



1Q FY17/18  
Financial Results Presentation

24 July 2017

**This presentation on a-iTrust's results for the quarter ended 30 June 2017 ("1Q FY17/18") should be read in conjunction with a-iTrust's quarterly results announcement, a copy of which is available on [www.sgx.com](http://www.sgx.com) or [www.a-iTrust.com](http://www.a-iTrust.com).**

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

**All measurements of floor area are defined herein as "Super Built-up Area" or "SBA", which is the sum of the floor area enclosed within the walls, the area occupied by the walls, and the common areas such as the lobbies, lift shafts, toilets and staircases of that property, and in respect of which rent is payable.**

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

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

# Content

- Financial review
- 



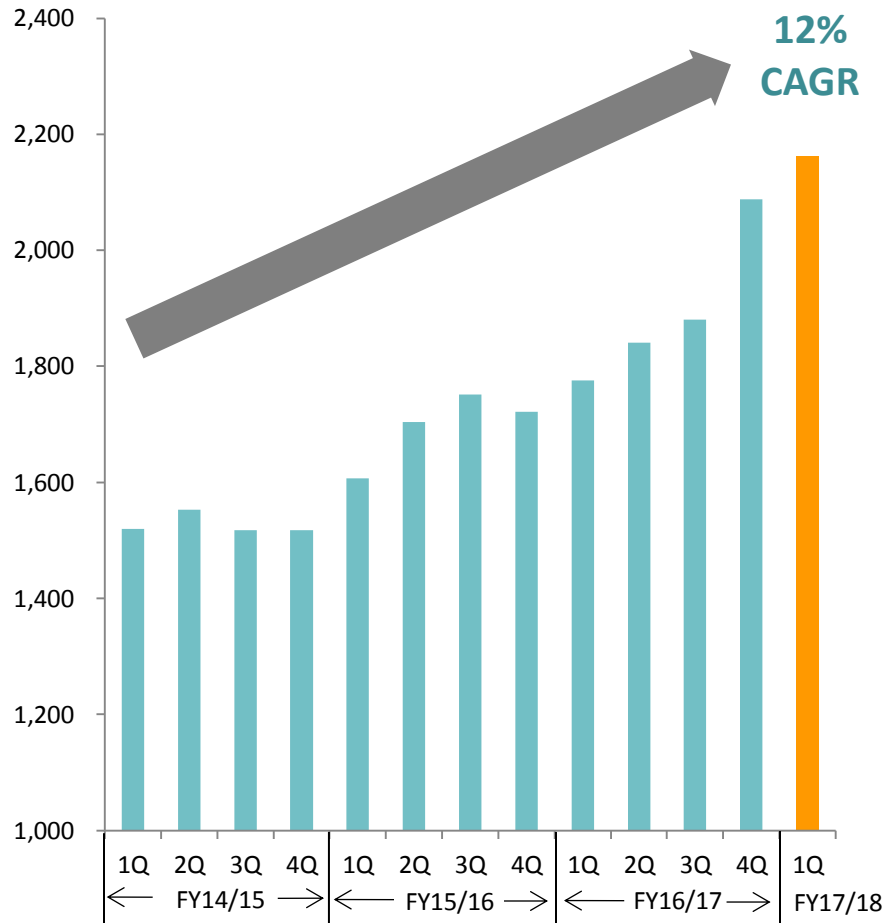
# 1Q FY17/18 results

	1Q FY17/18	1Q FY16/17	Variance	
<i>SGD/INR FX rate<sup>1</sup></i>	46.3	49.3	(6%)	
Total property income	₹2,162m	₹1,776m	22%	<ul style="list-style-type: none"> <li>Income from Victor, BlueRidge 2 and aVance 4; and</li> <li>Positive rental reversions.</li> </ul>
Net property income	₹1,408m	₹1,164m	21%	<ul style="list-style-type: none"> <li>Increase due to higher revenue.</li> </ul>
Income available for distribution	₹626m S\$13.5m	₹690m S\$14.0m	(9%) (3%)	<ul style="list-style-type: none"> <li>Includes realised loss on income hedges of ₹48 million (S\$1.0 million) and one-off settlement<sup>2</sup> of ₹32 million (S\$0.7 million).</li> </ul>
Income to be distributed	S\$12.2m	S\$12.6m	(3%)	<ul style="list-style-type: none"> <li>After retaining 10% of income available for distribution.</li> </ul>
Income to be distributed (DPU <sup>3</sup> )	1.31¢	1.36¢	(4%)	<ul style="list-style-type: none"> <li>DPU would have been 1.37¢ if the one-off settlement<sup>2</sup> is excluded.</li> </ul>

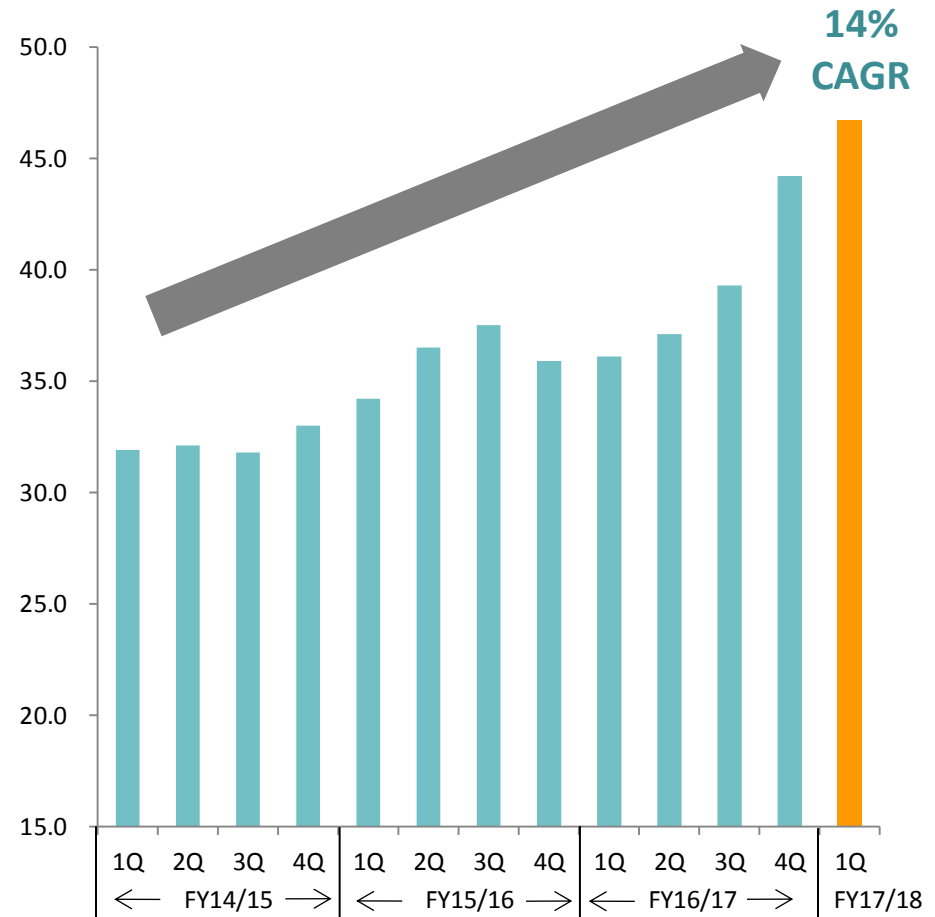
1. Average exchange rates for the period.
2. Refers to one-off settlement with a tenant at Park Square, ITPB as part of the on-going initiative to revamp and refresh the tenant mix of the mall.
3. Distribution per unit.

# Quarterly revenue trend

Total Property Income (INR million)

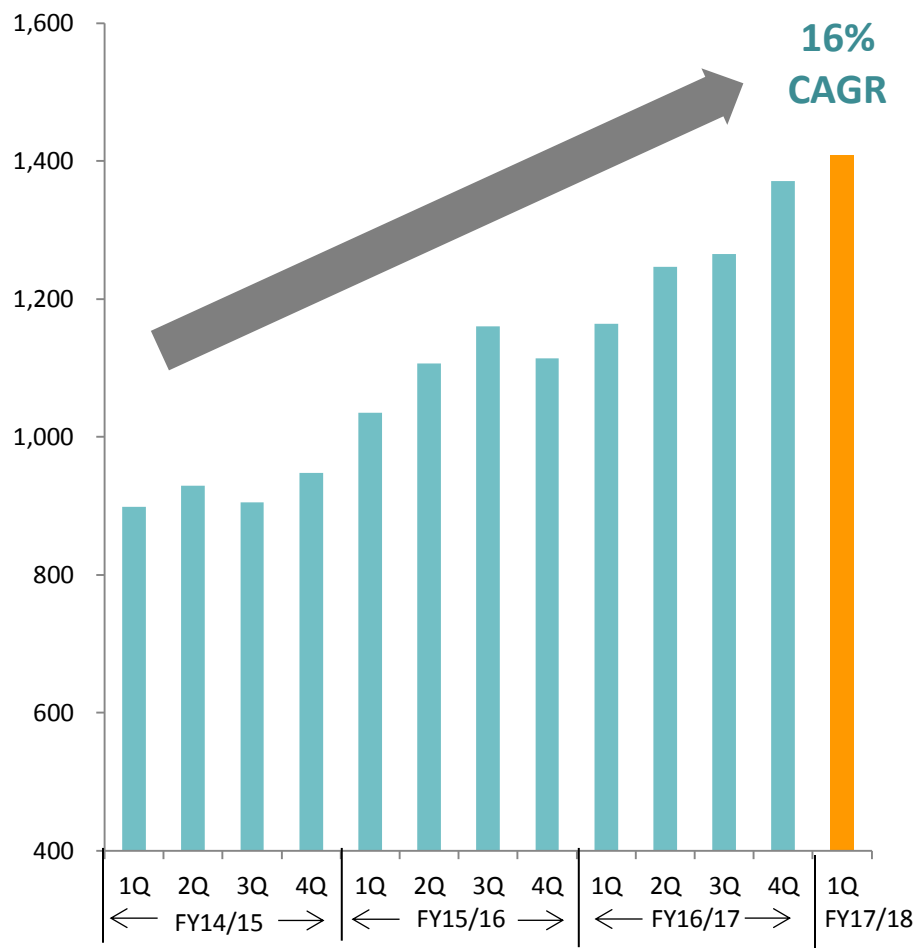


Total Property Income (\$ million)

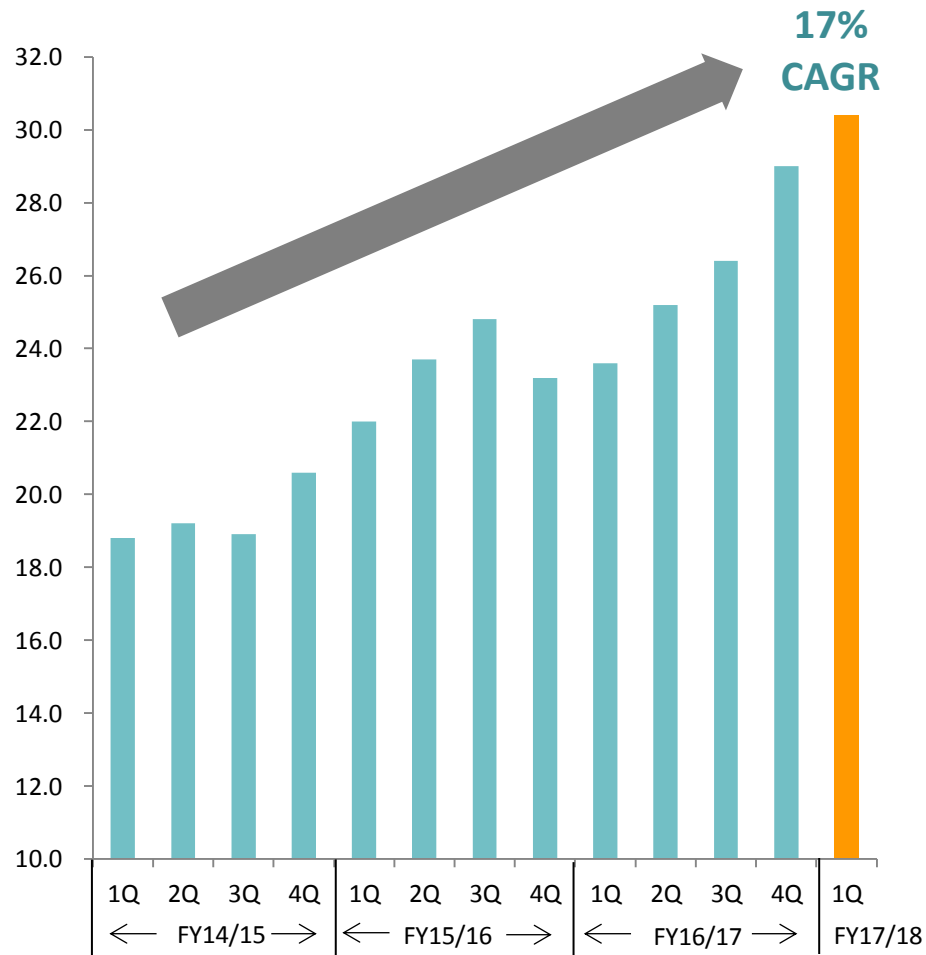


# Quarterly income trend

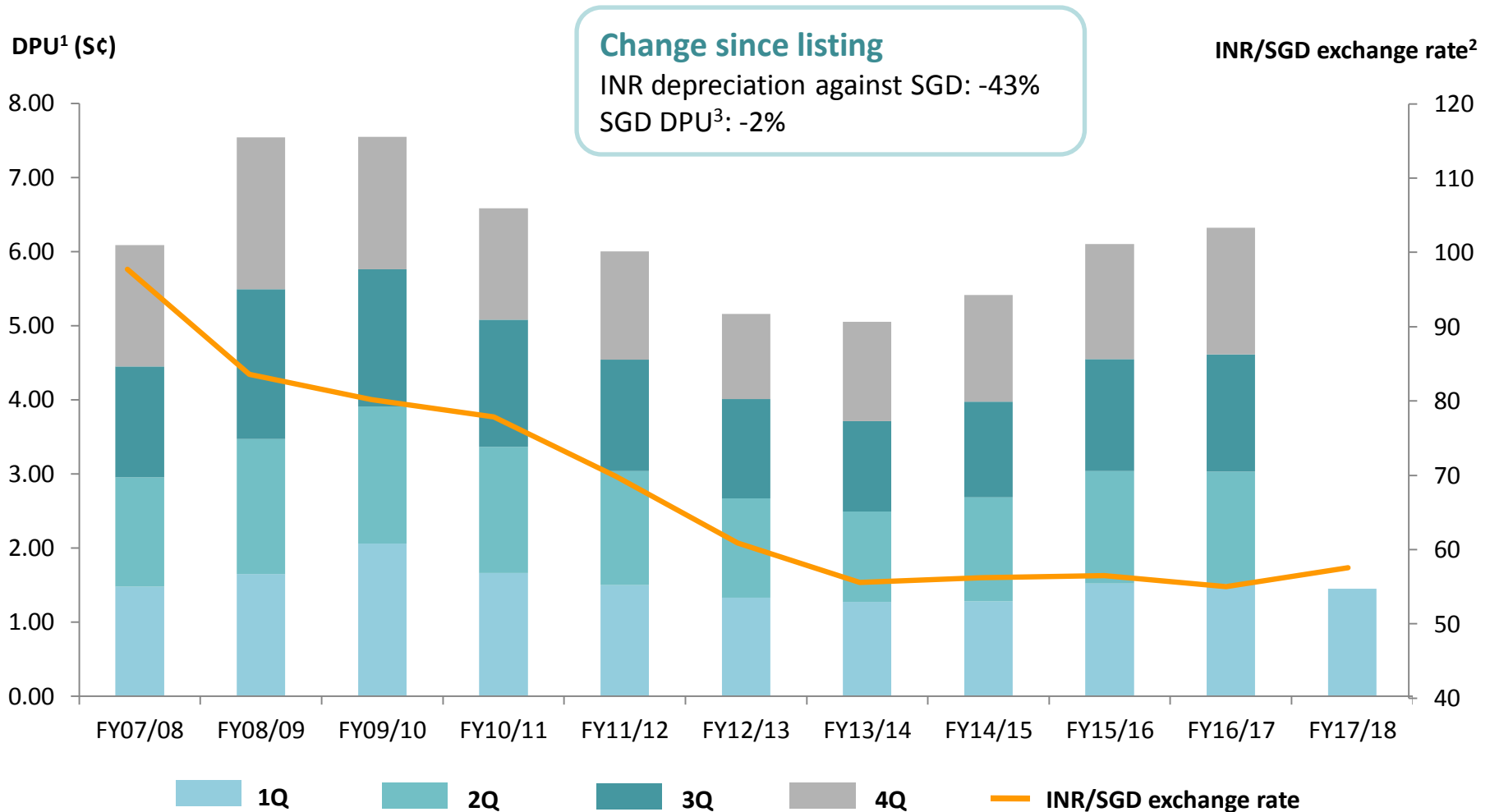
## Net Property Income (INR million)



## Net Property Income (\$ million)



# Quarterly DPU since listing



1. DPU (income available for distribution) refers to 100% of distributable income. 10% of distributable income was retained starting from 1Q FY12/13.
2. Average daily spot INR/SGD exchange rate for the period, pegged to 1 August 2007 using data sourced from Bloomberg.
3. 1Q FY17/18 DPU compared against 1Q FY07/08 DPU.

## Currency hedging strategy

### Balance sheet

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

### Income

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

## Funding strategy

- The Trustee-Manager's approach to equity raising is predicated on maintaining a strong balance sheet by keeping the Trust's gearing ratio at an appropriate level.
- Trustee-Manager does not borrow INR loans onshore in India as it costs less to hedge SGD borrowings to INR-denominated borrowings using cross-currency swaps.

## Income distribution policy

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



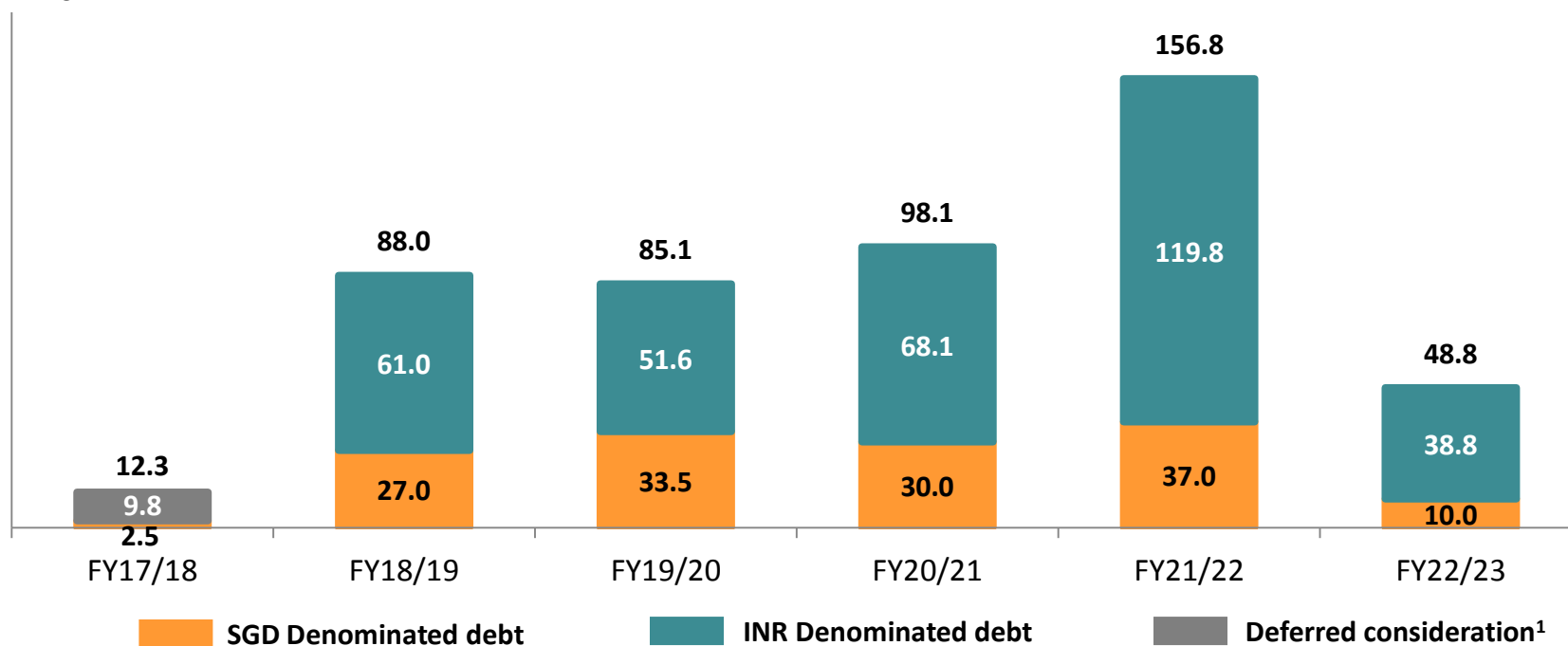
# Debt expiry profile

Effective borrowings: S\$489 million

Hedging ratio

INR: 70% SGD: 30%

S\$ Million



Information as at 30 June 2017.

1. Deferred consideration refers to the remaining purchase consideration pertaining to the acquisition of (1) BlueRidge 2 in Pune and (2) aVance 4 in Hyderabad.

# Capital structure

Indicator	As at 30 June 2017
Interest service coverage (EBITDA/Interest expenses)	3.5 times (YTD FY17/18)
Percentage of fixed rate debt	96%
Percentage of unsecured borrowings	100%
Effective weighted average cost of debt	6.5% <sup>1</sup>
Gearing limit	45%
Available debt headroom	S\$445 million

**Gearing: 30%**

1. Based on borrowing ratio of 70% in INR and 30% in SGD as at 30 June 2017.

# Content

- Operational review



# India remains a dominant IT/offshoring hub

- Fastest growing major economy in the world with GDP growth estimated at 7.2% in 2017<sup>1</sup>
- India moving up value chain to offer cutting edge product development and R&D hubs for global tech companies
- Highly cost competitive environment
  - Occupancy costs up to 10 times cheaper than other low-cost sourcing destinations<sup>2</sup>

## Salary for IT/software engineer, developer or programmer<sup>3</sup>

Countries	US\$ (p.a.)
<b>India</b>	<b>6,657</b>
Malaysia	10,766
Japan	26,092
Hong Kong	28,305
Singapore	33,085
UK	42,355
Australia	53,530
US	73,912

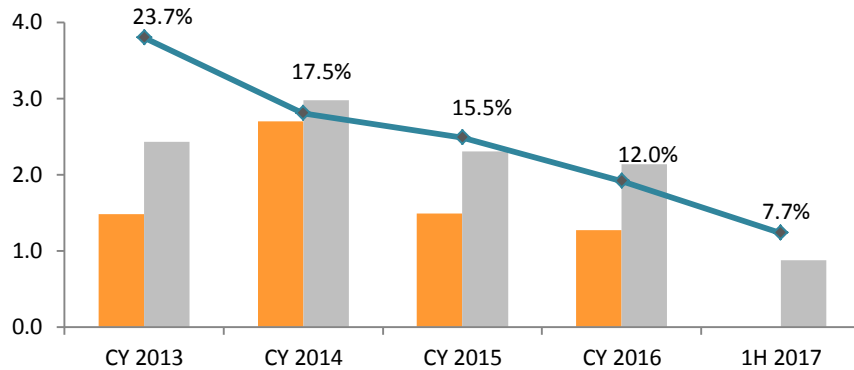
1. Source: International Monetary Fund, World Economic Outlook Update, April 2017

2. Source: CBRE South Asia Pvt. Ltd. (Compared to China, Philippines and other Eastern European countries)

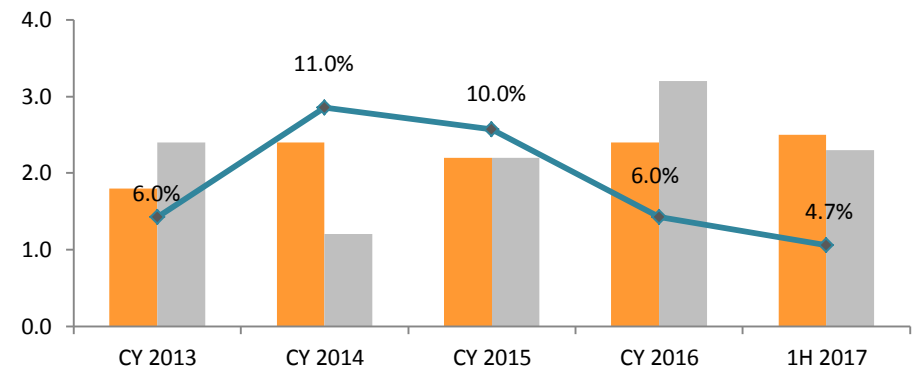
3. Source: June 2017 median salary from PayScale (provider of global online compensation data), converted into USD from local currencies using exchange rate from Bloomberg (30 June 2017)

# Office markets improving

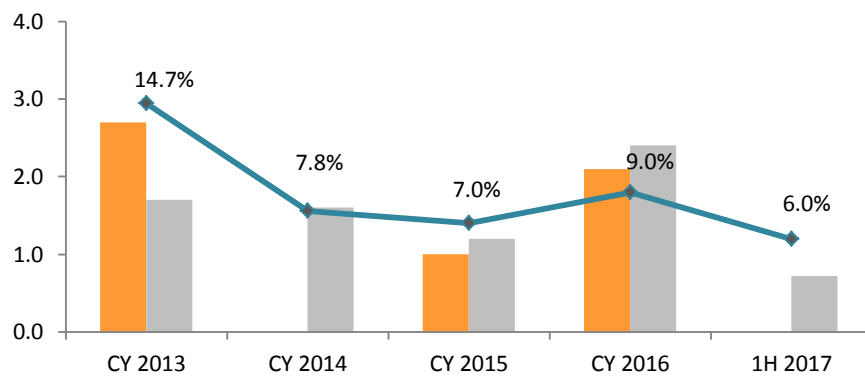
## Bangalore (Whitefield)



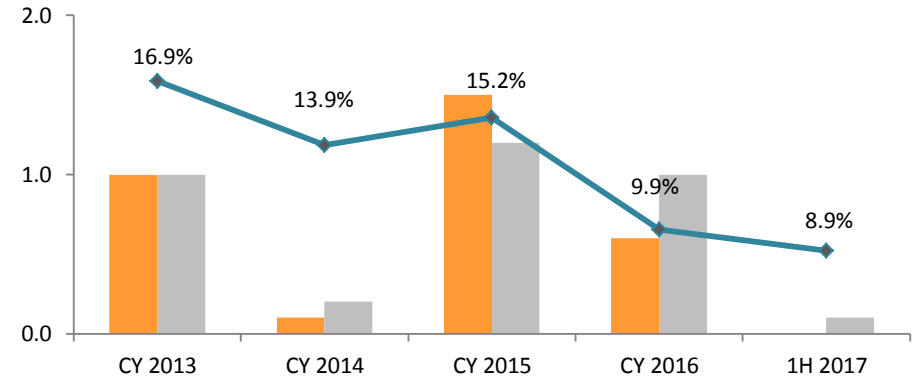
## Hyderabad (IT Corridor<sup>1</sup>)



## Chennai (OMR)



## Pune (Hinjewadi)



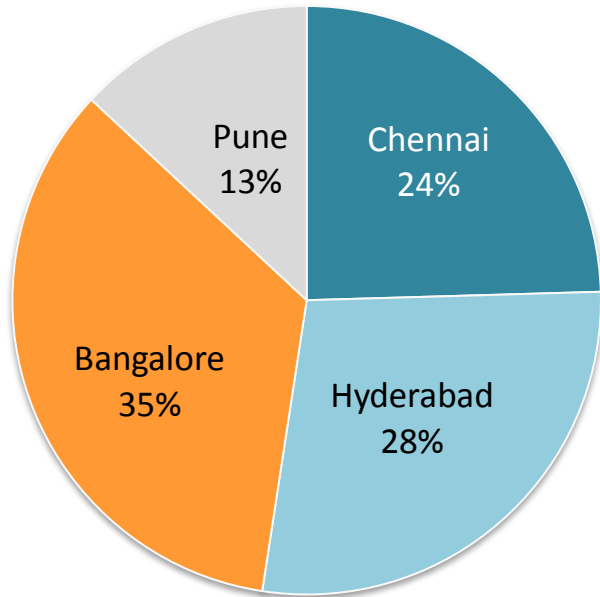
Supply (in million sq ft)   Net Absorption (in million sq ft)   Vacancy (%)

Source: CBRE Research

1. Includes Hitec City, Madhapur, Kondapur, Gachibowli and Kavuri Hills.

# Diversified portfolio

## Portfolio breakdown



**Floor area** 11.5 million sq ft

## Customer Base

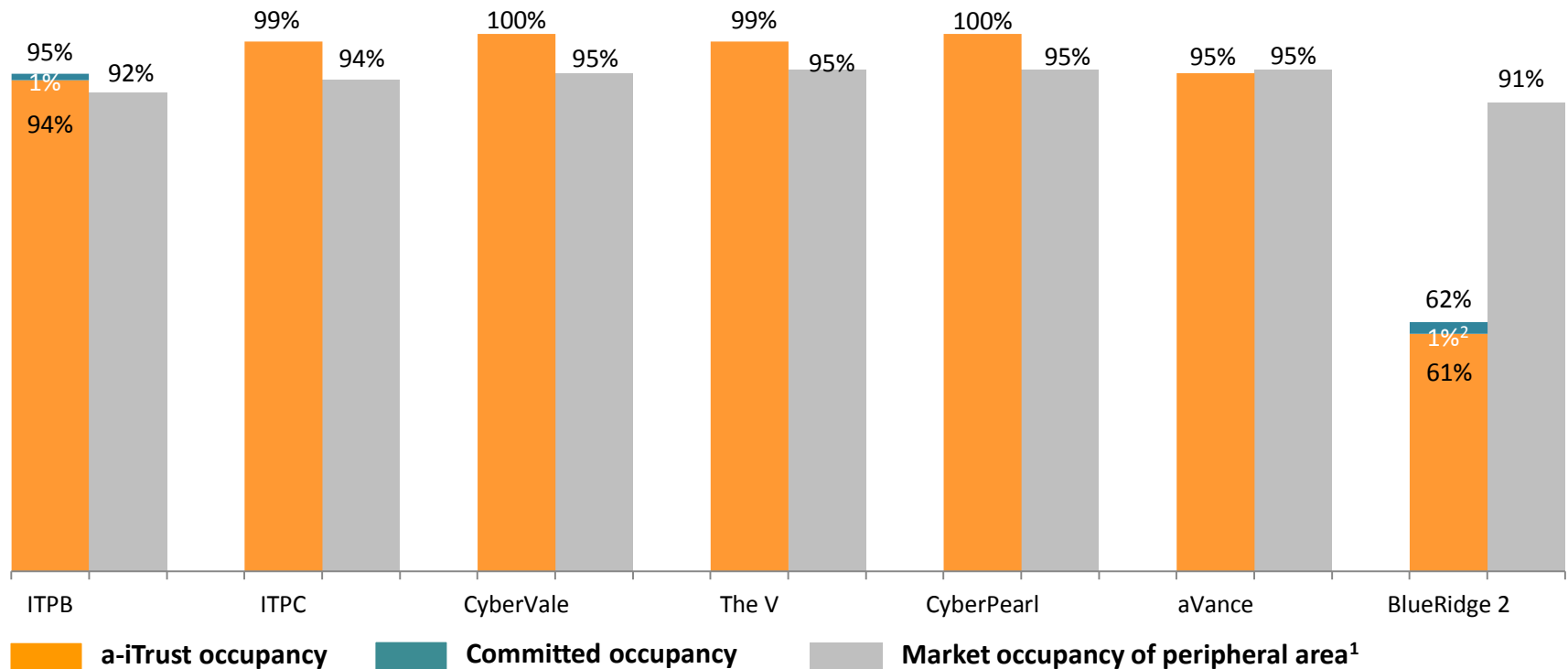
<b>Total number of tenants</b>	305
<b>Average space per tenant</b>	34,200 sq ft

**Largest tenant accounts for 6% of the portfolio base rent**

All information as at 30 June 2017.

# Healthy portfolio occupancy

**Committed portfolio occupancy:** 97% (excluding BlueRidge 2)      92% (including BlueRidge 2)



All information as at 30 June 2017.

1. CBRE market report as at 30 June 2017.
2. Includes leases committed as at 12 July 2017. Additional 7.3% of space under advanced discussions.

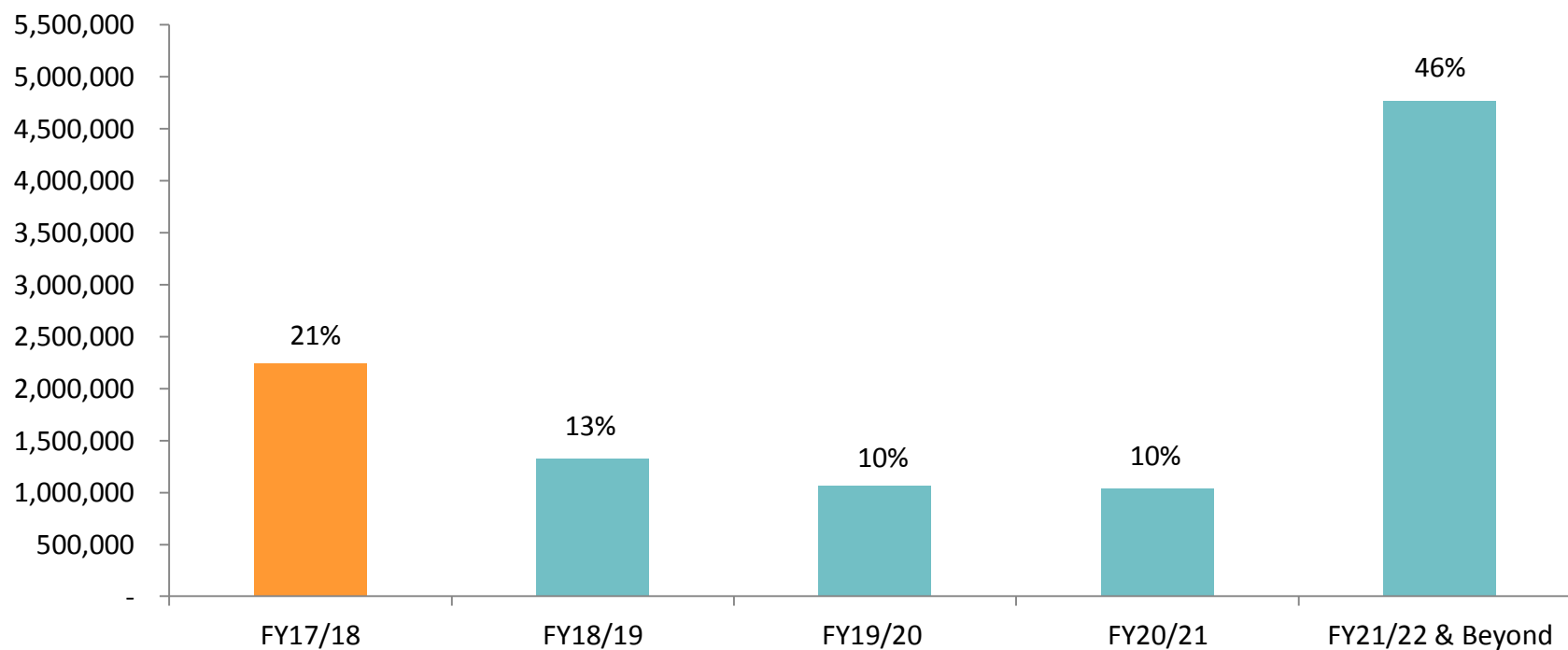
# Spread-out lease expiry profile

**Weighted average lease term:**  
6.4 years

**Weighted average lease expiry:**  
4.2 years

**Retention rate:**  
92%<sup>1</sup>

## Sq ft expiring



All information as at 30 June 2017.

1. For the period 1 April 2017 to 30 June 2017.



## Top 10 tenants (in alphabetical order)

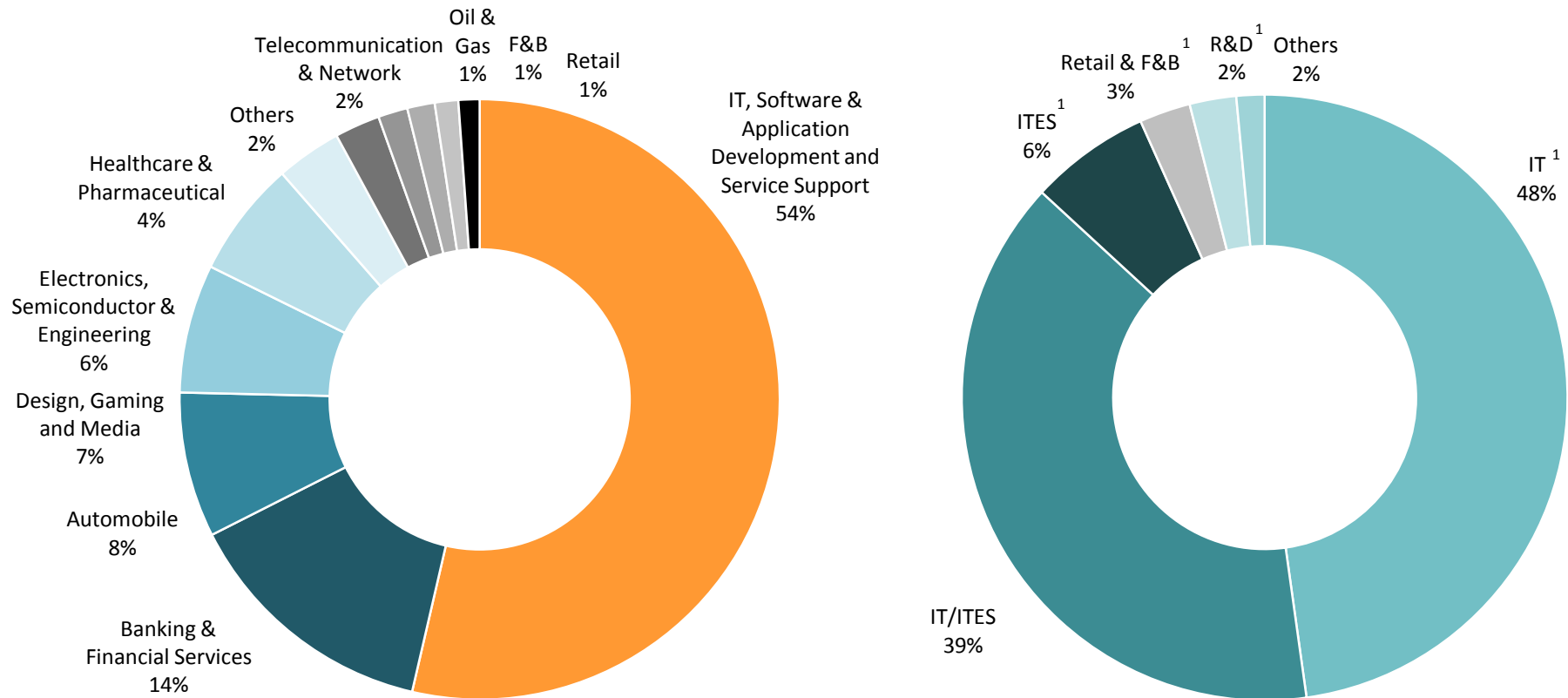
1	Bank of America
2	Cognizant
3	IBM
4	Mu Sigma
5	Renault Nissan
6	Societe Generale
7	Tata Consultancy Services
8	The Bank of New York Mellon
9	UnitedHealth Group
10	Xerox

**Top 10 tenants  
accounted for 35% of  
portfolio base rent**

All information as at 30 June 2017.

# Diversified tenant base

## Tenant core business & activity by base rental

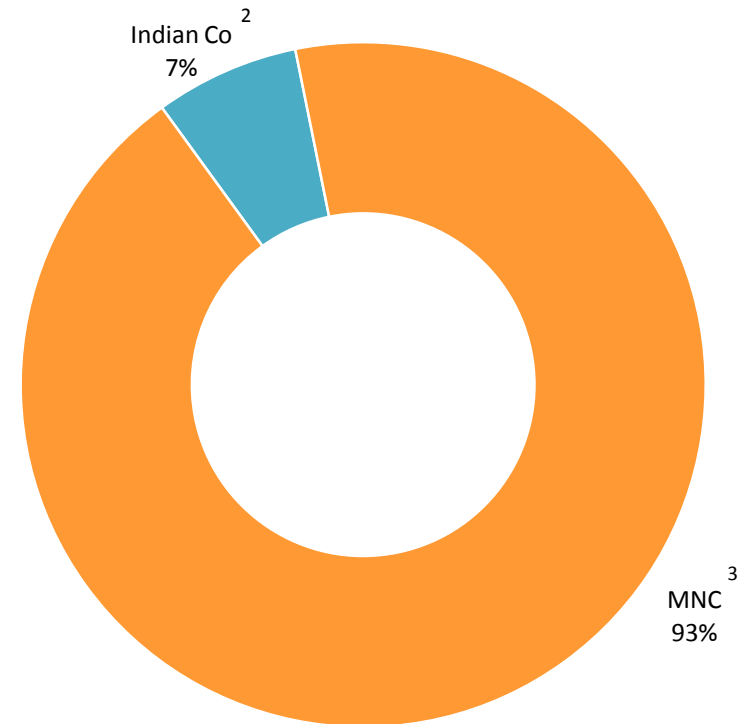
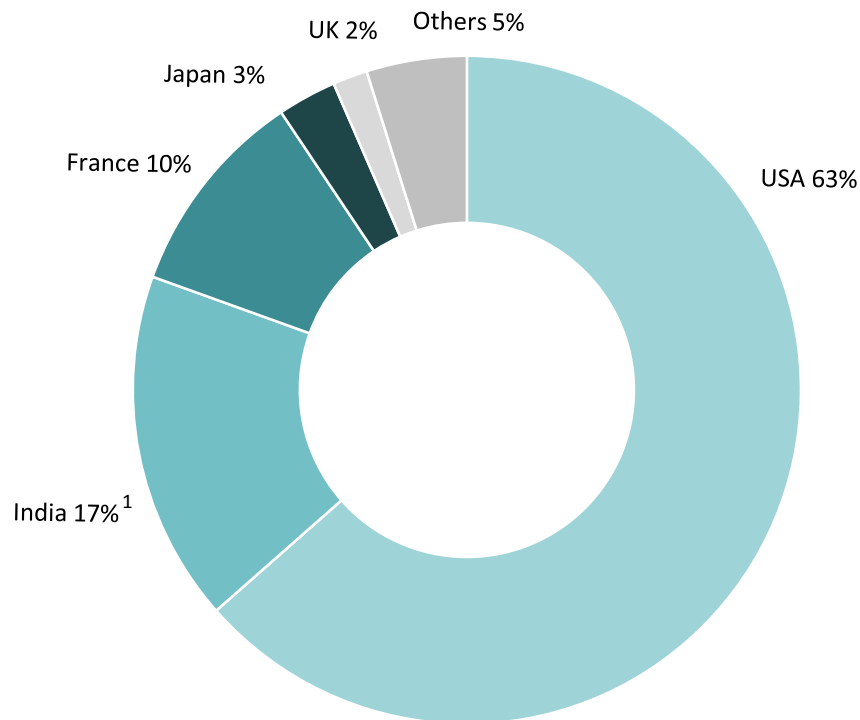


All information as at 30 June 2017.

1. IT - Information Technology; ITES - Information Technology Enabled Services; R&D - Research & Development; F&B – Food & Beverage.

# Diversified tenant base

## Tenant country of origin & company structure by base rental



All information as at 30 June 2017.

1. Comprises Indian companies with local and overseas operations.
2. Comprises Indian companies with local operations only.
3. Multinational corporations, including Indian companies with local and overseas operations.

# Engaging park employees



**Interface 2017**



**Go Green Walk 2017**

**Event**

**City**

**Month**

Hyderabad

April 2017

Hyderabad

June 2017

# Content

- Growth strategy

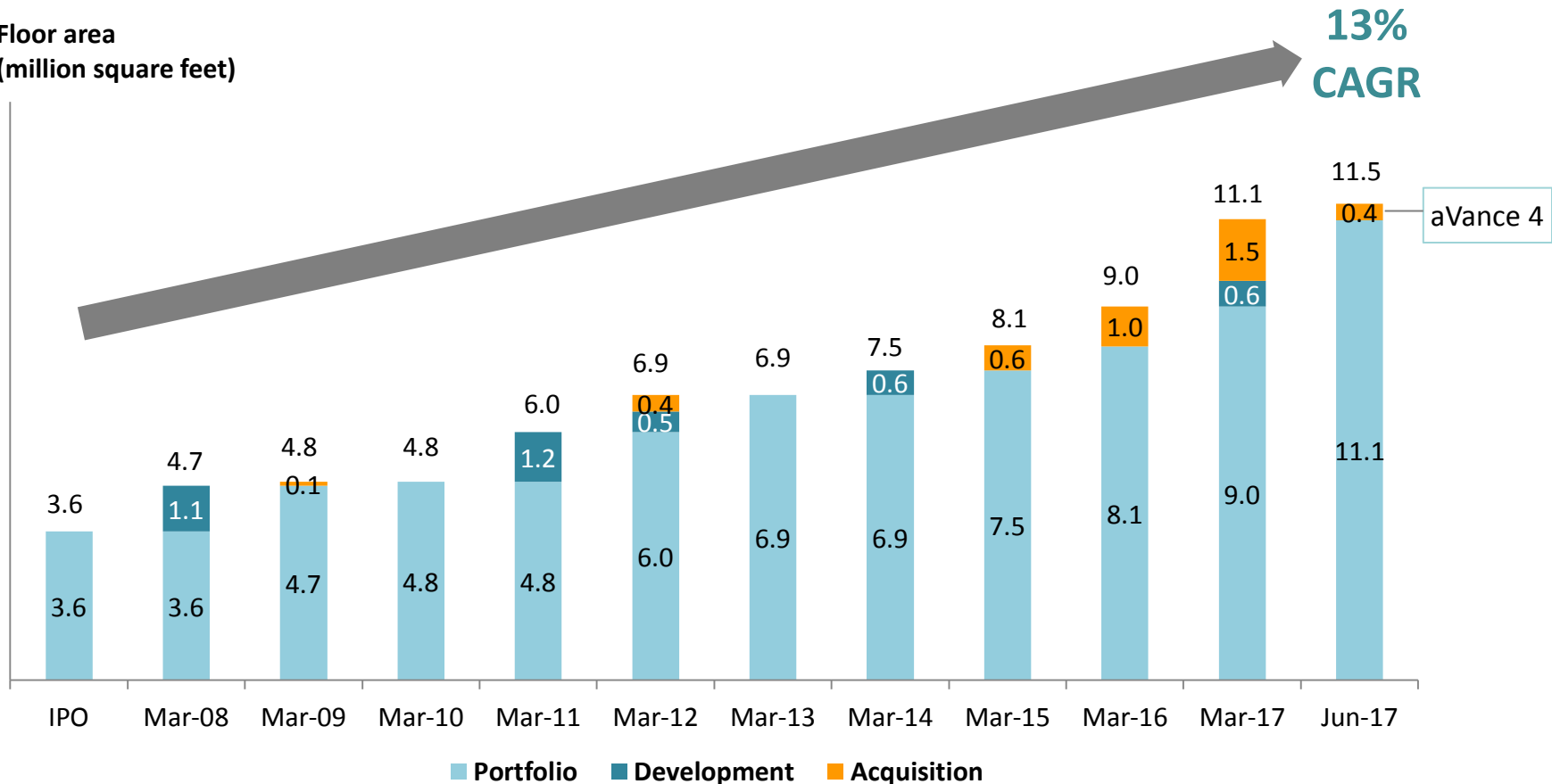


# Good growth track record

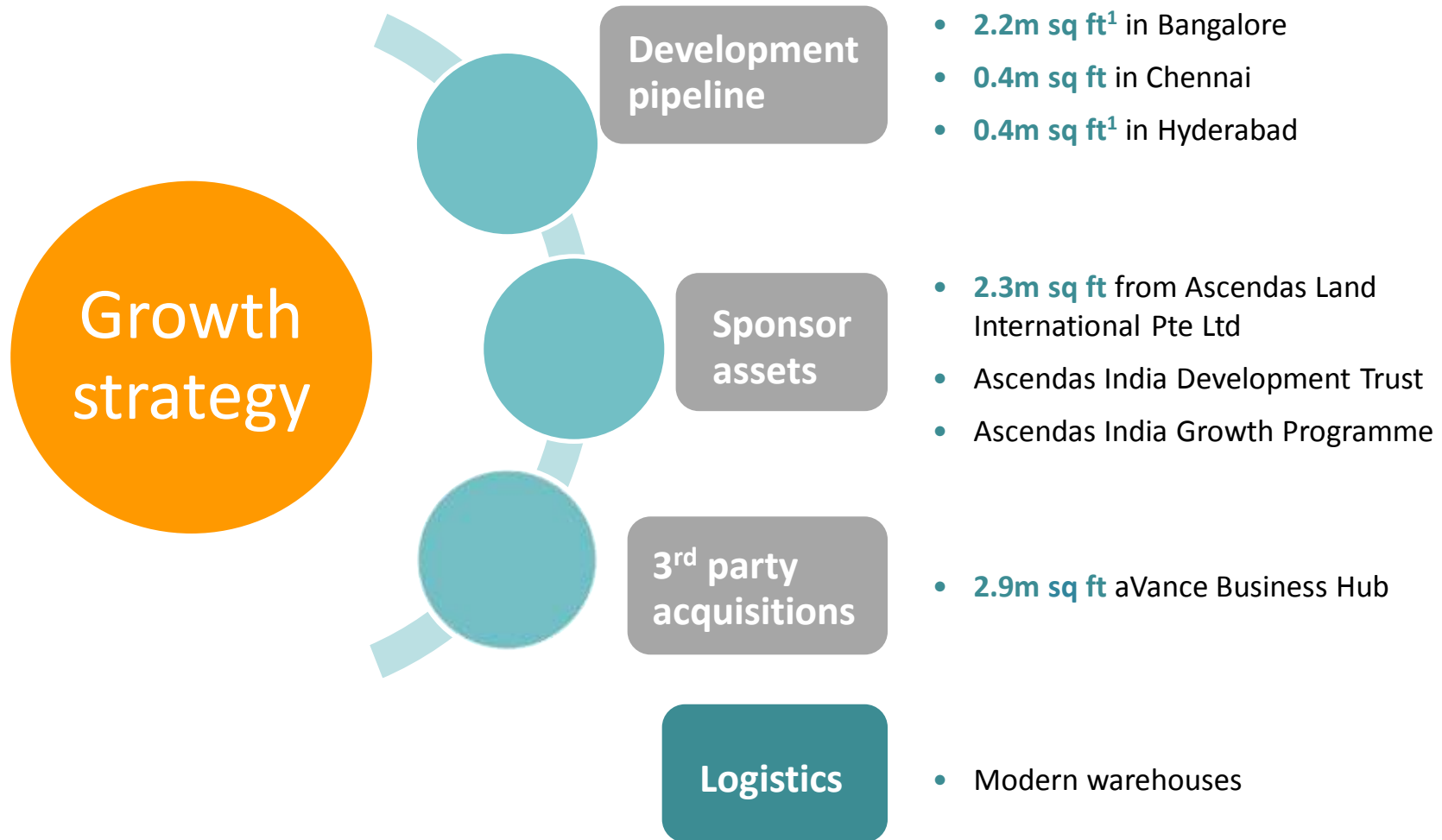
**Total developments:**  
4.0 million sq ft

**Total acquisitions:**  
4.0 million sq ft

**Floor area**  
(million square feet)



# Clear growth strategy



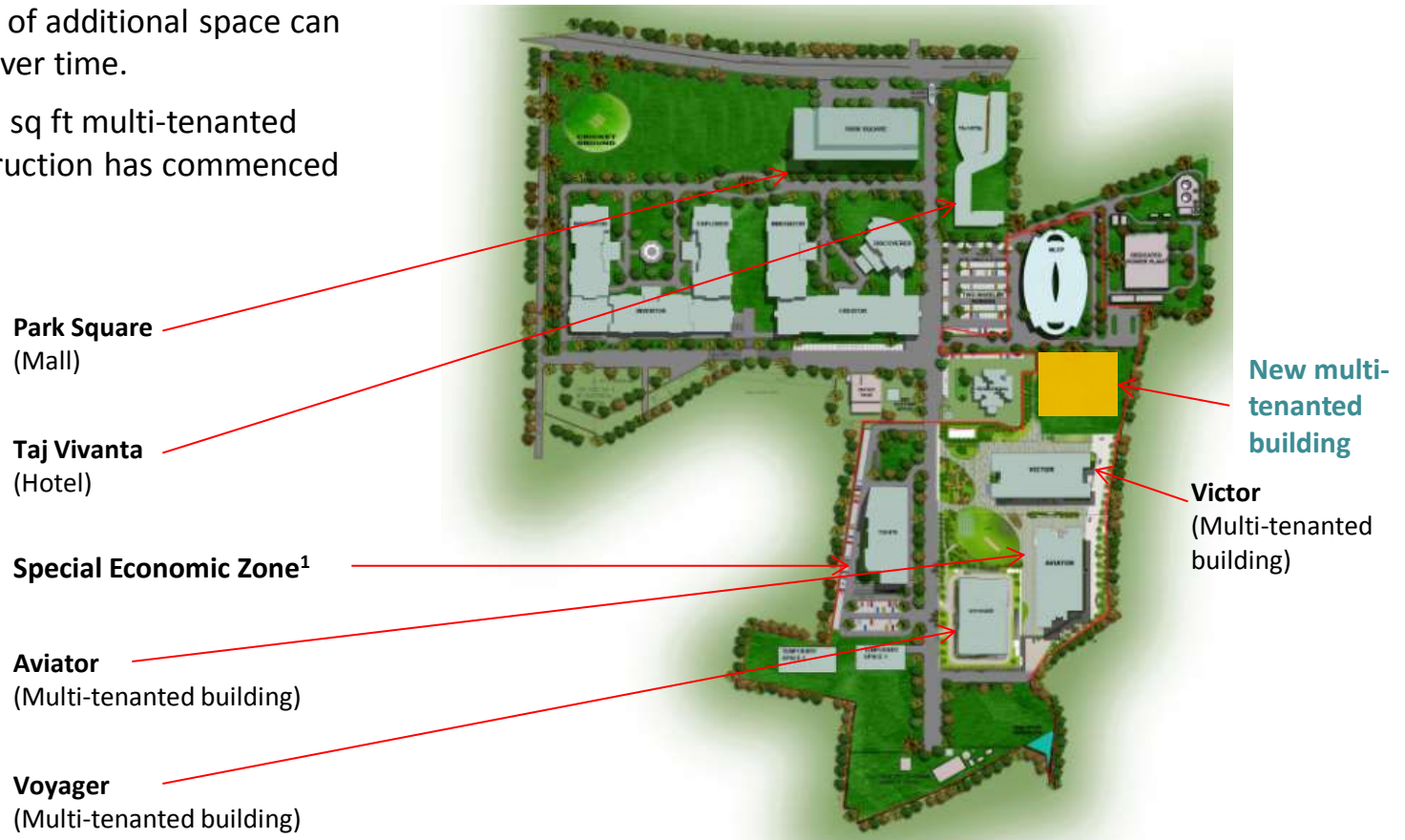
1. Includes building under construction.

# Development: ITPB pipeline

## Future Development Potential

- 2.2 million sq ft of additional space can be developed over time.
- New 0.5 million sq ft multi-tenanted building. Construction has commenced in July 2017.

## International Tech Park Bangalore



1. Red line marks border of SEZ area.



# Development: New multi-tenanted building



<b>Name</b>	MTB 4
<b>Floor area (sq ft)</b>	500,000
<b>Property</b>	International Tech Park Bangalore
<b>Construction status</b>	Construction completion expected by 2H 2019

# Development: Atria building



<b>Property</b>	Atria
<b>Floor area (sq ft)</b>	428,000
<b>Construction status</b>	Construction completion expected by September 2017
<b>Lease commitment</b>	84.3%

# Sponsor: Assets in India

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



## Private funds managed by sponsor

- Ascendas India Development Trust
- Ascendas India Growth Programme

1. Excludes a-iTrust properties.

## International Tech Park, Pune

- 2 phases comprising 1.3 million sq ft completed and leased to Synecron and Infosys
- Phase 3 of 0.6 million sq ft under construction
- Vacant land with remaining development potential of 0.4 million sq ft



# 3<sup>rd</sup> party: Acquisition criteria for commercial space

- Target cities:
  - Bangalore
  - Chennai
  - Hyderabad
  - Pune
  - Mumbai
  - Delhi
  - Gurgaon
- Investment criteria:
  - Location
  - Tenancy profile
  - Design
  - Clean land title and land tenure
  - Rental and capital growth prospects
  - Opportunity to add value



# 3<sup>rd</sup> party: aVance Business Hub, Hyderabad



## Park Statistics

Site area:	25.7 acres / 10.4 ha	(1), (2), (3) & (4) owned by a-iTrust:	1.50m sq ft
Vendor assets:	marked in black	Conditional acquisitions of (5) & (6) <sup>1</sup> :	1.76m sq ft
Land owner assets:	marked in white	ROFR to (7), (8), (9) & (10):	1.16m sq ft

1. Under the Master agreement with Phoenix (vendor), aVance 6 was to be covered under a-iTrust's acquisition if developed as an IT SEZ building.

# 3<sup>rd</sup> party: aVance Business Hub, Hyderabad

## Completed

### aVance 1 & 2 (0.43 million sq ft):

- Acquisition completed in February 2012.
- Purchase consideration was ₹1.77 billion (S\$45 million<sup>1</sup>).

### aVance 3 (0.68 million sq ft):

- Acquisition completed in July 2015.
- Purchase consideration was ₹2.94 billion (S\$63 million<sup>1</sup>).

### aVance 4 (0.39 million sq ft):

- Acquisition completed in April 2017.
- Purchase consideration, including deferred payment<sup>2</sup>, is expected to be ₹1.94 billion (S\$42.2 million<sup>1</sup>).

## Pipeline

### aVance 5 (1.13 million sq ft):

- a-iTrust has the right to acquire building, subject to required occupancy levels being met, amongst other conditions.

### aVance 6<sup>3</sup> (0.63 million sq ft):

- aVance 6 is currently under construction and expected to be completed by 2H 2017.

### Right of first refusal to another 4 buildings (1.16 million sq ft)

1. Converted into SGD using spot exchange rate at the time of acquisition/investment.
2. Additional deferred payment will be applicable linked to the leasing of vacant space over the next 12 months.
3. aVance 6 is currently under advanced discussion with the vendors.

# Logistics: Key demand drivers

- 1 Rise of manufacturing sector**
  - Rapid progress under 'Make in India' campaign (e.g FDI increase in defence and railways; new plants announced by MNCs like Samsung, Apple, Hitachi, Huawei, Xiaomi, Foxconn)

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- 2 Retail & E-Commerce boom**
  - Warehousing requirements of the "E-tail" segment set to double from 14 million in 2016 to 29 million in 2020

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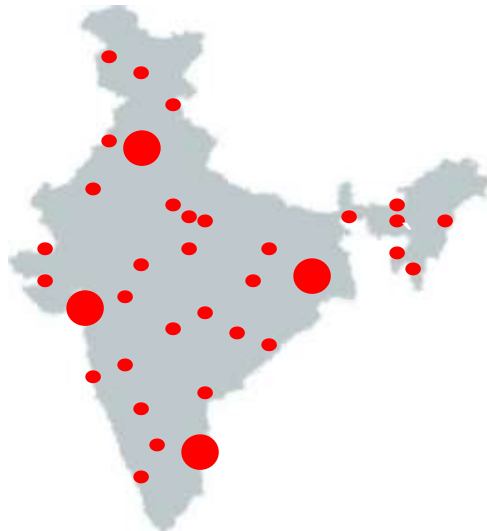
- 3 Government policies**
  - Initiatives such as Skill India and 100 Smart Cities are poised to strengthen economic growth

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- 4 GST implementation**
  - GST has been introduced since July 1, 2017 and is expected to lead to the simplification of the tax regime, leading to a more efficient supply chain

Source: Euromonitor, BCG, Goldman Sachs, Various Govt. ministries , Knight Frank and JLL Research

## Pre GST



- Multiple tax rates levied at different states.
- Companies have to locate warehouses in all the states that they operate in.
- Results in many small, fragmented warehouses located within state boundaries.

## Post GST



- GST consolidates several central and state taxes into a single tax.
- Smaller warehouses expected to consolidate into larger, regional warehouses.
- Companies likely to adopt “hub and spoke” distribution model for cost and operational efficiency.

- Warehouse
- Logistics hub



## Sponsor

### ASB partnership with Firstspace Realty

- Aims to deliver state-of-the-art logistics and industrial facilities across major warehousing and manufacturing hubs in India.
- Invests in projects focusing on development of logistics and factory spaces in key markets.
- Targets to develop close to 15 million sq ft of space over the next five to six years.
- Provides a-iTrust with a potential pipeline of quality warehouses in the future.

## a-iTrust

### Term sheet signed for Panvel warehouses

- Signed a term sheet<sup>1</sup> with Arshiya Limited for the proposed acquisition of operating warehouses at Panvel, near Mumbai.
- The proposed acquisition includes six income-producing warehouses with a total floor area of 0.8 million sq ft.
- The indicative consideration comprises:
  - upfront payment of ₹4.3 billion (S\$94.3 million<sup>2</sup>); and
  - additional deferred consideration of up to ₹1.0 billion (S\$21.7 million<sup>2</sup>) to be paid over the next four years, linked to achievement of certain performance milestones.

1. The proposed acquisition is subject to i) satisfactory due-diligence; (ii) negotiation and execution of definitive agreement(s); and (iii) relevant approvals.  
2. Based on the exchange rate of S\$1: ₹46.0, for illustrative purposes.

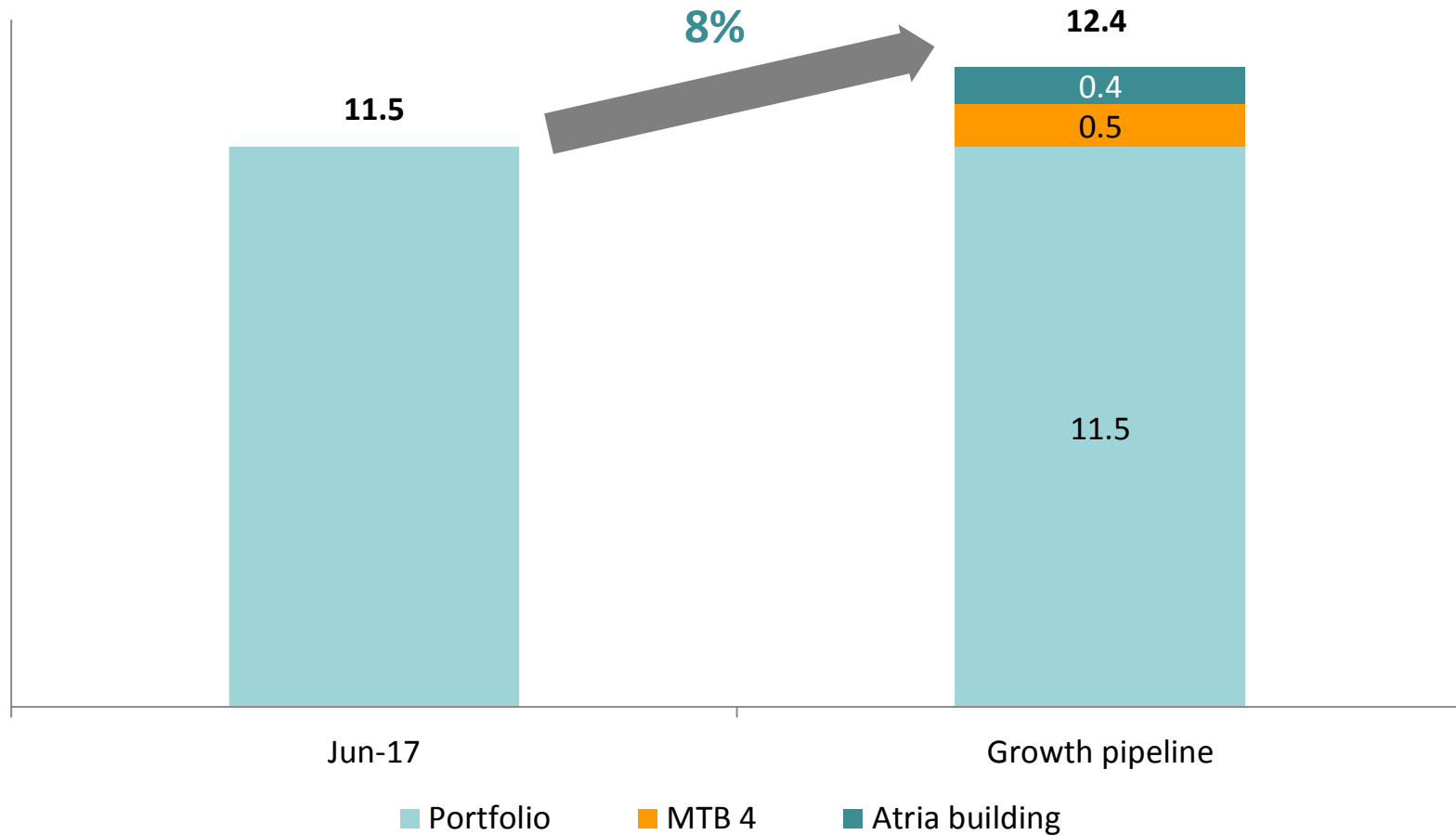
# Content

- Outlook



# Growth based on committed pipeline

Floor area  
(million square feet)



## Glossary

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

# Average currency exchange rate

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

1 Singapore Dollar buys	Apr	May	Jun
<b>Indian Rupee</b>			
2017	46.3	46.1	46.5
2016	49.3	49.0	49.5
<i>SGD appreciation/(depreciation)</i>	(6.0%)	(6.0%)	(6.0%)

1 Singapore Dollar buys	1Q
<b>Indian Rupee</b>	
FY 17/18	46.3
FY 16/17	49.3
<i>SGD appreciation/(depreciation)</i>	(6.1%)

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

# Balance sheet

As at 30 June 2017	INR	SGD
Total assets	₹75.88 billion	S\$1,631 million
Total borrowings	₹21.83 billion	S\$469 million
Deferred consideration <sup>1</sup>	₹0.46 billion	S\$10 million
Derivative financial instruments	₹0.46 billion	S\$10 million
Effective borrowings <sup>2</sup>	₹22.75 billion	S\$489 million
Net asset value	₹37.46 per unit	S\$0.81 per unit
Adjusted net asset value <sup>3</sup>	₹48.64 per unit	S\$1.05 per unit

1. Deferred consideration relates to the remaining purchase consideration on the acquisition of (1) BlueRidge 2 in Pune and (2) aVance 4 in Hyderabad.
2. Calculated by adding/(deducting) derivative financial instruments liabilities/(assets) to/from gross borrowings, including deferred consideration.
3. Excludes deferred income tax liabilities of ₹10.4 billion (S\$224 million) on capital gains due to fair value revaluation of investment properties.

# World-class IT parks

Name	International Tech Park Bangalore	International Tech Park Chennai	CyberVale	CyberPearl	The V	aVance Business Hub	BlueRidge 2
City	Bangalore	Chennai	Chennai	Hyderabad	Hyderabad	Hyderabad	Pune
Site area	68.5 acres 27.9 ha	15.0 acres 6.1 ha	18.2 acres 7.4 ha	6.1 acres 2.4 ha	19.4 acres 7.7 ha	25.7 acres 10.4 ha	5.4 acres 2.2 ha
Completed floor area	4.0m sq ft <sup>1</sup>	2.0m sq ft	0.8m sq ft	0.4m sq ft <sup>1</sup>	1.3m sq ft	1.5m sq ft <sup>1</sup>	1.5m sq ft
Number of buildings	10	3	3	2	5	4	3
Park population	41,300	21,700	8,100	4,500	12,000	12,100	6,000
Land bank (development potential)	2.2m sq ft	-	0.4m sq ft	-	0.4m sq ft	-	-

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

# Lease expiry profile

City	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22 & Beyond	Total
Bangalore	799,200	392,100	217,900	399,800	1,906,100	3,715,100
Chennai	909,000	268,800	480,000	173,700	950,200	2,781,700
Hyderabad	493,700	668,000	368,600	462,700	1,047,600	3,040,500
Pune	-	-	-	-	916,100	916,100
Total	2,201,900	1,328,900	1,066,500	1,036,300	4,819,900	10,453,400

Note: Figures are expressed in square feet



# 3<sup>rd</sup> party: BlueRidge 2, Pune

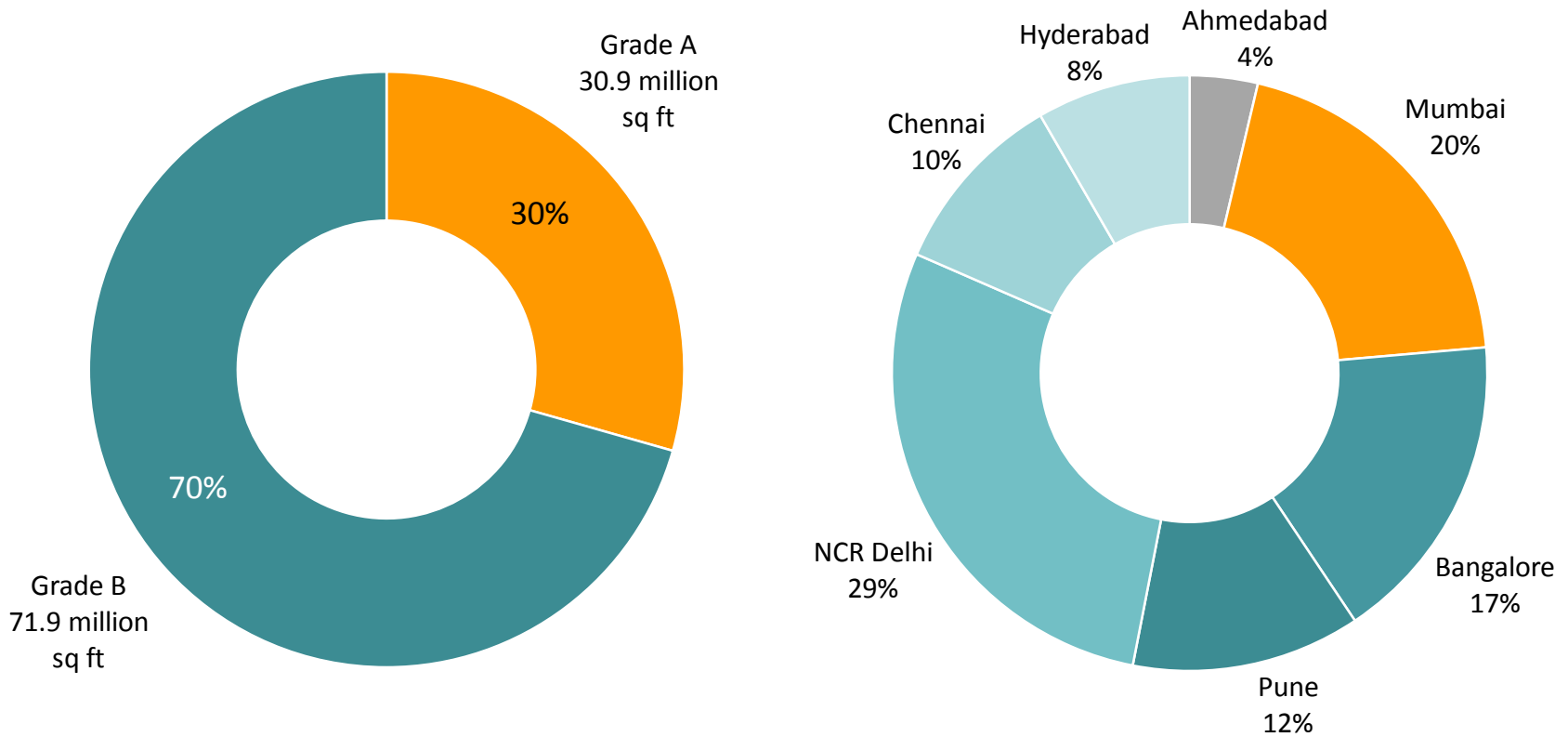


<b>Location</b>	Hinjewadi IT Park Phase II, Pune
<b>Floor area</b>	1.50 million sq ft
<b>Acquisition date</b>	1 February 2017
<b>Total acquisition price</b>	Expected to not exceed ₹6.9 billion <sup>1</sup> (\$\$147.3million <sup>2</sup> )
<b>Lease commitment</b>	62.5% <sup>3</sup> (Additional 7.3% of space under advanced discussions)

1. Inclusive of additional deferred consideration that may be payable to vendor for incremental leasing commitments.
2. Converted into SGD using spot exchange rate at the time of investment/announcement.
3. Includes leases committed as at 12 July 2017.

# Logistics: India warehouse overview

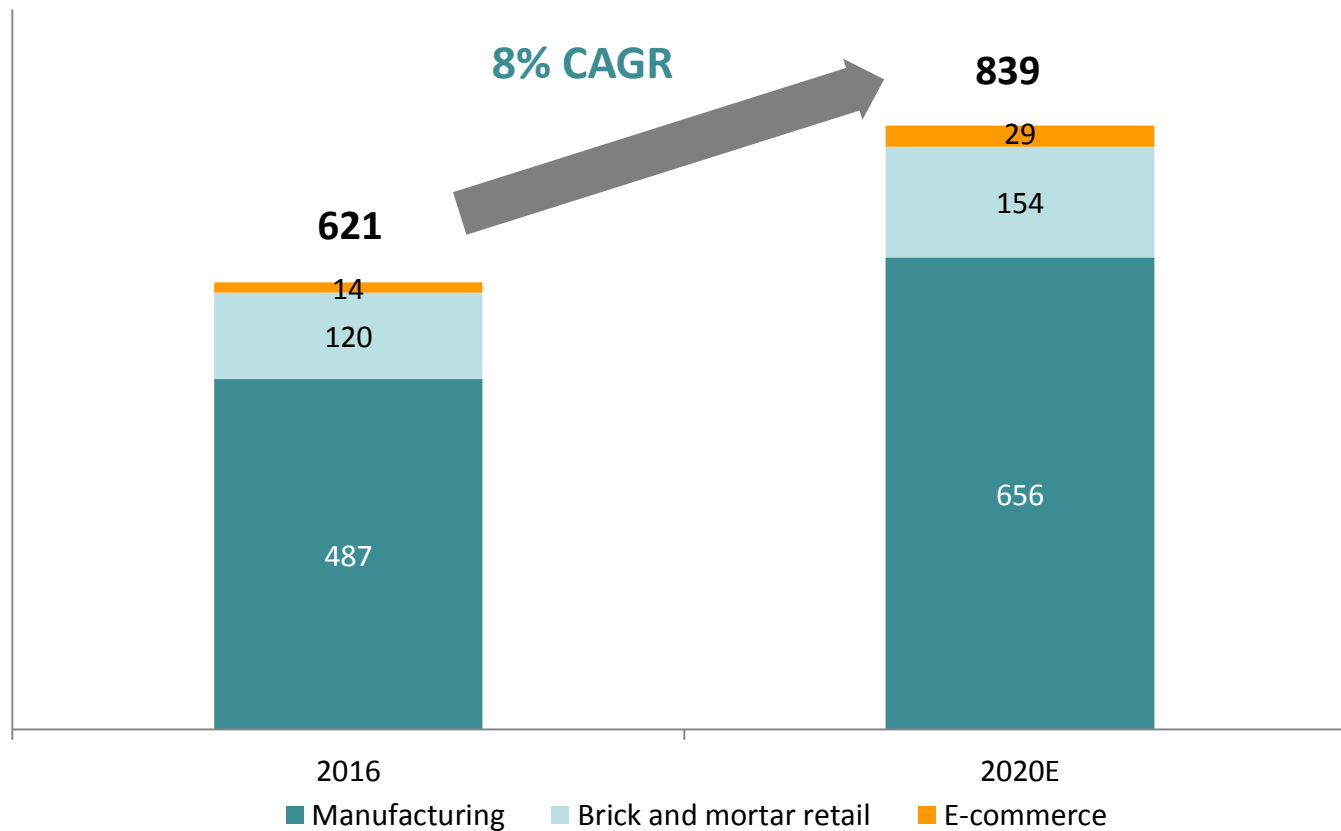
## Grade A & B warehouse supply in top 7 Indian cities<sup>1</sup> (2016)



1. Source: Jones Lang LaSalle Report 2017

## Warehousing space requirement in top 7 Indian markets<sup>1</sup>

Million square feet

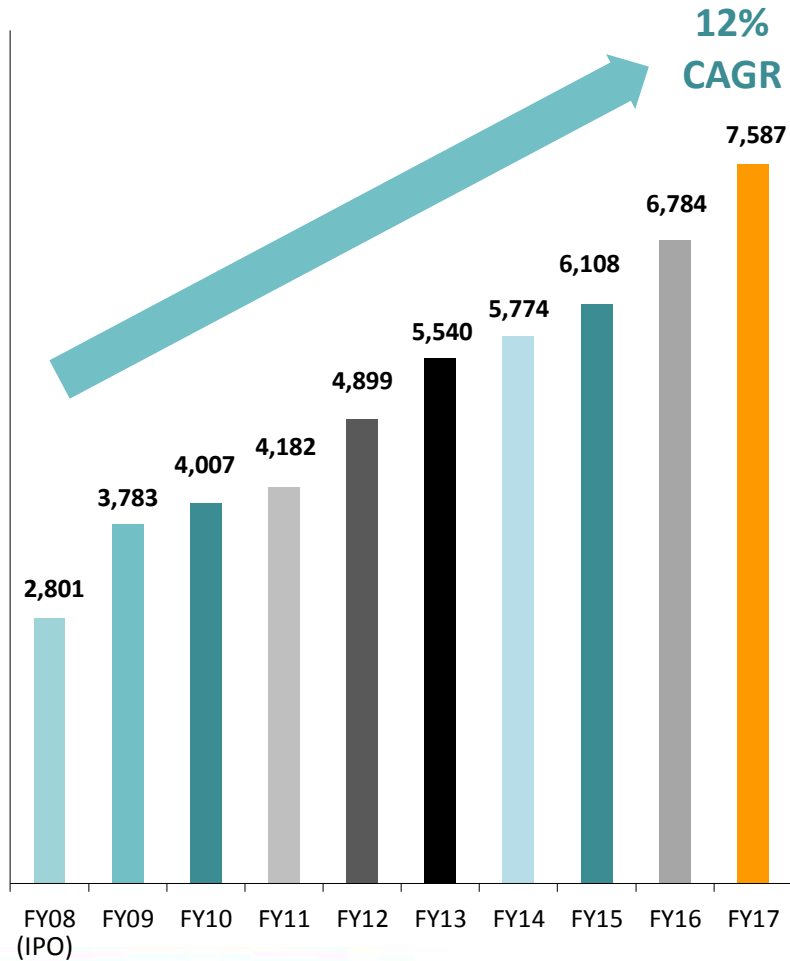


1. Consisting of Mumbai, NCR, Bengaluru, Chennai, Pune, Hyderabad and Ahmedabad; Source: Knight Frank Research

# Revenue growth trends

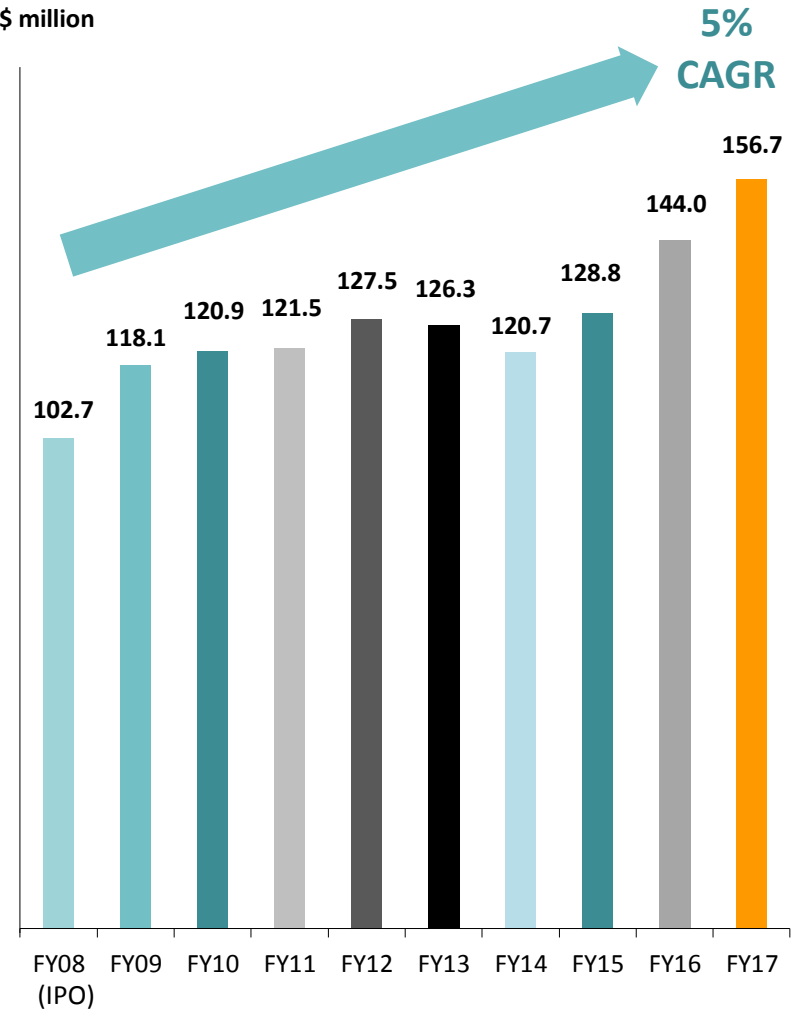
## Total Property Income (INR)

INR million



## Total Property Income (SGD)

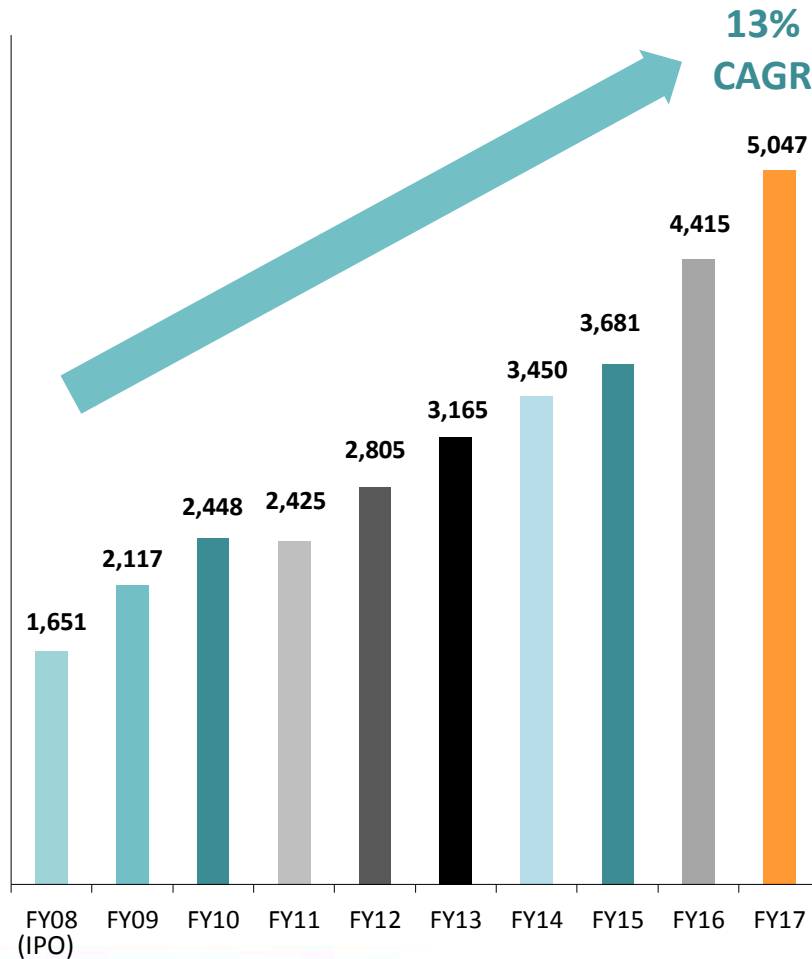
S\$ million



# Income growth trends

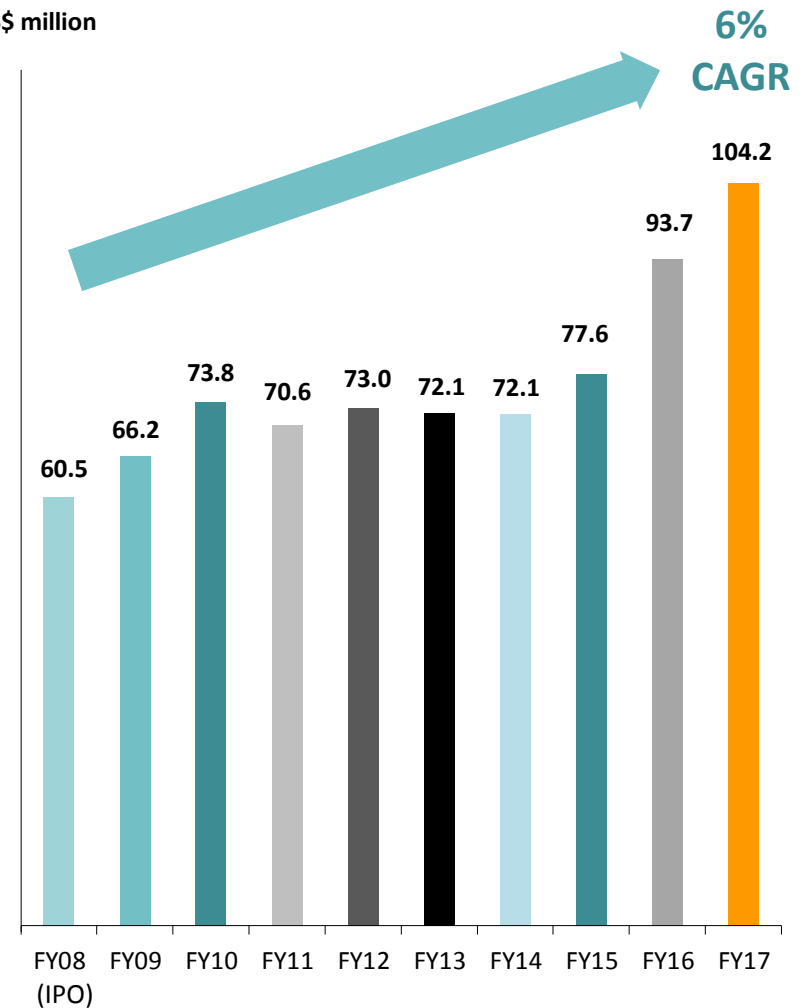
## Net Property Income (INR)

INR million



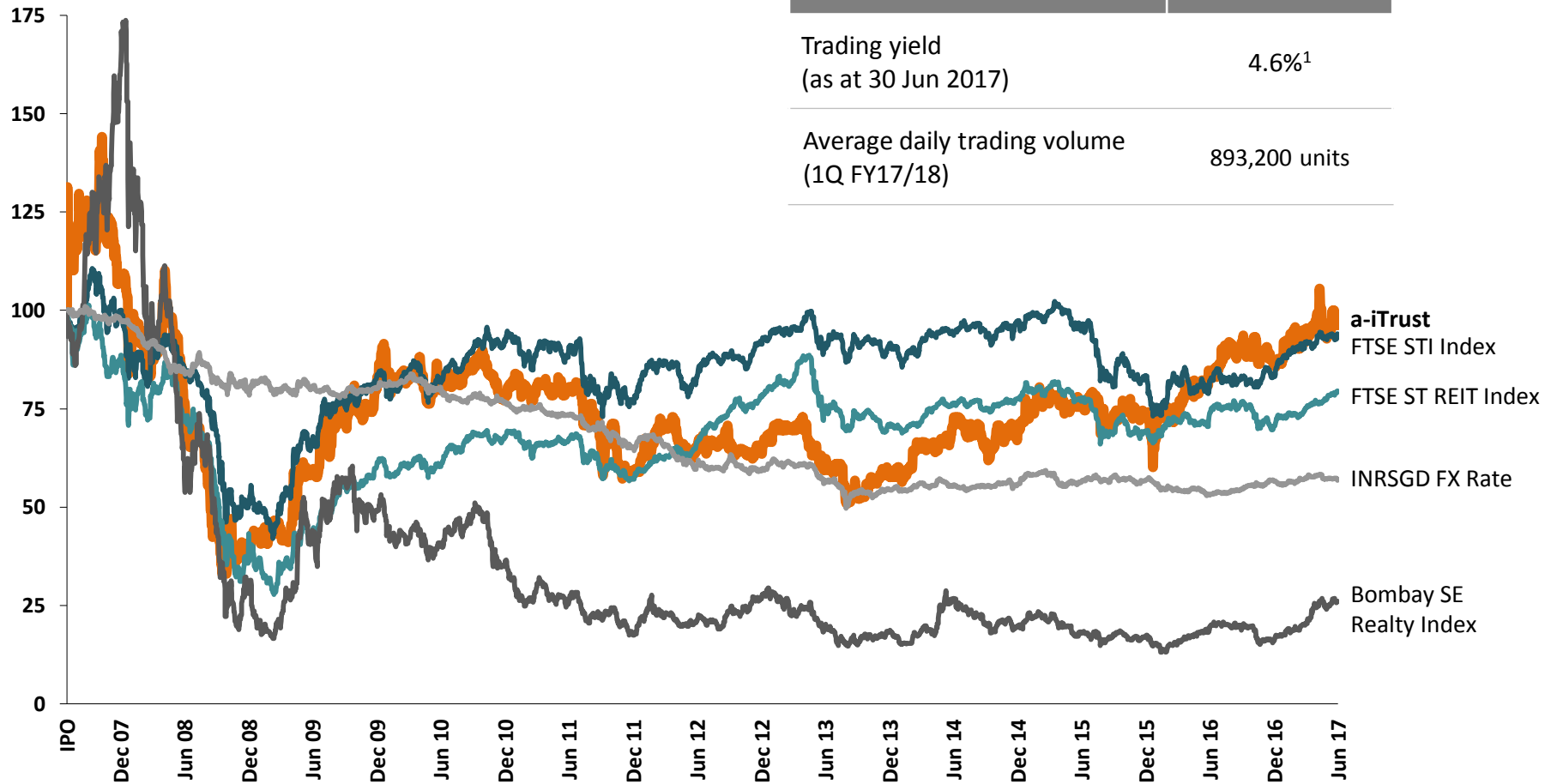
## Net Property Income (SGD)

S\$ million



# a-iTrust unit price versus major indices

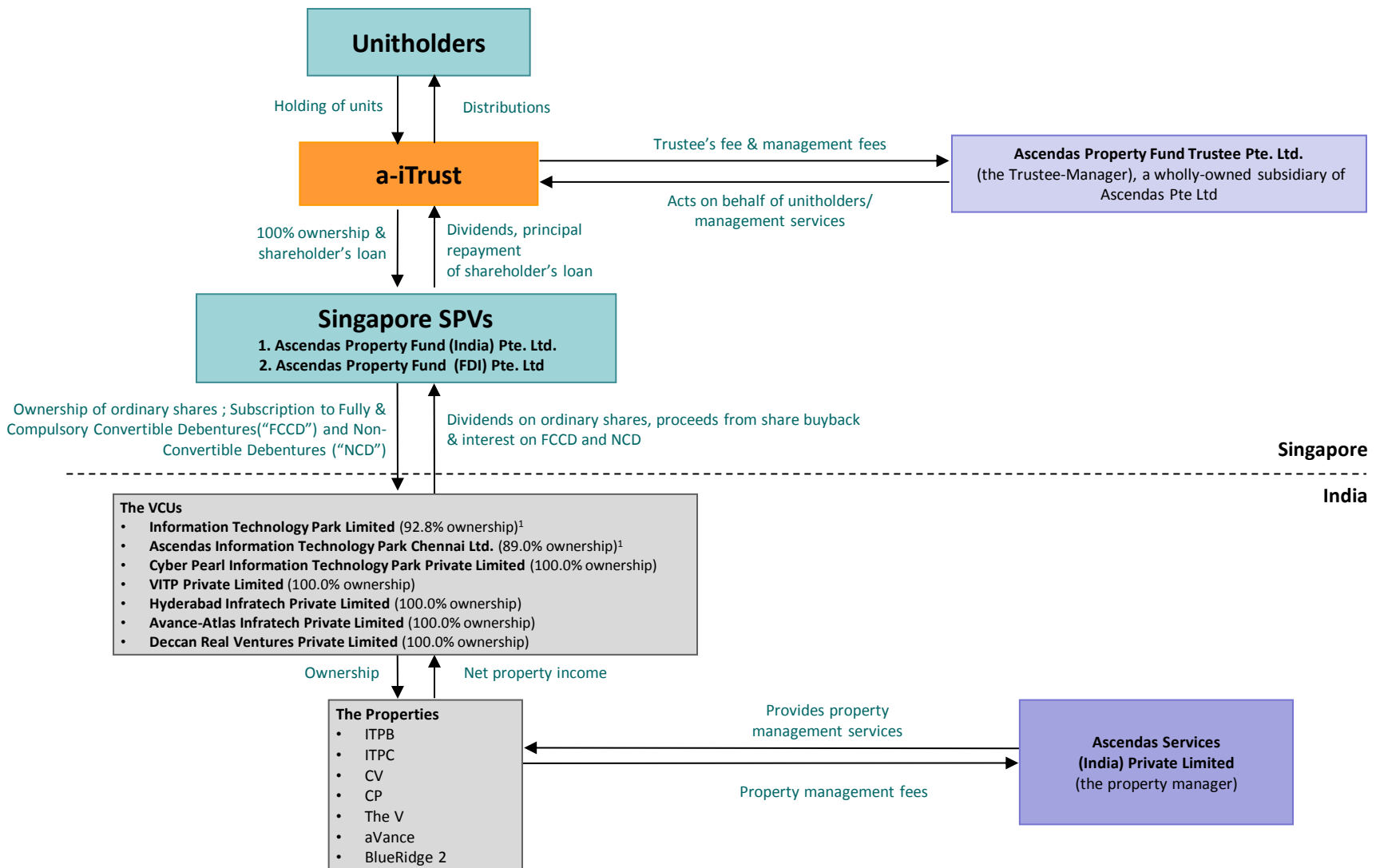
(Indexed)



Source: Bloomberg

1. Trading yield based on annualised 1Q FY17/18 DPU of 5.24 cents at closing price of S\$1.135 per unit as at 30 June 2017.

# Structure of Ascendas India Trust



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

# Investor contact

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Head, Investor Relations & Asset Management

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(Trustee-Manager of a-iTrust)

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