

## Press Release

23 January 2008



### **a-iTrust continued its strong performance in third quarter FY 2007/08**

**23 January 2008, Singapore** – The Board of Directors of Ascendas Property Fund Trustee Pte Ltd (“Trustee-Manager”), the trustee-manager of Ascendas India Trust (“a-iTrust”), is pleased to announce a strong performance for the third quarter ended 31 December 2007.

Following a robust first half-year performance (Net property income and Distribution per Unit (“DPU”) out-performed forecast by 18% and 17% respectively), a-iTrust continued the strong performance into the third quarter ended 31 December 2007. Net property income was S\$15.7 million or 57% higher than the same quarter last year, and 2% higher than the preceding strong quarter.

#### **Summary of a-iTrust Results**

	<b>3Q FY 2007/08 (ended 31 Dec 07)</b>
<b>Total Property Income, S\$ million</b>	27.0
<b>Net Property Income, S\$ million</b>	15.7
<b>Distributable Income, S\$ million</b>	11.3
<b>DPU, S\$ cents</b>	1.50

	<b>YTD FY 2007/08 (ended 31 Dec 07)</b>
<b>Total Property Income, S\$ million</b>	75.5
<b>Net Property Income, S\$ million</b>	44.4
<b>Distributable Income, S\$ million</b>	33.4
<b>DPU, S\$ cents</b>	4.45

In accordance with the listing prospectus, while a-iTrust was listed on 1 August 2007, unitholders will receive income distribution for the financial year 1 April 2007 to 31 March 2008.

Distributable income for the third quarter was S\$ 11.3 million, and DPU was 1.50 Singapore cents<sup>1</sup>. DPU for the first three quarters was 4.45 Singapore cents, which represented an annualised yield of 5.0% over the IPO price of S\$ 1.18 per unit.

Key contributions to the strong third quarter results were the continued high portfolio occupancy of 99%, rising average rental rate and constant focus on cost efficiency.

Net asset value (“NAV”) as at 31 December 2007 was S\$ 857.7 million or S\$ 1.14 per unit.

Chief Executive Officer of the Trustee-Manager, Mr. Jonathan Yap said, “We are pleased to report the construction completion of 2 buildings, Vega at The V (Hyderabad) and Crest at International Tech Park Chennai (“ITPC”), with a combined 1.1 million sq ft of space. The 2 buildings expanded a-iTrust’s portfolio by 31% to 4.7 million sq ft and their combined occupancy is 91% as at 23 January 2008. The balance space is under offer or negotiation and the prospects of closure are high. This provides a solid foundation to the forecast 22% distributable income increase in the next financial year over the forecast for the current year, as disclosed in the listing prospectus.”

### **A Well Diversified Portfolio with High Renewal Rate and Higher Average Rental Rate**

India is the world leader of IT and ITES offshoring industries with about 60% global market share and the cities a-iTrust invest in, namely Bangalore, Chennai and Hyderabad have a combined 64% of India’s IT and ITES revenue<sup>2</sup>. a-iTrust has a diversified portfolio of four IT Parks in those cities.

Over the first 9 months of FY2007/08, 1.8 million sq ft<sup>3</sup> of space was renewed or leased, and the renewal / retention rate of expired leases was a resounding 91%. The overall occupancy rate of a-iTrust’s initial portfolio of 3.6 million sq ft was 99% as at 31 December 2007.

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<sup>1</sup> Distributions are paid on a semi-annual basis, for the six-month periods ending 31 March and 30 September of each year. Therefore, third quarter’s distributions will be made together with that of the fourth quarter.

<sup>2</sup> Software Technology Park of India, 2006.

<sup>3</sup> This includes 1 million sq ft of space which was leased for the 2 new buildings, Vega and Crest.

a-iTrust's portfolio spreads across a number of sub-sectors such as software development, business process off-shoring, research and development, and data centres. With the pre-lease commitments of Vega and Crest, the total number of tenants for the four IT Parks has increased to 220 with no single tenant accounting for more than 6% of the total monthly base rental.

### **Portfolio to Grow through Organic Growth, Development and Acquisition Strategy**

The two buildings in the portfolio, namely Crest, the 2nd building at ITPC and Vega, the 5th building at The V have been completed. As at 23 January 2008, the Crest and Vega were 91% and 90% committed respectively. The balance space is under offer or negotiation and the Trustee-Manager is confident of closing the leases.

Vega received the relevant statutory certification and was hence valued as a completed building at S\$75.9 million as at 31 December 2007, reflecting a valuation gain of S\$39.7 million or S\$28.1 million after providing for deferred tax liability for the valuation gain. Crest is expected to receive the necessary statutory certification in end January 2007, after which it would be valued, and the changes in valuation would be accounted for in 4Q FY2007/08.

Works on additional development are also in progress. The proposed 1.5 million sq ft of space is in various stages of execution. Concurrently, a master plan has also been completed to develop the balance 2.7 million sq ft of space in ITPB. Plans are being prepared for government approval submission for the first phase of the development.

This ability to access development gains in a risk-managed manner within the portfolio adds an extra dimension of growth to the organic growth of the existing portfolio.

In addition, the Trustee-Manager aims to add an additional level of growth through acquisition, be it through the two first rights of refusal it enjoys or from the market.

a-iTrust has a first right of refusal from Ascendas Land International Pte Ltd and Ascendas India Development Trust to acquire substantially income producing business space. The former is Ascendas' main overseas investment vehicle and the latter is a private fund managed by Ascendas with a target investment value of S\$1 billion.

## **Award**

The Trustee-Manager is pleased to inform that the listing of a-iTrust has been named by Finance Asia<sup>4</sup> as the Best Singapore deal in 2007. Finance Asia has considered all major deals including equity listings, merger and acquisitions and debt arrangements before selecting the winner.

Finance Asia noted that “a-iTrust, the first Singapore-listed property trust backed by Indian assets, had all the makings of a REIT, including a 90% payout commitment, but cleverly combined with the flexibility to hold 20% of the portfolio in the form of properties under development. This allowed for a more aggressive growth profile than other Singapore REITS and made it better suited for investments within India’s IT/outsourcing sector where high-quality space is still a scarcity.”

## **Looking Forward**

The Trustee-Manager will continue to focus on growing the operating earnings of its assets, optimising its capital structure, and growing the portfolio through the various strategies as outlined above. Given the strong 9 months results, the Trustee-Manager is confident of at least meeting the 5.6 Singapore cents forecast for the current financial year, barring any unforeseen circumstances.

A copy of the full results announcement is available at [www.sgx.com](http://www.sgx.com) and [www.a-iTrust.com](http://www.a-iTrust.com) before market opens on 24 January 2008.

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## **Ascendas India Trust (“a-iTrust”) [www.a-iTrust.com](http://www.a-iTrust.com)**

The Ascendas India Trust (“a-iTrust”), launched in August 2007 as Singapore’s first listed Indian property trust, provides investors a liquid and regulated platform to access the strong Indian economy. It has the principal objective of owning income-producing real estate used primarily as business space in India. a-iTrust may also acquire and develop land or uncompleted developments, with the objective of holding the properties upon completion.

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<sup>4</sup> Finance Asia, established in 1996, is a financial publishing company based in Hong Kong covering Asia’s financial and capital markets. Its publications include Finance Asia Magazine and Asian Investor Magazine.

The trust is seeded by four world-class IT parks in India, namely the International Tech Park Bangalore, International Tech Park Chennai, and CyberPearl and The V in Hyderabad. It is managed by Ascendas Property Fund Trustee, a fully-owned unit of Ascendas Pte Ltd.

a-iTrust is structured as a business trust while offering stable income distributions akin to a Real Estate Investment Trust (“REIT”). Its unique growth model provides strong organic growth and growth from a development pipeline of existing land within its portfolio, and a three-pronged external acquisitions strategy. This strategy includes a right of first refusal over substantially income-producing business space, each from Ascendas Land International and Ascendas India Development Trust, as well as the acquisition of third-party properties across India.

For enquires, please contact:

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Ascendas Land International Pte Ltd. is the sponsor. J.P. Morgan (S.E.A.) Limited (“JPM”) is the sole financial adviser to the Offering. JPM, Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd are the Joint Underwriters and Bookrunners.

#### **Important Notice**

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Trustee-Manager to redeem their Units while the Units are listed. It is intended that unitholders of a-iTrust may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of a-iTrust is not necessarily indicative of the future performance of a-iTrust.

This release 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 costs), 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, which are based on the Trustee-Manager’s current view on future events.