

Ascendas India Trust to invest in two buildings in aVance Business Hub 2, Hyderabad

31 July 2018, Singapore – Ascendas Property Fund Trustee Pte. Ltd., the Trustee-Manager of Ascendas India Trust (“a-iTrust”), is pleased to announce that it has entered into a forward purchase agreement with Phoenix Ventures Pvt. Ltd. (which, together with co-developer entities, are collectively referred to as the “Vendor”) to acquire two buildings, aVance A1 & A2, with a combined leasable area of approximately 1.85 million square feet, in aVance Business Hub 2, located in HITEC City, Hyderabad. a-iTrust will also provide construction funding to the co-developer entities of the two buildings as part of the agreement.

About the properties

aVance Business Hub 2 comprises 7 buildings to be developed on approximately 14.4 acres of land. In May 2018, a-iTrust had entered into a master agreement with the Vendor to acquire five out of the seven future buildings.

a-iTrust has now entered into a forward purchase agreement to fund the construction of the first two buildings (aVance A1 & A2) in aVance Business Hub 2. aVance A1 has a leasable area of approximately 0.86 million square feet and aVance A2 has a leasable area of approximately 0.99 million square feet. Both buildings will be acquired individually when completed, subject to required leasing levels being met, amongst other conditions.

Mr. Sanjeev Dasgupta, Chief Executive Officer of the Trustee-Manager said, “The proposed acquisition of aVance A1 & A2 will allow us to further strengthen our presence in Hyderabad, which is currently witnessing robust rental growth arising from healthy demand from global IT companies. The location within the city’s prime IT Corridor in in Hi-Tec City is contiguous to aVance Business Hub where we own 1.50¹ million square feet. This would help our tenants to gain economies of scale while offering their employees access to transportation and proximity to retail and residential hubs.”

¹ Excludes proposed acquisition of aVance 5 and 6 in aVance Business Hub aggregating to 1.80 million square feet as announced on 21 May 2018

Details of the transaction

aVance A1 & A2 in aVance Business Hub 2

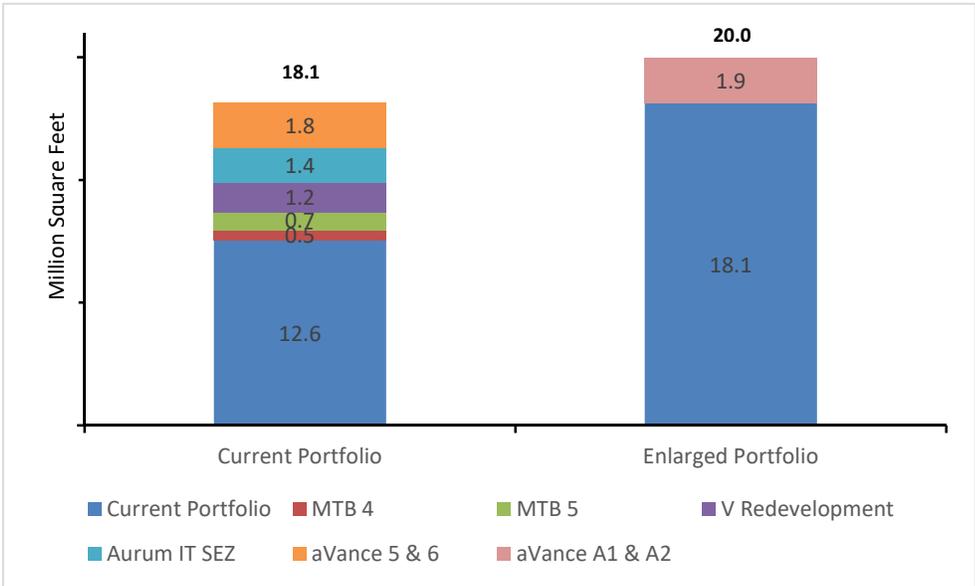
The transaction comprises a two-stage process.

- (1) Pursuant to the agreement, a-iTrust along with its affiliates will first subscribe for debentures issued by the co-developer entities of the two buildings amounting to INR 7,958 million/SGD 157.8 million². The timing of the debenture subscription is tied to the property construction funding requirements.
- (2) a-iTrust will complete the acquisition via a purchase of 100% of the shares in the co-developer entities once the required leasing criteria is being met in the buildings. The purchase price will be determined in accordance with a pre-agreed formula which takes into account key factors such as rent, occupancy and capitalisation rates. The total purchase consideration, inclusive of the construction funding, is not expected to exceed INR 14,000 million/SGD 277.5 million.

In the event that the actual completion date is delayed beyond June 2021 or if other events as defined in the transaction documents occur, a-iTrust will have the right to call for redemption of the debentures.

Effect on portfolio

On acquiring aVance A1 & A2 in aVance Business Hub 2, a-iTrust’s current portfolio³ will increase 10.2% from approximately 18.1 million square feet to approximately 20.0 million square feet.



² Based on an exchange rate of S\$1 to INR 50.44

³ Includes the proposed acquisition of two buildings in AURUM IT SEZ as announced on 14 May 2018, acquisition of aVance 5 and 6 in aVance Business Hub as announced on 21 May 2018 and development pipeline in existing projects

Further details regarding the transaction are set out in the accompanying announcement “Proposed Acquisition of Avance A1 & A2 at Avance Business Hub 2, Hyderabad” dated 31 July 2018.

Media and investor queries:

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Ascendas India Trust (www.a-iTrust.com)

Ascendas India Trust (“a-iTrust” or the “Trust”) was listed in August 2007 as the first Indian property trust in Asia. Its principal objective is to own income-producing real estate used primarily as business space in India. a-iTrust may also develop and acquire land or uncompleted developments primarily to be used as business space, with the objective of holding the properties upon completion. The portfolio comprises seven world-class IT business parks and six modern warehouses in India, namely the International Tech Park Bangalore, International Tech Park Chennai and CyberVale in Chennai, CyberPearl, The V and aVance Business Hub in Hyderabad, BlueRidge 2 in Pune and Arshiya warehouses near Mumbai. a-iTrust is structured as a business trust, offering stable income distributions similar to a Real Estate Investment Trust. The Trust focuses on enhancing shareholder value by actively managing existing properties, developing vacant land in its portfolio, and acquiring new properties. a-iTrust is managed by Ascendas Property Fund Trustee Pte. Ltd., a subsidiary of Ascendas-Singbridge Group.

About Ascendas-Singbridge Group (www.ascendas-singbridge.com)

Ascendas-Singbridge Group is Asia’s leading sustainable urban development and business space solutions provider with Assets Under Management exceeding S\$20 billion.

Jointly owned by Temasek Holdings and JTC Corporation through a 51:49 partnership, the Group undertakes urbanisation projects spanning townships, mixed-use developments and business/industrial parks. Headquartered in Singapore, Ascendas-Singbridge has projects in 29 cities across 9 countries in Asia, including Australia, China, India, Indonesia, Singapore and South Korea.

Ascendas-Singbridge holds commercial, hospitality and industrial assets across Asia Pacific. It has a substantial interest in and also manages three Singapore-listed funds under its subsidiary Ascendas, namely Ascendas Reit (a Straits Times Index component stock), Ascendas India Trust and Ascendas Hospitality Trust. Besides these listed funds, it also manages a series of private real estate funds.

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.