acquisitions and developments using additional borrowings.

CASH MANAGEMENT

The Trust monitors and maintains a level of cash and cash equivalents deemed adequate to meet the Trust's operations and 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.

INCOME HEDGING STRATEGY

We hedge the Trust's distributable income. 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.

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 30th September and 31st March.

[6] Deferred consideration refers to the remaining purchase consideration pertaining to the acquisitions of CyberVale 3 in Chennai and BlueRidge 2 in Pune.

RISK MANAGEMENT

OVERVIEW

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) Private Limited act as the Trustee-Manager and Property Manager respectively. Hence the risk management processes and practices are executed by the Trustee-Manager, Property Manager 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.

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 guides Management in the formulation of risk policies and processes.
- Ensures that 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.

Risk	Details	Mitigation
Operational risk	Operational risk encompasses risks associated with the day-to-day operations of the Trust.	Risk management measures are integrated into the day-to-day activities of the Trustee-Manager and Property Manager 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. These controls are closely monitored and regularly reviewed, and improvements are made whenever necessary.
Investment risk	Investment risk arises when the Trust 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.	The following measures were implemented to mitigate investment risk: • a research-driven investment approach focusing on the relevant national macroeconomic outlook, analysis of the relevant micro real estate markets (including supply and demand, vacancy and rental), and detailed asset analysis; • detailed property and technical due diligence prior to any new acquisition; • independent valuation as a guide to the purchase price; • detailed evaluation of the impact of the proposed acquisition on the portfolio income, geographical and tenant diversification, and lease expiry profile; and • review and approval of the investment by the Investment Committee and Board of Directors.
Credit risk	Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.	The 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 in arrears exceed the security deposits.
Tenant concentration risk	Tenant concentration risk arises when a single or a small group of tenants contributes a disproportionate percentage of rental income to the Trust.	Tenant concentration risk is mitigated by diversifying the Trust's tenant base, which included 300 tenants as at 31st March 2017. On average, a single tenant occupied 33,800 sq ft of space. The largest tenant accounted for 6% of portfolio base rents. Collectively, the top 10 tenants contributed 35% of portfolio base rents.
Currency risk	The Trust is exposed to foreign currency risk as a result of having operations in two countries; it earns income in Indian Rupee (its functional currency), but makes distribution to Unitholders in Singapore Dollar (its reporting currency).	To mitigate the risk of large currency fluctuations in the period before income is repatriated to Singapore, the Trust enters into monthly forward contracts to hedge income that has been earned. The currency exposure as a result of borrowing in Singapore Dollar and Japanese Yen to fund developments and/or acquisitions in India is managed through currency swaps. The Trust's policy is to hedge at least 50% of its borrowings to Indian Rupee. As at 31st March 2017, 8% of the Trust's asset value was exposed to currency risk[1] as a result of its exposure to Singapore Dollar borrowings.
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 floating-rate borrowings into fixed-rate obligations. As at 31st March 2017, 99% of the Trust's borrowings carry fixed-rate interest.
Refinancing risk	The inability to refinance borrowings when they are due.	The Trust maintains a well-spread out debt maturity profile, and has total available revolving credit lines of S$127.4 million as on 31st March 2017 to meet short-term refinancing requirements.
Liquidity risk	The risk that the Trust does not have sufficient cash and cash equivalents to meet its immediate business requirements.	The Trust maintains sufficient cash and cash equivalents to meet the normal operating cash requirement. In addition, the Trust regularly monitors its bank covenants for borrowings to ensure that it does not default on any borrowings.

[1] Value-at-risk is calculated by multiplying (i) the percentage of effective borrowings with (ii) gearing ratio; 27% X 29% = 8%.

INVESTOR RELATIONS

OVERVIEW

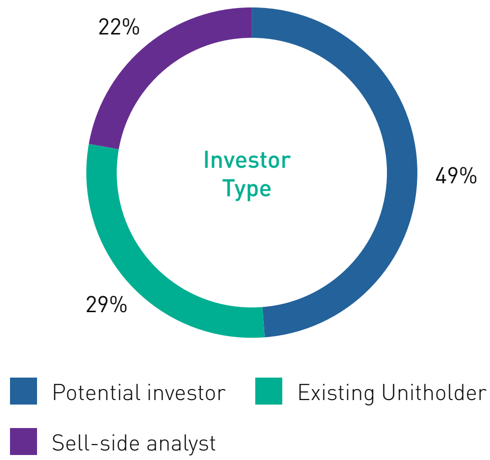
We value our relationships with all analysts and investors. We are committed to timely and transparent communications to keep the investment community apprised of significant developments of a-iTrust.

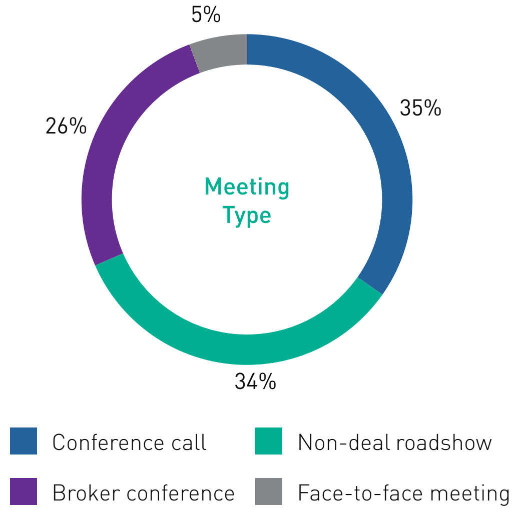
Care is exercised to ensure that we avoid selective disclosure of material information. All price sensitive information is released to investors at the same time via SGX-ST and a-iTrust's corporate website, in accordance with regulatory requirements.

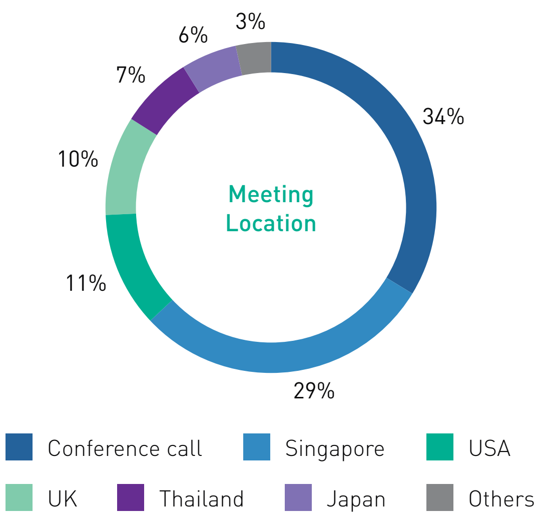
We closely monitor investors' perceptions and expectations of a-iTrust and actively convey that information to our Board of Directors (Directors). Major Unitholders' views are canvassed in a detailed investor survey which is conducted by an external consultant. The investor perception report is sent 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 FY16/17, we met or spoke to 181 analysts and investors. The charts show the breakdown in terms of the investor type, meeting type and location that we met them.







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 SGX-ST's 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 31st March 2017. We maintain open channels of communication to ensure that the analysts 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

Financial Calendar (Tentative)

Month	Event
July 2017	1Q FY17/18 results announcement
October 2017	2Q FY17/18 results announcement
November 2017	1H FY17/18 distribution to Unitholders
January 2018	3Q FY17/18 results announcement
April 2018	4Q FY17/18 results announcement
May 2018	2H FY17/18 distribution to Unitholders
June 2018	Annual general meeting

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

Enquiries

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

The Trustee-Manager

Ascendas Property Fund Trustee Pte. Ltd.
James Goh, CFA
Head, Investor Relations & 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 to sign up for free email alerts: http://aitrust.listedcompany.com/email_alerts.html

PORTFOLIO

Property	International Tech Park Bangalore (ITPB)	International Tech Park Chennai (ITPC)
City	Bangalore	Chennai
Site area (acres)	68.5	15.0
Land tenure	Freehold	Freehold
Stake	93%[4]	89%[5]
Floor area owned by a-iTrust (million sq ft)	4.0	2.0
Number of buildings	10	3
Park population	39,100	21,400
Development potential of land bank (million sq ft)	2.2	-
Physical occupancy	95%	100%
Purchase price		
(₹ million)	13,670	5,533
(S$ million)[7]	478.5	193.7
March 2016 valuation		
(₹ million)	23,761	13,332
(S$ million)[8]	484.7	272.0
March 2017 valuation		
(₹ million)	25,000	14,704
(S$ million)[9]	535.3	314.9

1 99-year lease commencing on 12th January 2006, renewable for a 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 lease rentals.
3 99-year lease renewable for further 99-year leases at the Trust's option at nominal lease rentals.
4 Remaining 7.2% owned by Karnataka Industrial Area Development Board.
5 Remaining 11.0% owned by Tamil Nadu Industrial Development Corporation Limited.
6 Estimated purchase price, inclusive of deferred consideration to be paid after 31st March 2017.
7 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, S$1:₹48.8 for the third building in CV and S$1:₹47.0 for BlueRidge 2.
8 Based on exchange rate of S$1:₹49.0.
9 Based on exchange rate of S$1:₹46.7.

	CyberVale (CV)	CyberPearl (CP)	The V	aVance Business Hub (aVance)	BlueRidge 2
	Chennai	Hyderabad	Hyderabad	Hyderabad	Pune
	18.2	6.1	19.4	25.7	5.4
	99 years[1]	Freehold	Freehold	Freehold[2]	Freehold[3]
	100%	100%	100%	100%	100%
	0.8	0.4	1.3	1.1	1.5
	3	2	5	3	3
	7,900	4,500	12,000	10,000	6,000
	0.4	-	0.4	-	-
	100%	100%	99%	100%	54%
	2,413[6]	2,001	5,439	4,705	6,900[6]
	51.5[6]	70.0	190.4	107.8	147.3[6]
	2,522	2,384	8,126	5,637	-
	51.4	48.6	165.8	115.0	-
	2,768	2,600	9,378	5,956	7,058
	59.3	55.7	200.8	127.5	151.1

OPERATIONAL REVIEW

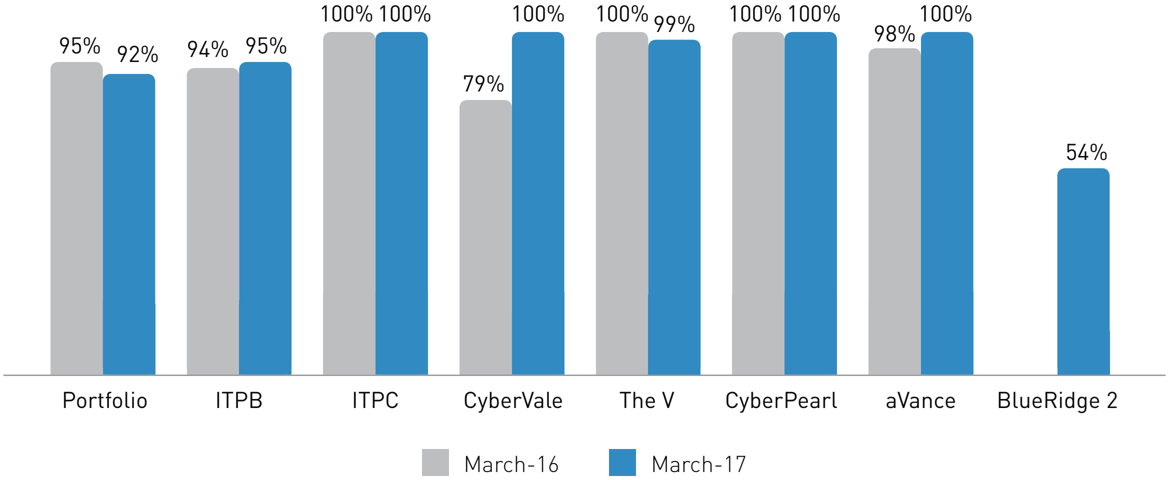
ASSET REVIEW

Leasing report

As at 31st March 2017, our portfolio occupancy was 92%. The portfolio occupancy rises to 98% if BlueRidge 2, which was acquired in February 2017, is excluded. In Chennai, the remaining space in CyberVale 3 was leased out during the last quarter of FY16/17, resulting in full occupancy for CyberVale. We are actively marketing the remaining vacant space in BlueRidge 2.

Over 2.6 million sq ft of floor space was leased or renewed in FY16/17, exceeding the floor space freed up by expired or pre-terminated leases. We retained 80% of leases that expired during the financial year. 26% or 2.7 million sq ft of leases would expire in FY17/18. 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 if the existing customer does not renew their lease.

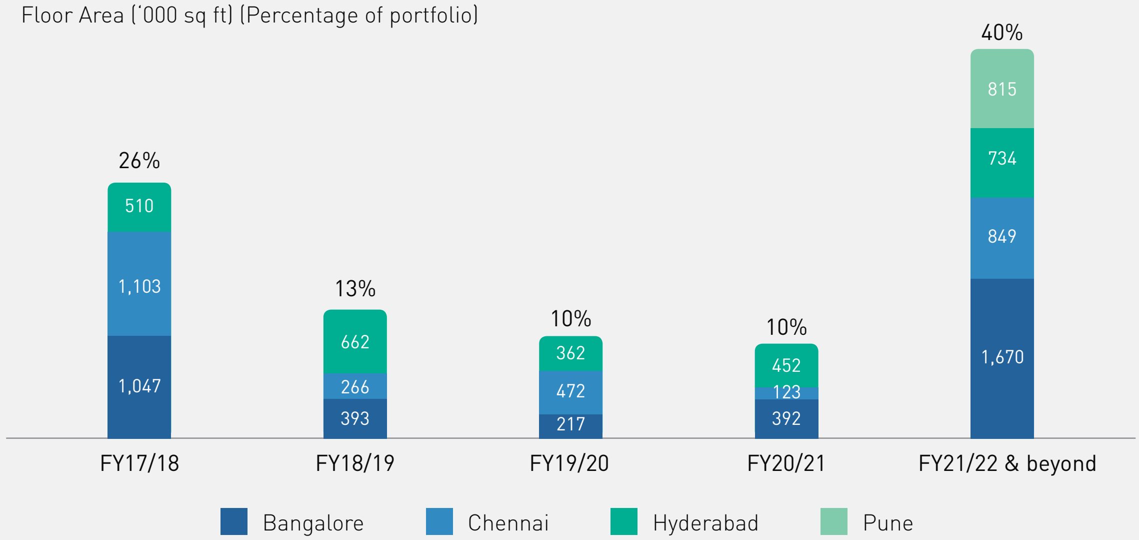
Physical Occupancy



Lease Expiry Profile

Floor Area ('000 sq ft) (Percentage of portfolio)

Weighted Average Lease Term: **6.4 years**

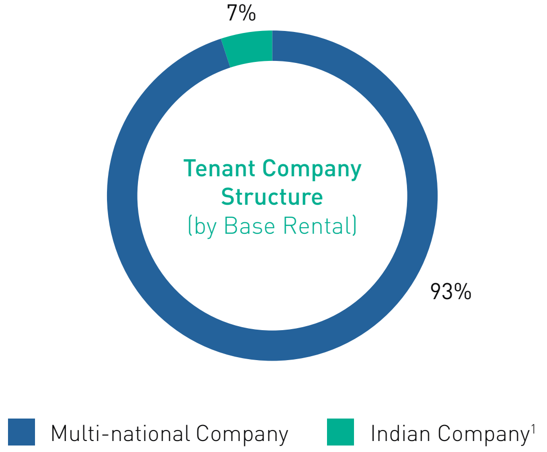


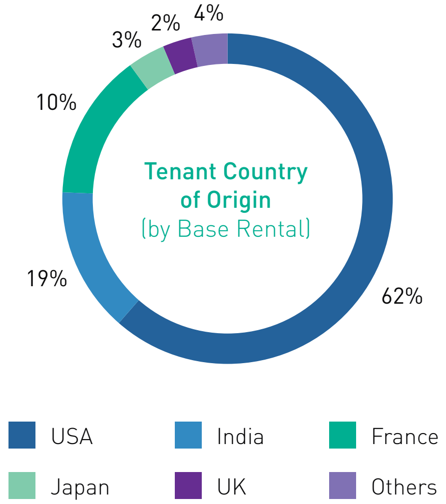
Tenant profile

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

We had in total 300 tenants as at 31st March 2017. 93% of our tenants are multi-national companies. 62% of our tenants come from the US. Indian and mainly European companies make up the rest of our portfolio.

No.	Company (by 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



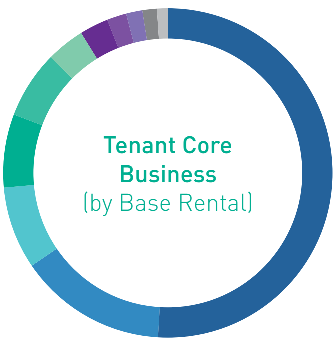



International Tech Park Bangalore

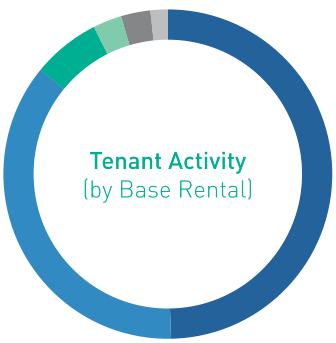
[1] Comprises Indian companies with local operations only.

OPERATIONAL REVIEW

In terms of the type of business activity that is undertaken in our portfolio, 49% of our tenants conduct IT-related work solely. The IT category refers to services rendered at the top end of the IT value chain, including software and application development, animation, and gaming design. ITES, which means IT Enabled Services, captures lower value-added services such as call centres and business process outsourcing functions. Since listing, we have been reducing our reliance on ITES customers as they tend to be more cost concious and require office space with lower specifications. The segment IT/ITES refers to tenants which undertake both types of activities within their premise.



IT, Software & Application Development and Service Support	51%
Banking & Financial Services	14%
Automobile	8%
Design, Gaming & Media	7%
Electronics, Semiconductor & Engineering	7%
Healthcare & Pharmaceutical	4%
Others	3%
Telecommunication & Network	2%
F&B	2%
Oil & Gas	1%
Retail	1%



IT	49%
IT/ITES	37%
ITES	7%
Retail & F&B	3%
R&D	3%
Others	1%

FINANCIAL REVIEW

FY16/17 Compared to FY15/16

OVERVIEW

a-iTrust Results	FY16/17 ₹ million	Change	FY16/17 S$ million	Change
Total property income	7,587	12%	156.7	9%
Total property expenses	(2,540)	7%	(52.5)	4%
Net property income	5,047	14%	104.2	11%
Finance costs	(1,392)	25%	(28.7)	22%
Ordinary profit before tax	3,798	18%	78.4	15%
Distribution adjustments	(955)	68%	(19.7)	65%
Income available for distribution	2,843	7%	58.7	4%
Income to be distributed	2,559	7%	52.9	4%

Exchange Rate Movement	FY16/17	FY15/16	Change
Average SGD/INR exchange rate	48.5	47.1	3%[1]

TOTAL PROPERTY INCOME

FY16/17 vs FY15/16	₹ million	Change	S$ million	Change
Base rent	4,796	14%	99.0	11%
Amenities income	97	2%	2.0	(1%)
Fit-out rental income	65	(6%)	1.3	(9%)
Operations, maintenance and utilities income	2,242	7%	46.3	4%
Car park and other income	386	27%	8.0	24%
Total property income	**7,587**	**12%**	**156.7**	**9%**

Total property income for FY16/17 increased by 12% (₹803 million) to ₹7,587 million. This was mainly due to incremental property income of ₹564 million from:

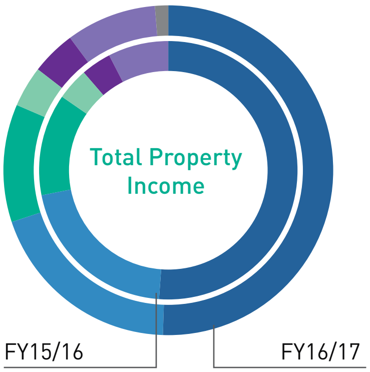
- aVance 3 in Hyderabad, which was acquired in July 2015;
- CyberVale 3 in Chennai, which was acquired in March 2016;
- Victor at ITPB, which was completed in June 2016; and
- BlueRidge 2 in Pune, which was acquired in February 2017.

Positive rental reversions also contributed to the increase. In SGD terms, total property income increased by 9% (S$12.7 million) to S$156.7 million.

The Singapore Dollar appreciated by 3% against the Indian Rupee over the same period last year.

[1] The Singapore Dollar appreciated by 3% against the Indian Rupee.

FINANCIAL REVIEW



Property (₹ million)	FY16/17		FY15/16	
ITPB	3,839	51%	3,468	51%
ITPC	1,458	20%	1,408	21%
The V	866	11%	845	12%
CyberPearl	320	4%	291	4%
CyberVale	331	4%	262	4%
aVance	675	9%	510	8%
BlueRidge 2	97	1%	-	-
Total	**7,587**	**100%**	**6,784**	**100%**

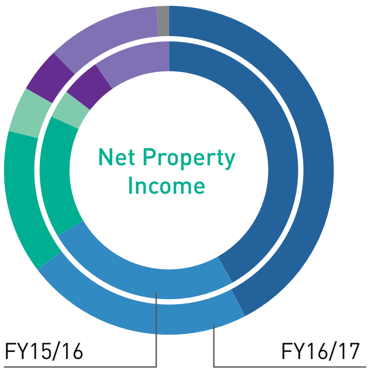
TOTAL PROPERTY EXPENSES

FY16/17 vs FY15/16	₹ million	Change	S$ million	Change
Operations, maintenance and utilities expenses	(1,698)	4%	(35.1)	2%
Service and property taxes	(188)	35%	(3.9)	32%
Property management fees	(356)	12%	(7.4)	9%
Other property operating expenses	(298)	4%	(6.2)	2%
Total property expenses	**(2,540)**	**7%**	**(52.5)**	**4%**

Total property expenses increased by 7% (₹172 million) to ₹2,540 million, mainly due to additional expenses arising from the addition of aVance 3, CyberVale 3, Victor and BlueRidge 2 to the portfolio. Service and property taxes increased by 35% (₹49 million) to ₹188 million, mainly due to higher property tax rates in Bangalore and the completion of Victor. In Singapore Dollar terms, total property expenses increased by 4% (S$2.2 million) to S$52.5 million.

NET PROPERTY INCOME

Net property income grew by 14% (₹632 million) over FY15/16 to ₹5,047 million, which is in line with the growth in total property income. In Singapore Dollar terms, net property income grew by 11% (S$10.5 million) to S$104.2 million.

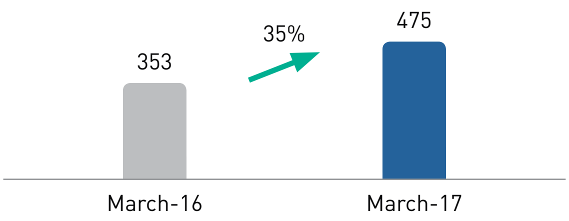


Property (₹ million)	FY16/17		FY15/16	
ITPB	2,152	43%	1,861	41%
ITPC	1,119	22%	1,084	25%
The V	697	14%	657	15%
CyberPearl	232	5%	167	4%
CyberVale	225	4%	215	5%
aVance	557	11%	431	10%
BlueRidge 2	65	1%	-	-
Total	**5,047**	**100%**	**4,415**	**100%**

FINANCE COSTS

Finance costs increased by 25% (₹281 million) to ₹1,392 million mainly due to an increase in borrowing levels. These additional loans were taken to invest in or develop aVance 3 & 4, CyberVale 3, Victor, BlueRidge 2 and Atria. In Singapore Dollar terms, finance costs increased by 22% (S$5.1 million) to S$28.7 million.

Effective Borrowings[2]
(S$ million)



DISTRIBUTION ADJUSTMENTS

FY16/17 vs FY15/16	₹ million	Change	S$ million	Change
Income tax expenses - current	(928)	7%	(19.1)	4%
Trustee-manager's fee payable in units	231	15%	4.8	12%
Depreciation of equipment	4	(41%)	0.1	(41%)
Realised exchange loss	(44)	N.M.[3]	(0.9)	N.M.[3]
Non-controlling interests	(218)	16%	(4.5)	12%
Distribution adjustments	**(955)**	**68%**	**(19.7)**	**65%**

Distribution adjustments increased by 68% (₹385 million) to ₹955 million mainly due to ₹278 million in realised exchange loss which was added back in FY15/16. This pertains to refinancing of Singapore Dollar-denominated loans that were not swapped into Indian Rupee. Exchange loss is recognised when borrowings that are dominated in currencies other than Indian Rupee are revalued. The exchange loss is realised when the borrowing matures. Such exchange loss does not affect cash flows. In FY16/17, the Trustee-Manager elected to receive 50% of its base fee and performance fee in units and 50% in cash; hence 50% of the fees (₹231 million) was added back to distribution adjustments. In Singapore Dollar terms, distribution adjustments increased by 65% (S$7.8 million) to S$19.7 million.

INCOME AVAILABLE FOR DISTRIBUTION

After accounting for distribution adjustments, income available for distribution for FY16/17 grew by 7% (₹184 million) to ₹2,843 million. In Singapore Dollar terms, income available for distribution increased by 4% (S$2.3 million) to S$58.7 million.

[2] Calculated by adding/(deducting) derivative financial instrument liabilities/(assets) to/from gross borrowings, including deferred consideration.
[3] Not meaningful or not material.

FINANCIAL REVIEW

INCOME TO BE DISTRIBUTED

a-iTrust's distribution policy is to distribute at least 90% of its income available for distribution. 10% of its income available for distribution is retained to provide greater flexibility in growing the Trust. Post retention, income to be distributed for FY16/17 grew by 7% (₹166 million) to ₹2,559 million. In Singapore Dollar terms, income to be distributed increased by 4% (S$2.0 million) to S$52.9 million. This translates to DPU of 5.69 Singapore cents, which is a 3% increase compared to FY15/16.

a-iTrust makes distributions to Unitholders on a half-yearly basis for every six-month period ending 30th September and 31st March.

Financial Year	Period	Payment Date	Semi-Annual DPU (Singapore cents)	Full Year DPU (Singapore cents)
FY16/17	1st April 2016 to 30th September 2016	28th November 2016	2.73	5.69
	1st October 2016 to 31st March 2017	26th May 2017	2.96	
FY15/16	1st April 2015 to 30th September 2015	27th November 2015	2.74	5.50
	1st October 2015 to 31st March 2016	27th May 2016	2.76	

VALUATION AND NET ASSET VALUE

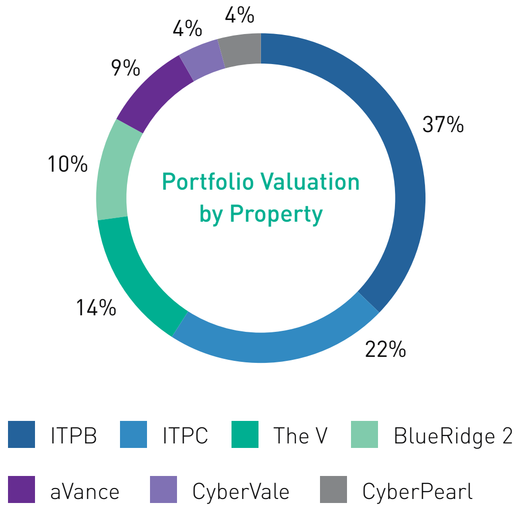
As at 31st March 2017, a-iTrust's properties were valued at ₹67,464 million by CBRE South Asia Pvt. Ltd., which was approximately 21% (₹11,702 million) higher than FY15/16's valuation of ₹55,762 million. In Singapore Dollar terms, portfolio valuation grew by 27% (S$306.2 million) to S$1,443.7 million. The increase was mainly due to the completion of Victor building in ITPB, the acquisition of BlueRidge 2, and increase in portfolio rents and occupancy. Excluding BlueRidge 2 which was acquired in February 2017, the portfolio valuation was 8% (₹4,644 million) higher at ₹60,406 million and in Singapore Dollar terms, 14% (S$155.2 million) higher at S$1,292.7 million. In FY16/17, a-iTrust recognised fair value gain on investment properties of ₹4,141 million (S$88.2 million). Revaluation gains are non-cash and do not have an impact on income available for distribution.

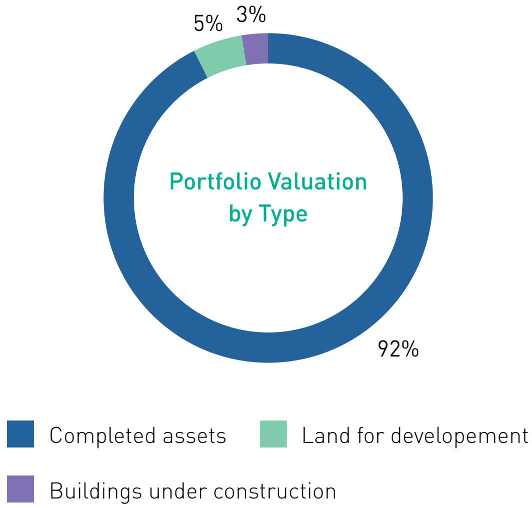
Net asset value (NAV) per unit as at 31st March 2017 increased by 17% to S$0.81 as compared to 31st March 2016. Excluding deferred tax liabilities arising from fair value adjustments on properties, the adjusted NAV per unit was S$1.05.

Valuation of Properties

Property (₹ million)	31st March 2017 Valuation	31st March 2016 Valuation	Change
International Tech Park Bangalore	25,000	23,761	5%
International Tech Park Chennai	14,704	13,332	10%
CyberVale	2,768	2,522	10%
CyberPearl	2,600	2,384	9%
The V	9,378	8,126	15%
aVance Business Hub	5,956	5,637	6%
BlueRidge 2	7,058	-	-
Portfolio (in ₹ million)	**67,464**	**55,762**	**21%**
Portfolio (in S$ million)	**1,443.7[4]**	**1,137.5[5]**	**27%**
Portfolio - excluding BlueRidge 2 (in ₹ million)	**60,406**	**55,762**	**8%**
Portfolio - excluding BlueRidge 2 (in S$ million)	**1,292.7[4]**	**1,137.5[5]**	**14%**

4 Based on the exchange rate of S$1:₹46.7
5 Based on the exchange rate of S$1:₹49.0





CASH FLOWS AND LIQUIDITY

Operating Activities

Net cash generated from operating activities for FY16/17 remained stable at S$95 million, compared to S$97 million in the previous financial year.

Investing Activities

During the year, S$9 million was invested to fund the development of (1) Victor in ITPB, and (2) Atria in The V, Hyderabad. An additional S$7 million worth of capital expenditure was spent on maintaining existing properties.

In terms of new investments, a-iTrust completed the acquisition of BlueRidge 2, a 1.5 million sq ft IT SEZ in Pune with a net payment of S$70 million. Construction loans were extended to the vendor previously, bringing the total consideration to approximately S$140 million. The total consideration is inclusive of deferred consideration of approximately S$6 million that may be payable to the vendor for incremental leasing commitments. This arrangement allows a-iTrust to acquire the asset while minimising leasing risk.

In the previous financial year, S$31 million was invested to fund the development of (1) Victor and (2) Atria and multi-level car park in The V. A final net consideration of S$5 million was also paid to the vendor on acquisition of aVance 3. In addition, an initial purchase consideration of S$6 million was paid for CyberVale 3. On capital expenditure, S$7 million was invested to refurbish existing properties.

Financing Activities

During the year, a-iTrust raised loans of S$132 million, which included a-iTrust's first Japanese Yen bond issuance of ¥4 billion. S$45 million of the funds raised went towards the refinancing of existing loans.

SENSITIVITY ANALYSIS

Interest Rate Risk

As at 31st March 2017, almost all of a-iTrust's total borrowings are on fixed-rate basis which eliminates interest rate volatility. Moreover, profits after tax and operating cash flow are substantially independent of changes in market interest rates, hence interest rate risk is negligible.

Foreign Exchange Risk

In terms of operating cash flow which is denominated substantially in Indian Rupees, it is estimated that a 10% appreciation or depreciation of the Indian Rupee would result in a corresponding 11% increase or decrease in a-iTrust's distributable income.

Capital Risk

a-iTrust has a gearing ratio of 29% as at 31st March 2017. A 10% increase or decrease in portfolio valuation would reduce the gearing to 27% or increase the gearing to 32% respectively.

QUARTERLY RESULTS

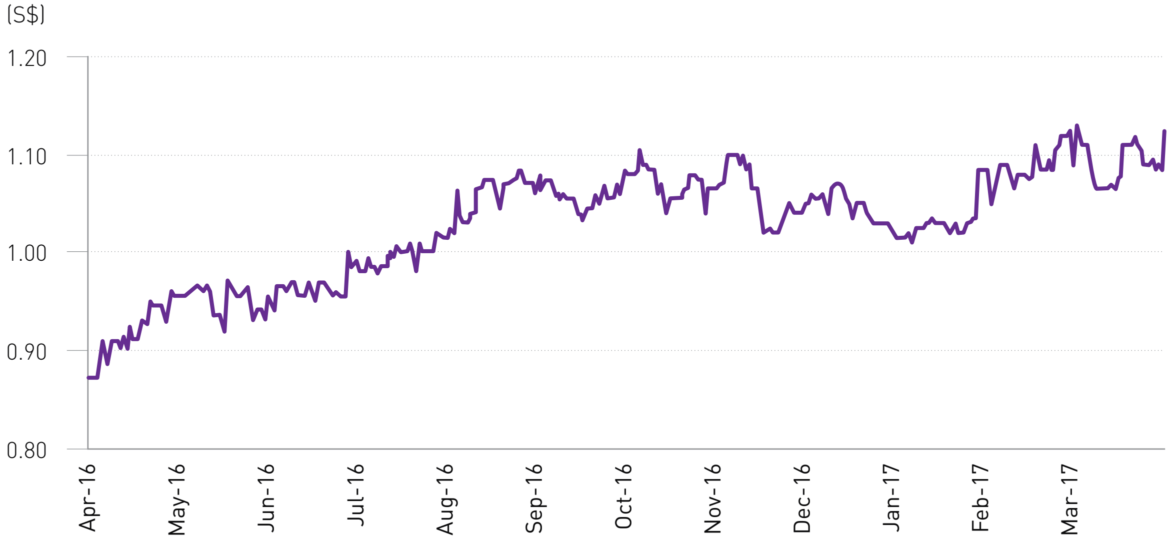
	₹ million			S$ million		
	FY16/17	FY15/16	Y-o-Y Change	FY16/17	FY15/16	Y-o-Y Change
Total property income						
Quarter 1	1,776	1,607	11%	36.1	34.2	6%
Quarter 2	1,841	1,704	8%	37.1	36.5	2%
Quarter 3	1,881	1,751	7%	39.3	37.5	5%
Quarter 4	2,088	1,722	21%	44.2	35.9	23%
Full Year	**7,587**	**6,784**	**12%**	**156.7**	**144.0**	**9%**
Net property income						
Quarter 1	1,164	1,035	12%	23.6	22.0	7%
Quarter 2	1,247	1,107	13%	25.1	23.7	6%
Quarter 3	1,265	1,160	9%	26.4	24.8	7%
Quarter 4	1,371	1,114	23%	29.0	23.2	25%
Full Year	**5,047**	**4,415**	**14%**	**104.2**	**93.7**	**11%**
Income available for distribution						
Quarter 1	690	660	4%	14.0	14.1	-
Quarter 2	701	657	7%	14.1	14.0	1%
Quarter 3	703	648	9%	14.7	14.0	5%
Quarter 4	749	695	8%	15.9	14.4	11%
Full Year	**2,843**	**2,659**	**7%**	**58.7**	**56.5**	**4%**
Income to be distributed						
Quarter 1	621	594	4%	12.6	12.7	-
Quarter 2	631	591	7%	12.7	12.6	1%
Quarter 3	633	583	9%	13.2	12.6	5%
Quarter 4	674	625	8%	14.3	12.9	11%
Full Year	**2,559**	**2,393**	**7%**	**52.9**	**50.8**	**4%**

	₹			S¢		
	FY16/17	FY15/16	Y-o-Y Change	FY16/17	FY15/16	Y-o-Y Change
Income to be distributed (DPU)						
Quarter 1	0.67	0.64	4%	1.36	1.37	-
Quarter 2	0.68	0.64	6%	1.37	1.37	-
Quarter 3	0.68	0.63	8%	1.42	1.36	5%
Quarter 4	0.72	0.68	7%	1.54	1.40	10%
Full Year	**2.75**	**2.59**	**6%**	**5.69**	**5.50**	**3%**

UNIT PRICE REVIEW

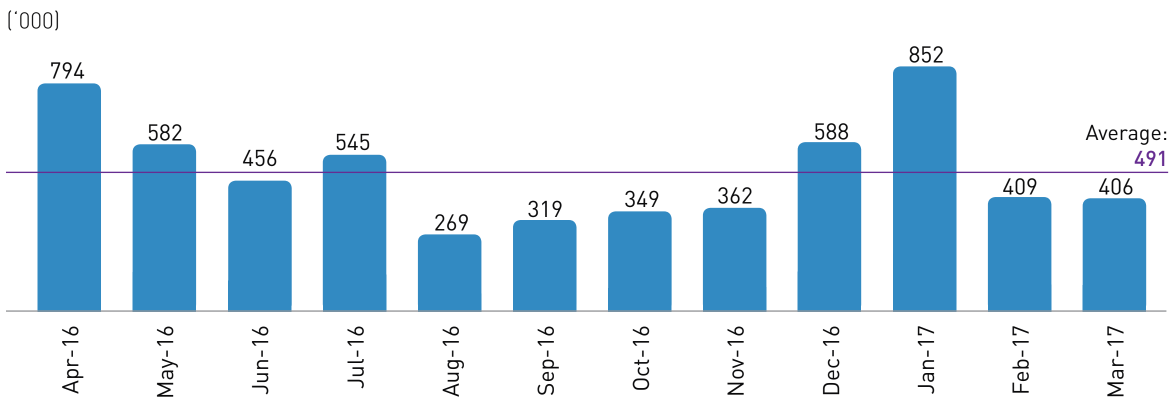
UNIT PRICE AND VOLUME

a-iTrust Unit Price (1st April 2016 to 31st March 2017)



Period open: S$0.870 **Period close:** S$1.125 **Period high:** S$1.165 **Period low:** S$0.860

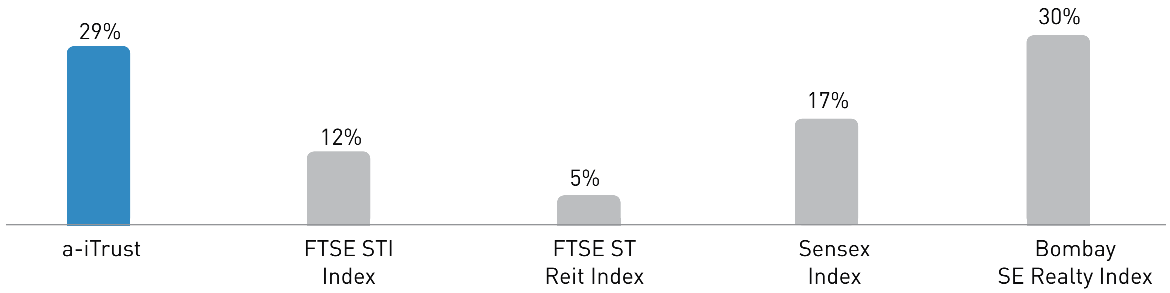
Average Monthly Trading Volume



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

COMPARISON WITH MARKET INDICES

FY16/17 Unit Price Performance



SUSTAINABILITY REPORT

ABOUT THIS REPORT

This report seeks to affirm Ascendas India Trust's commitment towards sustainability and to all its stakeholders. It shares detailed information on a-iTrust's material environmental, social and governance (ESG) impacts and their associated performance, challenges and opportunities.

Reporting Period and Scope

This report provides sustainability information covering the period 1st April 2016 to 31st March 2017 (FY16/17), with prior year (FY15/16) data for comparison, where available.

This report covers a-iTrust's portfolio[1], comprising the following six IT parks, all of which are multi-tenanted:

Hyderabad	The V CyberPearl aVance Business Hub
Bangalore	International Tech Park Bangalore
Chennai	International Tech Park Chennai CyberVale

Reporting Standard

This is a-iTrust's first sustainability report that has been prepared in accordance with the Core option of the Global Reporting Initiative (GRI) G4 Guidelines and the GRI Construction and Real Estate Sector Supplement (CRESS).

The GRI G4 Guidelines were selected because they offer a globally relevant framework that supports a standardised approach for businesses to report on critical sustainability issues, encouraging a degree of transparency and consistency that makes information useful to markets and society.

Reference has also been made to the primary components of sustainability reporting as set out by SGX-ST's 'comply or explain' requirements for sustainability reporting.

This report has not been externally assured. The Trustee-Manager may consider external assurance when the reporting matures over time.

Feedback

Should you have any feedback or questions regarding this Sustainability Report, please contact Mr. James Goh (Head, Investor Relations & Asset Management) at **james.goh@a-itrust.com**.

[1] Excludes BlueRidge 2 in Pune, which was acquired on 1st February 2017. For comparability purposes, BlueRidge 2 would be included in the reporting scope when full year data is available.

MATERIALITY AND STAKEHOLDERS

Stakeholder Communications

The Trust has a range of key stakeholders, including the investment community, tenants, employees and local communities, who are important to the success and ongoing sustainability of the Trust. Frequent engagement with stakeholders is vital in seeking their views, understanding their needs and going beyond their expectations. The Trustee-Manager and Property Manager (the Managers) encourage an open dialogue with these stakeholders and welcome feedback and constructive criticism on their performance. This report includes many examples of how these groups are engaged, as outlined in the following summary:

Figure 1: Stakeholder engagement

Key Stakeholder Groups	Key Priorities Raised by Stakeholders	Engagement Methods	Actions and Goals
Investment Community	• Timely and transparent communications and updates • Strategic and sustainable growth, total returns	• Face-to-face meetings and conference calls • Investor perception survey • Results conference call • Non-deal roadshow • Annual General Meeting	The Trustee-Manager aims to provide timely and transparent communications to keep the investment community apprised of significant topics relating to corporate developments, portfolio performance, asset and capital management, acquisitions and divestments.
Employees	• Active engagement • Career progression, job security and stability • Competitive remuneration, employee benefits • Workplace safety, health and wellness • Learning and development opportunities	• Induction programmes • ASB Employee Forum • Wellness, sports and social activities • Training and workshops • Internal communication through Intranet portal • OurVoice @ asb (employee engagement survey) • Performance management and career development planning	The Managers strive to create a cohesive and healthy workplace based on trust, mutual respect and active communication. With that, great emphasis is placed on employee empowerment and equal opportunity for all. The Human Resources team continuously reviews employment practices and engagement methods to improve employee welfare and team culture.
Tenants	• Quality of facilities • Competitive rental rates • Safety and security practices	• Active communication • Tenant engagement activities • Networking events	The Managers are committed to providing end-to-end integrated premium quality solutions of business infrastructure and services to meet the needs of tenants. In addition, securing properties from threats and ensuring the health and hygiene of tenants and visitors is of paramount importance.
Local Communities	• Operate in a responsible manner • Support in social development and community activities • Creation of employment opportunities	• Participation in social and community activities • CSR activities through the non-profit charitable foundation, the "Ascendas-Singbridge Gives Foundation"	The Managers advocate the spirit of caring and sharing for the communities they operate in. Carefully managing and minimizing the societal and environmental impacts of its operations is critical in fulfilling its duties as a responsible corporate citizen.

SUSTAINABILITY REPORT

Corporate Social Responsibility

The Managers' corporate social responsibility (CSR) activities reflect their growing commitment and contributions towards sustainable development of the communities they operate in. As part of the Ascendas-Singbridge Group (ASB), the Managers participate in the Ascendas-Singbridge Gives Foundation, a non-profit charitable foundation that supports employees to take on more active roles in working with communities and partnering with beneficiaries to bring about positive change. In FY16/17, the Managers collectively contributed over 830 volunteer hours for CSR activities. Some key highlights for the year are as shown below:

COMMUNITY

Joy of Giving

In October 2016, International Tech Park Bangalore, together with non-profit organisation (NPO) India Cares Foundation, organised a two-day event, Seva Mela, to mark 'Joy of Giving' week. The two-day event provided an opportunity for NPOs and the public to connect, including a flea market showcasing a wide variety of eco-friendly and recycled products made by communities. About 82,000 rupees was raised for Non-government organisations working to empower and improve the livelihoods of the less fortunate in society, while also encouraging and raising awareness on the environment.

Health Week

International Tech Park Chennai (ITPC) and CyberVale, together with leading health institutions, organised 'Health Week' 2016 for the communities of both business parks. Aside from providing health checks for cardiac and pulmonary functions, basic vital and basal metabolic rate, there was also a blood donation drive, which attracted close to 150 donors. In total, about 350 people benefited from the medical tests conducted.

ENVIRONMENT

Go Green

The annual 'Go Green' Month seeks to raise green awareness through various events conducted across the Bangalore, Chennai and Hyderabad parks in India. The park communities were engaged in a variety of activities, including workshops on water conservation, organic cooking, recycling of waste, carpooling and free pollution check-up for vehicles. They also participated in eco-bazaars and a green tech expo.

This year, the 'Go Green' Month featured a unique green initiative – growing an urban forest inside ITPC. Tenants from ITPC participated in this afforestation campaign, planting about 300 tree saplings within a 5,000 sq ft area. This method will ensure faster tree growth and contributes towards the vision of a green zone.

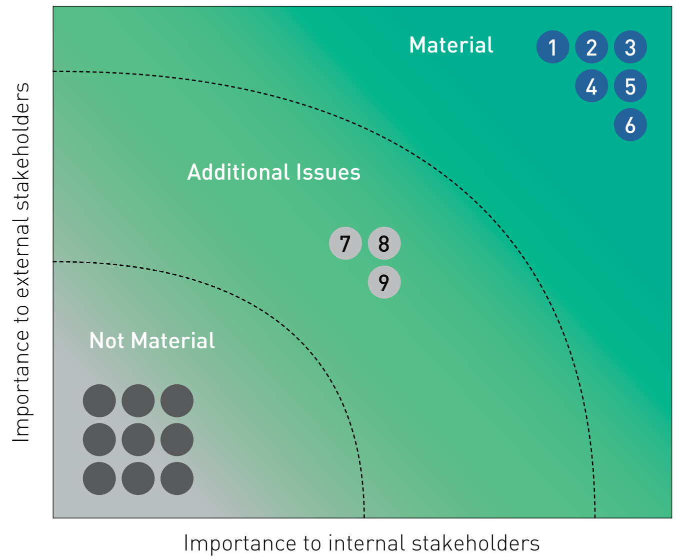
60+ EARTH HOUR WWF

In Singapore, volunteers from the Trustee-Manager supported the Group's partnership with WWF for 'Earth Hour' 2017. In a bid to encourage tenants to pledge their green actions, posters were put up at over 100 buildings to create climate change awareness. In addition, ASB organised roadshows, talks and set up a booth at the 'Earth Hour' event while participating in the lights off initiative for the buildings.

Materiality Assessment

Materiality assessment is important for the Managers to continuously refine its approach and identify areas for improvement towards a sustainable future. The Trust's materiality definition is guided by the GRI reporting framework, which is defined as reflecting the organisation's significant ESG impacts, and substantively influencing the assessments and decisions of stakeholders. To focus on issues that matter most to the Trust and its stakeholders, the Trustee-Manager undertook its first formal materiality assessment process during the year with an independent organisation. After extensive consultation, ESG matters of concern are plotted in a materiality matrix, as illustrated in Figure 2.

Figure 2: a-iTrust Materiality Matrix



Mapping ESG Matters of Concern to GRI-G4 Aspects			
No.		**ESG Matters**	**GRI-G4 Aspects**
1	G	High Standards of Corporate Governance	• General Standard Disclosures
2	G	Business Ethics and Employee Conduct	• Anti-Corruption • General Standard Disclosures
3	G	Regulatory Compliance	• Compliance
4	G	Stakeholder Communications	• General Standard Disclosures
5	S	Security of Business Parks and Properties	• Customer Health and Safety
6	S	End-to-end Premium Quality Solutions	• Product and Service Labelling
7	E	Reducing Energy and Carbon Footprint	• Energy • Emissions
8	S	Fair Employment Practices	• Employment
9	S	Health, Hygiene and Safety of General Public and Adjacent Communities	• Customer Health and Safety

SUSTAINABILITY REPORT

GOVERNANCE AND ETHICS

High Standards of Corporate Governance

The Trustee-Manager believes that a strong and effective corporate governance culture is the bedrock that strengthens the Trust's overall reputation and enables operational effectiveness throughout all aspects of the Trust. This focus safeguards the Trust's resources and establishes a constant strategic creation of value for its Unitholders and stakeholders.

The Managers are part of ASB and are aligned to the corporate governance framework set out by ASB. The employees of the Managers abide by ASB's comprehensive suite of guidelines and policies:

- Anti-Bribery and Corruption Policy and Guidelines
- Code of Ethics and Conduct
- Conflict of Interest
- Employment of Relatives
- External Directorship
- Misconduct and Disciplinary Action
- Outside Employment
- Whistleblowing

Enterprise Risk Management

Elements of high standards of corporate governance are also identifiable through prudent management of risks throughout the value chain. A robust enterprise-wide risk management process is in place to spur rigorous risk identification and ensure key controls are implemented to minimise these risks. The Board bears the overall responsibility of establishing the overall risk framework for the Trust and works closely with Management in identifying key risks.

In today's ever-changing business and regulatory landscape, constant assessment and monitoring is imperative for the sustainability of the Trust. Through risk review processes and mitigation strategies, the Trust will be able to keep ahead while ensuring compliance.

More information on the Trustee-Manager's enterprise risk management approach can be found on pages 34 to 35 of the Annual Report.

Compliance

ASB Group Legal has established a dedicated Compliance function to focus on the oversight and management of corporate governance and regulatory compliance matters. To ensure all employees keep abreast of the applicable best practices and principles, the Compliance Officer, with the support of Group Legal, proactively updates the internal repository of applicable guidelines and best practices.

All employees are charged with continually maintaining the highest standards of corporate governance. During the year, there were no cases involving such breaches or non-compliance with all applicable laws and regulations.

Focus Area	Perpetual Targets	FY16/17 Performance
Breaches or lapses of corporate governance best practices and principles	0 Breaches or lapses	0 Breaches or lapses
Compliance to applicable laws and regulations	100% Compliance	100% Compliance

The Corporate Governance Report, found in pages 69 to 87 of the Annual Report, further sets out the corporate governance practices for FY16/17 with reference to the principles of the Code of Corporate Governance 2012.

Business Ethics and Employee Conduct

The Managers' business practices are governed by ethics and integrity. High standards of business ethics and employee conduct help set the tone for, and underpins the management ethos of the organisation. Employees are expected to uphold this commitment and comply with ASB's policies and procedures when executing their roles and responsibilities. This impacts the integrity, quality and propriety of the Managers' corporate and business interactions on a day-to-day basis. Any lapses may result in significant sanctions, penalties and reputational damage for ASB and its officers.

All new employees undergo an induction process on the importance of complying with all applicable ASB policies and guidelines. They are required to complete e-training modules on ethics and employee conduct before they are confirmed.

Anti-Bribery and Corruption Policy and Guidelines

Released in December 2016, the Anti-Bribery and Corruption Policy and Guidelines entail a comprehensive set of procedures for providing and/or receiving gifts, donations and sponsorships, as well as the procedures in seeking clearance and approval from the respective approving officers. Any employee found to be receiving, accepting or condoning a bribe, kickback or any other unlawful payment and attempting to initiate such activities, shall be liable to termination and face potential criminal proceedings. To minimise the risk of fraud or corruption in dealing with third parties, third parties are required to acknowledge that they have read the compliance guidelines. In addition, all directors, officers and employees must comply with applicable laws in the countries they operate in, including local anti-corruption and anti-bribery laws such as the Prevention of Corruption Act, Chapter 241 of the Singapore Statutes, and the Prevention of Corruption Act,1988 in India.

Code of Ethics and Conduct

To promote integrity and support for ASB's corporate goals, the Code of Ethics and Conduct prescribes a set of standard code of ethics and conduct applicable for all employees. Policies cover the areas of general employee conduct, workplace harassment, conflict of interest, fraud, gratification, corruption and bribery.

Conflict of Interest

All employees are required to exercise any power granted and perform the duties of their office or position honestly, in good faith and in the best interests of ASB. They are responsible for preserving and enhancing public confidence in the integrity of ASB and avoiding any conflict of interest. The policy includes guidelines to prevent behaviour that would result in potential conflict of interest in areas such as corporate opportunities, subsequent acquisition of interest and disclosure of confidential information. In addition, it also prescribes prohibitions on contracts, disclosure by employees and consequences of any conflict of interests.

Whistleblowing Policy

ASB adopts a strict zero tolerance approach towards any wrongful act or impropriety, including without limitation – fraud, theft, dishonest acts, profiteering, corruption, intimidation, discrimination and harassment – by its employees, service providers or associates. The objective of the Whistleblowing Policy is to provide a channel and well-defined procedures for reporting such dishonest practices. Reports can be made directly to the Audit and Risk Committee of the Trustee-Manager or to an independent hotline/online channel managed by an external professional organisation. These channels are available for use by all employees and all other stakeholders, such as suppliers, contractors and tenants, and are handled with confidentiality to the fullest extent permitted.

For more information on the Whistleblowing Policy, you may refer to a-iTrust's website (http://www.a-itrust.com/en/about-us/whistle-blowing-policy).

Focus Area	Perpetual Targets	FY16/17 Performance
Breaches or lapses of business ethics and employee conduct	0 Breaches or lapses	0 Breaches or lapses

SUSTAINABILITY REPORT

Responsible Supply Chain Management

Responsible supply chain management is integral in improving sustainability performance throughout the value chain. The Managers strive for an integrated approach in encouraging sustainable procurement practices at tender and throughout engagement.
This includes pre-qualification background checks on historic health and safety records and sustainability certifications for potential suppliers. Engaged suppliers have to abide by all terms and conditions stipulated in the contracts, including Workplace Safety and Health Management System and compliance to prevailing laws and regulations. Supplier performance evaluation is conducted for service providers on a monthly basis, while for other vendors, it is carried out as part of the yearly ISO and Occupational Health and Safety Management Systems (OHSAS) 18001 audit process.

IT PARKS

End-to-end Premium Quality Solutions

The Managers strive to deliver end-to-end integrated premium quality solutions of business infrastructure and services to meet the needs of all tenants across the IT parks. This is achieved by following the P.O.S.T strategy:

Process Improvement
Meeting requirements of relevant ISO standards and standard operating procedures

Operational Excellence
Achieving excellence through efficient property management

Sustainable Development
Striving for certification of new projects and improvements in certification grading for existing buildings

Technology Adoption
Adopting efficient energy conservation techniques

The Managers' approach towards quality is elucidated within the following sections.

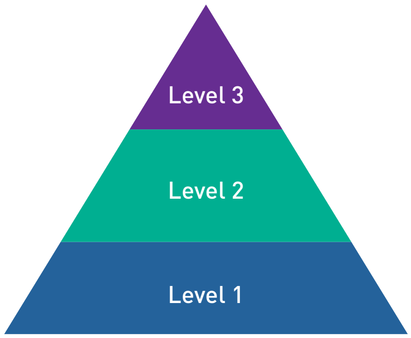
Security of Business Parks

Property Security

A three-tier security system, as shown in **Figure 3**, is incorporated within all IT parks to safeguard assets and provide a peace of mind to all people.
Security is managed by certified external vendors who conduct daily security briefings and have in place regular training programmes for the security personnel. These include training on behavioural skills, communication skills and assertiveness. In addition, professionals are trained to conduct themselves as appropriate for the situation at hand, to avert any violations of human rights and excessive use of force. This is essential in the belief of operating in a just society whereby human rights of all persons are valued and respected.

The global threat landscape is constantly evolving and vigilance is more important than ever.
Crisis management is key to ensure utmost readiness to tackle varying threats and emergency situations. Standard operating procedures are in place for key security areas such as building evacuation, video surveillance backup, visitor, material and vehicular entry checks. These procedures are continuously reviewed and updated periodically.
The Property Manager works closely with and receives intelligence inputs from the local police, the State Intelligence Bureau and the Centre for Counter Terrorism to keep abreast with any incidents that may compromise the security of the IT parks.

Figure 3: Levels of property security



Level 3
Security of tenant premises
Individual tenants install their own security access system at their units to detect breaches.

Level 2
Security of common areas within buildings
CCTVs, security access system and frequent guard patrols are in place within the buildings.

Level 1
Security of compound/external areas
Secured by power fencing along boundary walls of parks, CCTVs, armed guards deployment, electronic vapour detectors at access points, random checks, and unique hologram identification sticker for personnel and vehicles

Focus Area	Perpetual Targets	FY16/17 Performance
Terrorism threats, trespassing violations and incidences of theft	0 Cases	● 0 Cases

Information Security

The Managers take safeguarding the data and information of customers (investors and tenants) and their organisations very seriously. Measures are in place to ensure the security of the data and information that is collected, processed and stored. Disclosure and use are not allowed for any purposes other than those agreed upon with customers. Investments in data management and technological capabilities are continually assessed and improved upon to protect against new cyber threats and breaches. The Managers respect the various laws or regulations in place to promote the responsible use of data such as the Personal Data Protection Act and MAS Technology Risk Management Guidelines and notices where applicable.

At ASB, the following policies and directives are in place:

- Information Security Policy
- Bring Your Own Device Directive
- Personal Data Protection Directive
- Password Directive
- Authorised Hardware Directive
- Authorised Software Directive

The ASB Integrated Technology Risk Framework guides the Managers in managing technology risks and reducing the probability of an information breach. In addition, vulnerability assessment and penetration testing by external vendors are conducted yearly to identify security gaps and there are at least two information technology audits every year.

There is great emphasis placed on information security awareness on employees. Monthly information security newsletters are circulated to all employees and readership is tracked. Further, all new employees are required to complete an e-training module on information security before they are confirmed in their position.

SUSTAINABILITY REPORT

Focus Area	FY16/17		FY17/18
	Targets	Performance	Targets
Enhancing information security	• To implement Data Loss Prevention (DLP) for operations in India	Roll-out completed with effective results	• To fine-tune performance of DLP solution
	• To implement a two-layer defence solution for electronic mail protection		• To integrate with existing security information and event management software for a holistic view of security threats
	• To deploy second layer of protection against advanced malwares for laptops		• To integrate with other security devices to cross-share information on malwares
Substantiated complaints regarding breaches of tenant privacy and losses of tenant data	0 Cases	0 Cases	0 Cases

Health, Hygiene and Safety in Business Parks

ASB operates with the belief that safety is non-negotiable and all accidents are preventable. Fostering a conscientious culture of health and safety, ASB continuously improves its policies and procedures through its Workplace Safety and Health Management System (WSHMS). The Property Manager, contractors and other vendors are required to comply with the WSHMS.

Standard operating procedures and emergency plans are established in case of contingencies such as fire and bomb threats. Yearly preparedness exercises and fire evacuation drills are conducted to familiarise all tenants and property management staff with emergency response procedures. There are also measures in place to respond to public health situations such as dengue fever outbreaks, flu pandemics and haze.

Safety of all employees, contractors, tenants and visitors is, and has always been, of the highest priority. The Managers are committed towards continuously improving performance and are pleased to disclose that they have achieved zero reported health and safety incidents for employees, contractors, tenants and visitors across all IT parks during the year. This is a notable improvement from previous years (Figure 4).

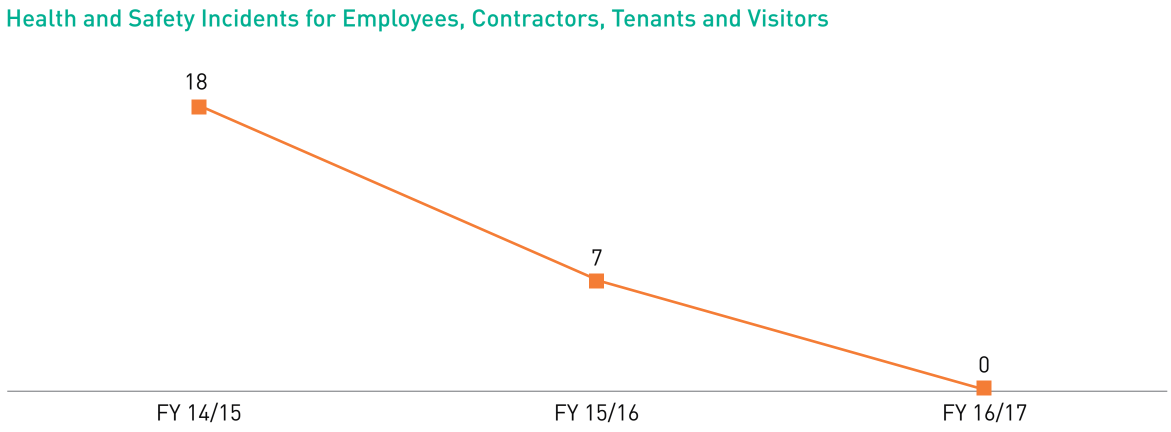
ASB Workplace Safety and Health Management System

The WSHMS guidelines are based on the internationally recognized standard, OHSAS 18001:2007. The guidelines set out the ASB's minimum requirements for best practices. These guidelines cover the entire real estate lifecycle from product development to property management stages and include:

- Mandatory risk assessments
- Regular safety trainings for employees and contractors
- Frequent site inspections
- Incident investigations
- Internal and external audits
- Periodic meetings to discuss progress on performance, safety gaps and improvement plans across all operations

Focus Area	Perpetual Targets	FY16/17 Performance
Health and safety incidents for employees, contractors, tenants and visitors	0 Cases	0 Cases

Figure 4: Health and Safety incidents

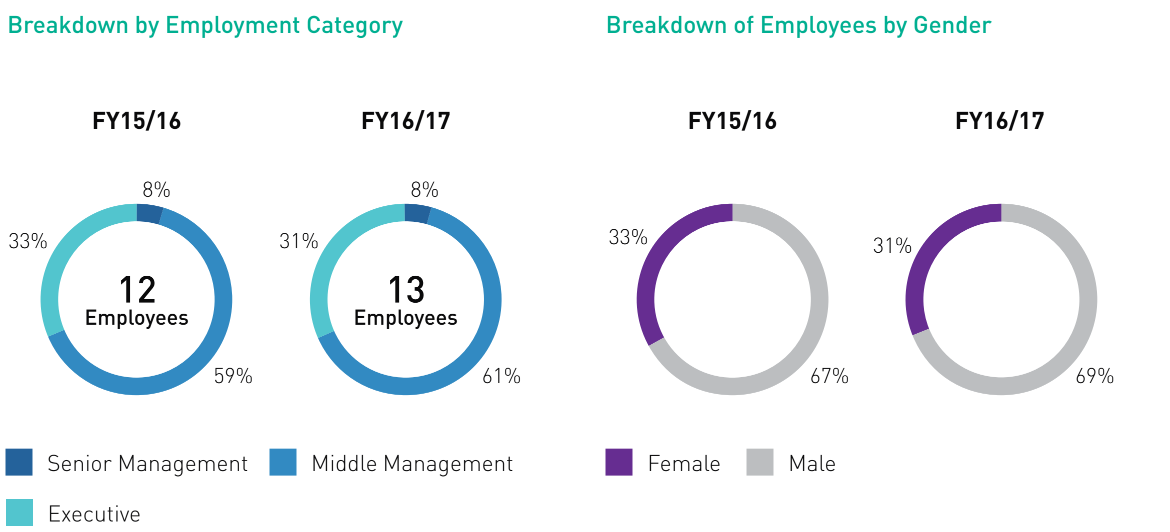


PEOPLE

Team Profile

The sustained success of a-iTrust is not possible without its most valuable assets – its employees. The Trustee-Manager has a total team member strength of 13 in FY16/17, all of which are full-time employees located in Singapore. During the year, all employees were retained and the Trustee-Manager welcomed a new member to the team. The breakdown by employment category and gender is as shown in Figure 5:

Figure 5: Workforce Breakdown by Employment Category and Gender



SUSTAINABILITY REPORT

Culture and Values

A strong organisational culture engages its employees and provides a conducive environment for them to grow. ASB develops a strong Group-wide culture by aligning all leaders and employees to its Core Values (Figure 6).

Figure 6: ASB Core Values

Our Values

Our POWER of ONE values guide us on our journey towards achieving our vision.

Passion
Be passionate. Love what we do. Have fun at work.

Open
Be open. Share information to help each other. Seek new ideas.

Win
Having a winning mindset. Work with speed. Deliver quality.

Excel
Be the best we can be. Have courage to challenge limits.

Respect
Respect each other. Show appreciation. Be humble.

ONE Team
We are ONE team. We break down walls that stand between us. Do the right thing for the company.

Health and Wellness of Employees

Healthier employees live more fulfilling lives and demonstrate higher performance. Fundamentally, they are more resilient and resistant to illness and injury and are better positioned to achieve positive business outcomes. At the Trustee-Manager, a comprehensive flexible-benefits package – including health screenings, dental benefits and medical insurance – is provided to all employees.

The work office is designed for the well-being of all employees. The modern set-up boasts of multiple cozy-corners, made available to encourage workplace collaboration and fun-at-work. There are also fitness machines, massage chairs, well-equipped pantries with free flow of healthy snacks and beverages to promote a culture of healthy living.

The ASB WOW Club Committee, comprising team members from various departments, is tasked to plan and organise activities for all Singapore employees. The Group continually encourages all employees to participate in its activities, which include events such as the Annual Dinner and Dance, Fruit Day and other festive celebrations.

Fair Employment Practices

Employment practices are founded on trust, mutual respect and above all, relationships. Cultivating healthy relationships with team members boosts their motivation and efficacy, which in turn enables them to transpose that vivacity in the work they do – in meeting and surpassing customers' expectations. This fosters stronger customer relationships, which ultimately maintains business continuity, growth and long-term prospects for Unitholders.

The Trustee-Manager abides by the 5 Principles of Fair Employment Practices under the Tripartite Alliance for Fair & Progressive Employment Practices (TAFEP)[2] and strives to ensure that all employees are treated with respect and without discrimination, regardless of nationality, gender, ethnic origin, religious background and any other status.

[2] The TAFEP works with employers, unions and the government to create awareness and facilitate adoption of fair employment practices. For more information, you may refer to https://www.tafep.sg

TAFEP 5 Principles of Fair Employment Practices

- Recruit and select on the basis of merit (such as skills, experience or ability to perform the job) regardless of age, race, gender, religion, marital status and family responsibilities, or disability.
- Treat your employees fairly and with respect and put in place progressive human resource management systems.
- Provide employees with equal opportunities to be considered for training and development based on their strengths and needs, to help them achieve their full potential.
- Reward your employees fairly based on their ability, performance, contribution and experience.
- Abide by labour laws and adopt the Tripartite Guidelines on Fair Employment Practices.

Focus Area	Perpetual Targets	FY16/17 Performance
Discrimination at the workplace	0 Cases	0 Cases

PLANET

Reducing Energy and Carbon Footprint[3]

In 2016, the world saw a ground-breaking achievement in the adoption of the Paris Agreement, whereby global climate action was formally anchored in the context of international law. Latest data places India as the third largest carbon emitter in the world, with a share of approximately 6.24%[4] of the global carbon emissions. Understanding that India has ratified its commitment to reduce the emissions intensity of its GDP by 33-35% by 2030 from 2005 levels[5], the Managers also recognise the importance of the role they have to play in contributing to the nation's efforts to meet its climate change targets.

As at 31st March 2017, the Trust's portfolio floor area had increased by 23.1% compared to a year ago. In FY16/17, 55,478 MWh of grid electricity was consumed (**Figure 7**) and indirect carbon emissions was recorded at 45,492 tonnes[6] (**Figure 8**). Despite the significant increase in portfolio size, total electricity consumption and carbon emissions in FY16/17 only increased by 0.8% year-on-year due to energy-saving initiatives implemented during the year. This led to a decrease in electricity consumption intensity and carbon emissions intensity from FY15/16.

[3] Environmental performance pertains only to the common areas in the Trust's multi-tenanted properties, where the Managers have the ability to monitor and influence the efficiency of utilities.
[4] Climate Change Performance Index (CCPI) Results 2017 – Climate Action Network and Germanwatch
[5] India's First Nationally Determined Contribution (NDC) submission to the United Nations Framework Convention on Climate Change
[6] Emission factors used are the national averages for CO_2 Emissions per kWh, taken from India CO_2 Baseline Database for the Indian Power Sector, User Guide version 11.0, April 2016, issued by the Government of India, Ministry of Power, Central Electricity Authority

SUSTAINABILITY REPORT

Figure 7: Electricity Consumption & Intensity

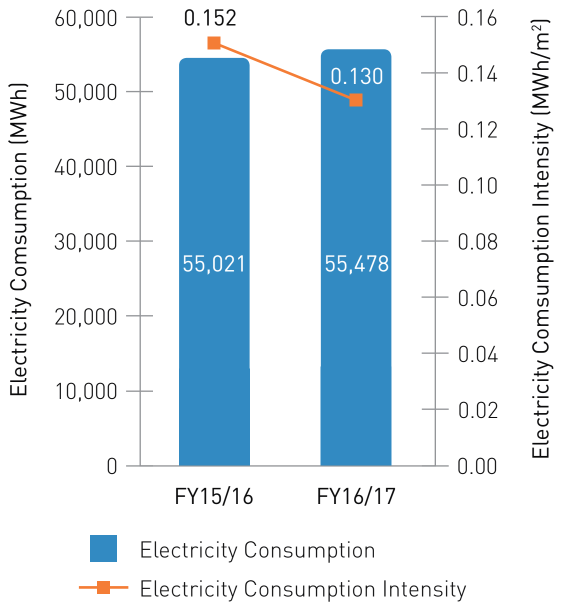
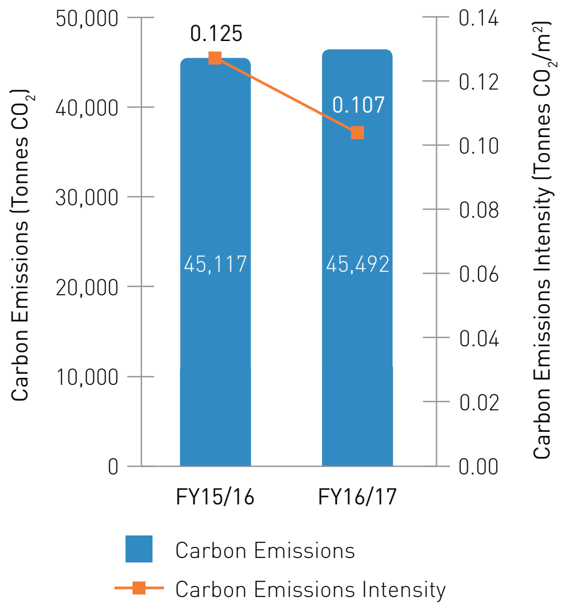


Figure 8: Indirect Carbon Emissions (Scope 2) & Intensity



The Managers continue to focus on reducing the carbon footprint across their operations. One of their targets includes a gradual phase-out of the use of compact fluorescent lamp (CFL) lightings in the properties. In FY16/17, a total of 772 MWh of energy was saved through a progressive implementation of energy efficient light-emitting diode (LED) lightings in common areas (Figure 9).

Sustainability Awards

The Managers are committed to a multi-faceted approach throughout the entire real estate life cycle, including adopting sustainable architecture and design, use of sustainable building materials and resources, and integrating innovative development to promote energy efficiency.

The aim is to achieve U.S. Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) or Indian Green Building Council (IGBC) Gold certification for all 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 levels of certifications.

Figure 9: Energy saving initiatives

Energy Saving Initiatives in FY16/17	
Initiatives	**Energy Savings (kWh)**
Implemented LED lights in common areas by replacing compact fluorescent light and tube lights • The V • CyberPearl • aVance	286,093
Adiabatic cooling system for Vega building air-cooled chillers • The V	186,359
Installed new energy efficient Turbocor water-cooled magnetic bearing chiller • The V	300,000
Total Energy Savings	**772,452 kWh**

Over the years, the Trust is proud to have garnered several certifications for its properties that recognises its ongoing effort in reducing its environmental footprint (Figure 10).

Figure 10: Sustainability Awards

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

Zenith, International Tech Park Chennai

SUSTAINABILITY REPORT

GRI CONTENT INDEX

General Standard Disclosures		
Disclosure	**Description**	**Cross-Reference / Direct Answer**
Strategy & Analysis		
G4-1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability	Chairman's Message (page 6)
Organisational Profile		
G4-3	Name of the organisation	Trust and Organisation Structure (page 10)
G4-4	Primary brands, products, and/or services	Trust and Organisation Structure (page 10), Portfolio (pages 38-39)
G4-5	Location of organisation's headquarters	Corporate Information (inside back cover)
G4-6	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	Trust and Organisation Structure (page 10)
G4-7	Nature of ownership and legal form	Trust and Organisation Structure (page 10)
G4-8	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries)	Trust and Organisation Structure (page 10), Operational Review (pages 40-42)
G4-9	Scale of the reporting organisation	At a Glance (pages 2-3), Portfolio (pages 38-39), Operational Review (pages 40-42), Financial Review (pages 43-47)
G4-10	Total workforce by employment type, gender, employment contract and region	Team Profile (page 59)
G4-11	Percentage of employees covered by collective bargaining agreements	All employees within the scope of this report are not covered by collective bargaining agreements, as they are professionals.
G4-12	Description of the organisation's supply chain	Supply Chain Management (page 56)
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	Case Study: Acquisition of BlueRidge 2 (page 27)
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	Risk Management (pages 34-35), High Standards of Corporate Governance (page 54)
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses	Fair Employment Practices (pages 60-61), Reducing Energy and Carbon Footprint (page 61)
G4-16	Memberships in associations (such as industry associations)	REIT Association of Singapore (REITAS)

General Standard Disclosures		
Disclosure	**Description**	**Cross-Reference / Direct Answer**
Identified Material Aspects And Boundaries		
G4-17	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures (list all entities in the consolidated financial statements)	Trust and Organisation Structure (page 10), Reporting Period and Scope (page 50), Notes to the Financial Statements 17 & 23: Investment in Joint Venture; Investment in Subsidiaries (pages 143, 148)
G4-18	Process for defining report content and the aspect boundaries and explain how the reporting principles have been implemented	Materiality Assessment (page 53)
G4-19	List all material aspects identified	Materiality Assessment (page 53)
G4-20	The aspect boundary within the organisation: whether the aspect is material within the organisation; the list of entities included in G4-17 for which the aspect is or is not material; specific limitation regarding the aspect boundary within the organisation	About this Report (page 50)
G4-21	The aspect boundary outside the organisation: whether the aspect is material outside the organisation; the list of entities for which the aspect is material, relate to geographical location; specific limitation regarding the aspect boundary outside the organisation	About this Report (page 50)
G4-22	Explanation of the effect of any restatements	Not applicable.
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	No significant changes during the year.
Stakeholder Engagement		
G4-24	List of stakeholder groups engaged by the organisation	Stakeholder Communications (page 51)
G4-25	Basis for identification and selection of stakeholders with whom to engage	Stakeholder Communications (page 51)
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Stakeholder Communications (page 51)
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting; report the stakeholder groups that raised each of the key topics and concerns	Stakeholder Communications (page 51)
Report Profile		
G4-28	Reporting period	About this Report (page 50)
G4-29	Date of most recent previous report	31st March 2016
G4-30	Reporting cycle	About this Report (page 50)
G4-31	Contact point for questions regarding the report or its contents	About this Report (page 50)
G4-32	A. Report the 'in accordance' option the organisation has chosen B. Report the GRI content index for the chosen option	About this Report (page 50)
G4-33	Policy and current practice with regard to seeking external assurance for the report	About this Report (page 50)

SUSTAINABILITY REPORT

General Standard Disclosures		
Disclosure	**Description**	**Cross-Reference / Direct Answer**
Governance		
G4-34	Report the governance structure of the organisation, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	Trust and Organisation Structure (page 11), Board of Directors (pages 12-17), The Board's Conduct of Affairs (page 70)
G4-36	Report whether the organisation has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	Chairman and Chief Executive Officer (page 72), Access to Information (pages 73-74)
G4-38	Composition of the highest governance body and its committees	Board of Directors (pages 12-17), The Board's Conduct of Affairs (pages 70-71), Board Composition and Guidance (page 71)
G4-39	Whether chair of the highest governance body is also an executive officer	Board Composition and Guidance (pages 71-72)
G4-40	Nomination and selection process for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	Board Membership (page 73), Board Performance (page 73)
G4-41	Processes in place for the highest governance body to ensure conflicts of interest are avoided	Dealing with Conflicts of Interest (page 81)
G4-48	Highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material aspects are covered	The Board's Conduct of Affairs (page 70)
G4-51	Remuneration policies for the highest governance body and senior executives	Remuneration Matters (pages 74-76)
G4-52	Process for determining remuneration	Remuneration Matters (pages 74-76)
Ethics And Integrity		
G4-56	Describe the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	Business Ethics and Employee Conduct (page 55)
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	Business Ethics and Employee Conduct (page 55)

Specific Standard Disclosures		
Disclosure	**Description**	**Cross-Reference / Direct Answer**
Environmental		
Energy		
EN3	Energy consumption within the organisation	Reducing Energy and Carbon Footprint (pages 61-62) In addition to the disclosed grid electricity consumption, a small amount of energy (2.5 TJ) was consumed from the use of diesel oil for emergency genset testing in FY16/17.
EN5/CRE1	Energy intensity	Reducing Energy and Carbon Footprint (pages 61-62)
EN6	Reduction of energy consumption	Reducing Energy and Carbon Footprint (pages 61-62)
EN7	Reductions in energy requirements of products and services	Reducing Energy and Carbon Footprint (pages 61-62)
Emissions		
EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Direct GHG emissions resulting from the use of diesel oil for emergency genset testing was 191 tonnes in FY16/17.
EN16	Indirect greenhouse gas (GHG) emissions (Scope 2)	Reducing Energy and Carbon Footprint (pages 61-62)
EN18/CRE3	Greenhouse gas (GHG) emissions intensity	Reducing Energy and Carbon Footprint (pages 61-62)
EN19	Reduction of greenhouse gas (GHG) emissions	Reducing Energy and Carbon Footprint (pages 61-62)
Compliance		
EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Compliance (page 54)
Social		
Labour Practices And Decent Work		
Employment		
LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Team Profile (page 59)

SUSTAINABILITY REPORT

Specific Standard Disclosures		
Disclosure	Description	Cross-Reference / Direct Answer
Social		
Society		
Community		
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Corporate Social Responsibility (page 52)
Anti-Corruption		
SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	Business Ethics and Employee Conduct (page 55)
SO4	Communication and training on anti-corruption policies and procedures	Business Ethics and Employee Conduct (page 55)
SO5	Confirmed incidents of corruptions and actions taken	Business Ethics and Employee Conduct (page 55)
Compliance		
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Compliance (page 54)
Product Responsibility		
Customer Health And Safety		
PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Health, Hygiene and Safety in Business Parks (page 58)
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	Compliance (page 54), Health, Hygiene and Safety in Business Parks (page 59)
Product And Service Labelling		
CRE8	Total number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	Sustainability Awards (page 63)
Compliance		
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Compliance (page 54), Health, Hygiene and Safety in Business Parks (page 59)

CORPORATE GOVERNANCE REPORT

INTRODUCTION

One of the Trust's core values is good corporate governance, and this 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 2012 (Code).

This section sets out the corporate governance practices adopted by the Trust in FY16/17, 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 the Singapore 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.

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

The 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 Trust's 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 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.

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 Trustee-Manager has also considered sustainability issues (including environmental and social factors) as part of its responsibilities. The Trust's environmental sustainability and community outreach programmes are set out on pages 50 to 68 of this Annual Report.

The Board of Directors of the Trustee-Manager (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.

CORPORATE GOVERNANCE REPORT

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 being greater than 75.0% 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 (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 four Directors, two of whom are Independent Directors. The 4 members currently on the IC are Mr Manohar Khiatani (IC Chairman), Mr Jonathan Yap, 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.

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 the 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).

CORPORATE GOVERNANCE REPORT

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 Committee meetings for FY16/17 is shown below:

Name of Director	Board	Audit and Risk Committee	Investment Committee	Nominating Committee	Human Resource and Remuneration Committee
	Number of Meetings Held : 5	Number of Meetings Held : 4	Number of Meetings Held : 5	Number of Meetings Held : 1	Number of Meetings Held : 2
Mr Chiang Chie Foo[(i)]	5 out of 5	-	-	-	-
Mr Philip Yeo Liat Kok[(ii)]	1 out of 1	-	-	1 out of 1	2 out of 2
Mr David Lim Tik En[(iii)]	1 out of 1	1 out of 1	1 out of 1	1 out of 1	2 out of 2
Mr Michael Grenville Gray[(iv)]	2 out of 2	2 out of 2	-	-	-
Mr Manohar Khiatani[(v)]	5 out of 5	-	5 out of 5	1 out of 1	2 out of 2
Mr Jonathan Yap Neng Tong[(vi)]	3 out of 4	-	3 out of 4	-	-
Mr Sanjeev Dasgupta[(vii)]	5 out of 5	-	1 out of 1	-	-
Mr Alan Rupert Nisbet [(viii)]	5 out of 5	4 out of 4	-	-	-
Mr T.V. Mohandas Pai	5 out of 5	4 out of 4	5 out of 5	-	-
Mr Girija Prasad Pande	5 out of 5	-	5 out of 5	-	-
Mr Ng Eng Leng	5 out of 5	4 out of 4	-	-	-

(i) Mr Chiang Chie Foo was appointed Chairman of the Board, Chairman of the NC and Chairman of the HRRC on 8th July 2016

(ii) Mr Philip Yeo Liat Kok retired as Director on 8th July 2016 and ceased to be Chairman of the Board, Chairman of the NC and Chairman of the HRRC on the same day

(iii) Mr David Lim Tik En retired as Director on 8th July 2016 and ceased to be Deputy Chairman of the Board, Chairman of the IC and a member of the ARC, NC and HRRC on the same day

(iv) Mr Michael Grenville Gray retired as Director on 30th September 2016 and ceased to be Chairman of the ARC on the same day

(v) Mr Manohar Khiatani was appointed as Deputy Chairman of the Board and Chairman of the IC on 8th July 2016

(vi) Mr Jonathan Yap Neng Tong was appointed as Director and a member of the IC on 8th July 2016

(vii) Mr Sanjeev Dasgupta relinquished his membership of the IC on 8th July 2016

(viii) Mr Alan Rupert Nisbet was appointed as Chairman of the ARC on 1st October 2016 and a member of the NC and the HRRC on 8th July 2016

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

Board Composition

The Board presently consists of eight members, five 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 Chiang Chie Foo, and the Deputy Chairman of the Board is Mr Manohar Khiatani.

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 allow for a balanced exchange of views, deliberations and debates among members and effective oversight of the 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 Chiang Chie Foo
- Mr Alan Rupert Nisbet
- Mr T.V. Mohandas Pai
- Mr Girija Prasad Pande
- Mr Ng Eng Leng

Mr Manohar Khiatani, Mr Jonathan Yap and Mr Sanjeev Dasgupta are considered Non-Independent Directors. Mr Khiatani is the Deputy Group Chief Executive Officer of the Ascendas-Singbridge Group (ASB), Mr Yap is the Chief Investment Officer of ASB and Mr Dasgupta is the Chief Executive Officer of the Trustee-Manager. 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.

The Statement on the Composition of the Board of Directors of the Trustee-Manager pursuant to Regulation 12(8) of the Business Trusts Regulations 2005 can be found on page 99 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 Chief Executive Officer 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.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 4: BOARD MEMBERSHIP

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

The NC comprises Mr Chiang Chie Foo, an Independent Director, as Chairman, Mr Alan Nisbet, 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 supports 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 (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 provides 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 FY16/17. 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.

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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 the Management, the Joint 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 Joint 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 Joint Company Secretaries are responsible for ensuring information flows within and among the Board, the Board Committees and the Management. The Joint Company Secretaries also work with the 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 at least one of the Joint Company Secretaries.

The Joint 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.

The Trustee-Manager advocates a performance-based remuneration system for key executives of the Trustee-Manager. 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) Reward and motivate employees to work towards achieving the strategic goals and business results of the Trust and the Trustee-Manager.

(ii) Enhance retention of key talents to build strong organisational capabilities and ensure competitive remuneration relative to the appropriate external talent markets.

For FY16/17, the total remuneration mix of key executive officers comprised a fixed annual salary, short-term incentives including benefits-in-kind and long-term incentives, described below:

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

CORPORATE GOVERNANCE REPORT

(ii) The short-term incentive is essentially tied to the performance of Ascendas India Trust and the individual. The key performance indicators of Ascendas India Trust include Distribution per Unit (DPU), Net Property Income (NPI) and Assets Under Management (AUM), all of which are aligned to the interests of the Unitholders.

(iii) The long-term incentive is tied to the Sponsor's performance. As the Trustee-Manager is a subsidiary of the Sponsor, 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. Therefore, the rationale for granting the long-term incentive is aligned with Unitholders' interests. The long-term incentive payout is conditional upon the achievement of pre-determined performance targets set by the Ascendas-Singbridge Board for a performance period of three years.

The HRRC is of the view that remuneration is aligned to FY16/17 performance and that all the performance conditions used to determine the remuneration of Directors and key executives of the Trustee-Manager were met.

The Board has decided (a) to disclose the CEO's remuneration in bands of S$250,000 (instead of on a quantum basis), (b) not to disclose the remuneration of the other key executives of the Trustee-Manager in bands of S$250,000, and (c) to disclose the total remuneration of the top 4 key executives of the Trustee-Manager (including the CEO). In arriving at its decision, the Board has taken into consideration the sensitivity and confidential nature of remuneration matters and the competitive nature of the business environment in which the Trustee-Manager operates, to ensure stability and continuity of the management team. The Board is of the view that disclosure in such manner is not prejudicial to the interests of the Unitholders as the indicative range for the CEO's remuneration, as well as the total remuneration of the top 4 key executives (including the CEO), is made known to the Unitholders. In addition, sufficient information is provided on the Trustee-Manager's remuneration framework to enable the Unitholders to understand the link between the Trust's performance and the remuneration of the top 4 key executives (including the CEO). Lastly, the remuneration of the top 4 key executives (including the CEO) of the Trustee-Manager is paid out of the fee that the Trustee-Manager receives (of which the quantum and basis have been disclosed), rather than assets of the Trust.

Remuneration of the Directors and key executives of the Trustee-Manager is paid in cash. There were no employees of the Trustee-Manager who were immediate family members of a Director or the CEO in FY16/17. 'Immediate family member' refers to spouse, child, adopted child, step-child, sibling or parent of the individual.

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

Directors' fees and the remuneration of key executives of the Trustee-Manager are reviewed and approved by the HRRC. The members of the HRRC are Mr Chiang Chie Foo, who is an Independent Director, as Chairman, Mr Alan Nisbet, who is also an Independent Director, and Mr Manohar Khiatani.

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The fees[i] payable to the Directors of the Trustee-Manager for FY16/17 are as follows:

Board Members	S$
Mr Chiang Chie Foo	106,500
Mr Philip Yeo Liat Kok	36,000
Mr David Lim Tik En	32,900
Mr Manohar Khiatani[ii]	94,000
Mr Jonathan Yap Neng Tong[ii]	48,100
Mr Michael Grenville Gray	41,500
Mr Alan Rupert Nisbet	87,800
Mr T. V. Mohandas Pai	89,500
Mr Girija Prasad Pande	68,000
Mr Ng Eng Leng	68,500

Note:

(i) Inclusive of attendance fees of (a) S$1,000 per meeting attendance (in person, or via teleconferencing or video conferencing), (b) ad-hoc meeting with Management of S$500 per meeting attendance, (c) an additional of S$500 per day for overseas attendance allowance. Directors' fees are subject to the approval of the Trustee-Manager's parent entity.

(ii) The Director's fees for Mr Manohar Khiatani and Mr Jonathan Yap Neng Tong (payable to Ascendas Investments Pte. Ltd. (AIPL), a wholly-owned subsidiary of Ascendas Pte. Ltd., were waived by AIPL.

The remuneration of the CEO in bands of S$250,000, and a breakdown of the remuneration of the top 4 key executives (including the CEO) of the Trustee-Manager in percentage terms, are provided below:-

Top 4 Key Executives' Remuneration for FY16/17

Total Remuneration Bands	Fixed Compensation and Employer's CPF[1]	Short-term Incentives and Employer's CPF[2]	Long-term Incentives[3]	Total
Above S$750,000 to S$1,000,000				
Mr Sanjeev Dasgupta	39%	50%	11%	100%
Key Executives (excluding CEO)				
Mr Arthur Tan Meng Teck				
Mr James Goh Chat Shen	52%	43%	5%	100%
Mr Ram Soundararajan				
Total for top 4 key executives (including CEO) : S$2,122,376				

(1) The amount disclosed includes base salary, Annual Wage Supplement, allowances, other fixed benefits and employer's CPF contributions accrued for FY16/17.

(2) The amount disclosed includes bonuses and other variable benefits accrued for FY16/17.

(3) This refers to the FY16/17 grant. The payout will be based on the achievement of pre-determined performance targets over a period of three years.

CORPORATE GOVERNANCE REPORT

(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 the 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 from the Management and the 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.

The Trustee-Manager had, pursuant to the amended Rule 720(1) of the Listing Manual of the SGX-ST, received undertakings from all its Directors and key management that they each shall, in the exercise of their powers and duties as directors and officers use best endeavours to comply with the provisions of the SGX-ST's listing rules, the SFA, the Code of Takeovers & Mergers, and the Companies Act and will also procure compliance by the Trustee-Manager.

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 the 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 29 of the Financial Statements of the Trust.

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

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

CORPORATE GOVERNANCE REPORT

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 risks. The ARC reports to the Board 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 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 the 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 controls, 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 review of the Trust's operations and finances.

The Board recognises the importance of sound internal controls and risk management practices for good corporate governance. The Board affirms its overall responsibility for systems of internal controls and risk management of the Trust, and 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 judgment in decision-making, human error, 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 the 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 the Trust and its subsidiaries were adequate and effective as at 31st March 2017 in addressing material risks.

PRINCIPLE 12: AUDIT AND RISK COMMITTEE

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

CORPORATE GOVERNANCE REPORT

The Board is of the view that the members of the ARC bring with them invaluable recent and relevant managerial and professional expertise and experience in the areas of accounting, financial management and legal and hence, are appropriately qualified to discharge their responsibilities. Mr Nisbet 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 as 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 auditors and the remuneration of the auditors. 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 (IPT).

For FY16/17, the ARC held four meetings during the year. 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 the 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 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 FY16/17.

In the review of the financial statements, the ARC has discussed the key audit matters with Management and the external auditors. The ARC concurs with the basis and conclusions included in the auditors' report with respect to the key audit matters.

External Audit

Ernst & Young LLP (EY) was appointed as the external auditor for the Trust and its Singapore incorporated subsidiaries and significant associated companies. Unitholders' approval was obtained for their re-appointment at the last Annual General Meeting (AGM) on 29th June 2016. EY will hold office until the conclusion of the coming 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 and has also met with the external auditor without the presence of the Management.

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 and expenses paid/accrued to EY for FY16/17:

Nature of Services	Figures in $'000	%
Audit fees	295	84
Non-audit fees	56	16
Total	351	100

CORPORATE GOVERNANCE REPORT

On the basis of the above, the Board has concurred with the ARC's recommendation of the re-appointment of EY as the independent external auditor of the Trust and its subsidiaries at the coming AGM of the Unitholders.

PRINCIPLE 13: INTERNAL AUDIT

The internal auditors assist the ARC in ensuring that the 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 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 the Management. The Management meets with analysts and institutional investors regularly to promote the Trust, communicate its business performance and developments, and gather views and feedback. The Management participates in local and overseas conferences organised by securities houses and banks. The Management also addresses queries raised by retail Unitholders via phone calls, emails or the website. Such regular interactions allow the 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 the 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 has 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.

CORPORATE GOVERNANCE REPORT

The Company Secretary prepares minutes of Unitholders' meetings, which incorporate substantial comments or queries from Unitholders and responses from the Board and the 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 the 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 are reminded that dealing in the Units is prohibited:

- during the period commencing one month before the announcement of the Trust's annual financial results and two weeks before the 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 interest, 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 the SGXNET and the announcement will be posted on the SGX-ST's website http://www.sgx.com and on the Trust's website http://www.a-itrust.com.

In addition, the Trustee-Manager will announce on 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.

DEALING WITH CONFLICTS OF INTEREST

The Trustee-Manager has put in place several procedures to address potential conflicts of interest which the Trustee-Manager (including its Directors, executive officers and employees) may encounter in managing the Trust. Examples of these are:

(i) the Trustee-Manager will be a dedicated manager to the Trust and will not manage any other business trust or be involved in any other real estate or property business;

(ii) all executive officers are employed by the Trustee-Manager;

(iii) the entry into any IPT must be reviewed and recommended by the ARC to the Board, who may approve the IPT by a majority vote of the Directors, including the votes of at least two independent Directors;

(iv) in respect of matters in which Temasek, JTC and/or their subsidiaries (which includes the Ascendas-Singbridge Group) has a direct or indirect interest, any nominees appointed by Temasek, JTC or any of its subsidiaries to the Board shall abstain from voting. In such matters, the quorum must comprise a majority of the Independent Directors of the Trustee-Manager and must exclude the representatives or nominees of Temasek, JTC and/or its subsidiaries; and

(v) the Trustee-Manager and its associates (as defined in the Trust Deed) are prohibited under the Trust Deed from voting on their Units at, or being part of a quorum for, any meeting of Unitholders convened to approve any matter in which the Trustee-Manager or any of its associates has a material interest in the business to be conducted (save for a resolution to remove the Trustee-Manager as provided in the Trust Deed).

CORPORATE GOVERNANCE REPORT

DEALING WITH INTERESTED PERSON TRANSACTIONS

Review Procedures for Interested Person Transactions

The Trustee-Manager has established internal control procedures to ensure that all transactions involving the Trustee-Manager and an Interested Person of the Trustee-Manager are undertaken on an arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties. The Trustee-Manager would have to demonstrate this to the ARC, which may include obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining a valuation from an independent valuer. In addition, regulatory requirements relating to IPT, including the need for approvals and disclosure, are strictly observed by the Trustee-Manager.

Where matters concerning the Trust relate to transactions entered into or to be entered into by the Trustee-Manager for and on behalf of the Trust with an Interested Person of the Trustee-Manager, the Trustee-Manager is required to ensure that such transactions are conducted at arm's length in accordance with all applicable requirements of the Listing Manual relating to the transaction in question. If the Trustee-Manager is to sign any contract with an Interested Person of the Trustee-Manager, the Trustee-Manager will review the contract to ensure that it complies with the requirements relating to IPT in the Listing Manual (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST.

All IPT will be subject to regular reviews by the ARC and any IPT requiring disclosure are set out in the Annual Report.

In addition, the following procedures have been undertaken:

(i) Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding $100,000 in value but below 3.0 per cent. of the Trust's net tangible assets will be subject to review by the ARC at regular intervals.

(ii) Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 3.0 per cent. of the Trust's net tangible assets but below 5.0 per cent. of the Trust's net tangible assets will be subject to the review and prior approval of the ARC. Such approval shall only be given if the transactions are on arm's length commercial terms and consistent with similar types of transactions made by the Trustee-Manager with third parties which are unrelated to the Trustee-Manager.

(iii) Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 5.0 per cent. of the Trust's net tangible assets will be reviewed and approved by the ARC prior to such transactions being entered into, which may, as it deems fit, request advice on the transaction from independent sources or advisers, including obtaining valuations from professional valuers. Furthermore, under the Listing Manual, such transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

CORPORATE GOVERNANCE REPORT

The Trustee-Manager maintains a register to record all IPT (and the basis, including, where practicable, the quotations obtained to support such basis, on which they are entered into) which are entered into by the Trust. The Trustee-Manager incorporates into its internal audit plan a review of all IPT entered into by the Trust. The ARC reviews the internal audit reports to ascertain that the guidelines and procedures established to monitor IPT have been complied with.

The Trustee-Manager discloses in the Trust's Annual Report the aggregate value of IPT conducted during the relevant financial year.

CORPORATE GOVERNANCE DISCLOSURE GUIDE

Guideline	Questions	How has the Trust complied?
General	(a) Has the Trust 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 Trust in lieu of the recommendations in the Code.	Yes, save for the guidelines on disclosure of remuneration where the Trustee-Manager has provided the reasons on page 75 where partial disclosure was made in relation to the remuneration of the top 4 executives (including CEO) of the Trustee-Manager.
	(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 remuneration matters on pages 74 to 76 enables investors to understand the link between remuneration paid to the Directors and key executive officers and performance.
Board Responsibility		
Guideline 1.5	What are the types of material transactions which require approval from the Board?	Please refer to Principle 1 on the Board's Conduct of Affairs.
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 Principle 2 on Board Composition and Guidance.
	(b) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Trust, and elaborate with numerical data where appropriate.	Please refer to Principle 2 on Board Composition and Guidance. The current composition of the Board provides diversity in relation to skills, experience and knowledge. In relation to gender diversity, the Trustee-Manager is working on identifying suitable female candidates with relevant experience to join the Board.
	(c) What steps has the Board taken to achieve the balance and diversity necessary to maximize its effectiveness?	Please refer to Principle 2 on Board Composition and Guidance, and Principle 4 on Board Membership.
Guideline 4.6	Please describe the board nomination process for the Trust in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.	Please refer to Principle 4 on Board Membership and Guidance, and Principle 5 on Board Performance.

CORPORATE GOVERNANCE REPORT

Guideline	Questions	How has the Trust complied?
Guideline 1.6	(a) Are new directors given formal training? If not, please explain why.	Yes. Please refer to Principle 4 on Board Membership.
	(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 Principle 4 on Board Membership.
Guideline 4.4	(a) What is the maximum number of listed company board representations that the Trust has prescribed for its directors? What are the reasons for this number?	As a guide, Directors should not have more than 6 listed company board representations. Please refer to Principle 4 on Board Membership.
	(b) If a maximum number has not been determined, what are the reasons?	Please refer to the response to Guideline 4.4(a) above.
	(c) What are the specific considerations in deciding on the capacity of directors?	Please refer to Principle 4 on Board Membership and Principle 5 on Board Composition.
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 Principle 5 on Board Performance.
	(b) Has the Board met its performance objectives?	Based on the Board evaluation exercise conducted by the Trustee-Manager, the Board is satisfied that it has achieved its performance objectives for FY16/17 and that all Directors have demonstrated full commitment to their roles and contributed effectively to the discharge of their duties. Please refer to Principle 5 on Board Performance.
Independence of Directors		
Guideline 2.1	Does the Trust 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 Trust.	Yes. Please refer to Principle 2 on Board Composition and Guidance.

CORPORATE GOVERNANCE REPORT

Guideline	Questions	How has the Trust complied?
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.	No.
	(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.
Disclosure on Remuneration		
Guideline 9.2	Has the Trust 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?	Please refer to Principle 7 on Procedures for Developing Remuneration Policies, Principle 8 on Level and Mix of Remuneration, and Principle 9 on Remuneration. The Trustee-Manager has also provided the reasons for non-disclosure on page 75 of the Corporate Governance Report in relation to the CEO's remuneration.
Guideline 9.3	(a) Has the Trust 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?	Please refer to 75 of the Corporate Governance Report where the Trustee-Manager has provided reasons for the non-disclosure of the key executives' (excluding CEO) remuneration.
	(b) Please disclose the aggregate remuneration paid to the top five key management personnel (who are not directors or the CEO).	Please refer to the response to Guideline 9.3(a) above.

CORPORATE GOVERNANCE REPORT

Guideline	Questions	How has the Trust complied?
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.	There were no employees of the Trustee-Manager who were immediate family members of a director or the CEO during FY16/17.
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 refer to pages 74 to 76 on key executives' remuneration.
	(b) What were the performance conditions used to determine their entitlement under the short-term and long-term incentive schemes?	Please refer to the response to Guideline 9.6(a) above.
	(c) Were all of these performance conditions met? If not, what were the reasons?	Yes, please refer to the response to Guideline 9.6(a) above.
Risk Management and Internal Controls		
Guideline 6.1	What types of information does the Trust provide to independent directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Trust? How frequently is the information provided?	Please refer to Principle 6 on Access to Information and Principle 11 on Risk Management and Internal Controls.
Guideline 13.1	Does the Trust have an internal audit function? If not, please explain why.	Yes, the internal audit function is outsourced to KPMG, an international audit firm. Please refer to Principle 13 on Internal Audit.
Guideline 11.3	(a) In relation to the major risks faced by the Trust, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Trust's internal controls and risk management systems.	Please refer to Principle 11 on Risk Management and Internal Controls.
	(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 Trust's operations and finances; and (ii) the Trust'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 78 of the Corporate Governance Report on Directors' Opinion on Internal Controls.

CORPORATE GOVERNANCE REPORT

Guideline	Questions	How has the Trust complied?
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 Principle 12 on Audit and Risk Committee.
	(b) If the external auditors have supplied a substantial volume of non-audit services to the Trust, please state the bases for the Audit Committee's view on the independence of the external auditors.	Please refer to page 79 of the Corporate Governance Report on External Audit.
Communication with Shareholders		
Guideline 15.4	(a) Does the Trust regularly communicate with shareholders and attend to their questions? How often does the Trust meet with institutional and retail investors?	Yes. Please refer to Principle 14 on Unitholders' Rights, Principle 15 on Communication with Unitholders and Principle 16 on Conduct of Unitholders' Meetings.
	(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?	Yes.
	(c) How does the Trust keep shareholders informed of corporate developments, apart from SGXNET announcements and the annual report?	Please refer to the response to Guideline 15.4 (a) above.
Guideline 15.5	If the Trust is not paying any dividends for the financial year, please explain why.	Not applicable. Please refer to the Distribution Statement on page 106 of the Annual Report.

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TRUSTEE-MANAGER'S STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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 31st March 2017, 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 104 to 177 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 31st March 2017, 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 31st March 2017 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 Chiang Chie Foo	(Chairman)
Mr Manohar Khiatani	(Deputy Chairman)
Mr Jonathan Yap Neng Tong	(appointed on 8th July 2016)
Mr Sanjeev Dasgupta	
Mr Alan Rupert Nisbet	
Mr T.V. Mohandas Pai	
Mr Girija Prasad Pande	
Mr Ng Eng Leng	

TRUSTEE-MANAGER'S STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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:

	Units held as at			
Name of Director	1st April 2016 or date of appointment		**31st March 2017**	
	Direct	Deemed	**Direct**	**Deemed**
Mr Jonathan Yap Neng Tong	500,000	150,000	**500,000**	**150,000**
Mr Girija Prasad Pande	27,000	-	**77,000**	**-**

There was no change in any of the above-mentioned interests in the Trust between the end of the financial year and 21st April 2017.

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 three Independent Directors. The members at the end of the financial year were as follows:

Mr Alan Rupert Nisbet (Chairman)
Mr T.V. Mohandas Pai
Mr Ng Eng Leng

TRUSTEE-MANAGER'S STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

AUDIT AND RISK COMMITTEE (CONTINUED)

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.

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.

TRUSTEE-MANAGER'S STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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

5th May 2017

STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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

5th May 2017

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 person transactions are transparent, properly recorded and reviewed;
- expenses and cost allocations payable to the Trustee-Manager out of the property of the Trust, and 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.

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

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 (CONTINUED)

- 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 (PMA) 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.

The existing PMA which was entered into between the Trustee-Manager and ASIPL on 2nd July 2007 would expire with effect from 1st August 2017. At the forthcoming Extraordinary General Meeting, Unitholders will decide on entering into a new PMA of which the terms are substantially the same as the terms of the existing PMA. The new PMA will be for a term of 10 years, commencing from 1st August 2017 immediately following the expiry of the existing PMA.

(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 existing PMA, 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.

(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.

STATEMENT ON POLICIES AND PRACTICES

IN RELATION TO THE MANAGEMENT AND GOVERNANCE OF THE TRUST PURSUANT TO SECTION 87 OF THE BUSINESS TRUSTS ACT, CHAPTER 31A OF SINGAPORE

PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS (CONTINUED)

(iii) Future interested person transactions (continued)

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 FY16/17

The interested person transactions done in FY16/17 are set out below:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920)	
	2017	2016
	S$'000	S$'000
Ascendas Property Fund Trustee Pte. Ltd.*		
- Trustee-Manager fees paid/payable	**9,716**	8,703
- Acquisition fees paid/payable	**1,414**	676
Ascendas Services (India) Pvt Ltd (ASIPL)*		
Fees received/receivable by ASIPL from a-iTrust		
- Property management services	**2,939**	2,733
- Lease management services	**1,470**	1,367
- Marketing services	**3,448**	2,430
- Project management services	**214**	439
- General management services	**3,306**	2,919
Office rental income received/receivable by a-iTrust from:		
- ASIPL	**405**	391
- Olam Information Services Private Limited	**529**	482

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

The Trust has not obtained a general mandate from Unitholders for any interested person transactions.

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 FY16/17.

For acquisition and divestment 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 the Trust; 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.

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 (CONTINUED)

Fees payable to the Trustee-Manager (continued)

The table below sets out the fees earned by the Trustee-Manager for the financial year ended 31st March 2017:

	Amount ($'000)
Fund management fee	5,618
Trustee fee	221
Performance fee	3,877
Acquisition fee	1,414
Total	11,130

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 31st March 2017 are set out below:

	Amount ($'000)
Travel & Entertainment	123

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 SGX-ST's 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 Chiang Chie Foo;
Mr Alan Rupert Nisbet;
Mr T. V. Mohandas Pai;
Mr Girija Prasad Pande; and
Mr Ng Eng Leng.

Mr Manohar Khiatani, Mr Jonathan Yap and Mr Sanjeev Dasgupta are considered Non-Independent Directors by the Board of Directors of the Trustee-Manager. Mr Khiatani is the Deputy Group Chief Executive Officer of Ascendas-Singbridge Group (ASB), Mr Yap is the Chief Investment Officer of ASB and Mr Dasgupta is the Chief Executive Officer of the Trustee-Manager. 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.

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

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

Opinion

We have audited the financial statements of Ascendas India Trust (the 'Trust') and its subsidiaries (collectively, the 'Group'), which comprise the balance sheets of the Group and the Trust as at 31st March 2017, 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 notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Trust are properly drawn up in accordance with the provisions of the Singapore Business Trusts Act (the 'Act') and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Trust as at 31st March 2017 and of the consolidated financial performance, changes in unitholders' funds and cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Valuation of investment properties and investment properties under construction

The Group's investment properties and investment properties under construction (collectively, the 'Properties') with a carrying value of $1,443.7 million represent 89% of the Group's total assets as at 31st March 2017. The valuation of the Properties is significant to our audit due to their magnitude, and the valuation is complex and highly dependent on a range of estimates made by Trustee-Manager and the independent professional valuers engaged by the Trustee-Manager. The Trustee-Manager use independent professional valuers to support their determination of the fair value of the Properties annually. As disclosed in Note 30(c), the Properties are measured using significant unobservable inputs. The most significant judgements and estimates affecting the valuations are discount rates and capitalization rates.

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

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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

Amongst others, we have considered the objectivity, independence and expertise of the independent professional valuers. We, together with our internal valuation specialists, assessed the appropriateness of the valuation techniques and property related data such as property taxes, and other key estimates used by the independent professional valuers. In addition, we evaluated the appropriateness of the data used by Management in the estimation process and the independent professional valuers by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. We also assessed the reasonableness of the movements in fair value of the Properties. We also assessed the adequacy of Note 30(c) relating to the assumptions used in the valuation process given the estimation uncertainty and sensitivity of the valuations and other disclosures on the Properties in Note 20 and Note 21 to the financial statements.

Taxation matters

(a) Uncertain tax positions

The Group operates in different jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including disputed tax positions, transfer pricing, service tax, value added-tax on fit-out rental and tax treatment of rental income either as income from house property or business income. This is described in more detail in Note 33 of the financial statements. The tax matters are at various stages, from preliminary discussions with tax authorities through to tax tribunal or court proceedings where the matters can take many years to resolve. Judgement is required in assessing the tax issues and the potential exposures to determine whether, and how much, to provide in respect of tax assessments leading to uncertain tax positions. At 31st March 2017, the Group has disclosed contingent liabilities arising from uncertain tax positions as set out in Note 33 to the financial statements. Accordingly, we have identified this key audit matter.

We, together with internal tax specialists, evaluated and reviewed Management's judgements in respect of estimates of tax exposures and contingencies in assessing the adequacy of the Group's tax provisions. In understanding and evaluating Management's judgements, we considered the status of recent and current tax audits and enquiries, the outcome of previous claims, judgmental positions taken in tax returns and current year estimates and developments in the tax environment. We have also assessed the appropriateness of the Group's disclosures on the contingent liabilities in Note 33 to the financial statements.

(b) Deferred tax

As at 31st March 2017, the Group has recognised deferred tax liabilities of $196.3 million. As disclosed in the financial statements, the Group operates mainly in India whereby certain subsidiaries have tax benefits arising from local tax regulations such Minimum Alternative Tax (MAT) credit and deduction under 80IA of Income Tax Act 1961. The valuation of the deferred income tax arising from local tax regulations is significant to our audit because of the related complexity of the valuation process which entails significant Management judgment on assumptions that are affected by manner of realisation.

Our audit procedures comprised, amongst others, an assessment of whether Management's basis of computation of deferred tax liabilities is consistent with their assumption to recover the carrying amounts of the Properties which is through use (except for land). This also includes Management's assumption as to when they are expected to avail themselves of the deduction under 80IA of Income Tax Act 1961 as disclosed in more details in Note 3 to the financial statements. We tested the completeness and accuracy of the amounts recognised as deferred tax, including the assessment of fair values of the Properties and the effective tax rate applied to the fair value gain on the Properties. We involved our internal tax specialists to assess the local fiscal developments, in particular those related to changes in tax rates which is one of the key assumptions underlying the valuation of the deferred taxes. We also assessed whether the Group has met with the requirements of local tax regulations in relation to MAT credit and deduction under 80IA of Income Tax Act 1961.

In addition, we assessed the adequacy of the Group's disclosures on deferred tax positions and assumptions used. The Group's disclosures concerning income taxes are included in Note 3 and Note 8 to the financial statements.

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

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

Other Information

The Trustee-Manager is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Trustee-Manager 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 Act and FRSs, 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.

In preparing the financial statements, the Trustee-Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Trustee-Manager's responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Trustee-Manager.

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

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of Trustee-Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Trustee-Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Trustee-Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Trustee-Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by 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.

The engagement partner on the audit resulting in this independent auditor's report is Low Yen Mei.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

5th May 2017

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

	Note	Group 2017 $'000	Group 2016 $'000
Property Income			
Base rent		**99,041**	89,613
Amenities income		**2,008**	2,036
Fit-out rental income		**1,343**	1,476
Operations, maintenance and utilities income		**46,279**	44,386
Car park and other income		**7,994**	6,448
Total property income		**156,665**	143,959
Property Expenses			
Operations, maintenance and utilities expenses		**(35,067)**	(34,487)
Service and property taxes		**(3,871)**	(2,940)
Property management fees		**(7,352)**	(6,762)
Other property operating expenses	5	**(6,172)**	(6,050)
Total property expenses		**(52,462)**	(50,239)
Net Property Income		**104,203**	93,720
Trustee-Manager's fees		**(9,716)**	(8,705)
Other trust operating expenses		**(1,698)**	(1,092)
Finance costs	6	**(28,699)**	(23,551)
Interest income	4	**14,046**	14,325
Fair value gain on derivative financial instruments - realised		**4,926**	5,091
Exchange loss - realised		**(4,641)**	(11,395)
Profit Before Change in Fair Value of Investment Properties, and Unrealised (Loss)/Gain on Derivative Financial Instruments and Foreign Exchange		**78,421**	68,393
Fair value (loss)/gain on derivative financial instruments - unrealised		**(1,016)**	960
Exchange gain/(loss) - unrealised		**5,603**	(1,706)
Fair value gain on investment properties under construction	20	**10,300**	7,645
Fair value gain on investment properties	21	**77,911**	88,491
Profit Before Tax	7	**171,219**	163,783
Income tax expenses	8(a)	**(22,974)**	(51,089)
Net Profit After Tax		**148,245**	112,694
Attributable To:			
Unitholders of the Trust		**139,166**	104,732
Non-controlling interests		**9,079**	7,962
		148,245	112,694
Earnings per unit attributable to Unitholders of the Trust, expressed in cents per unit			
- basic and diluted	9	**14.98**	11.33

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

	Group	
	2017	2016
	$'000	$'000
Net profit after tax	**148,245**	112,694
Other Comprehensive Income:		
Items that may be reclassified subsequently to profit or loss:		
- Cash flow hedges	**(8,842)**	2,371
- Translation differences arising from the conversion of functional currency into presentation currency	**34,553**	(52,659)
Reversal of fair value reserves of available-for-sale financial assets reclassified to profit or loss	**-**	(2,477)
Other comprehensive income for the year	**25,711**	(52,765)
Total comprehensive income for the year	**173,956**	59,929
Total Comprehensive Income Attributable To:		
Unitholders of the Trust	**162,100**	55,904
Non-controlling interests	**11,856**	4,025
	173,956	59,929

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

DISTRIBUTION STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

	Note	Group 2017 $'000	Group 2016 $'000
Profit Before Change in Fair Value of Investment Properties, and Unrealised (Loss)/Gain on Derivative Financial Instruments and Foreign Exchange		**78,421**	68,393
Income tax expenses - current	8(a)	**(19,144)**	(18,424)
Trustee-Manager's fees payable in units	10	**4,779**	4,261
Depreciation of equipment	19	**80**	136
Realised exchange (gain)/loss	10	**(910)**	6,092
Non-controlling interests		**(4,500)**	(4,003)
Distribution Adjustments		**(19,695)**	(11,938)
Income Available for Distribution		**58,726**	56,455
10% retention		**(5,873)**	(5,646)
Income to be Distributed		**52,853**	50,809
Income Available for Distribution per unit (cents)		**6.32**	6.11
Income to be Distributed per unit (cents)		**5.69**	5.50

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

BALANCE SHEETS

AS AT 31st MARCH 2017

	Note	Group		Trust	
		2017	2016	**2017**	2016
		$'000	$'000	**$'000**	$'000
ASSETS					
Current Assets					
Cash and cash equivalents	11	**74,997**	85,921	**419**	4,485
Inventories	12	**1,324**	686	**-**	-
Other assets	13	**6,079**	6,640	**34**	23
Loans to subsidiaries	14	**-**	-	**506,210**	438,456
Trade and other receivables	15	**25,788**	15,050	**18,934**	3,850
Derivative financial instruments	18	**726**	6,369	**726**	6,369
Current income tax recoverable	8(b)	**9,148**	9,808	**-**	-
		118,062	124,474	**526,323**	453,183
Non-current Assets					
Other assets	13	**5,827**	3,290	**-**	-
Investment in available-for-sale financial assets	16	**-**	53,376	**-**	-
Investment in joint venture	17	**27,758**	-	**-**	-
Derivative financial instruments	18	**1,691**	13,848	**1,691**	13,848
Equipment	19	**240**	305	**-**	-
Investment properties under construction	20	**33,619**	61,812	**-**	-
Investment properties	21	**1,410,110**	1,077,011	**-**	-
Goodwill	22	**16,380**	15,614	**-**	-
Investment in subsidiaries	23	**-**	-	**11,021**	10,506
		1,495,625	1,225,256	**12,712**	24,354
Total assets		**1,613,687**	1,349,730	**539,035**	477,537
LIABILITIES					
Current Liabilities					
Trade and other payables	24	**77,403**	57,433	**21,720**	12,070
Borrowings	25	**2,600**	44,955	**2,600**	44,955
Derivative financial instruments	18	**714**	510	**714**	510
Current income tax liabilities	8(b)	**306**	-	**-**	-
		81,023	102,898	**25,034**	57,535
Non-current Liabilities					
Trade and other payables	24	**55,600**	52,845	**-**	462
Borrowings	25	**450,425**	317,750	**450,425**	317,750
Derivative financial instruments	18	**13,134**	1,245	**13,134**	1,245
Deferred income tax liabilities	8(c)	**196,322**	183,544	**-**	-
		715,481	555,384	**463,559**	319,457
Total liabilities		**796,504**	658,282	**488,593**	376,992
NET ASSETS		**817,183**	691,448	**50,442**	100,545

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

BALANCE SHEETS

AS AT 31st MARCH 2017

	Note	Group		Trust	
		2017	2016	**2017**	2016
		$'000	$'000	**$'000**	$'000
UNITHOLDERS' FUNDS					
Units in issue	26	**714,712**	710,261	**714,712**	710,261
Foreign currency translation reserve	27(a)	**(345,255)**	(377,031)	**(206,709)**	(208,833)
Hedging reserve	27(c)	**(4,903)**	3,939	**(4,903)**	3,939
Other reserves	27(d)	**66,026**	62,255	**-**	-
Retained earnings	27(e)	**323,548**	239,110	**(452,658)**	(404,822)
Net assets attributable to Unitholders		**754,128**	638,534	**50,442**	100,545
Non-controlling interests		**63,055**	52,914	**-**	-
		817,183	691,448	**50,442**	100,545

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

	Attributable to Unitholders of the Trust								
	Units in issue	Foreign currency translation reserve	Fair value reserve	Hedging reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2017									
Balance at beginning of financial year	**710,261**	**(377,031)**	**-**	**3,939**	**62,255**	**239,110**	**638,534**	**52,914**	**691,448**
Profit for the year	-	-	-	-	-	139,166	**139,166**	9,079	**148,245**
Other comprehensive income for the year	-	31,776	-	(8,842)	-	-	**22,934**	2,777	**25,711**
Transfer to other reserves	-	-	-	-	3,771	(3,771)	**-**	-	**-**
Issue of new units	4,451	-	-	-	-	-	**4,451**	-	**4,451**
Distribution to Unitholders (Note 10)	-	-	-	-	-	(50,957)	**(50,957)**	-	**(50,957)**
Distribution to non-controlling interests	-	-	-	-	-	-	**-**	(1,715)	**(1,715)**
Balance at end of financial year	**714,712**	**(345,255)**	**-**	**(4,903)**	**66,026**	**323,548**	**754,128**	**63,055**	**817,183**
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)**
Distribution 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**

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

	Note	Group	
		2017	2016
		$'000	$'000
Operating activities			
Net profit after tax		**148,245**	112,694
Adjustments for:			
Income tax expenses	8(a)	**22,974**	51,089
Interest income	4	**(14,046)**	(14,325)
Finance costs	6	**28,699**	23,551
Equipment written off	5	**-**	1
Depreciation of equipment	19	**80**	136
Fair value gain on derivative financial instruments - unrealised		**1,016**	(960)
Fair value gain on investment properties under construction	20	**(10,300)**	(7,645)
Fair value gain on investment properties	21	**(77,911)**	(88,491)
(Write-back)/allowance for impairment of receivables	5	**(418)**	277
Trustee-Manager's fees paid and payable in units	10	**4,779**	4,261
Exchange differences		**(6,513)**	7,798
Others		**7,585**	3,959
Operating cash flows before changes in working capital		**104,190**	92,345
Changes in working capital			
Inventories		**(604)**	(5)
Other assets		**(920)**	878
Trade and other receivables		**(5,808)**	1,490
Trade and other payables		**3,416**	3,792
Cash flows from operations		**100,274**	98,500
Interest received		**12,624**	20,429
Income tax paid (net)		**(18,028)**	(21,813)
Net cash flows from operating activities		**94,870**	97,116
Investing activities			
Purchase of equipment	19	**-**	(198)
Advance payment of expenditure on investment properties	15	**(6,642)**	-
Additions to investment properties under construction	20	**(9,309)**	(30,794)
Additions to investment properties	21	**(6,811)**	(12,838)
Net cash outflow from acquisition of subsidiary	23	**(70,284)**	(5,009)
Investment in available-for-sale financial assets	16	**(4)**	(2,974)
Investment in joint venture	17	**(24,269)**	-
Net cash flows used in investing activities		**(117,319)**	(51,813)

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

	Note	Group	
		2017	2016
		$'000	$'000
Financing activities			
Repayment of borrowings		**(45,000)**	(90,000)
Distribution to Unitholders		**(50,957)**	(48,029)
Distribution paid to non-controlling interests		**(1,715)**	(368)
Interest paid		**(27,510)**	(22,770)
Proceeds from borrowings		**132,495**	137,482
Net cash flows from/(used in) financing activities		**7,313**	(23,685)
Net (decrease)/increase in cash and cash equivalents		**(15,136)**	21,618
Cash and cash equivalents at beginning of financial year		**85,921**	69,661
Effects of exchange rate changes on cash and cash equivalents		**4,212**	(5,358)
Cash and cash equivalents at end of financial year	11	**74,997**	85,921

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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 7th 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 28th 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 3rd July 2007, the Trust was registered as a business trust and on 1st 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 23 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.

The MAS announced on 19th January 2017 that registered business trusts are required to adopt a new Singapore financial reporting framework identical to the International Financial Reporting Standards with effect from for annual financial periods beginning on or after 1st January 2018. The Group will adopt the new financial reporting framework in financial year starting 1st April 2018.

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 annual financial periods beginning on or after 1st April 2016. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Trust.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendment to FRS 7 *Disclosure Initiative*	1st January 2017
FRS 109 *Financial Instruments*	1st January 2018
FRS 115 *Revenue from Contracts with Customers*	1st January 2018
FRS 116 *Leases*	1st January 2019

Except for FRS 109 and FRS 116, the Management of the Trustee-Manager expects that the adoption of the other 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 adoption of FRS 109 and FRS 116 are described below.

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.

(a) Hedge Accounting

Under FRS109, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening in the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an ‘economic relationship’. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity’s risk management activities have also been introduced. The Group expects its existing hedges to continue to be eligible for hedge accounting under FRS 109. The Group needs to perform a more detailed analysis whether any other transactions will be eligible for hedge accounting.

(b) Impairment

FRS 109 requires the Group to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Group expects to apply the simplified approach and record lifetime expected losses on all trade receivables. Upon application of the expected credit loss model, the Group expects an impact on its equity due to unsecured nature of its loans and receivables, but it will need to perform a more detailed analysis which considers all reasonable and supportable information, including forward-looking elements to determine the extent of impact.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Standards issued but not yet effective (continued)

FRS 109 Financial Instruments (continued)

(c) Transition

The Group plans to adopt the new standard on the required effective date without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

FRS 116 Leases

FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. The new standard is effective for annual periods beginning on or after 1st January 2019.

The Group is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date. The Group expects the adoption of the new standard will result in increase in total assets and total liabilities, earnings before interest, tax, depreciation and amortisation (EBITDA), and gearing ratio.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Revenue recognition (continued)

(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.

2.5 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 interests 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 interests;

(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;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Basis of consolidation and business combinations (continued)

(a) Basis of consolidation (continued)

(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.

(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 interests in the acquiree at the date of acquisition either at fair value or at the non-controlling interests' 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 interests 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 2.13 (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 interests and fair value of the consideration paid or received is recognised directly in unitholders' funds and attributed to the Unitholders of the Trust.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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).

2.7 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Equipment (continued)

(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 the fair value would be reliably determinable in future, is accounted for at cost.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

Joint ventures

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method from the date on which it becomes joint venture.

Under the equity method, the investment in joint ventures are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures. The profit or loss reflects the share of results of the operations of the joint ventures. Distributions received from joint ventures reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and joint venture are eliminated to the extent of the interest in the joint ventures.

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the joint ventures are prepared as the same reporting date as the Trust. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 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 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. 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.

2.13 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Impairment of non-financial assets (continued)

(b) *Investment in subsidiaries (continued)*

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.

2.14 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.

2.15 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Financial instruments (continued)

(a) Non-derivative financial assets (continued)

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.

(ii) Cash and cash equivalents

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

(iii) 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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Financial instruments (continued)

(c) Non-derivative financial liabilities (continued)

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

(d) Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either: (i) fair value hedge; or (ii) cash flow hedge.

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

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

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

(i) Fair value hedge

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 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.

2.16 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Impairment of financial assets (continued)

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

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Impairment of financial assets (continued)

(c) Available-for-sale financial assets (continued)

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.

2.17 Leases

As lessor

Leases 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.

2.18 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 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 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 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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Taxes (continued)

(b) *Deferred tax (continued)*

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

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

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

(c) *Sales tax*

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

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

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

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

2.19 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 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.

2.21 Units in issue and unit issuance expenses

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

2.22 Distributions to Trust's Unitholders

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

2.23 Transfer to other reserves

Other reserves represent profits statutorily transferred to capital redemption reserve, debenture redemption reserve and general reserve of the Indian subsidiaries under Indian regulatory provisions.

2.24 Contingencies

A contingent liability is:

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.25 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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

(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 independent professional valuers 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 and discount rates applicable to those assets. These estimates are based on prevailing local market conditions.

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 30. The Trustee-Manager is of the view that the valuation techniques and estimates are reflective of the current market condition.

(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 and contingent liabilities disclosed in the financial statements.

The Group assesses whether provisions or disclosure as contingent liabilities for tax matters, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. If provisions are required, 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. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

Deferred tax liabilities are recognised on fair value gains on investment properties. The determination of the appropriate tax rates to be applied on the fair value gains is based on Management's assumption to recover the carrying amounts of the investment properties through use (except for land) and as to when they are expected to avail themselves of the deduction under 80IA of Income Tax Act 1961.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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

(b) *Taxes (continued)*

Ascendas IT Park (Chennai) Limited (AITPCL) has obtained approvals from relevant authorities and can claim 80IA exemption for any 10 consecutive years out of 15 years beginning from the year in which the industrial park commences operation. Consequent to such approval, AITPCL has accounted for 80IA exemption for Phase 1 from the financial year ended 31st March 2010 and, Phase 2 and 3, from the financial year ended 31st March 2016 in the financial statements and accordingly reversed tax provision pertaining to prior years amounting to INR 214 million (equivalent to $4,580,000) and recognised MAT credit of INR 366 million (equivalent to $7,832,000) during the year ended 31st March 2017.

AITPCL is in the process of revising its income tax returns and finalising its position regarding the first year of claiming 80IA exemption in relation to each Phase. This is because AITPCL had been claiming exemptions under section 80IA from financial year ended 31st March 2010 for Phase 1 and 2, and financial year ended 31st March 2011 for Phase 3 in the income tax returns.

Pending finalisation and filing of first year of claim under section 80IA and its approach by tax authorities, the financial statements do not reflect any further adjustments that may arise based on final approval from the tax authorities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

4. INTEREST INCOME

	Group	
	2017	2016
	$'000	$'000
Interest income		
- Financial institutions	**6,028**	5,132
- Investment in available-for-sale financial assets	**7,483**	8,416
- Others	**535**	777
	14,046	14,325

5. OTHER PROPERTY OPERATING EXPENSES

	Group	
	2017	2016
	$'000	$'000
Advertising and publication	**554**	466
Depreciation of equipment	**80**	136
Employee benefits	**240**	208
Insurance	**222**	223
General management fee	**3,306**	2,919
Surcharges	**663**	341
Travel and hotel accomodation	**172**	87
Professional fees	**750**	1,043
(Write-back)/allowance for impairment of receivables	**(418)**	277
Equipment written off	**-**	1
Other direct costs	**603**	349
	6,172	6,050

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

6. FINANCE COSTS

	Group	
	2017	2016
	$'000	$'000
Interest expenses		
- Financial institutions	**14,511**	13,169
- Medium term notes	**13,953**	10,189
- Others	**235**	193
	28,699	23,551

7. PROFIT BEFORE TAX

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

	Group	
	2017	2016
	$'000	$'000
Auditors of the Group:		
- Audit fees	**295**	236
- Non-audit fees	**56**	44
Inventories recognised as expenses in 'Operations, maintenance and utilities expenses'	**8,643**	10,871

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

8. INCOME TAXES

(a) *Income tax expenses*

	Group	
	2017	2016
	$'000	$'000
Tax expenses attributable to profit is made up of:		
Current income tax expenses		
- Based on current year's results	**23,724**	18,457
- Over provision in respect of prior years	**(4,580)**	(33)
	19,144	18,424
Deferred income tax expenses		
- Based on current year's results	**23,426**	32,665
- Effect of change in tax laws	**(11,764)**	-
- Over provision in respect of prior years	**(7,832)**	-
	3,830	32,665
	22,974	51,089

The reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31st March 2017 and 2016 is as follows:

	Group	
	2017	2016
	$'000	$'000
Profit before tax	**171,219**	163,783
Tax calculated at tax rate of 34.61% (2016: 34.61%)	**59,259**	56,685
Effects of:		
- Income not subject to tax	**(8,646)**	(6,418)
- Expenses not deductible for tax purpose	**2,340**	8,345
- Tax incentives	**(13,316)**	(6,615)
- Fair value gains on investment properties subject to lower tax rate	**(3,199)**	(6,168)
- Effect of change in tax laws	**(11,764)**	-
- Dividend distribution and withholding tax	**11,028**	5,558
- Over provision in respect of prior years	**(12,412)**	(33)
- Others	**(316)**	(265)
	22,974	51,089

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

8. INCOME TAXES (CONTINUED)

(a) *Income tax expenses (continued)*

The corporate tax rate applicable in India was 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.

Minimum Alternate Tax (MAT)

Amendments were made in Finance Act, 2017, where MAT paid in respect of assessment years 2008-09 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 peiord of 15 years compared to 10 years previously. Due to this change, MAT credit amounting to INR 560 million (equivalent to $11,764,000) were recognised during the year ended 31st March 2017.

Under the Indian income tax law, MAT will be payable only where tax liability, as computed, is less than 18.50% of the book profits in the profit or loss account and after making certain specific adjustments. 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.

Reversal of prior years tax provision of Ascendas IT Park (Chennai) Limited (AITPCL)

AITPCL has obtained approvals from relevant authorities and can claim 80IA exemption for any 10 consecutive years out of 15 years beginning from the year in which the industrial park commences operation. Consequent to such approval, AITPCL has accordingly reversed tax provision pertaining to prior years amounting to INR 214 million (equivalent to $4,580,000) and recognised MAT credit of INR 366 million (equivalent to $7,832,000) during the year ended 31st March 2017. Please refer to Note 3(b) for more details.

(b) *Movements in current income tax recoverable and liabilities*

	Group	
	2017	2016
	$'000	$'000
Current income tax recoverable	**9,148**	9,808
Current income tax liabilities	**(306)**	-
Current income tax recoverable, net	**8,842**	9,808

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

8. INCOME TAXES (CONTINUED)

(b) *Movements in current income tax recoverable and liabilities (continued)*

Movements in current income tax recoverable, net

	Group	
	2017	2016
	$'000	$'000
Balance at beginning of financial year	**9,808**	6,991
Tax charge for the year	**(23,724)**	(18,457)
Over provision in respect of prior years	**4,580**	33
Tax paid during the year	**9,619**	12,079
Tax deducted at source (net)	**8,409**	9,734
Translation differences	**150**	(572)
Balance at end of financial year	**8,842**	9,808

(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	
	2017	2016
	$'000	$'000
Deferred income tax assets:		
- To be settled after one year	**(26,605)**	(4,265)
Deferred income tax liabilities:		
- To be settled after one year	**222,927**	187,809
Deferred income tax liabilities - net	**196,322**	183,544
The above comprises the following:		
- Fair value gains on investment properties	**222,927**	187,809
- Minimum alternate tax credit	**(26,605)**	(4,265)
	196,322	183,544

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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:

	Group		
	Fair value gains on investment properties	**Minimum alternate tax credit**	**Total**
	$'000	**$'000**	**$'000**
2017			
Balance at beginning of financial year	187,809	(4,265)	**183,544**
Tax charged to income statement	26,243	(22,413)	**3,830**
Translation differences	8,875	73	**8,948**
Balance at end of financial year	222,927	(26,605)	**196,322**
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**

Deferred income tax assets are recognised for MAT 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 $25,500,000 (2016: $20,800,000) 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

9. EARNINGS PER UNIT

The calculation of basic earnings per unit is based on:

	Group	
	2017	2016
Total profit attributable to Unitholders ($'000)	**139,166**	104,732
Weighted average number of units outstanding during the year ('000)	**929,178**	924,419
Earnings per unit (cents)	**14.98**	11.33

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	
	2017	2016
	$'000	$'000
Distribution paid:		
Exempt distribution of 2.46 cents per unit paid on 26th May 2015	**-**	22,683
Exempt distribution of 2.74 cents per unit paid on 27th November 2015	**-**	25,346
Exempt distribution of 2.76 cents per unit paid on 27th May 2016	**25,572**	-
Exempt distribution of 2.73 cents per unit paid on 28th November 2016	**25,385**	-
	50,957	48,029

A tax-exempt distribution of 2.96 cents per unit amounting to $27,565,000 was approved on 26th April 2017 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 31st March 2018.

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 $4,779,000 (2016: $4,261,000) during the financial year.

During the financial year, net realised exchange gain of $910,000 (2016: net realised exchange loss of $6,092,000) 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. Such exchange gain or loss does not affect cash flow and has been deducted from or added to the income available for distribution.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

11. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2017	2016	**2017**	2016
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**35,237**	9,639	**419**	4,485
Fixed deposits	**39,760**	76,282	**-**	-
	74,997	85,921	**419**	4,485

The exposure of cash and cash equivalents to interest rate risks and currency risks is disclosed in Note 29.

Fixed deposits at the balance sheet date had an average maturity of 6 months (2016: 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 31st March 2017, certain companies of the Group had cash and deposit balances denominated in INR amounting to approximately $74,384,000 (2016: $81,225,000) 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	
	2017	2016
	$'000	$'000
Operational supplies	**1,324**	686

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

13. OTHER ASSETS

	Group		Trust	
	2017	2016	**2017**	2016
	$'000	$'000	**$'000**	$'000
Current				
Deposits	**5,587**	6,449	**-**	-
Prepayments	**492**	191	**34**	23
	6,079	6,640	**34**	23
Non-current				
Deposits	**5,741**	3,230	**-**	-
Prepayments	**86**	60	**-**	-
	5,827	3,290	**-**	-

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

14. LOANS TO SUBSIDIARIES

	Trust	
	2017	2016
	$'000	$'000
Loans to subsidiaries		
- Non-interest bearing	**236,132**	221,043
- Interest bearing	**270,078**	217,413
	506,210	438,456

As at 31st March 2017, 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% (2016: 2.58% to 9.15%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

15. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2017	2016	**2017**	2016
	$'000	$'000	**$'000**	$'000
Trade receivables	**6,997**	7,632	**-**	-
Less: Allowance for impairment of receivables	**(1,835)**	(2,212)	**-**	-
Trade receivables - net	**5,162**	5,420	**-**	-
Other receivables				
Advances to regulatory authorities	**2,270**	2,386	**-**	-
Less: Allowance for impairment of advances	**(2,270)**	(2,386)	**-**	-
Other receivables - net	**-**	-	**-**	-
Amounts owing from subsidiary	**-**	-	**18,061**	3,673
Non-related parties				
- Advances to suppliers	**3,797**	1,054	**-**	-
- Advance payment of expenditure on investment properties	**6,642**	-	**-**	-
- Interest receivable	**3,696**	4,022	**-**	-
- Service input tax recoverable	**4,930**	4,414	**-**	-
- Others	**1,561**	140	**873**	177
	25,788	15,050	**18,934**	3,850

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 29.

As disclosed in Note 5, (write-back)/allowance for impairment of receivables of ($418,000) (2016: $277,000) was included in 'Other property operating expenses'.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

16. INVESTMENT IN AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2017	2016
	$'000	$'000
Balance at beginning of financial year	**53,376**	108,129
Additions	**-**	2,782
Transaction cost capitalised	**4**	192
Translation differences	**1,832**	(6,039)
Derecognition upon acquisition of subsidiary	**(55,212)**	(51,688)
Balance at end of financial year	**-**	53,376

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 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 NCD is secured by a charge over FDPL's property, land lease and shares.

On 1st February 2017, the Group acquired the entire issued and paid up capital of FDPL for a cash consideration amounting to INR 3,948 million (equivalent to $82,520,000) (Note 23). Accordingly, FDPL became a wholly-owned subsidiary of the Group. The NCD in FDPL (which is now a subsidiary) is eliminated on consolidation and derecognised upon the acquisition of subsidiary. The acquisition of FDPL is described in more detail in Note 23.

17. INVESTMENT IN JOINT VENTURE

	Group
	2017
	$'000
Balance at beginning of financial year	-
Additions	24,241
Transaction cost capitalised	28
Translation differences	1,466
	25,735
Share of post-acquisition reserve (Interest receivable)	2,023
Balance at end of financial year	27,758

Investment in joint venture relates to subscription of fully and compulsorily convertible debentures (FCCD) in Deccan Real Ventures Private Limited (DRVPL), a company incorporated in India. The FCCD bears coupon of 10.4% per annum, net of all applicable taxes. The FCCD may be fully converted into equity shares of DRVPL 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 DRVPL at the 15th anniversary after issuance. The FCCD investment allows the Group to appoint one Nominee Director in DRVPL, whereby reserved matters, including major decisions over the relevant activities, must be duly approved by the Nominee Director.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

17. INVESTMENT IN JOINT VENTURE (CONTINUED)

The Group does not have any direct interest in the issued and paid up capital of DRVPL as at 31st March 2017. The Group's equity interest in DRVPL is solely represented by its investment in FCCD. The Group's share of results in DRVPL only relates to the interest income arising from the coupon of 10.4% per annum on the FCCD which is recognised as interest income under 'Interest income' line item in the consolidated income statement.

This investment is to fund the construction of the fourth aVance Business Hub property (aVance 4), an IT building with a total floor area of 389,958 sq ft located in Hyderabad. The subscription to the FCCD is a multi-stage process to eventually acquire aVance 4.

Subsequent to the end of the financial year, on 11th April 2017, the Group acquired the entire issued and paid up capital of DRVPL for a cash consideration amounting to INR 1,942 million (equivalent to $42,200,000). The acquisition price includes the investment in FCCD of $27,758,000.

Summarised financial information in respect of DRVPL and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:-

	Group 2017 $'000
Summarised balance sheet	
Current assets	2,051
Non-current assets	30,875
Current liabilities	(4,567)
Non-current liabilities	(1,357)
Net assets (excluding FCCD)	27,002
Group's share of net assets, represented by FCCD	27,758
Summarised statement of comprehensive income	
Revenue	2,231
Loss before tax	(372)

The Group's share of results in joint venture is represented by the interest income on FCCD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

18. DERIVATIVE FINANCIAL INSTRUMENTS

	Group and Trust					
	2017			2016		
	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	10,000	-	(19)	-	-	-
- Currency swaps	40,000	726	-	45,000	6,004	(472)
Non-hedging instruments						
- Currency forwards	20,000	-	(695)	39,000	365	(38)
		726	(714)		6,369	(510)
Non-current						
Cash flow hedges						
- Interest rate swaps	41,000	25	(190)	32,000	-	(204)
- Currency swaps	293,133	1,666	(12,944)	219,500	13,848	(1,041)
		1,691	(13,134)		13,848	(1,245)
Total		2,417	(13,848)		20,217	(1,755)

No cash flow hedges of expected transactions were assessed to be ineffective under FRS 39 and recognised in the profit or loss for the Group and the Trust for the financial years ended 31st March 2017 and 2016.

The Group held interest rate swaps to exchange floating-rate interest, on SGD loans of $51,000,000 (2016: $32,000,000), into fixed-rate interest at an average rate of 3.33% (2016: 3.37%) per annum.

The Group entered into currency swaps to exchange floating-rate SGD loans of $206,000,000 (2016: $163,000,000) for INR obligations at average fixed-rate of 7.67% (2016: 7.90%) per annum and also currency swaps to exchange fixed-rate medium term notes of $127,133,000 (2016: $101,500,000) for fixed-rate INR obligation at average fixed-rate of 8.45% (2016: 8.60%) per annum.

The rationale for entering into currency forwards is disclosed in Note 29(a)(i).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

18. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

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.

19. EQUIPMENT

	Group	
	Computers, furniture and equipment	
	2017	2016
	$'000	$'000
Cost		
Balance at beginning of financial year	**4,169**	7,346
Additions	**-**	198
Acquisition of subsidiary (Note 23)	**2**	-
Disposals/write-offs/transfer	**-**	(2,902)
Translation differences	**209**	(473)
Balance at end of financial year	**4,380**	4,169
Accumulated depreciation		
Balance at beginning of financial year	**3,864**	7,086
Depreciation charge	**80**	136
Disposals/write-offs/transfer	**-**	(2,901)
Translation differences	**196**	(457)
Balance at end of financial year	**4,140**	3,864
Net book value		
Balance at end of financial year	**240**	305
Balance at beginning of financial year	**305**	260

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

20. INVESTMENT PROPERTIES UNDER CONSTRUCTION

	Group	
	2017	2016
	$'000	$'000
Balance at beginning of financial year	**61,812**	32,628
Additions during the year	**12,007**	30,794
Transfer to investment properties (Note 21)	**(50,923)**	(5,627)
Fair value gain	**10,300**	7,645
Translation differences	**423**	(3,628)
Balance at end of financial year	**33,619**	61,812

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 31st March 2017. The details of the valuation techniques and inputs used are disclosed in Note 30.

During the financial year, Victor building, a multi-tenanted building in Information Technology Park Limited, was transferred on completion at fair value of $50,923,000 to 'Investment properties'. In previous financial year, $5,627,000 was transferred to 'Investment properties' on completion of multi-storey car park in VITP Private Limited.

Included in additions of investment properties under construction, $2,698,000 (2016: $Nil) was construction cost payable (Note 24).

21. INVESTMENT PROPERTIES

	Group	
	2017	2016
	$'000	$'000
Balance at beginning of financial year	**1,077,011**	979,247
Additions during the year - Cash paid	**6,811**	12,838
- Deferred consideration	**-**	8,309
Acquisition of subsidiary (Note 23)	**134,801**	62,764
Amortisation of marketing fee	**531**	(556)
Straightlining of rent free period	**2,350**	(836)
Transfer from investment properties under construction (Note 20)	**50,923**	5,627
Fair value gain	**77,911**	88,491
Translation differences	**59,772**	(78,873)
Balance at end of financial year	**1,410,110**	1,077,011

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 31st March 2017. The details of the valuation techniques and inputs used are disclosed in Note 30.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

22. GOODWILL

	Group	
	2017	2016
	$'000	$'000
Balance at beginning of financial year	**15,614**	16,916
Translation differences	**766**	(1,302)
Balance at end of financial year	**16,380**	15,614

Impairment test for goodwill

Goodwill has been allocated to cash-generating unit (CGU). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The carrying values of goodwill remain unchanged except for translation differences. The goodwill arose from the acquisition of Ascendas IT Park (Chennai) Limited and Cyber Pearl Information Technology Park Private Limited amounting to $14,444,000 (2016: $13,769,000) and $1,936,000 (2016: $1,845,000) 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.

23. INVESTMENT IN SUBSIDIARIES

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

				Trust			
Subsidiaries	**Principal activities**	**Country of incorporation/ place of business**	**Class of shares**	**Percentage of equity held by the Trust**		**Cost of investment**	
				2017	2016	**2017**	2016
				%	%	**$'000**	$'000
Direct subsidiaries							
Ascendas Property Fund (India) Pte. Ltd.*	Investment vehicle of listed trust	Singapore	Ordinary	**100**	100	**11,021**	10,506
Ascendas Property Fund (FDI) Pte. Ltd. *	Investment vehicle of listed trust	Singapore	Ordinary	**100**	100	**#**	#

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

23. INVESTMENT IN SUBSIDIARIES (CONTINUED)

				Trust			
Subsidiaries	Principal activities	Country of incorporation/ place of business	Class of shares	Percentage of equity held by the Trust		Cost of investment	
				2017	2016	**2017**	2016
				%	%	**$'000**	$'000
Indirect subsidiaries							
VITP Private Limited @	Development, owning and management of information technology parks in Hyderabad	India	Ordinary	**100**	100		
Flagship Developers Private Limited @	Development, owning and management of information technology parks in special economic zones in Pune	India	Ordinary	**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		
Avance-Atlas Infratech Private Limited @	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	**100**	100		

Less than $1,000

* Audited by Ernst & Young LLP, Singapore.

@ Audited by member firm of EY Global in India

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

23. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Acquisition of subsidiaries

In the current financial year, on 1st February 2017, the Group's subsidiary, VITP Private Limited acquired 100% equity interest in Flagship Developers Private Limited (FDPL) for an upfront cash consideration of INR 3,658 million (equivalent to $76,461,000) and contingent deferred payment of INR 290 million (equivalent to $6,059,000).

In the previous financial year, on 30th 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).

The acquisition of FDPL helps to create a presence in Pune, one of India's most significant IT/ITES markets while acquisition of AAIPL augments the Trust's presence in Hyderabad.

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

	Group Cost recognised on acquisition	
	2017 **$'000**	2016 $'000
Investment properties (Note 21)	**134,801**	62,764
Equipment (Note 19)	**2**	-
Other assets	**556**	-
Trade and other receivables	**259**	975
Cash and cash equivalents	**8,373**	3,575
	143,991	67,314
Trade and other payables	**(61,471)**	(59,456)
Total identifiable net assets	**82,520**	7,858
Transaction costs capitalised	**2,196**	726
	84,716	8,584
<u>Consideration transferred for acquisition:</u>		
Cash consideration	**82,520**	7,858
Transaction costs	**2,196**	726
Total consideration	**84,716**	8,584
Less: Cash and cash equivalent acquired	**(8,373)**	(3,575)
Deferred consideration	**(6,059)**	-
Net cash outflow from acquisition of subsidiary	**70,284**	5,009

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

24. TRADE AND OTHER PAYABLES

	Group		Trust	
	2017	2016	**2017**	2016
	$'000	$'000	**$'000**	$'000
Current				
Trade payables	**34**	775	**-**	-
Amount owing to subsidiary	**-**	-	**5,707**	162
Other payables				
- Non-related parties				
- Interest payable	**7,402**	5,909	**7,377**	5,903
- Construction cost payable	**2,698**	-	**-**	-
- Retention sum payable	**1,880**	2,164	**-**	-
- Advances	**1,185**	753	**-**	-
- Companies controlled by a Unitholder that has significant influence over the Group	**7,157**	5,192	**7,062**	4,931
Accruals	**4,891**	12,304	**1,547**	1,074
Rental deposits	**35,924**	26,153	**-**	-
Deferred consideration	**11,587**	3,021	**-**	-
Others	**4,645**	1,162	**27**	-
	77,403	57,433	**21,720**	12,070
Non-current				
Rental deposits	**48,778**	45,863	**-**	-
Deferred consideration	**-**	5,288	**-**	-
Accruals	**6,503**	1,304	**-**	462
Others	**319**	390	**-**	-
	55,600	52,845	**-**	462
	133,003	110,278	**21,720**	12,532

Amount 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 vendors arising from acquisition of a building in CyberVale and FDPL (Note 23).

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 29.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

25. BORROWINGS

	Group and Trust	
	2017	2016
	$'000	$'000
Current		
Unsecured bank loans	**2,600**	20,000
Less: Unamortised transaction costs	**-**	(22)
	2,600	19,978
Unsecured medium term notes	**-**	25,000
Less: Unamortised transaction costs	**-**	(23)
	-	24,977
Total current borrowings	**2,600**	44,955
Non-current		
Unsecured bank loans	**257,000**	175,000
Less: Unamortised transaction costs	**(1,249)**	(1,386)
	255,751	173,614
Unsecured medium term notes	**195,456**	145,000
Less: Unamortised transaction costs	**(782)**	(864)
	194,674	144,136
Total non-current borrowings	**450,425**	317,750
Total borrowings	**453,025**	362,705

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

25. BORROWINGS (CONTINUED)

Debt repayment schedule

	Group and Trust			
	Total	Within 1 year	After 1 year but within 5 years	After 5 years
	$'000	$'000	$'000	$'000
2017				
Unsecured bank loans				
- Variable rate SGD term loans	**258,351**	2,600	205,831	49,920
Unsecured medium term notes				
- 5 year SGD notes	**79,630**	-	79,630	-
- 5 year JPY notes	**50,333**	-	50,333	-
- 6 year SGD notes	**64,711**	-	64,711	-
	194,674	-	194,674	-
Total	**453,025**	2,600	400,505	49,920
2016				
Unsecured bank loans				
- Variable rate SGD term loans	**193,592**	19,978	173,614	-
Unsecured medium term notes				
- 5 year SGD notes	**104,536**	24,977	79,559	-
- 6 year SGD notes	**64,577**	-	64,577	-
	169,113	24,977	144,136	-
Total	**362,705**	44,955	317,750	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

25. BORROWINGS (CONTINUED)

Interest rate

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

	Group and Trust	
	2017	2016
Unsecured SGD bank loans	**2.49%**	2.83%
Unsecured medium term notes		
- 5 year SGD notes	**3.84%**	3.76%
- 5 year JPY notes	**0.75%**	-
- 6 year SGD 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 31st March 2017, which still remains outstanding, is $195,000,000 (2016: $170,000,000), consisting of:

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

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

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

(d) JPY4,000,000,000 MTN 7, which bears a fixed interest rate of 0.75% per annum, payable semi-annually in arrears and matures on 11th May 2021.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

26. UNITS IN ISSUE

	Group and Trust			
	2017		2016	
	Number of units (in thousands)	**$'000**	Number of units (in thousands)	$'000
Balance at beginning of financial year	**925,740**	**710,261**	921,453	706,432
- Fee paid in new units issued	**4,791**	**4,451**	4,287	3,829
Balance at end of financial year	**930,531**	**714,712**	925,740	710,261

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.

27. RESERVES

(a) *Foreign currency translation reserve*

	Trust	
	2017	2016
	$'000	$'000
Balance at beginning of financial year	**(208,833)**	(201,224)
Translation differences arising from the conversion of functional currency into presentation currency	**2,124**	(7,609)
Balance at end of financial year	**(206,709)**	(208,833)

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

27. RESERVES (CONTINUED)

(e) *Retained earnings*

	Trust	
	2017	2016
	$'000	$'000
Balance at beginning of financial year	**(404,822)**	(375,843)
Profit for the year	**3,121**	19,050
Distribution to Unitholders (Note 10)	**(50,957)**	(48,029)
Balance at end of financial year	**(452,658)**	(404,822)

28. 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) Pvt 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

28. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Property Manager's 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

28. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Property Manager's 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	
	2017	2016
	$'000	$'000
Companies controlled by a unitholder that has significant influence over the Group:		
Trustee-Manager's fees paid/payable	**11,130**	9,379
Property management services	**2,939**	2,733
Lease management services	**1,470**	1,367
General management fee	**3,306**	2,919
Marketing services	**3,448**	2,430
Project management fees	**214**	439
Rental income received/receivable	**(934)**	(873)

Acquisition fee

During the financial year, acquisition fee of INR 67 million (equivalent to $1,414,000) was paid/payable to the Trustee-Manager relating to the acquisition of FDPL and progress payment on the building at CyberVale. In the previous financial year, acquisition fee of INR 32 million (equivalent to $676,000) relates to acquisition of AAIPL and the building at CyberVale.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

29. 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. The 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 the 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

29. 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:

Group	INR $'000	SGD $'000	JPY $'000	USD $'000	TOTAL $'000
2017					
Financial assets					
Cash and cash equivalents	74,803	183	-	11	**74,997**
Trade and other receivables	10,419	-	-	-	**10,419**
Investment in joint venture	27,758	-	-	-	**27,758**
Other financial assets	11,328	-	-	-	**11,328**
Total financial assets	124,308	183	-	11	**124,502**
Financial liabilities					
Trade and other payables	(131,662)	(9)	(147)	-	**(131,818)**
Borrowings	-	(402,692)	(50,333)	-	**(453,025)**
Total financial liabilities	(131,662)	(402,701)	(50,480)	-	**(584,843)**
Net financial (liabilities)/assets	(7,354)	(402,518)	(50,480)	11	**(460,341)**
Less: Net financial liabilities denominated in the respective entities' functional currencies	7,354	-	-	-	**7,354**
Currency swaps	-	282,500	50,633	-	**333,133**
Currency forwards	-	20,000	-	-	**20,000**
Net currency exposure	-	(100,018)	153	11	**(99,854)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

Group	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 assets 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)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

If SGD, JPY and USD changes against INR by 10% (2016: 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:

	Group	
	2017	2016
	S$'000	S$'000
	Increase/(Decrease)	
SGD against INR		
- Strengthened	**(10,002)**	(6,052)
- Weakened	**10,002**	6,052
JPY against INR		
- Strengthened	**15**	-
- Weakened	**(15)**	-
USD against INR		
- Strengthened	**1**	2
- Weakened	**(1)**	(2)

(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 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk (continued)*

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.

(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:

	Group	
	2017	2016
	$'000	$'000
Past due 0 to 3 months	**3,142**	3,448
Past due over 3 months	**2,020**	1,972
	5,162	5,420

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:

	Group	
	2017	2016
	$'000	$'000
Gross amount	**4,105**	4,598
Less: Allowance for impairment	**(4,105)**	(4,598)
	-	-
Balance at beginning of financial year	**4,598**	5,815
Currency translation difference	**(75)**	(1,494)
Allowance (written-back)/made	**(418)**	277
Balance at end of financial year	**4,105**	4,598

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

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

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.

(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.

Group	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000
2017				
Net-settled swaps	(14,396)	(11,085)	(16,154)	-
Net-settled currency forwards	(644)	-	-	-
Trade and other payables	(76,218)	(55,600)	-	-
Borrowings (including interest)	(14,630)	(99,954)	(325,743)	(50,550)
	(105,888)	(166,639)	(341,897)	(50,550)
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)	-

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

29. 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 currently applicable is 45%.

The gearing ratio is calculated as total effective borrowings, which takes into account deferred consideration and the derivative financial instruments used to hedge borrowings, divided by value of Trust Property.

	Group	
	2017	2016
	$'000	$'000
Total effective borrowings	**475,348**	352,879
Value of Trust Property	**1,613,687**	1,349,730
Gearing ratio	**29%**	26%

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 31st March 2017 and 2016.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

30. 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	Fair value - hedging instrument	Loans and receivables	Other financial liabilities within the scope of FRS39	Total carrying amount
		$'000	$'000	$'000	$'000	$'000
2017						
Financial assets						
Cash and cash equivalents	11	-	-	74,997	-	**74,997**
Other financial assets		-	-	11,328	-	**11,328**
Trade and other receivables		-	-	10,419	-	**10,419**
Currency swaps	18	-	2,392	-	-	**2,392**
Interest rate swaps	18	-	25	-	-	**25**
		-	2,417	96,744	-	**99,161**
Financial liabilities						
Trade and other payables		-	-	-	131,818	**131,818**
Borrowings	25	-	-	-	453,025	**453,025**
Currency forwards	18	695	-	-	-	**695**
Currency swaps	18	-	12,944	-	-	**12,944**
Interest rate swaps	18	-	209	-	-	**209**
		695	13,153	-	584,843	**598,691**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

30. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(a) Accounting classifications (continued)

Group	Note	Fair value through profit or loss	Fair value - hedging instrument	Loans and receivables	Available-for-sale	Other financial liabilities within the scope of FRS39	Total carrying amount
		$'000	$'000	$'000	$'000	$'000	$'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	18	365	-	-	-	-	**365**
Currency swaps	18	-	19,852	-	-	-	**19,852**
		365	19,852	105,182	53,376	-	**178,775**
Financial liabilities							
Trade and other payables		-	-	-	-	109,918	**109,918**
Borrowings	25	-	-	-	-	362,705	**362,705**
Currency forwards	18	38	-	-	-	-	**38**
Currency swaps	18	-	1,513	-	-	-	**1,513**
Interest rate swaps	18	-	204	-	-	-	**204**
		38	1,717	-	-	472,623	**474,378**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

30. 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 FRS39 $'000	Total carrying amount $'000
2017						
Financial assets						
Cash and cash equivalents	11	-	-	419	-	**419**
Loans to subsidiaries	14	-	-	506,210	-	**506,210**
Trade and other receivables	15	-	-	18,934	-	**18,934**
Currency swaps	18	-	2,392	-	-	**2,392**
Interest rate swaps	18	-	25	-	-	**25**
		-	2,417	525,563	-	**527,980**
Financial liabilities						
Trade and other payables	24	-	-	-	21,720	**21,720**
Borrowings	25	-	-	-	453,025	**453,025**
Currency forwards	18	695	-	-	-	**695**
Currency swaps	18	-	12,944	-	-	**12,944**
Interest rate swaps	18	-	209	-	-	**209**
		695	13,153	-	474,745	**488,593**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

30. 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 FRS39 $'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	18	365	-	-	-	**365**
Currency swaps	18	-	19,852	-	-	**19,852**
		365	19,852	446,791	-	**467,008**
Financial liabilities						
Trade and other payables	24	-	-	-	12,532	**12,532**
Borrowings	25	-	-	-	362,705	**362,705**
Currency forwards	18	38	-	-	-	**38**
Currency swaps	18	-	1,513	-	-	**1,513**
Interest rate swaps	18	-	204	-	-	**204**
		38	1,717	-	375,237	**376,992**

The carrying values of fixed rate medium term note and deposit 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 of the borrowings are reasonable approximation of their fair values as they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period.

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), trade and other payables (current) and borrowings (current), are reasonable approximation of their fair values due to their short-term nature.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

30. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(b) *Fair value hierarchy*

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

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

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

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

(c) *Fair value measurements*

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

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

Group	Significant observable inputs other than quoted prices (Level 2) $'000	Significant unobservable inputs (Level 3) $'000	Total $'000
2017			
Recurring fair value measurements			
Assets			
Financial assets:			
Derivative financial instruments			
- Currency swaps	2,392	-	**2,392**
- Interest rate swaps	25	-	**25**
Total financial assets	**2,417**	**-**	**2,417**
Non-financial assets:			
Investment properties	-	1,410,110	**1,410,110**
Investment properties under construction	-	33,619	**33,619**
Total non-financial assets	**-**	**1,443,729**	**1,443,729**
Liabilities			
Financial liabilities:			
Derivative financial instruments			
- Currency forwards	695	-	**695**
- Currency swaps	12,944	-	**12,944**
- Interest rate swaps	209	-	**209**
Total financial liabilities	**13,848**	**-**	**13,848**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

30. 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
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**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

30. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(c) *Fair value measurements (continued)*

(ii) *Level 2 fair value measurements*

As at 31st March 2017, 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 end of the reporting period, 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):

Group	Fair value $'000	Valuation techniques	Unobservable inputs	Range
2017				
Recurring fair value measurements				
- Investment properties	1,410,110	Discounted cash flow method, income capitalisation method	Discount rate, capitalisation rate	13.75 - 15.75% 9.75 - 10.75%
- Investment properties under construction	33,619			
2016				
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%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

30. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (CONTINUED)

(c) Fair value measurements (continued)

(iii) Level 3 fair value measurements (continued)

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.

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

31. COMMITMENTS

As at the end of the reporting period, the Group had the following commitments:

(a) Development and investment expenditure

	Group	
	2017	2016
	$'000	$'000
Amounts approved and contracted for		
- Investment	**217,513**	194,004
- Development	**14,940**	17,363
Amounts approved but not contracted for		
- Development	**40,852**	897
	273,305	212,264

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

31. COMMITMENTS (CONTINUED)

(a) Development and investment expenditure (continued)

As at 31st March 2017, amount approved and contracted for includes:

(i) $217,513,000 (2016: $116,000,000) pertaining to the acquisition of three buildings in Hitec City 2 Special Economic Zone in Hyderabad. The three buildings are expected to be ready for acquisition over the next 3 years.

(ii) $Nil (2016: $78,000,000) pertaining to the acquisition of the shares of FDPL.

(iii) $14,940,000 (2016: $17,400,000) pertaining to investment properties under construction in VITP (Note 20).

(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 end of the reporting period but not recognised as receivables is analysed as follows:

	Group	
	2017	2016
	$'000	$'000
Lease receivables:		
- Within 1 year	**66,836**	79,875
- After 1 year but within 5 years	**101,064**	80,971
- After 5 years	**1,330**	2,860
	169,230	163,706

32. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

33. CONTINGENT LIABILITIES

The Group has the following contingent liabilities and independent tax or legal opinions were obtained to support the Management position that these claims are contingent in nature, and accordingly no provision was made.

(a) *Disputed tax positions*

International Technology Park Limited (ITPL) operates both Special Economic Zone (SEZ) and non-SEZ properties. Interest expense attributable to non-SEZ properties, was apportioned between SEZ and non-SEZ properties. This resulted in additional tax demanded of INR 31 million (equivalent to $662,000) in assessment year 2014-15. ITPL had filed an appeal.

Cyber Pearl Information Technology Park Private Limited (Cyber Pearl) entered into an agreement with Mindtree Limited to acquire a building in CyberVale IT Special Economic Zone in Chennai. Cyber Pearl received a stamp duty notice demanding INR 62 million (equivalent to $1,327,000), for which INR 45 million was already paid under protest. Hearing for the case is currently pending.

Hyderabad Infratech Pvt Ltd (HIPL) received income tax demand of INR 44 million (equivalent to $952,000) for assessment year 2013-14. This pertained to interest expense on Fully and Compulsorily Convertible Debenture (FCCD) where the assessing officer deemed that the appropriate interest rate benchmark was LIBOR plus 2% and the excess interest was disallowed. HIPL was of the view that LIBOR was used to benchmark foreign currency loans and should not be considered as an appropriate benchmark for interest on FCCD issued in INR (i.e. domestic currency of HIPL).

(b) *Income from house property or business income*

Ascendas IT Park (Chennai) Limited (AITPCL) accounted for rental and other income as business income. AITPCL 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.

AITPCL had received assessment order for assessment years 2005-06 and 2007-08 to 2014-15 amounting to INR 478 million (equivalent to $10,231,000).

(c) *Service tax disputes*

ITPL 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 $1,910,000).

AITPCL 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 and demand of service tax on electricity, water charges and fit-out for the period from October 2005 to September 2015. As at 31st March 2017, the total service tax in dispute not recognised in the financial statements, including penalties and interest, amounts to INR 992 million (equivalent to $21,246,000). AITPCL obtained opinion from its independent tax consultant who was of the view that AITPCL was eligible to avail the credit relating to construction costs while electricity, water and fit-out charges were not subject to service tax. A petition against this assessment was filed before the Central Excise and Service Tax Appellate Tribunal for the period October 2005 to March 2010 and Commissioner of Service Tax for the period April 2010 to September 2015.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

33. CONTINGENT LIABILITIES (CONTINUED)

(c) *Service tax disputes (continued)*

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 period June 2007 to September 2015. The potential tax exposure, including penalty attributable to such demand notices is estimated to be INR 218 million (equivalent to $4,676,000).

(d) *Value added tax on fit-out rental*

VITP and Cyber Pearl 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 obtained opinion from an independent legal counsel who was of the view that VITP and Cyber Pearl were not liable to pay VAT and accordingly appeals against such demand notices were filed. The potential tax exposure, attributable to such demand notices which are not recognised in these financial statements, were estimated to be INR 58 million (equivalent to $1,235,000) for VITP and INR 7 million (equivalent to $152,000) for Cyber Pearl.

(e) *Transfer pricing disputes*

In ITPL, the difference in buyback price and the fair value of the share was treated as income of ITPL in assessment years 2009-10 and 2010-11. The redemption of preference shares was not an income bearing international transaction which affected the profitability of the ITPL and did not have any income implications. Though no additional tax was demanded in the orders, the orders will have an tax impact of reducing the recorded MAT credit entitlement and carried forward business loss by INR 237 million (equivalent to $5,069,000).

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 income of VITP in assessment years 2012-13 and 2013-14. The potential tax exposure attributable, not recognised in the financial statements was estimated to be INR 24 million (equivalent to $514,000).

(f) *Water supply and sanitary connection charges*

ITPL had received a demand notice from Bangalore Water Supply and Sewerage Board (BWSSB) towards pro-rata and other charges for water supply and sanitary connection amounting to INR 239 million (equivalent to $5,107,000).

ITPL has replied to the notice contesting the demand as Management was of the view that no such charges were payable by ITPL as no new water connection was sought in the past.

BWSSB subsequently clarified that the pro-rata charges would be levied only on the buildings constructed after November 2008 (when the new regulations came into effect) and a portion of the sanitation treatment charges may be waived off since ITPL has its own sewage treatment plant. However, the demand has not yet been revised to reflect the above. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

34. EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) On 11th April 2017, the Group's subsidiary, Ascendas Property Fund (India) Pte. Ltd. completed acquisition of 100% interests in Deccan Real Ventures Private Limited, being the vehicle holding the fourth aVance Business Hub property (aVance 4), an IT building with a total floor area of 389,958 sq ft located in Hyderabad, for a total acquisition price of INR 1,942 million (equivalent to $42,200,000), including deferred consideration payable within 12 months. The acquisition price includes the subscribed FCCD of $27,758,000, as set out in Note 17 to the financial statements.

(b) On 12th April 2017, the Trust signed a term sheet with Arshiya Limited (Arshiya) for the proposed acquisition of operating warehouses (totalling 832,000 sq ft), at the Arshiya Free Trade Warehousing Zone located at Panvel, near Mumbai, India. The transaction, is subject to (i) satisfactory due diligence; (ii) negotiation and execution of definitive agreement(s); and (iii) relevant approvals. Indicatively, the consideration comprises the upfront payment of INR 4.34 billion (equivalent to $94,300,000) and an additional deferred consideration of up to INR 1.0 billion (equivalent to $21,700,000) to be paid over four years, linked to the achievement of certain performance milestones. There is no certainty that the transaction will be completed.

35. AUTHORISATION OF FINANCIAL STATEMENTS

The 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 5th May 2017.

TRUSTEE-MANAGER FINANCIAL STATEMENTS

ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.

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DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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 31st March 2017.

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 are drawn up so as to give a true and fair view of the financial position of the Company as at 31st March 2017 and of the financial performance, 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 Chiang Chie Foo	(Chairman)
Mr Manohar Khiatani	(Deputy Chairman)
Mr Jonathan Yap Neng Tong	(appointed on 8th July 2016)
Mr Sanjeev Dasgupta	
Mr Alan Rupert Nisbet	
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' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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 of financial year, or date of appointment if later, or at the end of the financial year, except as follows:

Name of Director and corporations in which interests are held	Holdings registered in the name of the Director, spouse, infant children or nominees			
	At 1st April 2016 or date of appointment		**At 31st March 2017**	
	Direct	Deemed	**Direct**	**Deemed**
Mr Chiang Chie Foo				
Ascendas Pte Ltd				
- S$1,000,000,000 Multicurrency Medium Term Note programme	-	S$250,000	**-**	**S$250,000**
Singapore Airlines Limited (Ordinary Shares)	-	1,000	**-**	**1,000**
Singapore Telecommunications Limited (Ordinary Shares)	190	90	**190**	**6,090**
Starhub Ltd (Ordinary Shares)	-	-	**-**	**5,000**
Neptune Orient Lines Limited (Ordinary Shares)	-	35,000	**-**	**N.A.@**
Mr Manohar Khiatani				
Neptune Orient Lines Limited (Ordinary Shares)	14,000	-	**N.A.@**	**-**
Singapore Airlines Limited (Ordinary Shares)	4,000	-	**4,000**	**-**
Jonathan Yap Neng Tong				
Neptune Orient Lines Limited (Ordinary Shares)	-	8,000	**-**	**N.A.@**
SMRT Corporation Ltd (Ordinary Shares)	-	25,000	**-**	**N.A.***
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	**-**	**N.A.@**
Singapore Telecommunications Limited (Ordinary Shares)	706	177	**706**	**177**
Starhub Ltd (Ordinary Shares)	-	5,000	**-**	**5,000**

@ Ceased to be related corporation of Temasek Holdings (Private) Limited during the financial year.

* Delisted from SGX-ST with effect from 31 October 2016.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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

5th May 2017

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ascendas Property Fund Trustee Pte. Ltd. (the 'Company'), which comprise the balance sheet of the Company as at 31st March 2017, the statement of comprehensive income, the statement of changes in equity and cash flow statement of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the 'Act') and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31st March 2017 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Directors' Statement, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors 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 Act and SFRs, 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.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

5th May 2017

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

	Note	2017 $'000	2016 $'000
Revenue	4	**11,130**	9,379
Other income	5	**2,106**	1,759
Expenses			
Depreciation of property, plant and equipment	9	**(6)**	(6)
Employee compensation	6	**(3,458)**	(2,142)
Other operating expenses	7	**(1,862)**	(1,868)
Total expenses		**(5,326)**	(4,016)
Profit Before Tax		**7,910**	7,122
Income tax expenses	8	**(631)**	(703)
Net Profit After Tax		**7,279**	6,419
Other Comprehensive Income:			
Items that may be reclassified subsequently to profit or loss			
Available-for-sale financial assets			
- fair value gain/(loss)	10	**9,083**	(1,048)
Total Comprehensive Income for the year		**16,362**	5,371

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

BALANCE SHEET

AS AT 31st MARCH 2017

	Note	2017 $'000	2016 $'000
ASSETS			
Non-current assets			
Deferred income tax assets	8	**16**	9
Property, plant and equipment	9	**3**	9
Available-for-sale financial assets	10	**44,793**	31,259
		44,812	31,277
Current assets			
Trade and other receivables	11	**7,086**	5,158
Prepayments		**30**	39
Deposits		**7**	7
Cash and cash equivalents		**2**	-
		7,125	5,204
Total assets		**51,937**	36,481
LIABILITIES			
Current liabilities			
Trade and other payables	12	**4,084**	2,091
Current income tax liabilities	8	**961**	1,174
		5,045	3,265
Non-current liabilities			
Other payables	12	**314**	-
Total liabilities		**5,359**	3,265
NET ASSETS		**46,578**	33,216
EQUITY			
Share capital	13	**1,000**	1,000
Fair value reserve	14	**10,872**	1,789
Revenue reserve		**34,706**	30,427
Total equity		**46,578**	33,216

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

	Note	Share capital $'000	Fair value reserve $'000	Revenue reserve $'000	Total equity $'000
2017					
Balance at beginning of financial year		1,000	1,789	30,427	**33,216**
Profit for the year		-	-	7,279	**7,279**
Other comprehensive income:					
Available-for-sale financial assets					
- fair value gain		-	9,083	-	**9,083**
Total comprehensive income for the year		-	9,083	7,279	**16,362**
Dividends	15	-	-	(3,000)	**(3,000)**
Balance at end of financial year		1,000	10,872	34,706	**46,578**
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**

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

STATEMENT OF CASH FLOW

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

	Note	2017 $'000	2016 $'000
Operating activities			
Net profit after tax		**7,279**	6,419
Adjustments for:			
Income tax expenses	8	**631**	703
Depreciation of property, plant and equipment	9	**6**	6
Dividend income	5	**(2,106)**	(1,758)
Fund management fee received/receivable in units of listed property trust		**(4,766)**	(4,260)
Operating cash flows before changes in working capital		**1,044**	1,110
Changes in working capital			
Trade and other receivables		**(1,613)**	478
Prepayments		**9**	15
Trade and other payables		**2,307**	63
Cash flows from operations		**1,747**	1,666
Income tax paid	8	**(851)**	(418)
Net cash flows from operating activities		**896**	1,248
Investing activities			
Purchase of property, plant and equipment	9	**-**	(6)
Dividends received		**2,106**	1,758
Net cash flows from investing activities		**2,106**	1,752
Financing activity			
Dividends paid		**(3,000)**	(3,000)
Net cash flows used in financing activity		**(3,000)**	(3,000)
Net increase in cash and cash equivalents		**2**	-
Cash and cash equivalents at beginning of financial year		**-**	-
Cash and cash equivalents at end of financial year		**2**	-

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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, intermediate holding company and ultimate holding company are Ascendas Investment Pte Ltd, Ascendas Pte Ltd and Temasek Holdings (Private) Limited respectively. 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 which are effective for annual financial periods beginning on or after 1st April 2016. The adoption of these standards did not have any effect on the financial performance or position of the Company.

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 7 *Disclosure Initiative*	1st January 2017
FRS 109 *Financial Instruments*	1st January 2018
FRS 115 *Revenue from Contracts with Customers*	1st January 2018
FRS 116 *Leases*	1st January 2019

Except for FRS109 and FRS116, the Company expects that 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 adoption of FRS 109 and FRS 116 are described below.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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 incurred loss model under FRS 39.

(a) Classification and measurement

For available-for-sale quoted equity securities which are currently measured at fair value through other comprehensive income, the Company will elect to measure these investments at fair value through profit or loss (FVTPL). Any difference between the previous carrying amount under FRS 39 and the fair value would be recognised in the opening revenue reserve when the Company applies FRS 109.

(b) Impairment

FRS 109 requires the Company to record expected credit losses on all of its loans and receivables, either on a twelve-month or lifetime basis. The Company expects to apply the simplified approach and record lifetime expected losses on all trade receivables. Upon application of the expected credit loss model, the Company expects no significiant impact on its equity due to the unsecured nature of its loans and receivables but it will need to perform a more detailed analysis which considers all reasonable and supportable information, including forward-looking elements to determine the extent of impact.

(c) Transition

The Company plans to adopt the new standard on the required effective date without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening revenue reserve.

FRS 116 Leases

FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemption for lessees – leases of 'low value' assets and short-term leases. The new standard is effective for annual periods beginning on or after 1st January 2019.

The Company is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date. The Company expects the adoption of the new standard will result in increase in total assets and total liabilities, earnings before interest, tax, depreciation and amortisation (EBITDA) and gearing ratio.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

2.5 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 end of reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Impairment of non-financial assets

Property, plant and equipment are reviewed for impairment at each end of reporting period 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 end of reporting period which are presented as non-current assets. Loans and receivables are presented as trade and other receivables and deposits on the balance sheet.

(ii) Available-for-sale financial assets

Available-for-sale financial assets include equity securities. Equity investment classified as available-for-sale are those which are neither classified as held for trading nor designated at fair value through profit or loss.

(b) Recognition and derecognition

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of the assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Financial assets (oontinued)

(b) *Recognition and derecognition (continued)*

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) *Impairment*

The Company assesses at each end of reporting period 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Financial assets (continued)

(e) *Impairment* (continued)

(i) *Loans and receivables (continued)*

The impairment allowance 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.

2.8 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 end of reporting period. 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 end of reporting period, 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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Income taxes (continued)

(b) *Deferred tax (continued)*

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.

2.11 Provisions

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 end of reporting period 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 end of reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 (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 end of reporting period are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are measured. Currency translation differences on non-monetary items whereby the gains or losses are recognised directly in equity, such as equity investments classified as available-for-sale financial assets are included in the fair value reserve.

2.14 Cash and cash equivalents

For the purpose of presentation in the 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 Dividend

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

	2017	2016
	$'000	$'000
Fund management fee from a-iTrust	**5,618**	4,950
Trustee fee from a-iTrust	**221**	194
Performance fee from a-iTrust	**3,877**	3,559
Acquisition fee from a-iTrust	**1,414**	676
	11,130	9,379

5. OTHER INCOME

Other income comprise the following:

	2017	2016
	$'000	$'000
Dividend income from a-iTrust	**2,106**	1,758
Government grant	**-**	1
	2,106	1,759

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

6. EMPLOYEE COMPENSATION

	2017 $'000	2016 $'000
Salaries, wages and employee benefits	**3,300**	2,044
Employer's contributions to defined contribution plans including Central Provident Fund	**158**	98
	3,458	2,142

7. OTHER OPERATING EXPENSES

Other operating expenses comprise the following:

	2017 $'000	2016 $'000
Professional fees		
- related company	**546**	514
- non-related parties	**1**	26
Travel expenses	**326**	224
Communication expenses	**41**	38
Insurance	**46**	31
Directors' fees	**697**	886
Rental expenses paid to a related company	**167**	104
Others	**38**	45
	1,862	1,868

8. INCOME TAXES

(a) *Income tax expenses*

	2017 $'000	2016 $'000
Tax expense attributable to profit is made up of:		
Current income tax expense		
- based on current year's results	**957**	861
- over provision in respect of prior years	**(319)**	(159)
Deferred tax expense		
- origination and reversal of temporary differences	**(7)**	1
Income tax expenses recognised in profit or loss	**631**	703

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

8. INCOME TAXES (CONTINUED)

(a) *Income tax expenses (continued)*

A reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31st March 2017 and 2016 is as follows:

	2017 $'000	2016 $'000
Profit before tax	7,910	7,122
Income tax using the statutory tax rate of 17% (2016: 17%)	1,345	1,211
Effect of partial tax exemption	(26)	(26)
Tax effect of non-deductible expenses	2	1
Income not subject to tax	(358)	(299)
Effect of tax incentives	(13)	(25)
Over provision in respect of prior years	(319)	(159)
Income tax expenses recognised in profit or loss	631	703

(b) *Movements in current income tax liabilities*

	2017 $'000	2016 $'000
Balance at beginning of financial year	1,174	890
Current income tax	957	861
Over provision in respect of prior years	(319)	(159)
Income tax paid	(851)	(418)
Balance at end of financial year	961	1,174

(c) *Deferred income tax assets*

	2017 $'000	2016 $'000
Deferred income tax assets		
- To be settled after one year	16	9

Movements in the deferred income tax account are as follows:

	2017 $'000	2016 $'000
Balance at beginning of financial year	9	10
Movement in temporary difference	7	(1)
Balance at end of financial year	16	9

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

9. PROPERTY, PLANT AND EQUIPMENT

	Renovations and improvements $'000	Computers, furniture and equipment $'000	Total $'000
2017			
Cost			
Balance at beginning of financial year	10	74	**84**
Write-offs	(10)	(34)	**(44)**
Balance at end of financial year	-	40	**40**
Accumulated depreciation			
Balance at beginning of financial year	10	65	**75**
Depreciation charge	-	6	**6**
Write-offs	(10)	(34)	**(44)**
Balance at end of financial year	-	37	**37**
Net book value			
Balance at end of financial year	-	3	**3**
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**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2017 $'000	2016 $'000
Balance at beginning of financial year	31,259	28,478
Additions	4,451	3,829
Fair value gain/(loss) recognised in equity (Note 14)	9,083	(1,048)
Balance at end of financial year	44,793	31,259
Available-for-sale financial assets are analysed as follows:		
Quoted equity securities - Singapore	44,793	31,259

11. TRADE AND OTHER RECEIVABLES

	2017 $'000	2016 $'000
Trade receivables		
- a-iTrust	6,969	4,972
Other receivables		
- a-iTrust	49	37
- intermediate holding company	-	96
- other related companies	34	44
- non-related parties	34	9
	117	186
	7,086	5,158
Add: Cash and cash equivalents	2	-
Total loans and receivables	7,088	5,158

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 31st March 2017, trade receivables arising from a-iTrust amounting to $2,760,000 (2016: $2,453,000) 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

12. TRADE AND OTHER PAYABLES

	2017 $'000	2016 $'000
Current		
Other payables		
- intermediate holding company	**1,172**	-
- other related companies	**269**	246
- non-related parties	**1,822**	1,126
	3,263	1,372
Accrued operating expenses	**821**	719
	4,084	2,091
Non-current		
Other payables	**314**	-
	4,398	2,091

Other payables to intermediate holding company and other related companies are unsecured, interest-free and repayable on demand in cash.

Other payables to non-related parties represent mainly accrued employee bonus, sundry payables and goods and services tax payable.

Included in accrued operating expenses (current) is an amount of $772,000 (2016: $674,000) 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.

Other payables – non-current are accruals relating to employee compensation scheme that is deferred and payable over a period of time.

13. SHARE CAPITAL

The Company's share capital comprises fully-paid up 1,000,000 (2016: 1,000,000) ordinary shares with no par value, amounting to a total of $1,000,000 (2016: $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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

14. FAIR VALUE RESERVE

	2017 $'000	2016 $'000
Balance at beginning of financial year	**1,789**	2,837
Fair value gain/(loss) on available-for-sale financial assets (Note 10)	**9,083**	(1,048)
Balance at end of financial year	**10,872**	1,789

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

15. DIVIDENDS

	2017 $'000	2016 $'000
Declared and paid during the financial year		
Dividends on ordinary shares:		
- Final tax exempt (one-tier) dividend for FY2016 paid of $3.00 (2016: dividend for FY2015 paid of $3.00) per share	**3,000**	3,000
Proposed but not recognised as a liability as at 31st March		
Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:		
- Final tax exempt (one-tier) dividend proposed in respect of the financial year of $4.00 (2016: $3.00) per share	**4,000**	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:

	2017 $'000	2016 $'000
Directors' fees paid to:		
- immediate holding company	**-**	103
- Directors	**599**	763
	599	866
Key management personnel compensation (excluding Directors' fees)		
- salaries and other employee benefits	**1,908**	1,015
- contribution to CPF	**49**	15
	1,957	1,030

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

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 31st March 2017, 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:

	2017		2016	
	Profit After Tax	**Equity**	Profit After Tax	Equity
	$'000	**$'000**	$'000	$'000
Equity securities				
Listed in Singapore				
- increased by 21% (2016: 34%)	**-**	**9,407**	-	10,628
- decreased by 21% (2016: 34%)	**-**	**(9,407)**	-	(10,628)

(iii) *Interest rate risk*

The Company is not exposed to any interest rate risk as its financial assets and liabilities are not interest-bearing.

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (continued)

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 table below analyses the maturity profile of the Company's financial liabilities into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year $'000	After 1 year but within 5 years $'000	Total $'000
2017			
Trade and other payables	4,084	314	**4,398**
2016			
Trade and other payables	2,091	-	**2,091**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(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 end of reporting period, the Company does not have any external borrowings.

The Company is not subject to any externally imposed capital requirements for the financial years ended 31st March 2017 and 2016.

(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:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

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

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 31st March 2017 and 2016.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value measurements (continued)

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

	Level 1 $'000
Assets	
2017	
Financial assets	
Available-for-sale financial assets	
- Quoted equity securities	44,793
2016	
Financial assets	
Available-for-sale financial assets	
- Quoted equity securities	31,259

The carrying value of current trade and other receivables and payables approximate their fair values due to their short-term nature.

The carrying value of non-current other payables approximate their fair value as the discount rates did not fluctuate significantly from the date of inception.

18. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements for the year ended 31st March 2017 were authorised for issue in accordance with a resolution of the Directors on 5th May 2017.

UNITHOLDING STATEMENT

AS AT 5TH JUNE 2017

ANALYSIS OF UNITHOLDINGS

Number of Units Issued	:	933,064,167
Market Capitalisation	:	S$1,049,697,188 (based on closing price of S$1.125 as at 5th June 2017)
Voting Rights	:	One vote per Unit

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 - 99	13	0.15	212	0.00
100 - 1,000	4,504	51.40	4,477,964	0.48
1,001 - 10,000	2,696	30.76	15,329,822	1.64
10,001 - 1,000,000	1,529	17.45	70,252,871	7.53
1,000,001 and above	21	0.24	843,003,298	90.35
TOTAL	8,763	100.00	933,064,167	100.00

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	DBS Nominees (Private) Limited	185,222,716	19.85
2	Ascendas Land International Pte Ltd	183,279,388	19.64
3	Raffles Nominees (Pte) Limited	133,751,322	14.33
4	Citibank Nominees Singapore Pte Ltd	86,846,360	9.31
5	DBSN Services Pte. Ltd.	82,261,825	8.82
6	HSBC (Singapore) Nominees Pte Ltd	51,797,663	5.55
7	Ascendas Property Fund Trustee Pte. Ltd.	43,253,805	4.64
8	DBS Vickers Securities (Singapore) Pte Ltd	41,176,400	4.41
9	BNP Paribas Securities Services Singapore Branch	10,010,781	1.07
10	DB Nominees (Singapore) Pte Ltd	4,759,955	0.51
11	OCBC Securities Private Limited	4,400,200	0.47
12	United Overseas Bank Nominees (Private) Limited	3,509,025	0.38
13	Yim Chee Chong	1,913,000	0.21
14	Ng Soo Boon or Ng Soo Boon @ Low Siew Koon @ Lau Siew Koon	1,892,000	0.20
15	Morgan Stanley Asia (Singapore) Securities Pte Ltd	1,521,358	0.16
16	Tan Wai See	1,458,000	0.16
17	Unitronic Components Pte. Ltd.	1,400,000	0.15
18	Ng Pau Ling Simon	1,291,500	0.14
19	OCBC Nominees Singapore Private Limited	1,147,200	0.12
20	Lew Syn Pau	1,100,000	0.12
	Total	841,992,498	90.24

UNITHOLDING STATEMENT

AS AT 5TH JUNE 2017

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 5th June 2017, approximately 43.14% 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 5TH JUNE 2017)

Name	Direct	Deemed	Total	%
Temasek Holdings (Private) Limited	-	226,533,193	226,533,193	24.27
Tembusu Capital Pte. Ltd.	-	226,533,193	226,533,193	24.27
Bartley Investments Pte. Ltd.	-	226,533,193	226,533,193	24.27
Mawson Peak Holdings Pte. Ltd.	-	226,533,193	226,533,193	24.27
Glenville Investments Pte. Ltd.	-	226,533,193	226,533,193	24.27
TJ Holdings (III) Pte. Ltd.	-	226,533,193	226,533,193	24.27
Ascendas-Singbridge Pte. Ltd.	-	226,533,193	226,533,193	24.27
Jurong Town Corporation	-	226,533,193	226,533,193	24.27
Ascendas Pte Ltd	-	226,533,193	226,533,193	24.27
Ascendas Land International Pte. Ltd.	183,279,388	-	183,279,388	19.64
Kabouter Management, LLC	-	112,349,119	112,349,119	12.04
Kabouter International Opportunities Fund II, LLC	88,880,903	-	88,880,903	9.52
Massachusetts Financial Services Co.	-	64,692,400	64,692,400	6.93
J.P. Morgan Chase & Co	-	63,305,400	63,305,400	6.78
JF Asset Management Limited	55,676,400	-	55,676,400	5.96
Matthews International Capital Management, LLC	-	62,952,700	62,952,700	6.74
Matthews International Funds	-	55,437,500	55,437,500	5.94

Notes:

(1) The percentage is based on 933,064,167 Units in issue as at 5th June 2017. The figures are rounded down to the nearest 0.01%.

(2) Temasek Holdings (Private) Limited, 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., Jurong Town 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.

(3) Kabouter Management, LLC is deemed interested in the units held through funds managed by Kabouter Management, LLC.

(4) Massachusetts Financial Services Co. (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.

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

(6) 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.

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
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
BlueRidge 2 Blueridge IT/ITES Special Economic Zone Phase II
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 Cyber Pearl Information Technology Park Pvt Limited
CV CyberVale, Chennai
CY2015 Calendar Year 2015
CY2016 Calendar Year 2016
CY2017 Calendar Year 2017
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 31st March
FY15/16 Financial Year Ended 31st March 2016
FY16/17 Financial Year Ended 31st March 2017
FY17/18 Financial Year Ended 31st March 2018
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
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 Multi-national 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
Sponsor Ascendas-Singbridge Group/Ascendas Land International Pte. Ltd.
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 28th 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), its manager, 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.

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4. Analysis of Developments in Whitefield
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F ABBREVIATIONS

G CAVEATS & LIMITATIONS

A INDIA: ECONOMIC & COMMERCIAL REAL ESTATE OVERVIEW

1 INDIA POLICY OVERVIEW

The Indian Government has made significant policy reforms in recent years, with highlights of key measures impacting the Real Estate sector shown below:

- **Real Estate Investment Trusts (REITs):** The government has allowed REITs as eligible financial instruments under the Foreign Exchange Management Act (FEMA) in India in 2014. The introduction of REITs in India is likely to provide access to additional funding for developers, leading to a structured real estate market, with higher transparency.

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

  To promote REITs in India, the Indian Government proposed various amendments with regards to Minimum Alternate Tax (MAT) and Dividend Distribution Tax (DDT) in Financial Year (FY) 15/16. The exchange of shares in Special Purpose Vehicles (SPV) 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, the finance minister also proposed an exemption on levy of DDT in respect of distributions made by SPVs 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.

  Further, Securities Exchange Board of India (SEBI) also introduced revised REIT guidelines in November 2016 – one of the key amendments include revising the definition of infrastructure under real estate to include hotels, hospitals and convention centres (forming part of mixed development real estate projects, whether rent or income generating) along with common infrastructure (including internal roads, power lines, sewer treatment plant, water treatment plant, landscaping etc.) for mixed development real estate projects, industrial parks and SEZ. With the inclusion of more asset classes under REIT guidelines, it is likely to result in better quality of newer assets going forward.

  Other key measures include allowing the share of under-construction properties in a REIT portfolio to be 20% as compared to 10% in the earlier guidelines, removing the limit on the number of sponsors, revising the minimum revenue requirements of REIT properties, allowance of formation of Holdco or Holding Company and relaxation of conditions for minimum public holding for the units of the listed REIT at all times of issue, amongst others.

- **Real Estate (Regulation and Development) Act:** The act is expected to ensure speedy settlement of disputes due to the presence of a regulator, boost foreign/domestic investment due to improved transparency along with boosting housing sales due to improved buyer confidence. The central government had set a deadline of 1st May 2017 for the act to come into force.

- **Land Acquisition, Rehabilitation and Resettlement Act:** The objective of the Act is to make land transactions more equitable and transparent. The Act included a mandatory 'Social Impact Assessment' for all projects; the consent of up to 80% of affected landowners, if land was being acquired by a private entity; and up to 70% in case the land was being acquired for a Public-Private Partnership (PPP). Compensation was also increased up to four times the market value in rural areas, and twice the market value in urban areas. Apart from this, a rehabilitation and resettlement package had to be provided as well.

  The following key changes were made to the Act via the Land Acquisition, Rehabilitation and Resettlement Bill, in 2015.

  - Exemption of five categories viz. defence, rural infrastructure, affordable housing, industrial corridors and infrastructure projects including PPP provided in the Act.
  - Removal of consent clause and social impact assessment.
  - No changes to the terms of compensation - four times the market price for rural land and two times for urban land.

  The proposed changes to the Act faced strong opposition from other parties which has led to stagnation in passing of the Bill.

A INDIA: ECONOMIC & COMMERCIAL REAL ESTATE OVERVIEW

1 INDIA POLICY OVERVIEW (CONTINUED)

- **Goods and Services Tax (GST):** The passing of GST Bill in August 2016 has ensured a four tier tax rate structure of 5%, 12%, 18% and 28% proposed across commodities (set to replace at least 17 state and federal taxes). The Bill is set to become effective from 1st July 2017 across the country.

  GST is likely to create a common national market and replace a plethora of indirect taxes across the country. It is also anticipated to have a direct bearing on the warehousing sector, as one can expect developers to consolidate smaller warehouses into larger ones and shift their strategy from mere tax considerations to operational efficiency. This is also likely to attract Private Equity (PE) investments due to easier deployment of capital.

2 INDIA INVESTMENT OVERVIEW

India has attracted Foreign Direct Investment (FDI) worth USD 472.2 billion from April 2000 to December 2016. This includes FDI equity inflows worth USD 324.3[1] billion (INR 17,357 billion), reinvested earnings and other capital. The FDI equity inflows into India stood at USD 35.8 billion[1] (INR 2,404 billion) from April to December 2016 compared to USD 29.4 billion[1] (INR 1,910 billion) from April to December 2015 which indicates a 22% annual growth. The Government has recently eased FDI regulations across sectors including defence, pharmaceutical, airline and single brand retail. This is aimed at improving investor sentiment and is likely to further encourage foreign investment into the country.

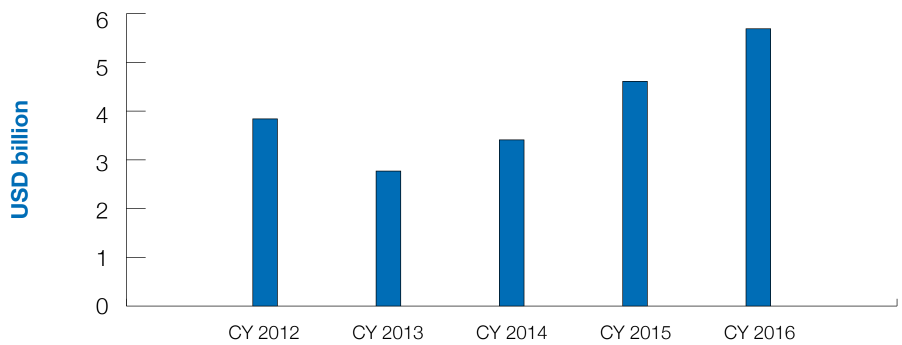
2.1 Private Equity Investments in Real Estate Sector

Post the global economic slowdown in 2008, developers in India found it difficult to raise funds from banks. With increasing cost of borrowing, developers were exploring alternative funding channels and, in order to meet the increasing need for capital, started partnering with private equity funds. Private equity players and Non-Banking Finance Corporations (NBFC) continue to be the key real estate financial sources for India, serving investment/refinancing requirements for most developers with high-cost capital.

During Calendar Year (CY) 2016, private equity investment in real estate sector was stable compared to the previous year. Foreign private equity property acquisitions in India are dominated by players such as Brookfield Asset Management, CPPIB, Blackstone Group L.P., GIC, KKR & Co. L.P. and APG Group. Among the domestic funds, Piramal Fund Management Pvt Ltd is also one of the biggest investors.

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

PE Investment in Indian real estate



Source: Venture Intelligence – India PE in Real Estate Roundup, 2016

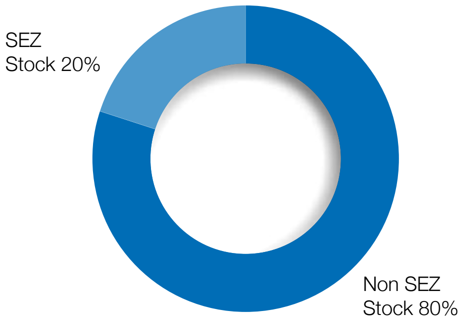
[1] Department of Industrial Policy and Promotion

A INDIA: ECONOMIC & COMMERCIAL REAL ESTATE OVERVIEW

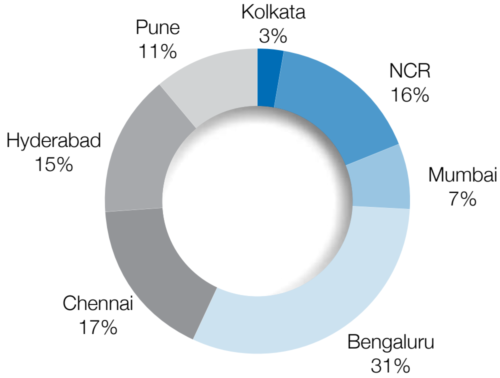
3 INDIA IT-SEZ OVERVIEW

Approximately 20% of total office stock across the seven leading cities (Delhi-National Capital Region (NCR), Mumbai, Bengaluru, Chennai, Hyderabad, Pune and Kolkata) consists of Special Economic Zone (SEZ) space, more than 70% of which is concentrated in Bengaluru, Chennai, Hyderabad and Pune. Moreover, about 22% of the upcoming corporate real estate supply is expected to consist of SEZ developments, mainly in Hyderabad, Bengaluru, Mumbai and NCR.

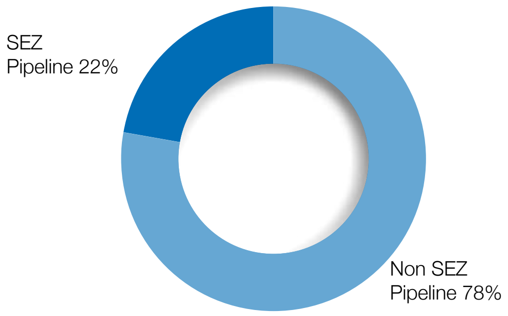
SEZ Stock as a Share of Overall Office Stock in India



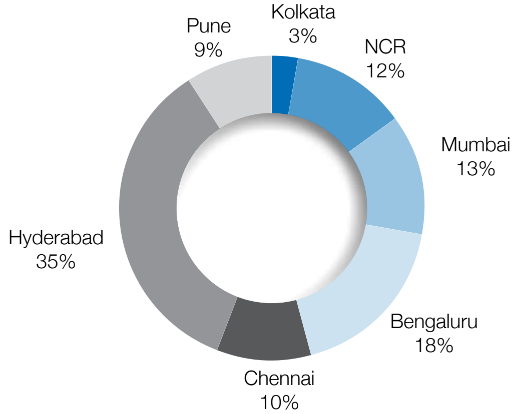
City-wise Spread of Existing SEZ Stock



SEZ Stock as a share of overall Office Supply Pipeline in CY2017



City-wise Spread of Upcoming SEZ Supply



Source: CBRE Research, Data as of December 2016

Analysis of office transaction activity revealed that take-up of SEZ space increased marginally in CY2016, garnering a share of 28% in overall office space absorption as compared to about 23% in CY2015. The southern cities of Bengaluru, Chennai and Hyderabad were the focus markets for SEZ take-up; accounting for more than 70% of SEZ absorption during CY2016.

B BENGALURU COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW

Bengaluru, renowned as the 'Silicon Valley' of India, is the capital city and the main economic centre of Karnataka state. During the 1950s and 60s, the Central Government established large public sector units such as Hindustan Machine Tools and Bharat Electronics Ltd. Prominent private sector companies such as Motor Industries Company commenced their operations in the city in 1954. This enabled the city to emerge as a prominent hub for research and development in India, with reputed institutes like the Indian Institute of Science and Indian Space Research Organization located in the city. With the advent of the Information Technology/Information Technology Enabled Services (IT/ITeS) industry in 1990s, Bengaluru attracted large scale IT investments on account of its conducive weather conditions, pro-active government policies, and ample availability of suitable human resource. Consequently, Bengaluru has witnessed phenomenal transition in its economic growth and image from being known as the 'Pensioners Paradise' to becoming the country's most attractive IT destination. It is now known as India's Silicon Valley and along with aerospace research, biotechnology and established premier education institutions, it is perhaps the most dynamic city in India.

As a result, Bengaluru is India's third most urban agglomeration after NCR and Mumbai as per Census 2011.

Map not to scale

In view of the considerable growth witnessed by the city in the last decade, a comprehensive development plan (Revised Master Plan ~ 2015) for the city was enforced by the Bengaluru Development Authority in 2007.

B BENGALURU COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW (CONTINUED)

1.1 Bengaluru micro-market classification and key commercial hubs:

Bengaluru 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	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 E&Y, HSBC and Credit Suisse
Extended Business District	Indira Nagar, Koramangala, Old Madras Road, CV Raman Nagar, etc.	• Spillover activity from Central Business District 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 IBM, Goldman Sachs and Volvo
South Bengaluru	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, Oracle and Accenture
Peripheral Business District	Electronic City, Whitefield, Hosur Road etc.	• IT/ITeS hub of the city – presence of designated zones promoted by Karnataka Industrial Area Development Board • Organised commercial developments mostly IT/ITeS in nature • Prominent companies that have presence in this micro-market are Infosys, HP and TCS
ORR	Marathahalli to Sarjapur Road Stretch	• Currently a preferred IT/ITeS hub of the city • Characterized 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 • Prominent companies that have presence in this micro-market are JPMC, Cisco and Samsung
North Bengaluru	Nagavara ORR, Yeshwantpur, Bellary Road	• Future growth vector of the city • Organised commercial developments mostly IT/ITeS in nature • Prominent companies that have presence in this micro-market are IBM, Cognizant and ABB

Source: CBRE Research

1.2 Whitefield Micro-market Overview

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

B BENGALURU COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW (CONTINUED)

1.2 Whitefield Micro-market Overview (Continued):

Currently, Whitefield is one of the established commercial suburbs of Bengaluru 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 house many Built-To-Suit (BTS) blocks. With the increase in IT/ITeS activity, 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.

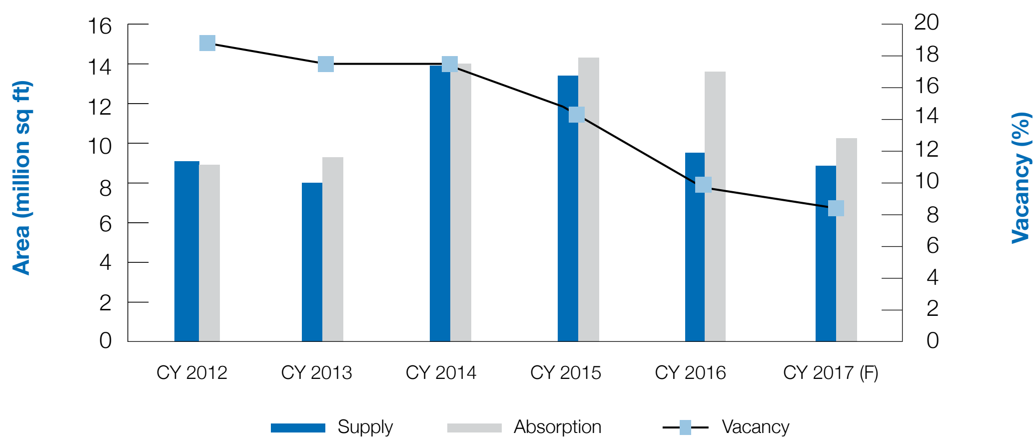
In spite of the growing commercial and residential activity, Whitefield region has not been supported by adequate physical infrastructure. The region suffers from heavy traffic congestion along major roads connecting to the Central Business District (CBD), thereby increasing travel time for commuters to and from other parts of the city. However, 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. The extension of the metro line from Baiyappanahalli to Whitefield is expected to be operational in 4-5 years, post which the connectivity is expected to improve.

2 SUPPLY, ABSORPTION & VACANCY TRENDS: BENGALURU

Stock Breakup (million sq ft)	Bengaluru	Whitefield
Total Completed Stock	**139.20 million sq ft**	**31.00 million sq ft**
Breakup ~ SEZ & Non SEZ	SEZ ~ 34.00 million sq ft Non SEZ ~ 105.20 million sq ft	SEZ ~ 5.40 million sq ft Non SEZ ~ 25.60 million sq ft

Source: CBRE Research

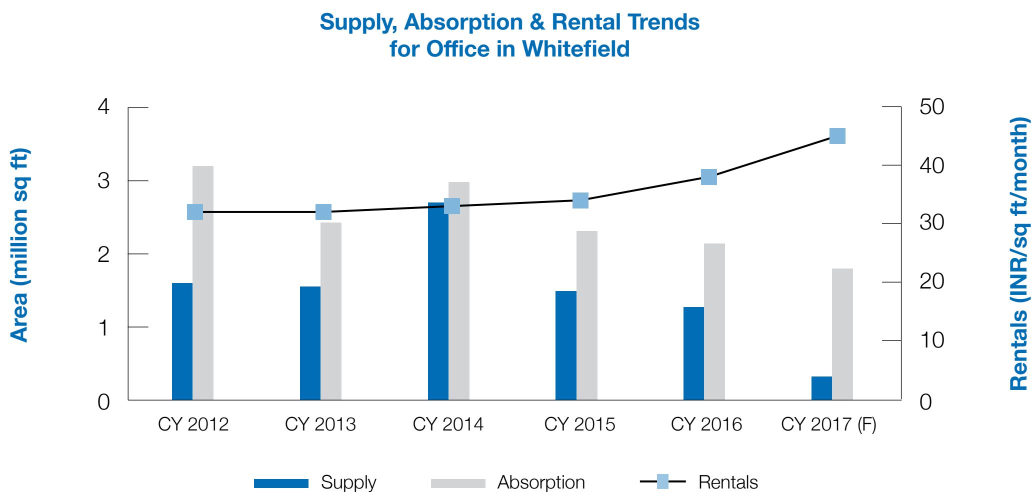
City-Supply, Absorption, Vacancy



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

B BENGALURU COMMERCIAL MARKET OVERVIEW

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



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

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	3.62	4.5%	Wipro, GE, Huwaei
SJR I Park	SJR Group	2005-06	0.99	3.1%	Xchanging, Quest, HUL
RMZ Centennial	RMZ Corp	2005-08	0.77	13.3%	WNS, Shell, Lenovo

Source: CBRE Research

4.2 Upcoming Commercial Developments in Whitefield

Building Name	Developer	Expected Completion	Total Area (million sq ft)
Divyasree Technopark – New Phases	DivyaSree	2018-19	1.50
Brigade Brookfield	Brigade	2020	3.10
Prestige Technostar	Prestige	2020	1.00

Source: CBRE Research

B BENGALURU COMMERCIAL MARKET OVERVIEW

4 ANALYSIS OF DEVELOPMENTS IN WHITEFIELD (CONTINUED)

4.3 Current Retail Developments in Whitefield

Building Name	Developer	Year of Completion	Total Area (million sq ft)	Vacancy (% of total area)	Main Occupiers
VR Bengaluru	Virtuous Retail	2015	0.45	5 - 10%	Central, H&M, PVR
Phoenix Market City	Phoenix	2011	0.88	5 - 10%	PVR, Home Town, Marks & Spencer
Forum Neighbourhood Mall (Forum Value Mall)	Prestige	2009	0.22	5 - 10%	Inox, Megamart, Veromoda

Source: CBRE Research

4.4 Upcoming Retail Development in Whitefield

Development	Developer	Expected Completion	Total Area (million sq ft)
Forum Shantiniketan	Prestige	2018	0.45

Source: CBRE Research

5 OUTLOOK

CBRE is of the opinion that Whitefield is likely to witness growth in residential and retail projects to complement the presence of large scale commercial developments. Further, Whitefield has developed into a self-sustained hub with quality residential spaces, retail developments and social infrastructure. IT/ITeS demand trends are expected to improve with a positive impact on Whitefield. The IT/ITeS supply addition within Whitefield in CY2017 is expected to be marginally lower than CY2016 (approximately 1.2 – 1.3 million sq ft) with an expected absorption of approximately 2.0 – 2.2 million sq ft. Rentals are expected to increase steadily, hovering between INR 38-42 per sq ft per month, over the short term. In addition, competing micro-markets such as ORR and North Bengaluru are also expected to offer fresh supply of IT/ITeS office space in the next 2-3 years, thus keeping the rentals in check.

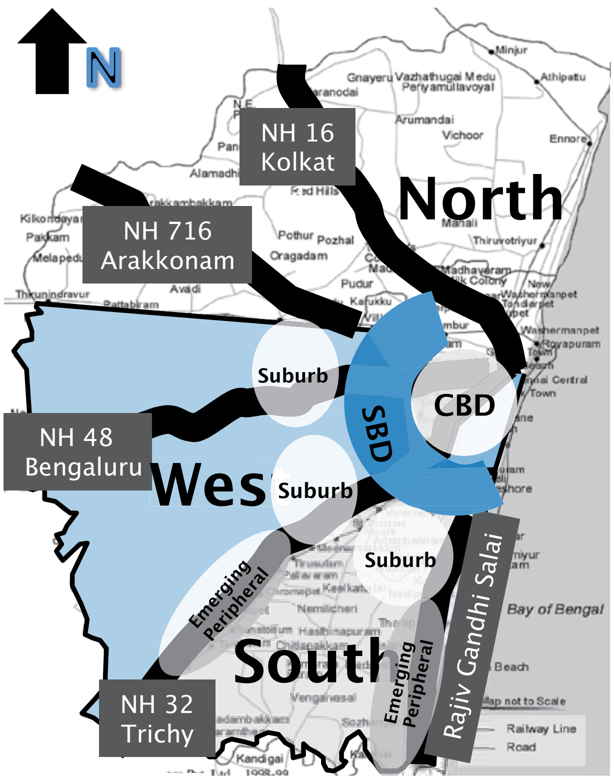
C CHENNAI COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW

Chennai is the sixth largest city in India in terms of population and is the capital of the State of Tamil Nadu. It is the gateway to South India, and is famous for its traditional culture, temples and long coastline. Chennai Metropolitan Area spreads over an area of 1,189 sq km[2]. The population of Chennai Metropolitan Area has increased steadily and is currently estimated at approximately 8.65[3] million people.

The primary economic drivers for the city include the industrial (specifically automobile and manufacturing), and information technology sectors. 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 and Cognizant Technology Solutions amongst many others.

The State Government has been initiating various programmes to attract large national groups and MNCs to establish industries/campuses in the city. As part of their initiatives, the State Government has identified Rajiv Gandhi Salai (in South Chennai) and Chennai-Bengaluru 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. Prominent examples include Mahindra World City in Chengalpet promoted by Mahindra Group and Sri City in Tada promoted by Sri City Private Limited.



Map not to scale

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-48, NH-16 and NH-32 connects Chennai city to various parts of India. Many infrastructure initiatives have been undertaken by the National and State level authorities to reduce the traffic congestion in the city.

[2] CMDA Second Master Plan
[3] Census of India, 2011

C CHENNAI COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW (CONTINUED)

1.1 Chennai micro-market classification and key commercial hubs:

The growth of commercial real estate began from the regions surrounding the seaport which is now perceived as the 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 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 significant growth witnessed by the IT/ITeS sector in the 90's led to the demand for large space in all major cities in India. This led to the emergence of suburban/peripheral locations which have ample supply of land to cater to the requirements of these companies.

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

Micro-market	Locations Included	Description
Central Business District	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 command distinct premium attributable to the central location. New supply is very limited due to restricted availability of land • Prominent companies that have presence in this micro-market are RR Donnelley, KBR and Citibank
Secondary Business District	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. • Prominent companies that have presence in this micro-market are Cognizant, HP and TCS
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 • Prominent companies that have presence in this micro-market are IBM, Cognizant and L&T Infotech
Peripheral Areas	Rajiv Gandhi Salai (Thuraipakkam to Kelambakkam), Grand Southern Trunk Road, etc.	• Houses large-scale IT parks/SEZ developments • Requirement of large space from IT/ITeS companies have catalysed development activity in the zone • Prominent companies that have presence in this micro-market are Capgemini, Accenture and TCS

Source: CBRE Research

C CHENNAI COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW (CONTINUED)

1.2 Micro-market Overview:

1.2.1 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) up to the tourist town of Mahabalipuram (located at a distance of approximately 50 km). The corridor has been witnessing extensive real estate development activity in commercial/IT and residential segments over the last 10 to 12 years.

1.2.2 Grand Southern Trunk Road:

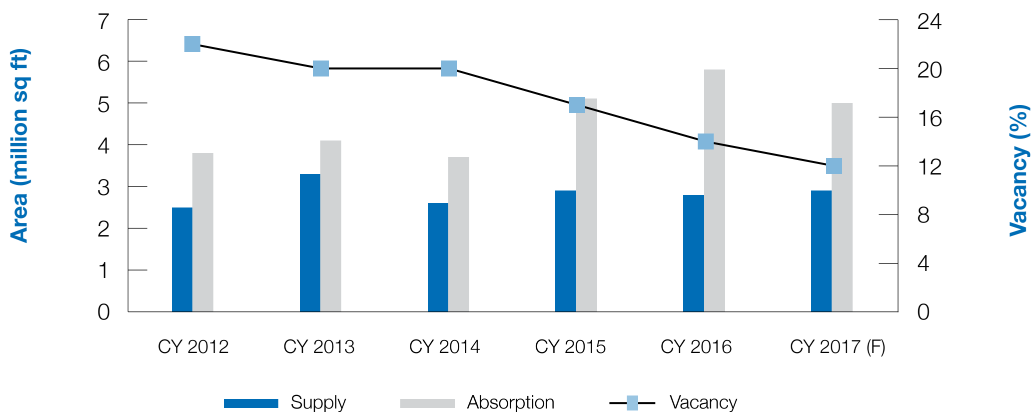
Over the last 7-8 years, Grand Southern Trunk (GST) Road has emerged as a significant IT hub. GST Road originates from Kathipara Junction and connects Chennai to Trichy (a prominent city in Tamil Nadu) in the south-west. The initial stretch of the corridor, is characterized by the presence of large tracts of vacant land parcels and residential settlements catering to the needs of the local populace. In addition, the corridor is also characterized by the presence of few large scale industrial and IT developments. A few notable examples include Mahindra World City, SIDCO Maraimalai Nagar Industrial Estate and Estancia.

2 SUPPLY, ABSORPTION & VACANCY TRENDS: CHENNAI

Stock Breakup (million sq ft)	Chennai	Rajiv Gandhi Salai	GST Road
Total Completed Stock	**60.48 million sq ft**	**31.57 million sq ft**	**9.38 million sq ft**
Breakup: SEZ & Non SEZ	SEZ ~ 17.87 million sq ft Non SEZ ~ 42.61 million sq ft	SEZ ~ 9.34 million sq ft Non SEZ ~ 22.23 million sq ft	SEZ ~ 8.53 million sq ft Non SEZ ~ 0.85 million sq ft

Source: CBRE Research

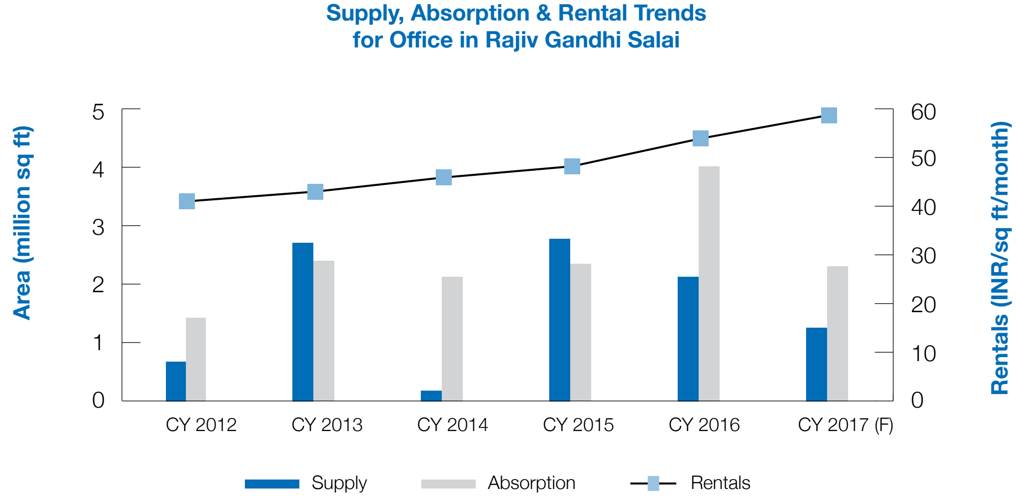
City-Supply, Absorption, Vacancy



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

C CHENNAI COMMERCIAL MARKET OVERVIEW

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



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

Note: Relevant market data for GST Road micro-market is not available.

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
Ramanujan IT City	TRIL	2011-16	4.56	15%	Astra Zeneca, GE, Latent View
SP Infocity	Shapoorji Pallonji	2010-15	2.77	<1%	HSBC, Amazon, Lister
RMZ Millenia	RMZ Corp	2000-07	2.30	< 2%	Franklin Templeton, Daimler, Ford

Source: CBRE Research

C CHENNAI COMMERCIAL MARKET OVERVIEW

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

5.2 Upcoming Commercial Developments along Rajiv Gandhi Salai

Building Name	Developer	Expected Completion	Total Area (million sq ft)
Embassy Techzone	Embassy Office Parks	2019	2.00
Brigade	Brigade Group	2020	2.00
DLF	DLF Group	2020	4.50

Source: CBRE Research

5.3 Current Commercial Development along Grand Southern Trunk Road

Building Name	Developer	Year of Completion	Total Area (million sq ft)	Vacancy (% of total area)	Main Occupiers
Shriram Gateway	Shriram Properties	2008	1.70	<1%	Sutherland, Accenture

Source: CBRE Research

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. The IT/ITeS supply addition within Rajiv Gandhi Salai in CY2017 is expected to be approximately 1.3 million sq ft with an expected absorption of approximately 3 – 3.5 million sq ft. Based on our market study, 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 formats) over the next 1-2 years. Brigade Developers is expected to bring in an additional supply of approximately 2 million sq ft in the Kensai Nerolac land. The same is expected to come into the market in phases from 2020-21. Rentals within Rajiv Gandhi Salai are expected to see an upward trend, hovering between INR 58-62 per sq ft per month, over the short term. Sustained demand for office spaces by large corporates coupled with limited availability of space are expected to be the major drivers in terms of rentals within Rajiv Gandhi Salai.

6.2 Grand Southern Trunk Road

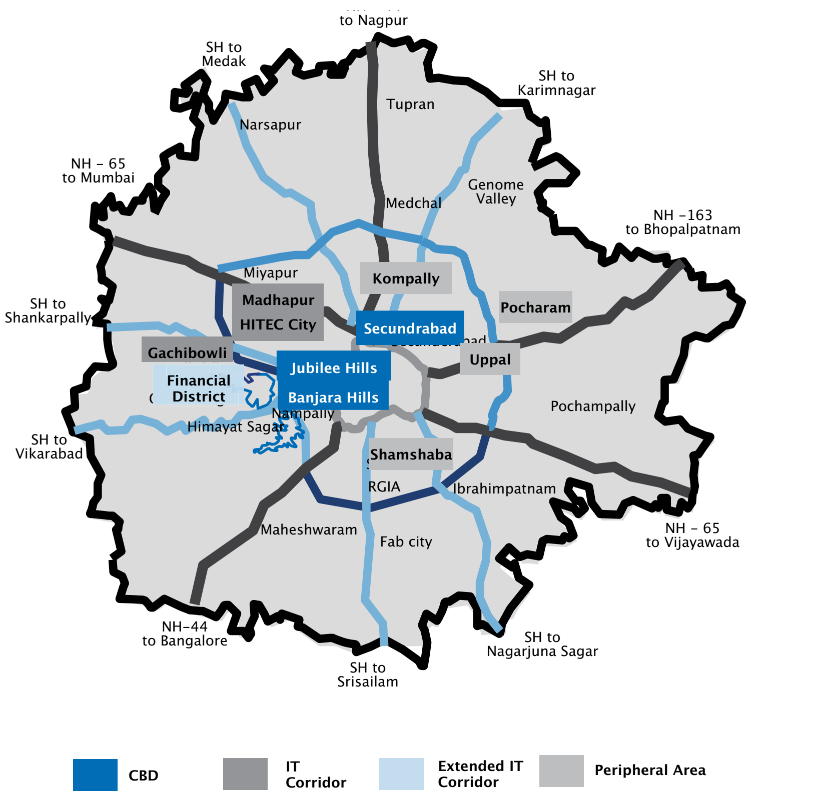
GST Road is expected to witness low supply within the short to medium term despite the presence of large tracts of vacant land due to factors such as limited support infrastructure and distance from the city. CBRE is of the opinion that the organic growth of commercial office demand within the city and paucity of large land parcels in established micro-markets of the city will drive the supply in the long term.

D HYDERABAD COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW

Hyderabad[4] 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 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, the highly acclaimed Indian School of Business and Indian Institute of Information Technology. Due to the availability of a qualified work force, the city has gradually established itself as a manufacturing and services hub.



Map not to scale

The manufacturing activities in the city focus on cement, fertilizer 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 upgradation. Many focused initiatives by the State Government in development of physical (Outer Ring Road, Manjeera water supply pipeline, international airport, upgradation 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 corporations. This has resulted in large-scale development initiatives by many local, national and foreign developers across real estate segments.

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

D HYDERABAD COMMERCIAL MARKET OVERVIEW

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	Banjara Hills, Jubilee Hills, Begumpet, Somajiguda etc.	• Former commercial hub of the city, primarily non-IT focused spaces • Characterized by low rise, high density developments with limited infrastructure provisions • Activity currently restricted to re-development initiatives and development of land sporadically auctioned by the Government • Prominent companies in this micro-market are DE Shaw, Vision Tech and KPMG
IT Corridor	HITEC Layout, Madhapur Kondapur etc.	• Primary commercial hub of the city • Located towards the west of the city, the commercial activity primarily comprises of IT/ITeS activity • Characterized by Grade A developments with superior infrastructure provisions • Commercial supply in this market comprises of SEZ and non – SEZ space • Prominent companies in this micro-market are Google, Accenture and IBM
Extended IT Corridor	Gachibowli, Raidurg Financial District (Nanakramguda) etc.	• Initially positioned to absorb spillover from the IT corridor, now characterised as an alternate commercial hub of the city • Located towards the periphery of the city's west zone, the commercial activity primarily comprises of IT/ITeS activity • Currently commands slightly lower rentals than the IT corridor due to its peripheral location and lack of social infrastructure (retail malls, multiplexes etc.). However, in the near future, with increased demand from large corporates and due to limited availability of space in IT-corridor, upward rental trends are expected • Cater to IT companies that typically require large space to be developed into campuses, such as Amazon and Google • Prominent companies in this micro-market are Microsoft, Infosys and Wipro
Peripheral Business District	Uppal, Pocharam, Shamshabad etc.	• Emerging hub for commercial activity • Organised commercial developments comprising of a mix of SEZ & non-SEZ space options • Prominent companies in this micro-market are Genpact, Cyient and Infosys

Source: CBRE Research

1.2 HITEC City Micro-market 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 1998. 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, and prominent IT/ITeS companies into Cyberabad region (the subject micro-market).

D HYDERABAD COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW (CONTINUED)

1.2 HITEC City Overview (Continued):

The Cyberabad region had (in early 2000s) witnessed high levels of commercial real estate development activity along key arterial roads such as HITEC Layout Road and Kandapur Road comprising of notable developments such as HITEC Layout, The V and Raheja Mindspace. 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 the State Government in locations such as Gachibowli, commercial office activity witnessed spillover to geographically contiguous locations such as Raidurg, Gachibowli and Nanakramguda. Some of the prominent commercial developments in these areas include Waverock, DivyaSree Orion and DLF Cyber City. These locations are also known for prominent campus developments including Microsoft, Infosys and ICICI Towers.

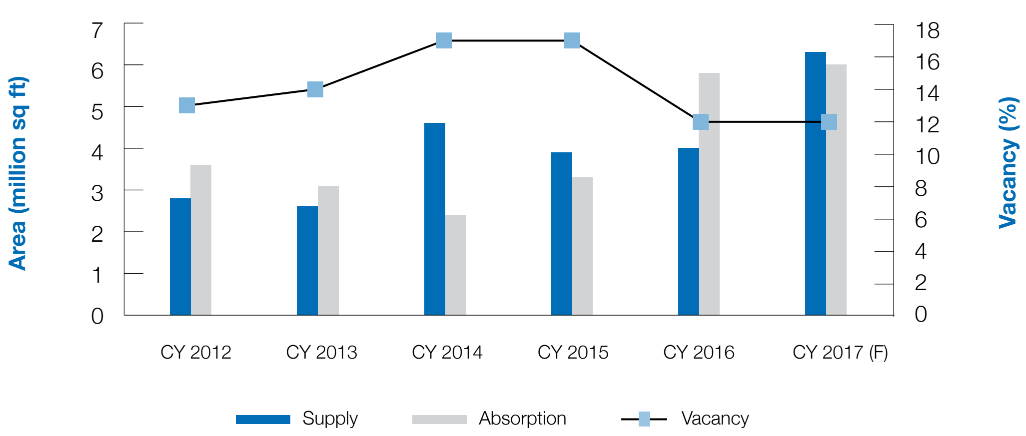
In addition, HITEC City is also characterized by developments across retail, entertainment and hospitality segments. Some of the prominent hospitality developments include The Westin, Trident and Novotel Accor. Inorbit Mall by K Raheja Developers is one of the prominent completed organized retail malls in the region.

2 SUPPLY, ABSORPTION & VACANCY TRENDS: HYDERABAD

Stock Breakup (million sq ft)	Hyderabad	West Hyderabad
Total Completed Stock	**51.40 million sq ft**	**41.20 million sq ft**
Breakup ~ SEZ & Non SEZ	SEZ ~ 15.20 million sq ft Non SEZ ~ 36.20 million sq ft	SEZ ~ 13.90 million sq ft Non SEZ ~ 27.30 million sq ft

Source: CBRE Research

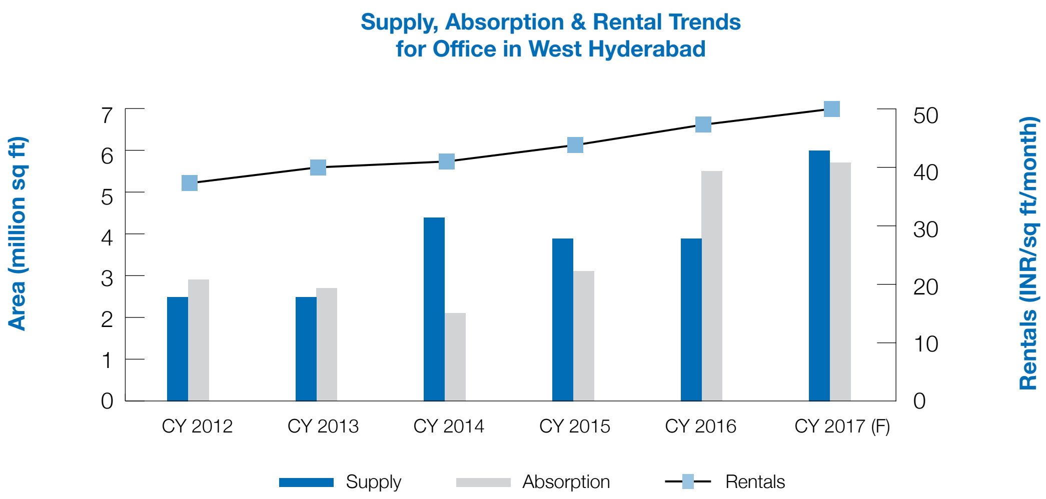
City-Supply, Absorption, Vacancy



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

D HYDERABAD COMMERCIAL MARKET OVERVIEW

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



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
Divyasree Orion	Divyasree Developers	2008-16	3.15	Fully Occupied	Accenture, IBM, Wells Fargo
Mindspace	K Raheja Corp	2004-16	5.71 (Non SEZ) & 4.41 (SEZ)	6%	HSBC, Qualcomm, Accenture
TSI Waverock	Tishman Speyer	2010-13	1.43	Fully Occupied	TCS, Accenture, DuPont

Source: CBRE Research

4.2 Upcoming Commercial Developments around West Hyderabad

Building Name	Developer	Expected Completion	Total Area (million sq ft)
Salarpuria Knowledge City – Ph II	Salarpuria Group	2017	1.50
aVance	Phoenix Group	2017 - 2020	1.78
My Home Divija	My Home Constructions	SEZ – 2018 Non SEZ - 2019	1.58 (non-SEZ) & 1.58 (SEZ)

Source: CBRE Research

D HYDERABAD COMMERCIAL MARKET OVERVIEW

5 OUTLOOK

CBRE is of the opinion that IT Corridor (where a-iTrust properties are located) is expected to remain the preferred location for IT/ITeS corporates to establish their presence in the city, driven by the superior image perception of the location and availability of superior social and physical infrastructure. IT/ITeS demand trends are expected to improve in line with continued strong performance of this sector in India. This will directly have a positive impact on the West Hyderabad market (the IT/ITeS hub of Hyderabad). SEZ spaces are expected to witness strong demand over the short to medium term.

West Hyderabad is currently witnessing high levels of enquiry from prominent MNCs to set up their office space. Further, existing tenants are also in the pursuit of new good quality office space primarily for the purpose of expansion or consolidation. Limited availability of investment grade office supply for immediate occupation has resulted in increased pre-commitments as well in under construction developments. This scenario has led to healthy appreciation in rentals over the last 9 – 12 months.

In view of the above, coupled with minimal availability of completed stock of IT/ITeS space across the IT Corridor, the rentals are expected to witness an upward trend over the short term. However, the rentals are expected to stabilize over the medium term due to the addition of fresh supply expected in other parts of West Hyderabad over the next 1-2 years.

CBRE is of the opinion that, over the next 1 year, the IT corridor is expected to witness rentals of INR 55-60 per sq ft per month on a warm shell basis for Grade A commercial space and the extended IT corridor is expected to witness rentals of INR 46-50 per sq ft per month on a warm shell basis for Grade A commercial space.

E PUNE COMMERCIAL MARKET OVERVIEW

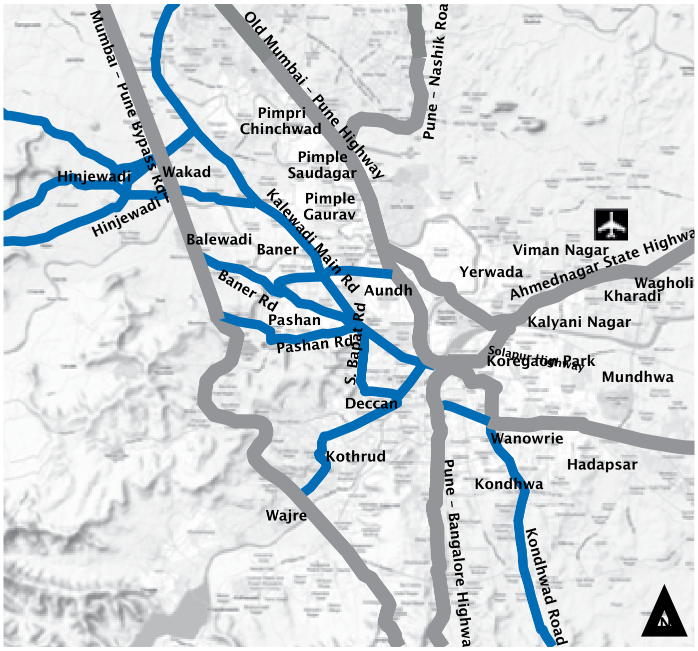
1 CITY OVERVIEW

Pune City is located approximately 150 km from Mumbai which is the financial capital of India. Due to the availability of qualified manpower, Pune is an established engineering and automobile hub in India; home to several large engineering and automobile majors such as Tata Motors, Bajaj Auto and Volkswagen. Furthermore, the city is also an active defence hub, as the Southern Command Head Quarters of the Indian Armed Forces is located in the city.

The advent of the IT/ITeS industry in the late 1990's and subsequent proliferation has rapidly transformed the economic landscape of the city with this segment, contributing significantly to the city's economy. Pune has emerged as a prominent IT/ITeS destination in India, resulting in a residential boom.

1.1 Pune micro-market classification and key commercial hubs:

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



Map not to scale

Micro-market	Locations Included	Description
Central Business District	Koregaon Park, Bund Garden, Wakdewadi, FC Road, Senapati Bapat Road	• City centre location with established real estate activities ~ commercial, residential, high street retail market and hospitality developments • Older developments have given way to high end Grade A buildings for commercial, residential and retail usage • Primarily occupied by financial institutes and government offices • Higher rentals and smaller sized floor space favoured by small and medium sized business setups • Prominent companies that have presence in this micro-market are L&T, HSBC and TCS
Secondary Business District	Nagar Road, Kalyani Nagar, Aundh , Baner	• Close proximity to central region and caters to the spillover demand of the CBD • Developments witness higher efficiencies and absorption levels due to newly constructed buildings • Enjoys proximity to well-developed physical and social infrastructure • Primarily occupied by IT/ITeS, knowledge process outsourcing and research & development businesses • Prominent companies that have presence in this micro-market are KPMG, Master Card and Deutsche Bank

E PUNE COMMERCIAL MARKET OVERVIEW

1 CITY OVERVIEW (CONTINUED)

Micro-market	Locations Included	Description
Periphery Business District	Kharadi, Phursungi, Hinjewadi, PCMC	• Availability of open land has provided opportunity for newer developments • Predominantly occupied by large IT SEZs and IT Parks supported by residential developments to cater to the demand of IT populace • Lower rentals as compared to city locations; however, the rentals have been witnessing an upward trend • Presence of multi-tenanted buildings and campus styled offices largely occupied by IT/ITeS tenants • Prominent companies that have presence in this micro-market are Infosys, Wipro and TCS

Source: CBRE Research

1.2 Hinjewadi Micro-market Overview:

Initial development activity in Hinjewadi was restricted to sporadic industrial development. However, in 1999-2000, Maharashtra Industrial Development Corporation (MIDC) earmarked approximately 2,800 acres to be developed across six phases in Hinjewadi for the development of 'Rajiv Gandhi Information Technology and Biotech Park'. The first three phases have been launched with a majority of developments in Multi-Tenanted Building (MTB) and BTS format in Phase 1 & 2. Additionally, the first development in Phase 3 has commenced operations.

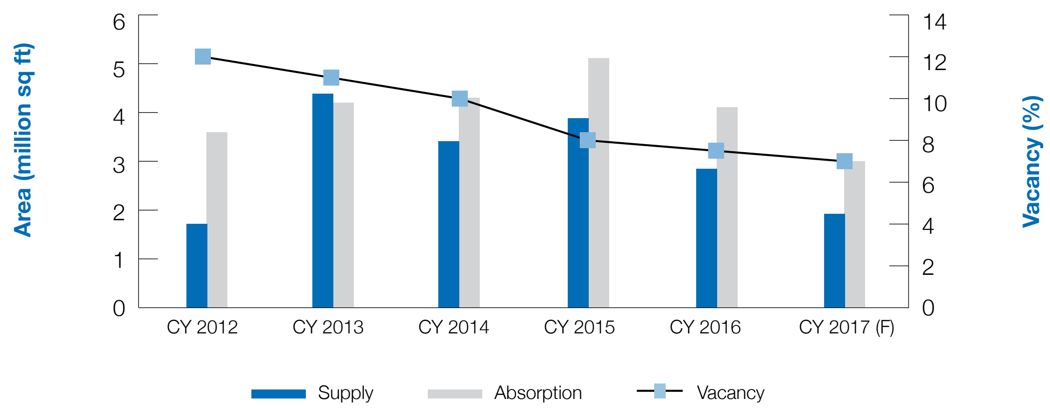
Since 2007, the micro-market has witnessed an increase in the introduction of MTBs within dedicated SEZ space and IT Parks spread across three phases, focused on IT/ITeS activity. The subject region is characterized by the presence of several prominent developers (both local and national) such as Paranjape Schemes, DLF and Embassy Group.

E PUNE COMMERCIAL MARKET OVERVIEW

2 SUPPLY, ABSORPTION & VACANCY TRENDS: PUNE

Stock Breakup (million sq ft)	Pune	Hinjewadi
Total Completed Stock	**49.00 million sq ft**	**9.00 million sq ft**
Breakup ~ SEZ & Non SEZ	SEZ ~ 14.00 million sq ft	SEZ ~ 7.00 million sq ft
	Non SEZ ~ 35.00 million sq ft	Non SEZ ~ 2.00 million sq ft

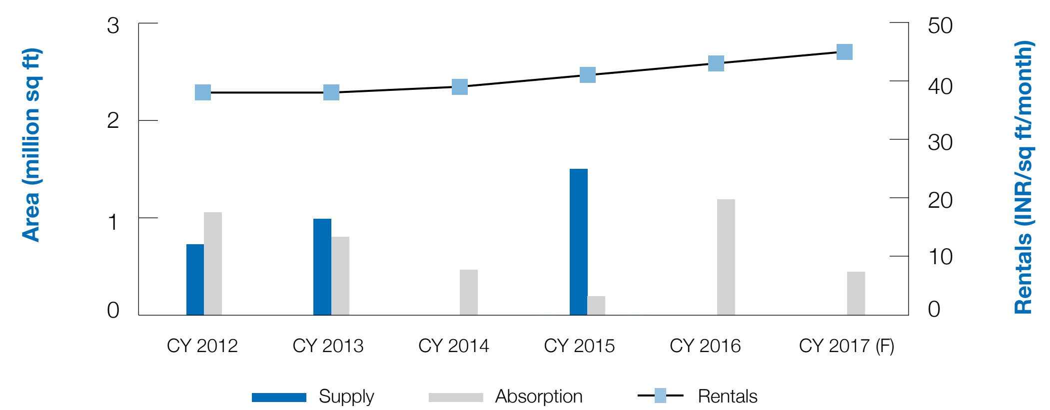
City-Supply, Absorption, Vacancy



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: HINJEWADI MICRO-MARKET

City-Supply, Absorption & Rental Trends for Office in Hinjewadi



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

E PUNE COMMERCIAL MARKET OVERVIEW

4 ANALYSIS OF DEVELOPMENTS IN HINJEWADI

4.1 Current Commercial Developments in Hinjewadi

Building Name	Developer	Year of Completion	Total Area (million sq ft)	Vacancy (% of total area)	Main Occupiers
BlueRidge IT Park, Phase I	Paranjape Schemes	2012	1.44	<1%	Accenture, Persistant Software, Cisco
Quadron	DLF	2009	1.93	<1%	Cognizant, Tata Consultancy, eClerx
Embassy Tech Zone	Embassy Group	2008	1.28	18%	IBM, eClerx, Tech Mahindra

Source: CBRE Research

4.2 Upcoming Commercial Developments in Hinjewadi

Building Name	Developer	Expected Completion	Total Area (million sq ft)
Embassy Tech Park	Embassy Group	2018	0.50
DLF IT Park	DLF	2019	2.90
BlueRidge IT Park, Phase III	Paranjape Schemes	2020	1.50

Source: CBRE Research

5 OUTLOOK

Since early 2000, the availability of relatively large land parcels and proximity to Mumbai-Pune Expressway has resulted in Hinjewadi emerging as an attractive commercial (IT/ITeS) destination.

Further, Hinjewadi has developed into a self-sustained hub with presence of quality commercial and residential developments to support the affluent IT populace, and social infrastructure. IT/ITeS demand is expected to improve in-line with the strong performance of this sector in India, thereby creating a positive impact on the growth of Hinjewadi. However, upcoming IT/ITeS supply in East Pune (Kharadi and its neighbouring micro-markets) is expected to offer competition to the absorption levels of Hinjewadi, thus keeping rental growth under check.

F ABBREVIATIONS

sq ft	Square Feet
sq km	Square Kilometre
MAT	Minimum Alternate Tax
DDT	Dividend Distribution Tax
IIIT	Indian Institute of Information Technology
USD	United States Dollar
INR	Indian National Rupees
FDI	Foreign Direct Investment
SEZ	Special Economic Zone
PE	Private Equity
MTB	Multi-Tenanted Building
BTS	Built-To-Suit
IT/ITeS	Information Technology/Information Technology Enabled Services
CBD	Central Business District
SBD	Secondary Business District
MNC	Multi-National Company
CY	Calendar Year
FY	Financial Year

G 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 unorganized 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

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 Tenth Annual General Meeting of the Unitholders of Ascendas India Trust ("**a-iTrust**") will be held at Hilton Singapore, Grand Ballroom, Level 3, 581 Orchard Road, Singapore 238883 on Thursday, 13th July 2017 at 2.30 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 31st March 2017, 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 an Ordinary Resolution:

Resolution 3
That pursuant to Section 36 of the Singapore Business Trusts Act, Cap. 31A (the "**BTA**"), Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), and Clause 6.1.1 of the Amended and Restated Trust Deed dated 28th 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;

NOTICE OF ANNUAL GENERAL MEETING

(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, bonus or other capitalisation issues 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
27th June 2017

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 27th June 2017.

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**")

Total Number of Units Held	

TENTH ANNUAL GENERAL MEETING

I/We ____ (Name(s))

of ____ (Address)

being a Unitholder of Ascendas India Trust ("**a-iTrust**"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Unitholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Unitholdings (%)

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 Tenth Annual General Meeting of a-iTrust to be held at Hilton Singapore, Grand Ballroom, Level 3, 581 Orchard Road, Singapore 238883 on Thursday, 13th July 2017 at 2.30 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 Audited Financial Statements of a-iTrust, for the financial year ended 31st March 2017, 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____________________2017

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

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ascendas India Trust

Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 08271

The Company Secretary
Ascendas Property Fund Trustee Pte. Ltd.
(as Trustee-Manager of Ascendas India Trust)
c/o: Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

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Notes:

1. Please insert at the top right hand corner of this Proxy Form the number of units in Ascendas India Trust ("**a-Trust**") 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 a-iTrust.

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: enquiries@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: Low Yen Mei
Date of Appointment: Since financial year ended 31st March 2017

Property Manager
Ascendas Services (India) Private Limited
1st Floor, Innovator Building
International Tech Park Bangalore
Whitefield Road
Bangalore 560066, India

Board of Directors
Mr Chiang Chie Foo (Chairman)
Mr Manohar Khiatani (Deputy Chairman)
Mr Jonathan Yap Neng Tong
Mr Sanjeev Dasgupta
Mr Alan Rupert Nisbet
Mr T. V. Mohandas Pai
Mr Girija Prasad Pande
Mr Ng Eng Leng

Audit & Risk Committee
Mr Alan Rupert Nisbet (Chairman)
Mr T. V. Mohandas Pai
Mr Ng Eng Leng

Investment Committee
Mr Manohar Khiatani (Chairman)
Mr Jonathan Yap Neng Tong
Mr T. V. Mohandas Pai
Mr Girija Prasad Pande

Nominating Committee
Mr Chiang Chie Foo (Chairman)
Mr Manohar Khiatani
Mr Alan Rupert Nisbet

Human Resource & Remuneration Committee
Mr Chiang Chie Foo (Chairman)
Mr Manohar Khiatani
Mr Alan Rupert Nisbet

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

Ascendas India Trust
1 Fusionopolis Place #10-10
Galaxis, Singapore 138522

www.a-itrust.com