



ascendas

ASCENDAS PTE LTD

(Incorporated in the Republic of Singapore on 20 December 2000)
(Company Registration No. 200010635R)

S\$1,000,000,000**Multicurrency Medium Term Note Programme
(the "MTN Programme")**

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of notes (the "**Notes**") to be issued from time to time by Ascendas Pte Ltd (the "**Issuer**") pursuant to the MTN Programme may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law; or
- (4) as specified in Section 276(7) of the SFA.

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in and quotation for any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies (if any), the MTN Programme or such Notes.

Arrangers



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NOTICE

Citicorp Investment Bank (Singapore) Limited and DBS Bank Ltd. (together, the “**Arrangers**”) have been authorised by Ascendas Pte Ltd (the “**Issuer**”) to arrange the S\$1,000,000,000 Multicurrency Medium Term Note Programme (the “**MTN Programme**”) described herein. Under the MTN Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the “**Notes**”) denominated in Singapore dollars and/or any other currencies.

This Information Memorandum contains information with regard to the Issuer, its subsidiaries, its associated companies (if any) and the Notes. The Issuer, having made all reasonable enquiries, confirms that this Information Memorandum contains all information which is material in the context of the MTN Programme and the issue and offering of the Notes, that the information contained herein is true and accurate in all material respects, the opinions, expectations and intentions expressed in this Information Memorandum have been carefully considered, and that there are no other facts the omission of which in the context of the issue and offer of the Notes would or might make any such information or expressions of opinion, expectation or intention misleading in any material respect.

Notes may be issued in series having one or more issue dates and the same maturity date, and on identical terms (including as to listing) except (in the case of Notes other than variable rate notes (as described under the section on “Summary of the MTN Programme”)) for the issue dates, issue prices and/or the dates of the first payment of interest, or (in the case of variable rate notes) for the issue prices and rates of interest. Each series may be issued in one or more tranches on the same or different issue dates. The Notes will be issued in bearer form and may be listed on a stock exchange. The Notes will initially be represented by either a temporary global note or a permanent global note which will be deposited on the issue date with The Central Depository (Pte) Limited (“**CDP**”), a sub-custodian for the Hong Kong Monetary Authority or a common depository on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) or otherwise delivered as agreed between the Issuer and the relevant Dealer (as defined herein). Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer and may be subject to redemption or purchase in whole or in part. The Notes will bear interest at a fixed, floating, variable or hybrid rate or may not bear interest. Notes having terms not contemplated by the Programme Agreement (as defined herein) or this Information Memorandum or a form not contemplated by the Trust Deed (as defined herein) may be issued by agreement between the Issuer, the relevant Dealer(s), the Issuing and Paying Agent (as defined herein) and the Trustee (as defined herein). The Notes will be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the Pricing Supplement (as defined herein) issued in relation to each series or tranche of Notes (the “**Redemption Amount**”). Details applicable to each series or tranche of Notes will be specified in the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

The maximum aggregate principal amount of the Notes to be issued, when added to the aggregate principal amount of all Notes outstanding (as defined in the Trust Deed referred to below) shall be S\$1,000,000,000 (or its equivalent in any other currencies) or such higher amount as may be increased pursuant to the terms of the Programme Agreement.

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, either of the Arrangers or any of the Dealers. Save as expressly stated in this Information Memorandum, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuer or any of its subsidiaries or associated companies (if any). Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the MTN Programme may be used for the purpose of, and does not constitute an offer of, or solicitation or invitation by or on behalf of the Issuer, either of the Arrangers or any of the Dealers to subscribe for or purchase, the Notes in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Information Memorandum or any such other document or information and the offer of the Notes in certain jurisdictions may be restricted by law. Persons who

distribute or publish this Information Memorandum or any such other document or information or into whose possession this Information Memorandum or any such other document or information comes are required to inform themselves about and to observe any such restrictions and all applicable laws, orders, rules and regulations.

The Notes have not been, and will not be, registered under the Securities Act (as defined herein) and includes Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the MTN Programme shall be deemed to constitute an offer of, or an invitation by or on behalf of the Issuer, either of the Arrangers or any of the Dealers to subscribe for or purchase, any of the Notes.

This Information Memorandum and any other documents or materials in relation to the issue, offering or sale of the Notes have been prepared solely for the purpose of the initial sale by the relevant Dealers of the Notes from time to time to be issued pursuant to the MTN Programme. This Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are persons falling within the ambit of Section 274 and/or Section 275 of the SFA and may not be relied upon by any person other than persons to whom the Notes are sold or with whom they are placed by the relevant Dealers as aforesaid or for any other purpose. Recipients of this Information Memorandum shall not reissue, circulate or distribute this Information Memorandum or any part thereof in any manner whatsoever.

Neither the delivery of this Information Memorandum (or any part thereof) nor the issue, offering, purchase or sale of the Notes shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer or any of its subsidiaries or associated companies (if any) or in the information herein since the date hereof or the date on which this Information Memorandum has been most recently amended or supplemented.

The Arrangers and the Dealers have not separately verified the information contained in this Information Memorandum. None of the Issuer, either of the Arrangers, any of the Dealers or any of their respective officers or employees is making any representation or warranty expressed or implied as to the merits of the Notes or the subscription for, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of the Issuer or its subsidiaries or associated companies (if any). Further, none of the Arrangers and the Dealers makes any representation or warranty as to the Issuer, its subsidiaries or associated companies (if any) or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provision of the SFA) and the documents which are incorporated by reference in, and form part of, this Information Memorandum.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the MTN Programme or the issue of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, either of the Arrangers or any of the Dealers that any recipient of this Information Memorandum or such other document or information (or such part thereof) should subscribe for or purchase any of the Notes. A prospective purchaser shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuer and its subsidiaries and associated companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuer. Accordingly, notwithstanding anything herein, none of the Issuer, either of the Arrangers, any of the Dealers or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Information Memorandum or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Information Memorandum or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Notes by a recipient of this Information Memorandum or such other document or information (or such part thereof).

To the fullest extent permitted by law, none of the Arrangers or any of the Dealers accept any responsibility for the contents of this Information Memorandum or for any other statement, made or purported to be made by any of the Arrangers or any of the Dealers or on its behalf in connection with the Issuer, the Guarantor or the issue and offering of the Notes. Each Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Information Memorandum or any such statement.

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated by reference in, and to form part of, this Information Memorandum: (1) any annual reports or audited consolidated accounts of the Issuer and its subsidiaries and associated companies (if any), and (2) any supplement or amendment to this Information Memorandum issued by the Issuer. This Information Memorandum is to be read in conjunction with all such documents which are incorporated by reference herein and, with respect to any series or tranche of Notes, any Pricing Supplement in respect of such series or tranche. Any statement contained in this Information Memorandum or in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in this Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum. Copies of all documents deemed incorporated by reference herein are available for inspection at the specified office of the Issuing and Paying Agent.

Any purchase or acquisition of the Notes is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement and the issue of the Notes by the Issuer pursuant to the Programme Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Notes or pursuant to this Information Memorandum shall (without any liability or responsibility on the part of the Issuer, either of the Arrangers or any of the Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Notes are not issued by the Issuer pursuant to the Programme Agreement.

The attention of recipients of this Information Memorandum is drawn to the restrictions on resale of the Notes set out under "Subscription, Purchase and Distribution" on page 92 of this Information Memorandum.

Any person(s) who is invited to purchase or subscribe for the Notes or to whom this Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Notes or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for or purchase any of the Notes consult their own legal and other advisers before purchasing or acquiring the Notes.

FORWARD-LOOKING STATEMENTS

All statements contained in this Information Memorandum that are not statements of historical fact constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “expect”, “believe”, “plan”, “intend”, “estimate”, “anticipate”, “may”, “will”, “would” and “could” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the expected financial position, business strategy, plans and prospects of the Issuer and/or the Group (as defined herein) (including statements as to the Issuer’s and/or the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Information Memorandum regarding matters that are not historical fact and including the financial forecasts, profit projections, statements as to the expansion plans of the Issuer and/or the Group, expected growth in the Issuer and/or the Group and other related matters), if any, are forward-looking statements and accordingly, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Issuer and/or the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors are discussed in greater detail under the section “Risk Factors”.

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Issuer or the Group to be materially different from the results, performance or achievements expected, expressed or implied by the financial forecasts, profit projections and forward-looking statements in this Information Memorandum, undue reliance must not be placed on those forecasts, projections and statements. The Issuer, the Arrangers and the Dealers do not represent or warrant that the actual future results, performance or achievements of the Issuer or the Group will be as discussed in those statements.

Neither the delivery of this Information Memorandum nor the issue of any Notes by the Issuer shall under any circumstances constitute a continuing representation or create any suggestion or implication that there has been no change in the affairs of the Issuer, the Group or any statement of fact or information contained in this Information Memorandum since the date of this Information Memorandum.

Further, the Issuer, the Group, the Arrangers and the Dealers disclaim any responsibility, and undertake no obligation, to update or revise any forward-looking statements contained herein to reflect any changes in the expectations with respect thereto after the date of this Information Memorandum or to reflect any change in events, conditions or circumstances on which any such statements are based.

CERTAIN DEFINED TERMS AND CONVENTIONS

In this Information Memorandum, unless otherwise specified, references to “S\$”, “Singapore dollars” or “Singapore cents” are to the lawful currency of Singapore, references to “U.S.\$”, “US\$”, “U.S. dollars”, “dollars” or “US cents” are to the lawful currency of the United States of America, references to “RMB” or “Renminbi” are to the lawful currency of the People’s Republic of China (“**China**” or “**PRC**”), which for the purposes of this Information Memorandum, except where the context requires, do not include Hong Kong, Macau Special Administrative Region of the PRC (“**Macau**”) or Taiwan, references to “KRW” and “Korean won” are to the lawful currency of South Korea, references to “INR” or “Indian rupee” are to the lawful currency of India and references to “PHP” or “Philippine peso” are to the lawful currency of the Philippines.

References to currency conversions in this Information Memorandum are based on the indicative exchange rates for the above currencies as at 31 March 2011 which are listed as follows:

Singapore dollar to one/100* unit(s) of foreign currency

RMB 0.1930

INR 0.0280

KRW 0.1130*

PHP 0.0290

US\$ 1.2660

* Note: for KRW, the figures are in 100 units.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

The valuation of all properties appearing in the section “The Issuer” were performed by independent third party valuers.

DEFINITIONS

The following definitions have, where appropriate, been used in this Information Memorandum:

“Agency Agreement”	:	The Agency Agreement dated 6 September 2007 between (1) the Issuer, as issuer, (2) DBS Bank Ltd., as issuing and paying agent and agent bank, and (3) the Trustee, as trustee, as amended and restated by an Agency Amendment and Restatement Agreement dated 11 January 2012 made between (1) the Issuer, as issuer, (2) DBS Bank Ltd., as issuing and paying agent and agent bank, (3) The Hongkong and Shanghai Banking Corporation Limited, as CMU lodging and paying agent, and (4) the Trustee, as trustee and as further amended, varied or supplemented from time to time.
“Agent Bank”	:	DBS Bank Ltd.
“Arrangers”	:	Citicorp Investment Bank (Singapore) Limited and DBS Bank Ltd.
“ASEAN”	:	Association of South East Asian Nations.
“Board”	:	Board of Directors of the Issuer.
“BPO”	:	Business Process Outsourcing.
“CDP”	:	The Central Depository (Pte) Limited.
“CEO”	:	Chief Executive Officer.
“CMU”	:	Central Moneymarkets Unit Service, operated by the HKMA.
“CMU Lodging and Paying Agent”	:	The Hongkong and Shanghai Banking Corporation Limited.
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time.
“Couponholders”	:	The holders of the Coupons.
“Coupons”	:	The interest coupons appertaining to an interest-bearing definitive Note.
“Dealers”	:	Persons appointed as dealers under the MTN Programme.
“Directors”	:	The directors (including alternate directors, if any) of the Issuer as at the date of this Information Memorandum.
“FY”	:	Financial Year ended or ending 31 March.
“GFA”	:	Gross floor area.
“Global Note”	:	A global Note representing Notes of one or more Tranches of the same Series, being a Temporary Global Note and/or, as the context may require, a Permanent Global Note, in each case without Coupons.
“Group”	:	The Issuer and its Subsidiaries.
“HKMA”	:	Hong Kong Monetary Authority.

“ISO”	:	International Organization for Standardization
“Issuer”	:	Ascendas Pte Ltd.
“Issuing and Paying Agent”	:	DBS Bank Ltd.
“IT”	:	Information Technology.
“JTC”	:	Jurong Town Corporation.
“Latest Practicable Date”	:	5 January 2012.
“M&A”	:	Mergers and Acquisitions.
“MAS”	:	The Monetary Authority of Singapore.
“MTN Programme”	:	The S\$1,000,000,000 Multicurrency Medium Term Note Programme of the Issuer.
“NLA”	:	Net lettable area.
“Noteholders”	:	The holders of the Notes.
“Notes”	:	The notes to be issued by the Issuer under the MTN Programme.
“NUS”	:	National University of Singapore.
“PC”	:	Personal Computer.
“Permanent Global Note”	:	A Global Note representing Notes of one or more Tranches of the same Series, either on issue or upon exchange of interests in a Temporary Global Note.
“Pricing Supplement”	:	In relation to any Tranche or Series, a pricing supplement, supplemental to this Information Memorandum, issued specifying the relevant issue details in relation to such Tranche or, as the case may be, Series.
“Programme Agreement”	:	The Programme Agreement dated 6 September 2007 made between (1) the Issuer, as issuer, and (2) Citicorp Investment Bank (Singapore) Limited and DBS Bank Ltd., as arrangers and dealers, as amended and restated by a Programme Amendment and Restatement Agreement dated 11 January 2012 made between the same parties and as further amended, varied or supplemented from time to time.
“R&D”	:	Research and Development.
“REIT”	:	Real estate investment trust.
“Securities Act”	:	U.S. Securities Act of 1933, as amended.
“Series”	:	(1) (in relation to Notes other than variable rate notes) a Tranche, together with any further Tranche or Tranches, which are (a) expressed to be consolidated and forming a single series and (b) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (2) (in

relation to variable rate notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest.

“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“Shares”	:	Ordinary shares each in the capital of the Issuer.
“Subsidiary”	:	(a) in relation to the Issuer: (i) a subsidiary within the meaning of Section 5 of the Companies Act; (ii) a trust, fund or other entity (whether or not a body corporate) more than half of the interest in such trust, fund or other entity (whether represented by units or otherwise) of which is beneficially owned, directly or indirectly, by the Issuer; or (iii) any company or corporation which is a subsidiary of any trust, fund or other entity (whether or not a body corporate) to which paragraph (ii) above applies; and (b) (in any other case) a subsidiary within the meaning of Section 5 of the Companies Act.
“Temporary Global Note”	:	A Global Note representing Notes of one or more Tranches of the same Series on issue.
“Tranche”	:	Notes which are identical in all respects (including as to listing).
“Trust Deed”	:	The Trust Deed dated 6 September 2007 made between (1) the Issuer, as issuer, and (2) the Trustee, as trustee, as amended and restated by an Amendment and Restatement Trust Deed dated 11 January 2012 made between the same parties and as further amended, varied or supplemented from time to time.
“Trustee”	:	DBS Trustee Limited.
“UK”	:	United Kingdom.
“United States” or “U.S.”	:	United States of America.
“sq ft”	:	Square feet.
“sqm”	:	Square metres.
“%”	:	Per cent.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations. Any reference to a time of day in this Information Memorandum shall be a reference to Singapore time unless otherwise stated. Any reference in this Information Memorandum to any enactment is a reference to that enactment as for the time

being amended or re-enacted. Any word defined under the Companies Act or the SFA or any statutory modification thereof and used in this Information Memorandum shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

CORPORATE INFORMATION

Board of Directors	:	Mr Lim Hock San (Chairman of the Board) Ms Chong Siak Ching Mr Manohar Khiatani Mr Reggie Thein Mr Tan Gee Paw Mr Willy Shee Ping Yah Mr Chee Hong Tat Mr Charles Chen Mr Lee Eng Beng Mr Balu Doraisamy Mr Jen Kwong Hwa Mr Alan Rupert Nisbet
Registered Office	:	61 Science Park Road #04-01 The Galen Singapore 117525
Independent Auditors to the Issuer in respect of FY2009 and FY2010	:	PricewaterhouseCoopers LLP 8 Cross Street #17-00 PWC Building Singapore 048424
Independent Auditors to the Issuer in respect of FY2011	:	Ernst & Young LLP One Raffles Quay North Tower Level 18 Singapore 048583
Arrangers of the MTN Programme	:	Citicorp Investment Bank (Singapore) Limited 8 Marina View #21-01 Asia Square Tower Singapore 018960 DBS Bank Ltd. 6 Shenton Way #35-00 DBS Building Tower One Singapore 068809
Legal Adviser to the Arrangers and the Trustee	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Legal Adviser to the Issuer	:	WongPartnership LLP One George Street #20-01 Singapore 049145
Issuing and Paying Agent and Agent Bank	:	DBS Bank Ltd. 60 Alexandra Terrace #05-27 The Comtech Singapore 118502
CMU Lodging and Paying Agent	:	The Hongkong and Shanghai Banking Corporation Limited Level 30, HSBC Main Building 1 Queen's Road Central Hong Kong

Trustee for the Noteholders

: DBS Trustee Limited
6 Shenton Way #14-01
DBS Building Tower One
Singapore 068809

SUMMARY OF THE MTN PROGRAMME

The following summary is derived from, and should be read in conjunction with, the full text of this Information Memorandum (and any relevant supplement to this Information Memorandum), the Programme Agreement, the Trust Deed, the Agency Agreement and the relevant Pricing Supplement.

Issuer	:	Ascendas Pte Ltd.
Arrangers	:	Citicorp Investment Bank (Singapore) Limited and DBS Bank Ltd.
Dealers	:	Citicorp Investment Bank (Singapore) Limited and DBS Bank Ltd. and/or such other Dealers as may be appointed by the Issuer in accordance with the Programme Agreement.
Issuing and Paying Agent and Agent Bank	:	DBS Bank Ltd.
CMU Lodging and Paying Agent	:	The Hongkong and Shanghai Banking Corporation Limited.
Description	:	Multicurrency Medium Term Note Programme.
Programme Size	:	The maximum aggregate principal amount of the Notes outstanding at any time shall be S\$1,000,000,000 (or its equivalent in other currencies) or such higher amount as may be increased pursuant to the terms of the Programme Agreement.
Currency	:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Singapore dollars or any other currency agreed between the Issuer and the relevant Dealer(s).
Method of Issue	:	Notes may be issued from time to time under the MTN Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.
Issue Price	:	Notes may be issued at par or at a discount, or premium, to par.
Maturities	:	Subject to compliance with all relevant laws, regulations and directives, Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer(s).
Mandatory Redemption	:	Unless previously redeemed or purchased and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face.
Interest Basis	:	Notes may bear interest at fixed, floating, variable or hybrid rates or may not bear interest.
Fixed Rate Notes	:	Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity.
Floating Rate Notes	:	Floating Rate Notes which are denominated in Singapore dollars will bear interest to be determined separately for each Series by reference to S\$ SIBOR or S\$ SWAP RATE (or in

any other case such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin. Interest periods in relation to the Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.

Floating Rate Notes which are denominated in other currencies will bear interest to be determined separately for each Series by reference to such other benchmark as may be agreed between the Issuer and the relevant Dealer(s).

Variable Rate Notes	:	Variable Rate Notes will bear interest at a variable rate determined in accordance with the terms and conditions of the Notes. Interest periods in relation to the Variable Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.
Hybrid Notes	:	Hybrid Notes will bear interest, during the fixed rate period to be agreed between the Issuer and the relevant Dealer(s), at a fixed rate of interest which will be payable in arrear on specified dates and, during the floating rate period to be agreed between the Issuer and the relevant Dealer(s), at the rate of interest to be determined by reference to S\$ SIBOR or S\$ SWAP RATE (or such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars, such Hybrid Notes will bear interest to be determined separately by reference to such benchmark as may be agreed between the Issuer and the relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the Issuer and the relevant Dealer(s).
Zero Coupon Notes	:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.
Form and Denomination of Notes	:	The Notes will be issued in bearer form only and in such denominations as may be agreed between the Issuer and the relevant Dealer(s). Each Tranche or Series of Notes may initially be represented by a Temporary Global Note or a Permanent Global Note. Each Temporary Global Note may be deposited on the relevant issue date with CDP, a sub-custodian for the HKMA, as operator of the CMU, a common depository for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Note or definitive Notes (as indicated in the applicable Pricing Supplement). Each Permanent Global Note may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Notes upon the terms therein.
Custody of the Notes	:	Notes which are to be listed on the SGX-ST may be cleared through CDP. Notes which are to be cleared through CDP are required to be kept with CDP as authorised depository. Notes which are cleared through the CMU are required to be kept with a sub-custodian for the HKMA, as operator of the CMU. Notes which are cleared through Euroclear

and/ or Clearstream, Luxembourg are required to be kept with a common depositary on behalf of Euroclear and Clearstream Luxembourg.

- Status of the Notes : The Notes and Coupons of all Series will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *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 Issuer.
- Redemption and Purchase : If so provided on the face of the Note and the relevant Pricing Supplement, Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the holders of the Notes. Further, if so provided on the face of the Note and the relevant Pricing Supplement, Notes may be purchased by the Issuer (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the holders of the Notes.
- Negative Pledge : The Issuer has covenanted with the Trustee that so long as any of the Notes remains outstanding, it will not, and will ensure that none of its Principal Subsidiaries (as defined in the Trust Deed) will, create or have outstanding any security on or over their respective present or future assets, save for:
- (a) liens or rights of set-off arising in the ordinary course of its business or by operation of law (or by an agreement evidencing the same), in either case, in respect of indebtedness which either (i) has been due for less than 14 days or (ii) is being contested in good faith and by appropriate means;
 - (b) any security existing as at the date of the Trust Deed over any of its assets and disclosed in writing to the Trustee on or prior to the date of the Trust Deed and any security to be created over such asset in connection with the extension, refinancing or increase in the facility limit of the credit facilities secured by such asset provided that the amount secured by the security over such asset at any time shall not exceed 70 per cent. of the current market value of such asset at that time (as determined by the Trustee on the basis of the most recent valuation report prepared by an independent professional valuer and delivered by the Issuer to the Trustee);
 - (c) any security over any of its assets acquired, developed, renovated or refurbished by it after the date of the Trust Deed for the sole purpose of financing or refinancing the acquisition, development, renovation or refurbishment of such assets and securing a principal amount not exceeding the cost of that acquisition, development, renovation or refurbishment;
 - (d) (in the case of a Principal Subsidiary) any security over any assets which are held on trust for the holders of units in a real estate investment trust or property

trust fund or similar entity in its capacity as trustee or trustee-manager of such real estate investment trust or property trust fund or similar entity;

(e) any other security which has been approved by the Noteholders by way of an Extraordinary Resolution (as defined in the Trust Deed); and

(f) any security over any assets provided that the current market value of all assets secured at any time (as determined, where applicable, by the Trustee on the basis of the most recent valuation report(s) of such assets secured or to be secured under this paragraph (f) prepared by an independent professional valuer and delivered by the Issuer to the Trustee) (other than any security permitted under paragraphs (a) to (e) above) shall not exceed in aggregate 25 per cent. of the Consolidated Tangible Net Worth (as defined in the Trust Deed) of the Group (or its equivalent in another currency or currencies) at that time.

Financial Covenants : The Issuer has covenanted with the Trustee that so long as any of the Notes remains outstanding, it will ensure that:

(a) the Consolidated Tangible Net Worth shall not at any time be less than S\$800,000,000; and

(b) the ratio of Consolidated Total Borrowings (as defined in the Trust Deed) to Consolidated Tangible Net Worth shall not at any time be more than 1.75:1.

Events of Default : See Condition 9 of the Notes.

Taxation : All payments in respect of the Notes and the Coupons by the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see the section on "Singapore Taxation" herein.

Listing : Each Series of the Notes may, if so agreed between the Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained.

Selling Restrictions : For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, see the section on "Subscription, Purchase and Distribution" below. Further restrictions may apply in connection with any particular Series or Tranche of Notes.

Governing Law

: The MTN Programme and any Notes issued under the MTN Programme will be governed by, and construed in accordance with, the laws of Singapore.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are constituted by a Trust Deed dated 6 September 2007 made between (1) Ascendas Pte Ltd (the “**Issuer**”) and (2) DBS Trustee Limited (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Noteholders (as defined below) (as amended and restated by an amendment and restatement trust deed dated 11 January 2012 made between the same parties, and as further amended, varied or supplemented from time to time, the “**Trust Deed**”), and (where applicable) the Notes are issued with the benefit of a deed of covenant dated 6 September 2007, relating to the Notes executed by the Issuer (as amended and supplemented by a supplemental deed of covenant dated 11 January 2012 relating to the Notes executed by the Issuer, and as further amended, varied or supplemented from time to time, the “**Deed of Covenant**”). These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Notes and Coupons referred to below. The Issuer has entered into an Agency Agreement dated 6 September 2007 made between (1) the Issuer, (2) DBS Bank Ltd., as issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**”) and agent bank (in such capacity, the “**Agent Bank**”), and (3) the Trustee, as trustee (as amended and restated by an amendment and restatement agreement dated 11 January 2012 made between (1) the Issuer, as issuer, (2) the Issuing and Paying Agent, as issuing and paying agent, (3) the Agent Bank, as agent bank, (4) The Hongkong and Shanghai Banking Corporation Limited, as CMU lodging and paying agent (in such capacity, the “**CMU Lodging and Paying Agent**”), and (5) the Trustee, as trustee, and as further amended, varied or supplemented from time to time, the “**Agency Agreement**”). The Noteholders and the holders of the coupons (the “**Coupons**”) appertaining to the interest-bearing Notes (the “**Couponholders**”) are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant. For the purposes of these Conditions, all references to the Issuing and Paying Agent shall, with respect to a Series of Notes to be held in the CMU, be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement and the Deed of Covenant are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being.

1. Form, Denomination and Title

(a) Form and Denomination

- (i) The Notes of the Series of which this Note forms part (in these Conditions, the “**Notes**”) are issued in bearer form in each case in the Denomination Amount shown hereon.
- (ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note or a Zero Coupon Note (depending upon the Interest Basis shown on its face).
- (iii) Notes are serially numbered and issued with Coupons attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to default interest referred to in Condition 6(f)) in these Conditions are not applicable.

(b) Title

- (i) Title to the Notes and the Coupons appertaining thereto shall pass by delivery.

- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note or Coupon shall be deemed to be and may be treated as the absolute owner of such Note or of such Coupon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note or Coupon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.
- (iii) For so long as any of the Notes is represented by a Global Note and such Global Note is held by a common depositary for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or The Central Depository (Pte) Limited (the "**Depository**") and/or a sub-custodian for the Hong Kong Monetary Authority (the "HKMA") as operator of the Central Moneymarkets Unit Service (the "CMU"), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or the Depository and/or the CMU as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or the Depository and/or the CMU as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the Agent Bank, all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, interest and any other amounts in respect of the Notes, for which purpose the bearer of such Global Note shall be treated by the Issuer, the Issuing and Paying Agent, the Agent Bank, all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of such Global Note (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly).

In the case of a Note (whether in global or definitive form) held through the CMU, any payment that is made in respect of such Note shall be made to the person(s) for whose account(s) interests in such Note are credited as being held through the CMU in accordance with the CMU Rules at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Instrument Position Report or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligations of the Issuer in respect of that payment under such Note.

Notes which are represented by such Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or the Depository and/or the CMU.

- (iv) In these Conditions, "**Global Note**" means the relevant Temporary Global Note representing each Series or the relevant Permanent Global Note representing each Series, "**Noteholder**" means the bearer of any Definitive Note and "**holder**" (in relation to a Definitive Note or Coupon) means the bearer of any Definitive Note or Coupon, "**Series**" means (a) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (i) expressed to be consolidated and forming a single series and (ii) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (b) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and "**Tranche**" means Notes which are identical in all respects (including as to listing).
- (v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. Status

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *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 Issuer.

3. Negative Pledge and Financial Covenants

- (a) The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will not, and will ensure that none of its Principal Subsidiaries (as defined in Condition 9) will, create or have outstanding any security on or over their respective present or future assets, save for:
- (i) liens or rights of set-off arising in the ordinary course of its business or by operation of law (or by an agreement evidencing the same), in either case, in respect of indebtedness which either (1) has been due for less than 14 days or (2) is being contested in good faith and by appropriate means;
 - (ii) any security existing as at the date of the Trust Deed over any of its assets and disclosed in writing to the Trustee on or prior to the date of the Trust Deed and any security to be created over such asset in connection with the extension, refinancing or increase in the facility limit of the credit facilities secured by such asset provided that the amount secured by the security over such asset at any time shall not exceed 70 per cent. of the current market value of such asset at that time (as determined by the Trustee on the basis of the most recent valuation report prepared by an independent professional valuer and delivered by the Issuer to the Trustee);
 - (iii) any security over any of its assets acquired, developed, renovated or refurbished by it after the date of the Trust Deed for the sole purpose of financing or refinancing the acquisition, development, renovation or refurbishment of such assets and securing a principal amount not exceeding the cost of that acquisition, development, renovation or refurbishment;
 - (iv) (in the case of a Principal Subsidiary) any security over any assets which are held on trust for the holders of units in a real estate investment trust or property trust fund or similar entity in its capacity as trustee or trustee-manager of such real estate investment trust or property trust fund or similar entity;
 - (v) any other security which has been approved by the Noteholders by way of an Extraordinary Resolution (as defined in the Trust Deed); and
 - (vi) any security over any assets provided that the current market value of all assets secured at any time (as determined, where applicable, by the Trustee on the basis of the most recent valuation report(s) of such assets secured or to be secured under this paragraph (vi) prepared by an independent professional valuer and delivered by the Issuer to the Trustee) (other than any security permitted under paragraphs (i) to (v) above) shall not exceed in aggregate 25 per cent. of the Consolidated Tangible Net Worth (as defined in Condition 3(b)) of the Group (as defined in the Trust Deed) (or its equivalent in another currency or currencies) at that time.
- (b) The Issuer has further covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will ensure that:
- (i) the Consolidated Tangible Net Worth shall not at any time be less than S\$800,000,000; and
 - (ii) the ratio of Consolidated Total Borrowings to Consolidated Tangible Net Worth shall not at any time be more than 1.75:1.

For the purposes of this Condition:

- (A) **“Consolidated Tangible Net Worth”** means the amount (expressed in Singapore dollars) for the time being, calculated in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:
- (aa) the amount paid up or credited as paid up on the issued share capital of the Issuer; and
 - (bb) the amounts standing to the credit of the capital and revenue reserves (including profit and loss account) of the Group on a consolidated basis,
- all as shown in the then latest audited consolidated balance sheet of the Group but after:
- (I) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital and the capital and revenue reserves set out in paragraph (bb) above of the Group since the date of the latest audited consolidated balance sheet of the Group;
 - (II) excluding any sums set aside for future taxation; and
 - (III) deducting:
 - (x) an amount equal to any distribution by any member of the Group out of profits earned prior to the date of the latest audited consolidated balance sheet of the Group and which have been declared, recommended or made since that date except so far as provided for in such balance sheet and/or paid or due to be paid to members of the Group;
 - (y) all goodwill and other intangible assets; and
 - (z) any debit balances on consolidated profit and loss account; and
- (B) **“Consolidated Total Borrowings”** means in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:
- (aa) bank overdrafts and all other indebtedness in respect of any bank borrowings;
 - (bb) the principal amount of the Notes or any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;
 - (cc) the liabilities of the Issuer under the Trust Deed or the Notes;
 - (dd) all other indebtedness whatsoever of the Group for borrowed moneys; and
 - (ee) any redeemable preference shares issued by any member of the Group (other than those shares which are regarded as equity as reflected in the Group’s latest audited consolidated balance sheet),

where such aggregate amount falls to be calculated, no amount shall be taken into account more than once in the same calculation.

4. (I) Interest on Fixed Rate Notes

(a) Interest Rate and Accrual

Each Fixed Rate Note bears interest on its Calculation Amount (as defined in Condition 4(II) (d)) from the Interest Commencement Date in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate

shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date (and if the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due. If the Maturity Date is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the Interest Commencement Date, as the case may be) to the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(l) to the Relevant Date (as defined in Condition 7).

(b) Calculations

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon.

(II) Interest on Floating Rate Notes or Variable Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 4(II) (c)) in respect of any Variable Rate Note for any Interest Period (as defined below) relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on the Interest Commencement Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is herein called an "**Interest Period**".

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(II) to the Relevant Date.

(b) Rate of Interest - Floating Rate Notes

- (i) Each Floating Rate Note bears interest at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Note, being (in the case of Notes which are denominated in Singapore dollars) SIBOR (in which case such Note will be a SIBOR Note) or Swap Rate (in which case such Note will be a Swap Rate Note) or in any case (or in the case of Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Note. The “**Spread**” is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 4(V)(a) below.

The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in these Conditions as the “**Rate of Interest**”.

- (ii) The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Agent Bank on the basis of the following provisions:

- (1) in the case of Floating Rate Notes which are SIBOR Notes:

- (A) the Agent Bank will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on Page ABSI on the monitor of the Bloomberg agency under the caption “ASSOCIATION OF BANKS IN SG – SWAP OFFER AND SIBOR FIXING RATES – RATES AT 11:00AM SINGAPORE TIME” and under the column headed “SGD SIBOR” (or such other replacement page thereof) and as adjusted by the Spread (if any);
- (B) if on any Interest Determination Date, no such rate appears on Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof), the Agent Bank will determine the Rate of Interest for such Interest Period which shall be the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 AM SINGAPORE TIME” and under the column headed “SGD SIBOR” (or such other replacement page thereof) and as adjusted by the Spread (if any);
- (C) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page (as defined below) as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of each of the Reference Banks to provide the Agent Bank with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate principal amount of the relevant

Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of such offered quotations and as adjusted by the Spread (if any), as determined by the Agent Bank;

- (D) if on any Interest Determination Date, two but not all the Reference Banks provide the Agent Bank with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with (C) above on the basis of the quotations of those Reference Banks providing such quotations;
 - (E) if on any Interest Determination Date, one only or none of the Reference Banks provides the Agent Bank with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and as adjusted by the Spread (if any);
- (2) in the case of Floating Rate Notes which are Swap Rate Notes:
- (A) the Agent Bank will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Agent Bank as being the rate which appears on Page ABSI on the monitor of the Bloomberg agency under the caption “ASSOCIATION OF BANKS IN SG – SWAP OFFER AND SIBOR FIXING RATES – RATES AT 11:00AM SINGAPORE TIME” and under the column headed “SGD SWAP OFFER” (or such other page as may replace Page ABSI for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period) and as adjusted by the Spread (if any);
 - (B) if on any Interest Determination Date, no such rate appears on Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof), the Agent Bank will determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Agent Bank as being the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 AM SINGAPORE TIME” and under the column headed “SGD SWAP OFFER” (or such other page as may replace the Reuters Screen ABSIRFIX01 Page for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period) and as adjusted by the Spread (if any);
 - (C) if on any Interest Determination Date, no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will determine the Average Swap Rate (which shall be rounded up, if necessary, to the nearest 1/16 per cent.) for such Interest Period in accordance with the following formula:

In the case of Premium:

$$\begin{aligned} \text{Average Swap Rate} = & \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} \\ & + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360} \end{aligned}$$

In the case of Discount:

$$\begin{aligned} \text{Average Swap Rate} = & \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})} \\ & - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360} \end{aligned}$$

where:

SIBOR = the rate which appears on Page ABSI on the monitor of the Bloomberg agency under the caption “ASSOCIATION OF BANKS IN SG – SWAP OFFER AND SIBOR FIXING RATES – RATES AT 11:00AM SINGAPORE TIME” and under the column headed “USD SIBOR” (or such other page as may replace Page ABSI for the purpose of displaying Singapore interbank United States dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Spot Rate = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Agent Bank) of the rates quoted by the Reference Banks and which appear on Page ABSI on the monitor of the Bloomberg agency under the caption “ASSOCIATION OF BANKS IN SG – FX and SGD Swap Points” (or such other page as may replace Page ABSI for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Premium or Discount = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Agent Bank) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Period concerned which appears on Page ABSI on the monitor of the Bloomberg agency under the caption “ASSOCIATION OF BANKS IN SG – FX and SGD Swap Points” (or such other page as may replace Page ABSI for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned; and

T = the number of days in the Interest Period concerned.

The Rate of Interest for such Interest Period shall be the Average Swap Rate (as determined by the Agent Bank) and as adjusted by the Spread (if any);

- (D) if on any Interest Determination Date, any one of the components for the purposes of calculating the Average Swap Rate under (C) above is not quoted on Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof) or if Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof) is unavailable for any reason, the Agent Bank will determine the Average Swap Rate (which shall be rounded up, if necessary, to the nearest 1/16 per cent.) for such Interest Period in accordance with the following formula:

In the case of Premium:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(T \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(T \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR = the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 AM SINGAPORE TIME" and under the column headed "USD SIBOR" (or such other page as may replace the Reuters Screen ABSIRFIX01 Page for the purpose of displaying Singapore interbank United States dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Spot Rate = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Agent Bank) of the rates quoted by the Reference Banks and which appear on the Reuters Screen ABSIRFIX06 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SGD SPOT AND SWAP OFFER RATES – RATES AT 11:00 AM SINGAPORE TIME" and under the column headed "SPOT" (or such other page as may replace the Reuters Screen ABSIRFIX06 Page for the purpose of displaying the spot rates and swap points of leading

reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Premium or Discount = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Agent Bank) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Period concerned which appear on the Reuters Screen ABSIRFIX06-7 Pages under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SGD SPOT AND SWAP OFFER RATES – RATES AT 11:00 AM SINGAPORE TIME" (or such other page as may replace the Reuters Screen ABSIRFIX06-7 Pages for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned; and

T = the number of days in the Interest Period concerned.

The Rate of Interest for such Interest Period shall be the Average Swap Rate (as determined by the Agent Bank) and as adjusted by the Spread (if any);

- (E) if on any Interest Determination Date, any one of the components for the purposes of calculating the Average Swap Rate under (D) above is not quoted on the relevant Reuters Screen Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) or the relevant Reuters Screen Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of the Reference Banks to provide the Agent Bank with quotations of their Swap Rates for the Interest Period concerned at or about the Relevant Time on that Interest Determination Date and the Rate of Interest for such Interest Period shall be the Average Swap Rate for such Interest Period (which shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the Swap Rates quoted by the Reference Banks to the Agent Bank) and as adjusted by the Spread (if any). The Swap Rate of a Reference Bank means the rate at which that Reference Bank can generate Singapore dollars for the Interest Period concerned in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date and shall be determined as follows:

In the case of Premium:

$$\begin{aligned} \text{Swap Rate} = & \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(T \times \text{Spot Rate})} \\ & + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360} \end{aligned}$$

In the case of Discount:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(T \times \text{Spot Rate})} \\ - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR = the rate per annum at which United States dollar deposits for a period equal to the duration of the Interest Period concerned are being offered by that Reference Bank to prime banks in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date;

Spot Rate = the rate at which that Reference Bank sells United States dollars spot in exchange for Singapore dollars in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date;

Premium = the premium that would have been paid by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Interest Period concerned in the Singapore interbank market;

Discount = the discount that would have been received by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Interest Period concerned in the Singapore interbank market; and

T = the number of days in the Interest Period concerned;

- (F) if on any Interest Determination Date, two but not all the Reference Banks provide the Agent Bank with quotations of their Swap Rate(s), the Average Swap Rate for the relevant Interest Period shall be determined in accordance with (E) above on the basis of the quotations of those Reference Banks providing such quotations; and
- (G) if on any Interest Determination Date, one only or none of the Reference Banks provides the Agent Bank with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and as adjusted by the Spread (if any); and
- (3) in the case of Floating Rate Notes which are not SIBOR Notes or Swap Rate Notes or which are denominated in a currency other than Singapore dollars, the Agent Bank will determine the Rate of Interest in respect of any Interest Period at or about the Relevant Time on the Interest Determination Date in respect of such Interest Period as follows:

- (A) if the Primary Source (as defined below) for the Floating Rate is a Screen Page, subject as provided below, the Rate of Interest in respect of such Interest Period shall be:
 - (aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or
 - (bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date,
 and as adjusted by the Spread (if any);
- (B) if the Primary Source for the Floating Rate is Reference Banks or if paragraph (b)(ii)(3)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (b)(ii)(3)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Interest Determination Date and as adjusted by the Spread (if any); and
- (C) if paragraph (b)(ii)(3)(B) applies and the Agent Bank determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.
- (iii) On the last day of each Interest Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.

(c) Rate of Interest - Variable Rate Notes

- (i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Agreed Yield**” and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Rate of Interest**”.
- (ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:
 - (1) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the third business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:
 - (A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;
 - (B) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such

Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and

- (C) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an “**Agreed Rate**”) and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and
- (2) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the third business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.
- (iii) The Issuer has undertaken to the Issuing and Paying Agent and the Agent Bank that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:
 - (1) notify the Issuing and Paying Agent and the Agent Bank of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and
 - (2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.
- (iv) For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the “**Fall Back Rate**”) determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Variable Rate Note. The “**Spread**” is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 4(V)(a) below.

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Agent Bank in accordance with the provisions of Condition 4(II)(b)(ii) above (*mutatis mutandis*) and references therein to “**Rate of Interest**” shall mean “**Fall Back Rate**”.

If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last

day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

(d) Definitions

As used in these Conditions:

“Benchmark” means the rate specified as such in the applicable Pricing Supplement;

“business day” means:

- (i) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday or Sunday) on which commercial banks are open for business in Singapore;
- (ii) (in the case of Notes denominated in a currency other than Singapore dollars and Renminbi), a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in Singapore and the principal financial centre for that currency; and
- (iii) (in the case of Notes denominated in Renminbi), a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong;

“Calculation Amount” means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

“CMU Manual” means the reference manual relating to the operation of the CMU issued by the HKMA to CMU Members, as amended from time to time;

“CMU Member” means any member of the CMU;

“CMU Rules” means all requirements of the CMU for the time being applicable to a CMU Member and includes (a) all the obligations for the time being applicable to a CMU Member under or by virtue of its membership agreement with the CMU and the CMU Manual; (b) all the operating procedures as set out in the CMU Manual for the time being in force in so far as such procedures are applicable to a CMU Member; and (c) any directions for the time being in force and applicable to a CMU Member given by the HKMA through any operational circulars or pursuant to any provision of its membership agreement with the HKMA or the CMU Manual;

“Interest Commencement Date” means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

“Interest Determination Date” means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

“Primary Source” means the Screen Page specified as such in the applicable Pricing Supplement (in the case of any Screen Page provided by any information service other than the Bloomberg agency or the Reuters Monitor Money Rates Service (“**Reuters**”)) and agreed to by the Agent Bank;

“Reference Banks” means the institutions specified as such hereon or, if none, three major banks selected by the Agent Bank in the interbank market that is most closely connected with the Benchmark;

“Relevant Currency” means the currency in which the Notes are denominated;

“Relevant Dealer” means, in respect of any Variable Rate Note, the Dealer party to the Programme Agreement referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Programme Agreement;

“Relevant Financial Centre” means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note or Variable Rate Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

“Relevant Rate” means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Interest Period;

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre; and

“Screen Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon, for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark.

(III) Interest on Hybrid Notes

(a) Interest Rate and Accrual

Each Hybrid Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

(b) Fixed Rate Period

- (i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.
- (ii) The first payment of interest will be made on the Interest Payment Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the first day of the Fixed Rate Period, as the case may be) to the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.
- (iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(III) to the Relevant Date.

- (iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon during the Fixed Rate Period.

(c) Floating Rate Period

- (i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date (“**Interest Payment Date**”). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.
- (ii) The period beginning on the first day of the Floating Rate Period and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is herein called an “**Interest Period**”.
- (iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(III) and the Agency Agreement to the Relevant Date.
- (iv) The provisions of Condition 4(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

(IV) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note (determined in accordance with Condition 5(h)). As from the Maturity Date, the rate of interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 5(h)).

(V) Calculations

(a) Determination of Rate of Interest and Calculation of Interest Amounts

The Agent Bank will, as soon as practicable after the Relevant Time on each Interest Determination Date determine the Rate of Interest and calculate the amount of interest payable (the “**Interest Amounts**”) in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period. The amount of interest payable in respect of any Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the relevant currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Agent Bank shall (in the absence of manifest error) be final and binding upon all parties.

(b) Notification

The Agent Bank will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Trustee and the Issuer as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Notes, the Agent Bank will also cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to Noteholders in accordance with Condition 15 as soon as possible after their determination. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 9, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

(c) Determination or Calculation by the Trustee

If the Agent Bank does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, the Trustee shall do so. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(d) Agent Bank and Reference Banks

The Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Variable Rate Note, Hybrid Note or Zero Coupon Note remains outstanding, there shall at all times be an Agent Bank. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Agent Bank is unable or unwilling to act as such or if the Agent Bank fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

5. Redemption and Purchase

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Redemption Amount on the Maturity Date shown on its face (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero Coupon

Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

(b) Purchase at the Option of Issuer

If so provided hereon, the Issuer shall have the option to purchase all or any of the Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Noteholders shall be bound to sell such Notes to the Issuer accordingly. To exercise such option, the Issuer shall give irrevocable notice to the Noteholders within the Issuer's Purchase Option Period shown on the face hereof. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

In the case of a purchase of some only of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Notes to be purchased, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange (as defined in the Trust Deed), the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any purchase of Notes.

(c) Purchase at the Option of Noteholders

- (i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit any Variable Rate Notes to be purchased with the Issuing and Paying Agent at its specified office together with all Coupons relating to such Variable Rate Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Variable Rate Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.
- (ii) If so provided hereon, each Noteholder shall have the option to have all or any of his Fixed Rate Notes, Floating Rate Notes or Hybrid Notes purchased by the Issuer at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit any Notes to be purchased with the Issuing and Paying Agent at its specified office together with all Coupons relating to such Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent within the Noteholders' Purchase Option Period shown on the face hereof. Any Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

(d) Redemption at the Option of the Issuer

If so provided hereon, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of Notes.

(e) Redemption at the Option of Noteholders

If so provided hereon, the Issuer shall, at the option of the holder of any Note, redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to the date fixed for redemption. To exercise such option, the holder must deposit such Note (together with all unmatured Coupons) with the Issuing and Paying Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent or the Issuer (as applicable) within the Noteholders' Redemption Option Period shown on the face hereof. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) Redemption for Taxation Reasons

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Reference Date or Interest Payment Date (as the case may be) or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as defined in Condition 5(h) below) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Issuing and Paying Agent a certificate signed by a duly authorised officer of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

(g) Purchases

The Issuer or any of its Subsidiaries may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons relating to them) in the open market or otherwise, provided that in any such case such purchase is in compliance with all relevant laws, regulations and directives.

Notes purchased by the Issuer or any of its Subsidiaries may be surrendered by the purchaser through the Issuer to the Issuing and Paying Agent for cancellation or may at the option of the Issuer or relevant Subsidiary be held or resold.

For the purposes of these Conditions, “**directive**” includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation or stock exchange.

(h) Early Redemption of Zero Coupon Notes

- (i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 5(f) or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(f) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 4(IV).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(i) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be surrendered for cancellation by surrendering each such Note together with all unmatured Coupons to the Issuing and Paying Agent at its specified office and, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold.

6. Payments

(a) Principal and Interest

Payments of principal and interest in respect of the Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be:

- (I) in the case of a currency other than Renminbi, at the specified office of the Issuing and Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency; and
- (II) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

(b) Payments subject to law etc.

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(c) Appointment of Agents

The Issuing and Paying Agent and the CMU Lodging and Paying Agent and their respective specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and Paying Agent or the CMU Lodging and Paying Agent and to appoint additional or other Issuing and Paying Agents or CMU Lodging and Paying Agents, provided that it will at all times maintain an Issuing and Paying Agent having a specified office in Singapore and a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 15.

The Agency Agreement may be amended by the Issuer, the Issuing and Paying Agent, the CMU Lodging and Paying Agent and the Trustee, without the consent of any holder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer, the Issuing and Paying Agent, the CMU Lodging and Paying Agent and the Trustee may mutually deem necessary or desirable and which does not, in the reasonable opinion of the Issuer, the Issuing and Paying Agent, the CMU Lodging and Paying Agent and the Trustee, adversely affect the interests of the holders.

(d) Unmatured Coupons

- (i) Fixed Rate Notes and Hybrid Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of three years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).
- (ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Floating Rate Note, Variable Rate Note or Hybrid Note, unmaturing Coupons relating to such Note (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Where any Floating Rate Note, Variable Rate Note or Hybrid Note is presented for redemption without all unmaturing Coupons relating to it (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (iv) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note.

(e) Non-business days

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

(f) **Default Interest**

If on or after the due date for payment of any sum in respect of the Notes, payment of all or any part of such sum is not made against due presentation of the Notes or, as the case may be, the Coupons, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Issuing and Paying Agent to be equal to one per cent. per annum above (in the case of a Fixed Rate Note or a Hybrid Note during the Fixed Rate Period) the Interest Rate applicable to such Note, (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (in the case of a Variable Rate Note) the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of a Zero Coupon Note, as provided for in the relevant Pricing Supplement. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Issuing and Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during the preceding such period shall be added to the amount in respect of which the Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this paragraph shall be calculated on the Day Count Fraction specified hereon and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

7. Taxation

All payments in respect of the Notes and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or
- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Noteholders in accordance with Condition 15 that, upon further presentation of the Note or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 and any reference to “**principal**” and/or “**premium**” and/or “**Redemption Amounts**” and/or “**interest**” and/or “**Early Redemption Amounts**” shall be deemed to include any additional amounts which may be payable under these Conditions.

8. Prescription

The Notes and Coupons shall become void unless presented for payment within three years from the appropriate Relevant Date for payment.

9. Events of Default

If any of the following events ("**Events of Default**") occurs the Trustee at its discretion may, and if so requested by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, give notice to the Issuer that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable:

- (a) the Issuer does not pay the principal of, or Redemption Amount (whether becoming due upon redemption or otherwise) or (in the case of Zero Coupon Notes) the Early Redemption Amounts on, or any interest on, any Notes of any Series when due and such default continues for 10 business days;
- (b) the Issuer does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer referred to in paragraph (a)) under any of the Issue Documents (as defined in the Trust Deed) or any of the Notes and, if in the opinion of the Trustee that default is capable of remedy, it is not remedied within 30 days after notice of such default shall have been given by the Trustee to the Issuer;
- (c) any representation, warranty or statement by the Issuer in any of the Issue Documents or any of the Notes or in any document delivered under any of the Issue Documents or any of the Notes is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and if the event resulting in such non-compliance is, in the opinion of the Trustee, capable of remedy, it is not remedied within 30 days after notice thereof shall have been given by the Trustee to the Issuer;
- (d)
 - (i) any other present or future indebtedness of the Issuer or any of the Principal Subsidiaries in respect of borrowed money is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (however described) or is not paid when due or, as the case may be, within any applicable grace period in any agreement relating to that indebtedness or within 15 business days of its due date, whichever is longer; or
 - (ii) the Issuer or any of the Principal Subsidiaries fails to pay when due or expressed to be due or within 15 business days of the due date, whichever is longer, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided always that it shall not be an Event of Default if such failure is by reason of the Issuer or such Principal Subsidiary, as the case may be, in good faith and by appropriate proceedings contesting or disputing any liability under such guarantee or indemnity.

However, no Event of Default will occur under this paragraph (d)(i) or (d)(ii) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in this paragraph (d) has/have occurred equals or exceeds S\$30,000,000 or its equivalent in other currencies;

- (e) the Issuer or any of the Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its indebtedness, begins negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or a material part of (or of a particular type of) its indebtedness (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the indebtedness of the Issuer or any of the Principal Subsidiaries;

- (f) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the assets of the Issuer or any of the Principal Subsidiaries and is not discharged or stayed within 30 days;
- (g) any security on or over the whole or any material part of the assets of the Issuer or any of the Principal Subsidiaries becomes enforceable;
- (h) any step is taken by any person with a view to the winding-up of the Issuer or any of the Principal Subsidiaries or any step is taken by any person for the appointment of a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Issuer or any of the Principal Subsidiaries or over any material part of the assets of the Issuer or any of the Principal Subsidiaries (except, in the case of a Principal Subsidiary only, for the purpose of and followed by a consolidation, reorganisation, amalgamation, merger, reconstruction or transfer of assets to a Subsidiary of the Issuer or a real estate investment trust or property trust fund or similar entity (i) established by the Issuer or any of its Subsidiaries or (ii) in which the Issuer holds a direct or indirect investment of at least 15 per cent. and (in each case) such event is not likely to materially and adversely affect the ability of the Issuer to perform or comply with its obligations under any of the Issue Documents or any of the Notes);
- (i) the Issuer or any of the Principal Subsidiaries ceases or threatens to cease to carry on all or any material part of its business or (otherwise than in the ordinary course of its business) disposes or threatens to dispose of the whole or any material part of its property or assets (in each case in relation to a Principal Subsidiary only, otherwise than for the purposes of such a consolidation, reorganisation, amalgamation, merger, reconstruction or transfer of assets to a Subsidiary of the Issuer or a real estate investment trust or property trust fund or similar entity (i) established by the Issuer or any of its Subsidiaries or (ii) in which the Issuer holds a direct or indirect investment of at least 15 per cent. and (in each case) such event is not likely to materially and adversely affect the ability of the Issuer to perform or comply with its obligations under any of the Issue Documents or any of the Notes);
- (j) any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of the Principal Subsidiaries;
- (k) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done for any of the purposes stated in Clause 14.3 of the Trust Deed is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable);
- (l) it is or will become unlawful for the Issuer to perform or comply with any one or more of its payment or other material obligations under any of the Issue Documents or any of the Notes;
- (m) any of the Issue Documents or any of the Notes ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer, binding upon it in accordance with its terms;
- (n) any litigation, arbitration or administrative proceeding (other than (i) those of a frivolous or vexatious nature or (ii) those which are being contested in good faith and which are discharged within 90 days of its commencement) against the Issuer or any of the Principal Subsidiaries is current or pending (1) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer under any of the Issue Documents or any of the Notes or (2) which has or could have a material adverse effect on the Issuer or the Group taken as a whole;
- (o) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (e), (f), (g), (h) or (j); and

- (p) the Issuer or any of the Principal Subsidiaries is declared by the Minister of Finance to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore.

In these Conditions:

- (1) **“Principal Subsidiaries”** means any Subsidiary of the Issuer:

- (aa) whose profits after tax, as shown by the accounts of such Subsidiary (consolidated in the case of a company which itself has Subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 15 per cent. of the consolidated profits after tax of the Group as shown by such audited consolidated accounts; or
- (bb) whose total assets, as shown by the accounts of such Subsidiary (consolidated in the case of a company which itself has Subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 15 per cent. of the total assets of the Group as shown by such audited consolidated accounts,

provided that if any such Subsidiary (the **“transferor”**) shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another Subsidiary or the Issuer (the **“transferee”**) then:

- (I) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary; and
- (II) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary.

Any Subsidiary which becomes a Principal Subsidiary by virtue of (I) above or which remains or becomes a Principal Subsidiary by virtue of (II) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the profits after tax or (as the case may be) total assets as shown by the accounts of such Subsidiary (consolidated (if any) in the case of a company which itself has Subsidiaries), based upon which such audited consolidated accounts have been prepared, to be less than 15 per cent. of the consolidated profits after tax or (as the case may be) total assets of the Group, as shown by such audited consolidated accounts. A report by the Auditors, who shall also be responsible for reviewing any pro-forma accounts required for the above purposes, that in their opinion a Subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive; and

- (2) **“Subsidiary”** has the meaning ascribed to it in the Trust Deed.

10. Enforcement of Rights

At any time after the Notes shall have become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by Noteholders holding not less than 25 per cent. in principal amount of the Notes outstanding and (b) it shall have been indemnified by the Noteholders to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing.

11. Meeting of Noteholders and Modifications

The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee upon the request in writing by Noteholders holding not less than one-tenth of the principal amount of the Notes of any Series for the time being outstanding shall, convene a meeting of the Noteholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (c) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any Interest Amount in respect of the Notes, (d) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the method of calculating the Amortised Face Amount, (e) to vary the currency or currencies of payment or denomination of the Notes, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply or (g) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Noteholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear and/or Clearstream, Luxembourg and/or the Depository and/or the CMU and/or any other clearing system in which the Notes may be held and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

12. Replacement of Notes and Coupons

If a Note or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent, or at the specified office of such other Issuing and Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 15, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note or Coupon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note or Coupon) and otherwise as the Issuer may require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

13. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes of any Series and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

14. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified to its satisfaction. The Trust Deed also contains a provision entitling the Trustee to enter into business transactions with the Issuer or any of its Subsidiaries without accounting to the Noteholders or Couponholders for any profit resulting from such transactions.

15. Notices

Notices to the holders will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Notes can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in the Business Times. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders in accordance with this Condition 15.

Until such time as any Definitive Notes (as defined in the Trust Deed) are issued, there may, so long as the Global Note(s) is or are held in its or their entirety on behalf of (i) Euroclear, Clearstream, Luxembourg and/or the Depository, be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or the Depository for communication by it to the Noteholders or (ii) the CMU, be substituted for such publication in such newspapers the delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU on the second business day preceding the date of despatch of such notice as holding interests in the Global Note(s) and, in addition, in the case of both (i) and (ii) above, for so long as the Notes are listed on any Stock Exchange and the rules of such Stock Exchange so require, notice will in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Noteholders (in the case of notices given to Euroclear, Clearstream, Luxembourg and/or the Depository) on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or the Depository and (in the case of notices given to persons shown in the relevant CMU Instrument Position Report) on the second day after the day on which the said notice was given to the persons shown in the relevant CMU Instrument Position Report.

Notices to be given by any Noteholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Issuing and Paying Agent. Whilst the Notes are represented by a Global Note not lodged with the CMU, such notice may be given by any Noteholder to the Issuing and Paying Agent through Euroclear, Clearstream, Luxembourg and/or the Depository and whilst the Notes are represented by a Global Note lodged with the CMU, by delivery by such Noteholder to the CMU Lodging and Paying Agent, in such manner as the Issuing and Paying Agent and Euroclear, Clearstream, Luxembourg and/or the Depository and/or the CMU Lodging and Paying Agent and the CMU, as the case may be, may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

16. Governing Law

The Notes and the Coupons are governed by, and shall be construed in accordance with, the laws of Singapore.

17. Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

Issuing and Paying Agent

DBS Bank Ltd.
60 Alexandra Terrace
#05-27 The Comtech
Singapore 118502

CMU Lodging and Paying Agent

The Hongkong and Shanghai Banking Corporation Limited
Level 30
HSBC Main Building
1 Queen's Road Central
Hong Kong

THE ISSUER

HISTORY AND BACKGROUND

The Issuer was incorporated in Singapore as a private limited liability company on 20 December 2000, through the merger of JTC International Holdings Pte Ltd (“**JTCI**”) and Arcasia Land Pte Ltd (“**Arcasia Land**”). The Issuer is currently 100% owned by JTC.

The Issuer is one of Asia’s leading providers of business space covering high-tech, science, business and industrial parks, and customised developments for a host of industries. It manages a portfolio of properties across Asia, with a significant presence in 10 countries across major markets in Asia, including Singapore, China, India, South Korea and the Philippines. It has one of the largest footprints across Asia, with more than 20 years of experience servicing a global clientele of more than 2,000 customers, including Fortune 500 companies, leading local enterprises, research institutions and multi-national corporations, with which the Issuer has cultivated long-standing relationships in Singapore, China and India.

As at 31 March 2011, the assets under management by the Issuer totalled approximately 50.2 million sq ft of business space, with an aggregate open market value of approximately S\$11.1 billion. Major projects developed by the Group include the Singapore Science Park and One@Changi City in Singapore, the Dalian Ascendas IT Park and the Ascendas-Xinsu Development in China, the International Tech Park Bangalore in India and the Carmelray Industrial Park II in the Philippines.

The Issuer has also demonstrated a consistent track record in managing listed real estate trusts through its management of its maiden fund and Singapore’s first business space trust, Ascendas Real Estate Investment Trust (“**A-REIT**”) which was listed on the SGX-ST in November 2002.

In November 2006, the Issuer invested in a private equity office real estate fund in South Korea, A-KOF. The Issuer also launched the Ascendas China Commercial Fund (“**ACCF**”) and the Ascendas ASEAN Business Space Fund (the “**ASEAN Fund**”) in June 2007, as well as the Ascendas China Industrial & Business Parks Fund (“**ACIBPF**”) in July 2007. In June 2007, the Issuer launched the S\$500 million Ascendas India Development Trust (“**AIDT**”), the Group’s first development fund to invest in integrated development real estate projects in India.

In August 2007, the Issuer successfully listed Ascendas India Trust (“**a-iTrust**”), Asia’s first listed Indian property trust, which was formed from Ascendas India IT Parks Trust (“**AIITPT**”), established in June 2005.

In November 2007, the Issuer created and co-invested in A-KIF, which focuses on logistics and warehousing properties in Korea. In May 2008, the Issuer created and co-invested in the second Korea office real estate fund, A-KOF2.

BUSINESS STRATEGY

The mission of the Issuer is to acquire, create and manage distinctive spaces that inspire innovation and excellence in its customers and users within a secure and sustainable integrated community, comprising mixed-use developments anchored by business space. The Group’s business space solutions include science, business and IT parks, high-tech and industrial facilities, offices and commercial space, logistics and distribution properties, ready-built and built-to-suit (“**BTS**”) facilities. The Issuer will focus on the Asian property markets in which it currently has operations. Besides honing its business development capabilities, the Issuer will explore new niche markets, enhance its asset management and customer service competencies to maximise profitability and strengthen its overall competitiveness. The Issuer intends to attract selected customers and investors, rapidly increase the scale of its operations within Asia and in doing so, establish its dominance as the premier provider of business space solutions in Asia.

The Issuer will also continue to provide leasing, marketing, facilities management, development and project management services as part of its asset-light, fee-based strategy. It will also explore opportunities to provide turnkey fit-out services and “plug-and-play” solutions to its existing and future pool of tenants as a value-added service and to further expand its fee-based income.

PRINCIPAL BUSINESS ACTIVITIES

The principal business activities of the Issuer consist of three main categories – real estate development and investment, real estate services and fund management.

The Issuer is a premier provider of business space solutions in Singapore and abroad. Its substantial portfolio consists of a variety of property types, namely science, business and IT parks, high-tech and industrial facilities, offices and commercial space, logistics and distribution properties, ready-built and BTS spaces.

Beyond the development of and investment in real estate, the Issuer also provides real estate services that include property and facilities management, fit-out services, “plug-and-play” solutions and the Ascendas Real Estate Management System. The Issuer also leads in business space-related offerings via funds, principally A-REIT, AIDT, A-KOF, a-iTrust, the ASEAN Fund, ACCF, ACIBPF, A-KIF and A-KOF2.

1. Real Estate Developments and Investment

Science, Business and IT Parks

As at 31 March 2011, the Issuer’s portfolio of science, business and IT parks totalled approximately 496,487 sqm and is listed as follows:

Science Parks - Singapore

Name of Building	Location of Building	Tenure	Total NLA (sqm)	Effective Stake	Valuation
The Chadwick	Science Park I	99-year leasehold (from 1 June 1982)	6,390	100%	S\$21,500,000
The Curie	Science Park I	99-year leasehold (from 1 June 1982)	6,500	100%	S\$24,000,000
The Cavendish	Science Park I	99-year leasehold (from 1 June 1982)	7,710	100%	S\$27,000,000
CINTECH I	Science Park I	99-year leasehold (from 1 June 1982)	10,531	100%	S\$40,000,000
CINTECH II	Science Park I	99-year leasehold (from 1 June 1982)	7,914	100%	S\$30,000,000
CINTECH III	Science Park I	99-year leasehold (from 1 June 1982)	8,416	100%	S\$35,000,000
CINTECH IV	Science Park I	99-year leasehold (from 1 June 1982)	10,199	100%	S\$55,000,000
The Faraday	Science Park I	99-year leasehold (from 1 June 1982)	5,320	100%	S\$20,000,000
The Fleming	Science Park I	99-year leasehold (from 1 June 1982)	5,337	100%	S\$20,000,000
The Franklin	Science Park I	99-year leasehold (from 1 June 1982)	7,139	100%	S\$26,500,000
The Maxwell	Science Park I	99-year leasehold (from 1 June 1982)	4,908	100%	S\$15,000,000
The Mendel	Science Park I	99-year leasehold (from 1 June 1982)	5,072	100%	S\$15,500,000

Name of Building	Location of Building	Tenure	Total NLA (sqm)	Effective Stake	Valuation
Pascal/Pasteur	Science Park I	99-year leasehold (from 1 June 1982)	13,215	100%	S\$19,400,000
The Aquarius	Science Park II	99-year leasehold (from 24 March 1993)	3,063	100%	S\$12,400,000
The Galen	Science Park II	99-year leasehold (from 15 February 2001)	21,790	100%	S\$125,700,000
The Kendall	Science Park II	99-year leasehold (from 15 February 2001)	16,781	100%	S\$89,200,000

The Science Park properties house tenants that are primarily involved in R&D activities, particularly in areas of chemical products, life sciences, software development and IT.

The overall average occupancy of the Science Park properties as at 31 March 2011 is 88.3%. The three largest key tenants are AvanStrate Asia Private Limited, DSO National Laboratories and Quintiles East Asia Pte Ltd.

The average base rent of each of the Science Park properties is S\$36.40 per sqm per month. Each of the properties has an average lease term of two to three years, with an option to extend for another two or three years.

Business Parks – Singapore

Name of Building	Location of Building	Tenure	Total NLA (sqm)	Effective Stake	Valuation
Icon@IBP	International Business Park	30+23 years leasehold (from 1 January 2008)	23,084	100%	S\$103,500,000

The overall average occupancy of Icon@IBP as at 31 March 2011 is 30.8%. It currently houses tenants that are primarily involved in R&D activities such as prototype making, product design and application in infrastructure technology.

The base rent of Icon@IBP is S\$35.92 per sqm per month. It has an average lease term of three to five years.

IT Parks – Overseas

Name of Building	Location of Building	Tenure	Total Leasable Area (sqm)	Effective Stake	Valuation
Dalian Ascendas IT Park	Dalian, China	50-year leasehold (till September 2055)	72,421 (Phase 1)	50%	S\$70,200,000 ¹
Dalian Ascendas IT Park	Dalian, China	50-year leasehold (till September 2055)	71,112 (Phase 2)	50%	S\$69,615,000
Ascendas Innovation Hub-Xian	Xi'an, China	46-year leasehold (till May 2051)	34,112	80%	S\$31,980,000
Ascendas iHub	Nanjing, China	50-year leasehold (till April 2055)	46,339	100%	S\$34,320,000

Name of Building	Location of Building	Tenure	Total Leasable Area (sqm)	Effective Stake	Valuation
Singapore-Hangzhou Science and Technology Park	Hangzhou, China	50-year leasehold (till September 2056)	42,820 (Phase 1A)	80%	S\$50,368,500 ²
Suzhou iHub	Suzhou, China	50-year leasehold (till September 2058)	38,864 (Phase 1A)	100%	S\$40,618,500
International Tech Park Pune	Pune, India	95-year leasehold (till February 2103)	58,024 (Phase 1)	74%	S\$34,888,000

Notes:

- 1) Suzhou iHub – Phase 1A was completed as at the end of September 2011.
- 2) The valuation includes a one-hectare site area and a property under construction with GFA of 77,000 sqm.

The base rent of each of the IT Park or Science and Business Park properties located in China ranges from RMB22 to RMB85 (approximately S\$4.25 to S\$16.41) per sqm per month. Each of the properties has an average lease term of two or three years.

A joint venture between the Issuer and Dalian Software Park Co Ltd culminated in the establishment of Dalian Ascendas IT Park (“**DAITP**”). This property boasts a premier IT park address in the heart of Dalian, China’s leading software city.

DAITP promises an inspiring international business lifestyle which is second to none. It integrates a perfect blend of “hard” and “soft” infrastructure to create an ideal ambience for business excellence and innovation. Spread over 34 hectares of lushly landscaped grounds with a picturesque sea view, DAITP’s environment features state-of-the-art business space and superb lifestyle amenities.

DAITP was master-planned by the renowned American architectural firm, Gensler & Associates Architects Inc. It is located just 10 minutes away from Phase 1 of the Dalian Software Park and is an integral part of the larger technology eco-system. It will be well connected to valuable resources, with other like-minded global corporations such as General Electric Co. Ltd, IBM Co. Ltd, Dell Co. Ltd, Matsushita Electric Co. Ltd, South Asian Pacific Co. Ltd, Hewlett Packard Co., Accenture Co. Ltd, Sony Corp. and Panasonic Co. Ltd in close proximity.

Ascendas iHub in Nanjing is an integrated cluster of five high-tech office buildings in a well-planned and lush environment located in the Jiangning district, one of the leading provinces in China for IT products and exports. Ascendas iHub provides one of the most extensive amenities in the district, offering a quality international lifestyle that has become synonymous with the Issuer’s brand worldwide.

Strategically located in Xi’an, the Ascendas Innovation Hub-Xian is a holistic environment conducive to innovation and business expansion into the fast-growing Western region of China.

The overall average occupancy of the China properties as at 30 September 2011 is approximately 75.0%, as the properties are either under development or have just been completed, except for Ascendas Innovation Hub-Xian and Ascendas iHub.

The Issuer signed a partnership agreement with the Hangzhou government on 22 June 2007 to develop the Singapore-Hangzhou Science and Technology Park (the “**SH Park**”) in Hangzhou, the capital of Zhejiang province in China. The SH Park project is undertaken with the Hangzhou Economic Development Area General North Co Ltd, the developer of the Hangzhou Economic & Technological Development Zone (“**HEDA**”).

The integrated development is expected to involve an investment of approximately S\$700 million, and will be located at the heart of HEDA. It will cover about 43 hectares and yield approximately 840,000 sqm of built-up space. The SH Park is expected to house a working population of 30,000 to 50,000 people when it is completed in approximately five to nine years’ time.

International Tech Park Pune covers 2.2 million square feet on 25 acres of land within the Information Technology Special Economic Zone at the Rajiv Gandhi Infotech Park Phase 3 in Hinjewadi, Pune. It is a development by a joint venture between the Issuer and Maharashtra Industrial Development Corporation, to be built in four phases and is ideal for companies in the IT, software development, electronic and telecommunication industries.

Industrial Properties

As at 31 March 2011, the Issuer's portfolio of industrial properties totalled approximately 161,219 sqm and is listed as follows:

Singapore

Name of Building	Location of Building	Tenure	Total NLA (sqm)	Effective Stake	Valuation
A-Z Building	Paya Lebar Road	Freehold	21,723	100%	S\$79,500,000
FoodXchange (36 units)	Admiralty Street	60-year leasehold (from 9 October 2000)	9,510	100%	S\$28,050,000
Admirax	Admiralty Street	60-year leasehold (from 9 October 2000)	21,622	100%	S\$75,200,000

The Issuer's industrial properties are located near significantly populated areas and house tenants that are primarily involved in IT and the manufacture of electronic products and components, machinery and equipment.

The overall average occupancy of the industrial properties as at 31 March 2011 is 44.4% and the three largest key tenants are Nova Furnishing Centre Pte Ltd, Yamaha Music (Asia) Pte Ltd and Katrin BJ Pte Ltd.

The average base rent of each of the industrial properties is S\$14.20 per sqm per month. The properties have an average lease term of two to three years, with an option to extend for another two or three years.

As at 31 March 2011, the Issuer also owns Admiralty Plot C, which is beside Admirax, with a site area of 12,311 sqm and has a valuation of S\$21,600,000.

Overseas – China

Name of Building	Location of Building	Tenure	Total Leasable Area (sqm)	Effective Stake	Valuation
Ascendas Linhu Industrial Square	Wujiang, China	50-year leasehold (till October 2056)	35,771	100%	S\$11,934,000 ¹

Note 1: The market value of the Wujiang property also includes about four hectares of site area.

The property in Wujiang is conveniently connected to the Shanghai, Jiangsu and Zhejiang provinces via the A9 expressway, Su-Jia-Hang expressway and the No. 318 national highway and is only 30 km away from Shanghai's Hongqiao Airport.

The base rent is in the range of RMB12 to RMB18 (approximately S\$2.34 to S\$3.51) per sqm per month. The lease terms range from two to five years. The representative tenants include Bemis (Suzhou) Molded Plastics Products Co. and Ashcroft Inc.

Overseas – Philippines

Name of Building	Location of Building	Tenure	Total NLA (sqm)	Effective Stake	Valuation
RBF Development	Carmelray Industrial Park II, Laguna, Philippines	Freehold	72,593	40%	S\$30,784,500

The RBF Development in the Philippines was completed in January 2002, with high quality, leading edge facilities and services that were designed to satisfy the specific needs of the various industries. It is strategically located in the fastest growing province of Calabarzon, 50 km from the Ninoy Aquino International Airport and about one hour's drive to Makati City.

The occupancy rate is 97.0% as of 31 March 2011 and its key tenants include Panasonic (Japan) Co. Ltd, PSI Technologies Holdings Inc (Philippines), Accenture and Closure System International (ALCOA, U.S.).

The tenants of the RBF Development are primarily involved in the manufacture of plastics, electronics, semiconductor support, solid waste recycling, and IT. 90.0% of the current tenants in the RBF Development are multi-national companies that hail from Japan, Republic of Korea, U.S., Singapore, Germany and Switzerland.

The average base rent of the RBF Development in the Philippines is US\$4.64 (approximately S\$5.87) per sqm per month. It has an average lease term of three to five years, with an option to extend for another three or five years.

Built-to-Suit Spaces

As at 31 March 2011, the Issuer's portfolio of BTS spaces is listed as follows:

Singapore

Name of Building	Location of Building	Tenure	Total NLA (sqm)	Effective Stake	Valuation
NH Techno Glass Manufacturing Facility	Tuas South Avenue	30-year leasehold (from 1 November 2000)	17,608	100%	S\$32,800,000

The Issuer understands that every business today has different requirements for space, from office use to manufacturing, logistics and warehousing. By offering a BTS package, the Issuer is able to provide seamless services throughout the project development cycle and develop space that is customised to efficiently meet the customer's unique operational needs.

The lease term of its key tenant, Avanstrate Asia Private Limited, is 10 years.

Overseas

Name of Building	Location of Building	Tenure	Total GFA (sqm)	Effective Stake	Valuation
DHL	Beijing, China	50-year leasehold (till September 2051)	11,112	99.81%	S\$8,326,500
YUM!	Beijing, China	50-year leasehold (till October 2051)	8,062	99.81%	S\$8,268,000
Foseco	Tianjin, China	50-year leasehold (till October 2055)	8,136	100%	S\$6,376,500
Flextronics	Beijing, China	50-year leasehold (till July 2052)	7,171	99.81%	S\$7,254,000

The Issuer first set up BTS spaces in China more than 12 years ago. The base rent of each of the BTS spaces in China ranges from RMB 38 to RMB 67 (approximately S\$7.33 to S\$12.93) per sqm per month. Each of the properties has an average lease term of six years.

Land Leases

As at 31 March 2011, the Issuer's portfolio of land leases is listed as follows:

Singapore

Name of Building	Location of Building	Tenure	Sub-lease to third party	Site Area (sqm)	Valuation
AMKOR	Science Park I	99-year leasehold (from 1 June 1982)	30+30 year leasehold estate (under AMKOR from 1 Oct 1987)	15,633	S\$13,500,000
DNV	Science Park I	99-year leasehold (from 1 June 1982)	30+30 year leasehold estate (under DNV from 1 August 1982)	9,400	S\$5,030,000
DSTA (NCB)	Science Park I	99-year leasehold (from 1 June 1982)	43-year leasehold estate (under DSTA from 22 April 2000)	12,147	S\$2,500,000
DSTA (DSO)	Science Park I	99-year leasehold (from 1 June 1982)	60-year leasehold estate (under DSTA from 16 May 1986)	19,998	S\$3,820,000
Reuters	Science Park I	99-year leasehold (from 1 June 1982)	30+30 year leasehold estate (under Reuters from 1 June 1990)	14,051	S\$16,500,000
The Alpha	Science Park II	99-year leasehold (from 24 March 1993)	Leasehold estate expiring in 2062 (transferred to A-REIT in 2002)	27,929	S\$1,480,000
The Aries	Science Park II	99-year leasehold (from 24 March 1993)	Leasehold estate expiring in 2062 (transferred to A-REIT in 2002)	12,087	S\$970,000
Crimson Logic	Science Park II	99-year leasehold (from 24 March 1993)	60-year leasehold estate (under Crimson Logic from 16 October 1995)	14,489	S\$1,180,000
The Gemini	Science Park II	99-year leasehold (from 24 March 1993)	Leasehold estate expiring in 2062 (transferred to A-REIT in 2002)	29,296	S\$1,950,000
IME	Science Park II	99-year leasehold (from 24 March 1993)	30+30 years leasehold estate (under IME from 1 August 1993)	17,368	S\$7,900,000

Name of Building	Location of Building	Tenure	Sub-lease to third party	Site Area (sqm)	Valuation
Teletech Park	Science Park II	99-year leasehold (from 24 March 1993)	60-year leasehold estate (under Teletech Park from 1 November 2001)	33,987	S\$1,550,000
DSTA (SPII) (CSIT)	Science Park II	99-year leasehold (from 15 February 2001)	60-year leasehold estate (under DSTA from 18 Dec 2001)	11,004	S\$1,670,000
AMK Land Leases (Macarthurcook)	Ang Mo Kio	65-year leasehold (from 1 April 1987)	60-year leasehold estate (under Macarthurcook from 1 April 1987)	5,610	S\$4,700,000
AMK Land Leases (Freshland)	Ang Mo Kio	65-year leasehold (from 1 April 1987)	60-year leasehold estate (under Freshland from 16 October 1990)	6,755	S\$6,200,000
Capricorn	Science Park II	99-year leasehold (from 24 March 1993)	Leasehold estate expiring in 2062 (transferred to A-REIT in 2002)	14,301	S\$1,880,000

The valuations in March 2011 were based on the reversionary interest at the end of the expiring sub-lease period.

Other Investments

Other investments by the Issuer include:

(i) Frasers Property (China) Limited

The Group holds a 17.17% equity stake in Frasers Property (China) Limited ("**Frasers**"), which is listed on the Hong Kong Stock Exchange. The major ultimate shareholder of Frasers is Fraser and Neave, Limited.

Frasers' core business is in the development and management of business parks and residential projects in China and Hong Kong. Frasers owns Vision (Shenzhen) Business Park in Shenzhen, China, while Vision International Centre in Zhongguancun, Beijing, is owned by a joint venture between Fraser and Beijing Tsinghua Science Park.

(ii) Century Development Corporation

The Issuer's equity stake in Century Development Corporation ("**CDC**") is 12.12%. Other principal shareholders of CDC include the Industrial Development Bureau, the Ministry of Economic Affairs and the TECO Group of Taiwan.

CDC's main business scope includes investing in and developing industrial parks and office buildings, residential projects, building construction and property management and leasing. The flagship project of CDC is the Nankang Software Park located at Nankang, Taipei. CDC also has an investment in the Subic Bay Industrial Park in the Philippines.

(iii) Vietnam Singapore Industrial Park JV Co Ltd

The Issuer has an effective equity stake of 4.18% in Vietnam Singapore Industrial Park JV Co Ltd ("**VSIP**"). VSIP is the developer and manager of the Vietnam Singapore Industrial Parks I and II located at Binh Duong, Vietnam. Other principal shareholders of VSIP include SembCorp Industries and Becamax of Vietnam.

- (iv) Singapore Suzhou Township Development Pte. Ltd.

The Issuer's effective equity stake in Singapore Suzhou Township Development Pte. Ltd ("SSTD") is 4.17%. SSTD is part of the Singapore consortium which co-invests in China-Singapore Suzhou Industrial Park Development Co Ltd, the developer of the Suzhou Industrial Park in China.

2. Real Estate Services

The Issuer is a premier provider of the following services:

- (a) *Development and Project Management*: This includes feasibility studies, master planning, project cost analysis and project management;
- (b) *Property and Estate Management*: This includes lease administration, operations administration, quality control, budgeting, financial management, government liaison and training;
- (c) *International Marketing*: This includes enhancing the customer's market expansion and investment plans through appropriate real estate strategies, in order to plan, position and promote the customer's real estate projects through the Ascendas Global Partnership Scheme;
- (d) *Real Estate Training Course*: The course focuses on the design, development, marketing, management and after-sales services of industrial, business and IT parks; and
- (e) *Renovation Services*: These include space planning, interior design, project management, consultancy, design and build and reinstatement management.

3. Fund Management

Funds Overview

Extending footprints in key markets of Asia, the Issuer has established a series of real estate funds in China, India, Korea and Southeast Asia which has achieved success through leveraging on the Issuer's strategic platforms across Asia and its presence throughout the entire real estate investment value chain:

Fund	Type	Investment Regions	Investment Targets	Assets under Management ("AUM") as at 31 March 2011 (S\$'000)
A-REIT	Listed REIT (on SGX-ST)	Mainly Singapore	Business space assets	5,419,824
a-iTrust	Listed Business Trust (on SGX-ST)	India	Premium IT Parks in India	1,051,736
ACCF	Private Fund	China	Commercial Assets	852,296
ACIBPF	Private Fund	China	Industrial and Business Parks	205,547
AIDT	Private Fund	India	Special Economic Zone projects and IT Parks	905,434
ASEAN Fund	Private Fund	ASEAN region	Business space assets	221,024

Fund	Type	Investment Regions	Investment Targets	Assets under Management (“AUM”) as at 31 March 2011 (\$’000)
A-KOF / A-KOF 2	Private Fund	South Korea	Commercial assets	797,894
A-KIF	Private Fund	South Korea	Logistics assets	26,442
			Total AUM as at 31 March 2011	9,480,197

A-REIT

A-REIT, Singapore’s first business space and industrial REIT, was listed on 19 November 2002 with a portfolio of eight properties worth approximately S\$600 million. It has since increased its portfolio to 93 properties, with total assets of approximately S\$5.4 billion as at 31 March 2011.

It owns a diversified property portfolio in Singapore comprising business and science parks properties, high-tech industrial properties, light industrial properties, logistics and distribution centres as well as warehouse retail facilities. These properties house a tenant base of more than 980 international and local companies from a wide range of industries and activities, including R&D, life sciences, IT, electronics, engineering, light manufacturing, telecommunications, logistics service providers, manufacturing services and back-room office support in service industries.

A-REIT is included in several indices. These include the Morgan Stanley Capital International Inc Index, the European Public Real Estate Association/National Association of Real Estate Investment Trusts Global Real Estate Index, Global Property Research Asia 250 and FTSE ST Mid Cap Index. A-REIT currently enjoys a corporate family rating of “A3” assigned by Moody’s Investors Service.

A-REIT is managed by Ascendas Funds Management (S) Limited (“**AFM**”), a wholly-owned subsidiary of the Group. AFM’s principal objectives are to deliver sustainable distributions and capital stability to unitholders of A-REIT. AFM intends to achieve these objectives through implementing its strategies of:

- Proactive Portfolio Management – actively managing the properties in A-REIT’s portfolio in order to maintain or improve occupancy levels and net property income and to achieve organic growth;
- Value-adding investments – comprising development as well as acquisition of income-producing properties with strong underlying real estate fundamentals; and
- Capital and Risk Management – employing appropriate debt and equity financing policies.

As at the Latest Practicable Date, the Issuer holds an indirect stake of approximately 19.31% in A-REIT.

a-iTrust

The Issuer launched AIITPT in June 2005, which has since been listed on the SGX-ST in the form of a-iTrust. AIITPT was unique for its focus on matured income-producing assets with development potential, and was seeded by two of its prime IT park properties, namely the International Tech Park in Bangalore and The V (formerly known as Vanenburg IT Park) in Hyderabad.

a-iTrust was launched in August 2007 as the first listed Indian property trust in Singapore and Asia. The trust 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.

a-iTrust's portfolio consists of 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 Pte. Ltd., and sponsored by Ascendas Land International Pte. Ltd. ("**Ascendas Land International**"), both wholly-owned subsidiaries of the Issuer.

a-iTrust is structured as a business trust while offering stable income distributions akin to a REIT. Its unique growth model provides 1) organic growth potential from its 6.4 million sq ft of operating space, 2) strong in-built development pipeline of up to 2.5 million sq ft of space and 3) external acquisitions, which includes rights of first refusal from Ascendas Land International and AIDT, as well as potential third party acquisitions of business space properties across India.

As at the Latest Practicable Date, the Issuer holds an indirect stake of approximately 26.2% in a-iTrust.

AIDT

The Issuer launched AIDT in June 2007 with a total capital commitment of S\$500 million. AIDT, which has a target asset size of S\$1 billion, will invest in integrated development real estate projects in India, including complementary land for industrial, commercial, residential and retail use. In particular, the Issuer intends to develop the business space within these projects, whilst participating in residential, commercial, retail, hotels, recreation and other supporting uses through and with other parties.

By investing in integrated development real estate projects, AIDT will be able to create synergistic values from the complementary land uses within the projects as compared to the development of those uses separately. To the investors of AIDT, it also represents a diversified blend of returns.

The launch of AIDT is timely against a backdrop of positive business factors. India's real estate sector has been expanding, with increasing demand for quality commercial space as India rapidly develops into a global IT outsourcing hub. The Indian government has also been actively promoting the development of Special Economic Zones with the objective of providing an internationally competitive environment for exports.

As of 31 March 2011, AIDT is in the midst of developing the properties in its portfolio – Ascendas One Hub Coimbatore, Ascendas One Hub Gurgaon in Gurgaon, International Tech Park Gurgaon and Chennai Integrated Township in Chennai.

AIDT is constituted in Singapore as a private trust and is denominated in Singapore dollars. It has a term of eight years which is extendable by two years. It is managed by a wholly-owned subsidiary of the Issuer and all property-related services are provided by another wholly-owned subsidiary of the Issuer to ensure consistent quality and delivery standards.

The Issuer's effective stake in AIDT is 26%. Other investors include Bahrain-based Islamic investment bank Arcapita and ING Private Banking.

ACCF

ACCF was set up in November 2006 and is a private equity real estate fund investing in office assets in China. ACCF seeks to maximise total returns on capital by seeking consistently recurring income and capital appreciation through the acquiring and realising of a diverse portfolio of income-producing real estate in China that are used or to be used predominantly for commercial purposes. Ascendas China Commercial Fund Management Pte Ltd (the "**ACCF Fund Manager**") intends to invest in what it regards as Grade A/A- commercial buildings in prime locations situated primarily in cities which it considers to be first-tier cities (such as Shanghai, Beijing, Guangzhou and Shenzhen), and possibly also in what it considers to be second-tier cities such as Tianjin and Dalian. ACCF's investments will focus primarily on completed properties and assets. However, the ACCF Fund Manager will also invest in development projects that are nearing final stages of construction as and when suitable opportunities arise.

ACCF was fully subscribed on 26 June 2007 with a total capital commitment of S\$400 million. The Issuer holds a 30.5% stake in ACCF. This significant investment aligns the interests between the investors of ACCF, the Issuer and its associates, which includes the ACCF Fund Manager.

The portfolio of ACCF as at 31 March 2011 includes the following:

Name of Building	Location of Building	Tenure	Total NLA (sqm)	Valuation
Ascendas Ocean Tower	Shanghai, China	50-year leasehold (till February 2045)	50,192	S\$364,770,000
Ascendas Plaza	Shanghai, China	50-year leasehold (till March 2051)	39,319	S\$234,688,000
Cross Towers	Shanghai, China	50-year leasehold (till February 2045)	41,662	S\$254,760,000

ACIBPF

ACIBPF was established in September 2006 and is a private equity real estate fund that is sponsored by the Issuer and managed by Ascendas China Fund Management Pte Ltd (the “**ACIBPF Fund Manager**”), a wholly-owned subsidiary of the Issuer. While the ACIBPF Fund Manager makes key decisions offshore, the Issuer’s management team in China will implement these decisions onshore.

ACIBPF was fully subscribed on 16 July 2007 with a total capital commitment of S\$300 million and the Issuer’s commitment to the fund is 25.6%.

The objective of ACIBPF is to achieve alternative investment asset type returns by investing in the following categories of real estate assets in China:

- light industrial facilities (typically light manufacturing facilities);
- logistics facilities, including warehouses and distribution centres;
- software and IT-related facilities; and
- business parks.

ACIBPF is seeded with its prime asset, the Ascendas-Xinsu Development in the Suzhou Industrial Park, one of the top five industrial parks in China. The Ascendas-Xinsu Development comprises 55 buildings with a total GFA of 305,251 sqm and an additional 2.5 hectares of land for future development. The additional 2.5 hectares of land can yield an additional estimated GFA of 46,441 sqm.

The portfolio of ACIBPF consists of primarily stabilised assets (i.e. income producing assets) with a limited component of value-add activity. ACIBPF shall maintain a portfolio that comprises primarily investments with underlying cash flow generating real estate assets. While its portfolio may include investments with underlying development of real estate assets, this may be limited in order to manage the risk profile of ACIBPF. As at 31 March 2011, the portfolio of ACIBPF comprises the following:

Name of Building	Location of Building	Tenure	Total NLA (sqm)	Valuation
Ascendas-Xinsu Development	Suzhou, China	50-year leasehold (expiring at various maturity dates ranging from December 2046 to December 2057)	279,355	S\$204,001,000
Ascendas Z-Link	Beijing, China	50-year leasehold (till August 2054)	27,450	S\$49,140,000

As at 3 October 2011, the fund had successfully divested its assets and delivered an equity internal rate of return of approximately 18% to all unitholders. As it is nearing the end of its fund life, ACIBPF is currently in the process of liquidation.

A-KOF

In November 2006, the Issuer invested in a commercial real estate fund, A-KOF, with Samsung Life Insurance, South Korea Life Insurance and LIG Insurance. The Issuer holds a 30% stake in A-KOF.

As at 31 March 2011, A-KOF has three Grade A income-producing properties which are located within the main business districts of Seoul. In July 2011, A-KOF had successfully completed the purchase of a new Grade A income-producing commercial property in Korea's central business district via a forward purchase agreement signed in September 2007.

A-KOF's portfolio consists of the following properties:

Name of Building	Location of Building	Tenure	Total GFA (sqm)	Valuation
Citibank Center	Seoul, South Korea	Freehold	19,751	S\$108,203,000
Dadong Center	Seoul, South Korea	Freehold	15,113	S\$63,641,500
Anam Tower	Seoul, South Korea	Freehold	12,865	S\$57,240,000
Signature Towers Seoul	Seoul, South Korea	Freehold	99,991	S\$655,400,000

The maturity date of A-KOF is 31 March 2012. All investors had mutually agreed on the divestment of three assets, Citibank Center, Dadong Center and Anam Tower by 31 March 2012.

A-KOF's fund life shall be extended to 2016 or a new fund with maturity in 2016 shall be established to hold the remaining asset, Signatures Towers Seoul. The investment proportion by each respective investor shall remain unchanged.

A-KOF2

In May 2008, the Issuer created and co-invested in a second office real estate fund, A-KOF2. The other co-investors are Samsung Life Insurance, Samsung Fire and Marine Insurance, LIG Insurance and Geumho Life Insurance. The Issuer holds a 57% stake in A-KOF2.

A-KOF2 owns an income-producing Grade A 40-storey office building known as West Finance Center ("WFC"). WFC is located above Shindorim Station, which is a main train interchange for two major subway lines in Seoul.

As at 31 March 2011, the portfolio of A-KOF2 comprises the following:

Name of Building	Location of Building	Tenure	Total GFA (sqm)	Valuation
WFC	Seoul, South Korea	Freehold	92,173	S\$361,713,000

A-KIF

In November 2007, the Issuer successfully created and co-invested into another new real estate fund, A-KIF, which focuses on logistics and warehousing properties. Other co-investors in A-KIF include Samsung Life Insurance, Korea Life Insurance and LIG Insurance. The Issuer holds a 30% stake in A-KIF.

A-KIF currently has one industrial property, CJ Warehouse, which is located strategically in Yongin, near the Yangji Interchange along the YoungDong Highway. This is one of the prime locations for logistics centers within the Seoul Metropolitan Area with good accessibility to and from major highways. It is fully leased to CJ GLS, one of the largest Korean logistics companies, which in turn uses this asset as their core hub logistics centre.

As at 31 March 2011, the portfolio of A-KIF comprises the following:

Name of Building	Location of Building	Tenure	Total GFA (sqm)	Valuation
CJ Warehouse	Yongin, Korea	Freehold	13,279	S\$16,159,000

The fund intends to divest its assets and liquidate in 2012.

ASEAN Fund

The ASEAN Fund was set up in June 2007 and is a private investment trust constituted in Singapore that is sponsored by the Issuer. The ASEAN Fund was set up with a fund size of US\$400 million. Due to the change in economic circumstances arising from the global financial crisis, the unitholders have agreed to downsize the fund to US\$146 million. Its investment focus is on real estate that is used or to be used predominantly for business space solutions that are located across ASEAN and in particular, Malaysia, Vietnam and the Philippines. The Issuer holds a 20.5% stake in the ASEAN Fund.

The ASEAN Fund is managed by Ascendas Asia Fund Management Pte Ltd (formerly known as Ascendas S.E. Asia Business Space Fund Management Pte Ltd), a wholly-owned subsidiary of the Issuer (the “**ASEAN Fund Manager**”).

The objective of the ASEAN Fund is to achieve returns commensurate with an investment in alternative asset types by investing in the following categories of real estate:

- Offices (typically in central business districts and suburban office spaces);
- Software and IT-related facilities;
- Science and technology (including biotechnology) related facilities;
- Mixed development projects including but not limited to retail, offices and Small Office, Home Office properties; and
- Industrial facilities including but not limited to warehouse, cold-room facilities, distribution hubs and parks, high-tech and light industrial facilities.

The portfolio of the ASEAN Fund consists of development and stabilised (i.e. income-producing) assets such as central business districts, suburban office space and technology-related facilities.

As at 31 March 2011, the portfolio of the ASEAN Fund consists of the following properties:

Malaysia

Name of Building	Location of Building	Tenure	Total GFA (sqm)	Total NLA (sqm)	Valuation
Peremba Square	Subang	Freehold	Not applicable	22,938	S\$46,607,000
Ascendas Logistics Hub	Subang Jaya	Freehold	11,981	Not applicable	S\$10,241,000

The average gross monthly rent and occupancy rate of Peremba Square as at 31 March 2011 are RM3.25 per sq ft and 83% respectively. The average lease expiry term is 1.5 years.

The average gross monthly rent and occupancy rate of Ascendas Logistics Hub as at 31 March 2011 are RM1.32 per sq ft and 100% respectively. The average lease expiry term is 1.0 years.

Other than the above, the ASEAN Fund has disposed of a parcel of land in Petaling Jaya and is in the process of disposing of another parcel of land in the same locality. Both parcels of land are expected to be disposed at a total disposal gain of RM10.3 million. The ASEAN Fund also owns another parcel of development land in Cyberjaya, valued at RM20 million.

Philippines

Name of Building	Location of Building	Tenure	Total GLA (sqm)	Valuation
ACCRALAW Tower	Fort Bonifacio	Freehold	18,391	S\$35,206,000

The ASEAN Fund completed the development of ACCRALAW Tower, an office building in Fort Bonifacio, in January 2010. As at 31 March 2011, ACCRALAW Tower is 89% occupied and has an average rent of PHP461 per sqm. The average lease expiry term is 4.6 years.

The ASEAN Fund owns another two pieces of development land in the Philippines for office and business park development. As at 31 March 2011, the valuation for the vacant properties is about PHP1,479,000,000.

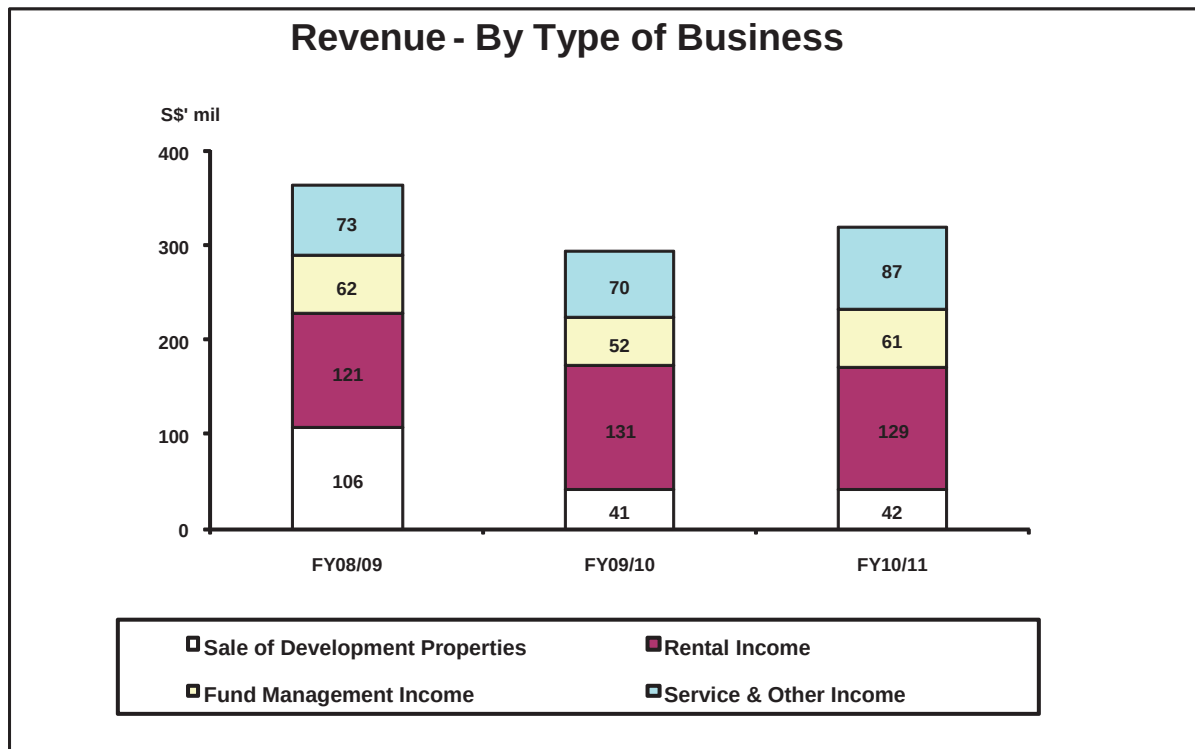
Vietnam

In Vietnam, the ASEAN Fund teamed up with a Vietnam state-owned company to jointly develop a 500-hectare industrial park located in the Binh Duong province. The new park will incorporate some of the best features and lifestyle concepts from similar projects that the Issuer has done in Singapore, China and other markets in Asia. The project will house industries engaged in the food and beverage, precision engineering, electronics and health-care businesses.

The ASEAN Fund holds a 70% stake in the project. As at 31 March 2011, the valuation for the 500-hectare land is about US\$52.82 million. Infrastructure works have commenced for Phases 1 and 2 of about 150 hectares and which are scheduled to be completed in early 2012.

BUSINESS REVIEW

The Group's revenue by type of business

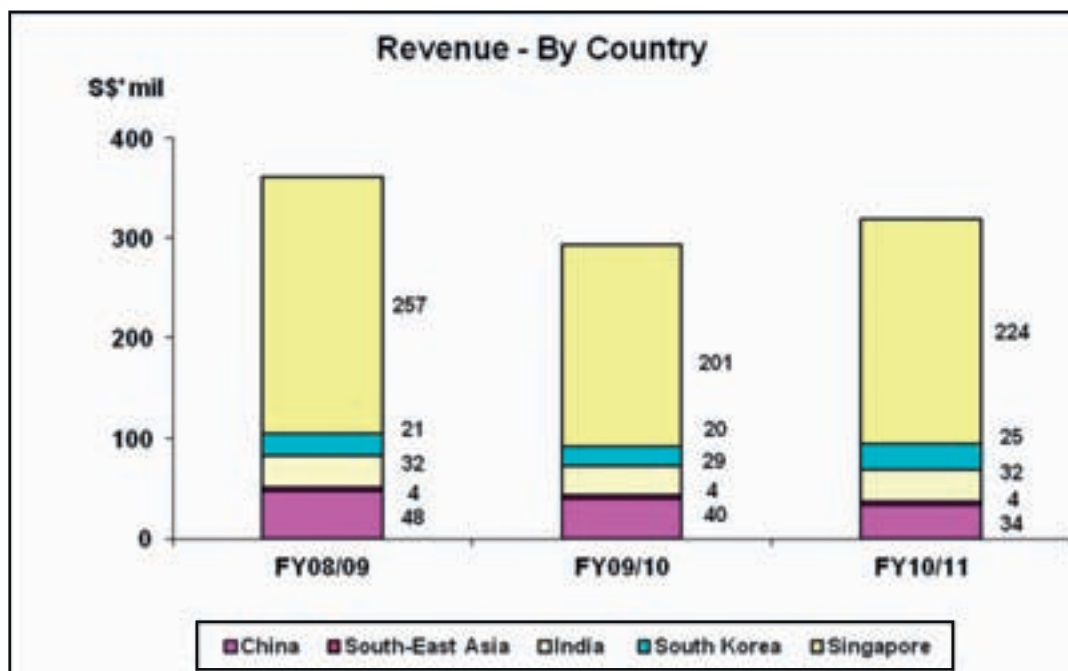


As part of the Issuer's asset-light strategy, the Issuer has been disposing its properties and/or investments to the property funds that it manages. The Issuer has also invested in such property funds simultaneously.

Fund management fees have been stable for the past three years as no new funds have been set up. Rental income did not decline noticeably from the disposal of assets into the property funds as the loss of rental income from such disposed assets was offset by rental income from newly completed or acquired properties.

Sale of development properties declined significantly from FY2008/2009 to FY2009/2010 in the absence of new projects being developed but remained stable in FY2010/2011.

The Group's revenue by countries



Singapore

Singapore remains the mainstay of the Issuer's business and continues to generate healthy revenue streams from sale of development properties and rental income from its investment properties. By managing the properties unlocked into property funds, the Issuer's decline in rental income from the sale of its properties is compensated in part by the fund management fee income earned and this provides sustainability in contributing towards recurring revenue.

China

The Issuer's initial focus was on Beijing, Shanghai and Suzhou but gradually expanded into cities such as Nanjing, Hangzhou, Wujiang, Tianjin and Xi'an to tap into China's rapidly growing economy and real estate market. The revenue stream from China over the past three years has been on a decline as the Issuer gradually divested its properties into the two private funds in China without new income-generating properties to contribute to the revenue stream.

India

The Issuer started investing in India in 1994. By the end of FY2006/2007, the Issuer had established a strong presence in India by launching and pioneering IT parks across the primary IT centres of India, namely in Bangalore, Chennai and Hyderabad. a-iTrust, Asia's first listed Indian property trust, was listed on 1 August 2007 on the SGX-ST. The revenue stream from India over the past three years has remained relatively stable.

South Korea

The Issuer started with one investment property in South Korea in FY2004/2005. By the end of FY2010/2011, the Issuer had five properties which were held via three funds, namely A-KIF, A-KOF and A-KOF2. In July 2011, A-KOF had successfully completed the purchase of a new Grade A income-producing commercial property in Korea's central business district via a forward purchase agreement signed in September 2007. The revenue stream from Korea over the past three years has remained relatively stable.

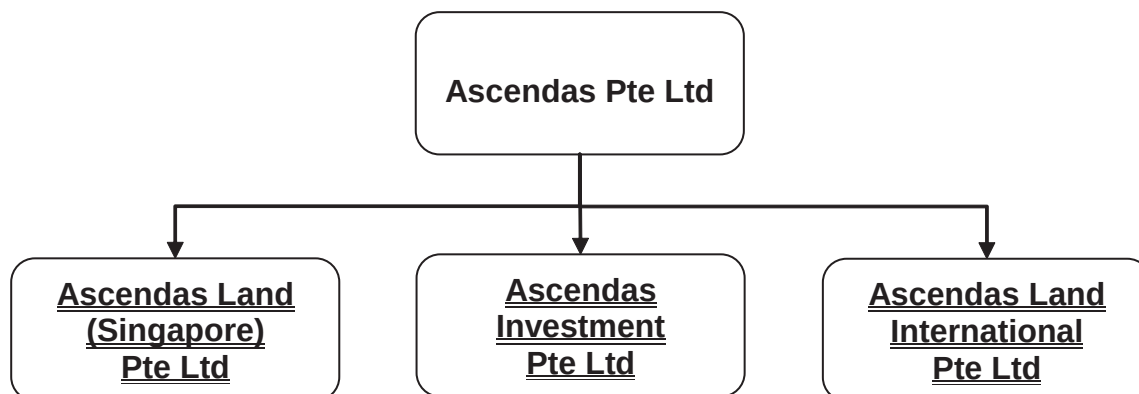
CORPORATE STRUCTURE

The Issuer is the ultimate holding company of the Group. The companies within the Group fall broadly under three categories, namely:

- (i) companies and funds holding real estate assets in Singapore and services companies for the provision of property management services in Singapore and overseas;

- (ii) companies engaged in passive investments and those providing trustee and/or fund management services; and
- (iii) companies and funds holding real estate assets overseas, including India, China, South Korea, Malaysia and the Philippines.

The companies under category (i) are subsidiaries of Ascendas Land (Singapore) Pte Ltd. The companies under category (ii) are subsidiaries of Ascendas Investment Pte Ltd. The companies under category (iii) are subsidiaries of Ascendas Land International Pte Ltd. Ascendas Land (Singapore) Pte Ltd, Ascendas Investment Pte Ltd and Ascendas Land International Pte Ltd are wholly-owned subsidiaries of the Issuer.



COMPETITION

Core Competitive Strengths

Strong experience in the business and industrial real estate markets

The Issuer was formed through the merger of JTCl and Arcasia Land on 20 December 2000. Prior to the merger, JTCl and Arcasia Land were engaged in developing and managing both industrial properties and science parks in the Asia Pacific region and Singapore respectively. The Issuer brings together over 20 years of experience in developing, managing and marketing of IT parks, industrial parks, business parks, science parks, high-tech facilities, office and retail spaces across Asia.

The Issuer capitalises on its multi-disciplinary expertise and local network of resources to assist its customers throughout the entire real estate process. It offers a comprehensive management system specially tailored to meet its customers' real estate needs, so that customers can focus on running their business. The Group's array of real estate solutions includes development and project management, property and facility management, business space marketing, fit-out services, business networking, as well as various value-added programmes.

The Issuer has a proven and successful track record as an industry leader for creating distinctive spaces that inspire innovation and excellence in its customers and users within a secure and sustainable integrated community, comprising mixed-use developments anchored by business spaces. Its flagship projects pioneering this concept include the Singapore Science Park – Singapore's first work-play environment for the R&D community; the International Tech Park Bangalore – India's first integrated community with business space and world class amenities for IT companies; and the Dalian-Ascendas IT Park – China's first integrated work-play IT hub with extensive value-added lifestyle amenities. The Issuer has also pioneered the ready-build-factory concept in Suzhou through the Ascendas-Xinsu Development, as well as in the Philippines through Carmelray Industrial Park II.

Leading business space provider in Asia

The Issuer demonstrates a deep commitment and keen focus on markets in Asia, where it can leverage on its first mover advantage and scale up operations rapidly to achieve dominance in its niche sectors. The Issuer's presence in China began in 1995 as the former JTCl, which was part of a Singapore consortium spearheading the development of the Suzhou Industrial Park ("SIP"). The Issuer has since expanded its presence in China from one city to 10 cities across several provinces.

The Issuer was one of the few Singaporean companies to venture into India. Its presence in India dates back to 1994 when a joint venture with the Tata Group (India's largest private sector group) and the Karnataka State Government was formed to develop the International Tech Park Bangalore. As one of the few foreign investors who have successfully acquired and developed assets in India, the Group has established itself as being one of the top IT park brands in India, through landmark IT park developments such as the International Tech Park Bangalore, the International Tech Park and Cybervale in Chennai, the CyberPearl and The V in Hyderabad, and the International Tech Park in Pune.

To date, the Issuer is one of the region's leading business space provider spanning 10 countries and more than 30 cities in Asia. It has also cultivated long standing relationships with numerous multi-national companies and blue-chip customers such as Citigroup, Infineon Technologies, Siemens Corporation and the Nokia Group, all of whom have chosen the Issuer as their strategic business space partner.

Strong track record in real estate fund management

The Issuer uses a business model that encompasses the entire value-chain of real estate solutions from asset creation and asset enhancement, to unlocking of asset value through real estate funds to fuel growth. The Issuer has demonstrated a consistent track record in real estate fund management. In November 2002, it launched A-REIT, Singapore's first industrial space REIT, with eight properties worth approximately S\$600 million. It has since increased its portfolio to 93 properties as at 31 March 2011 worth approximately S\$5.4 billion, making A-REIT Singapore's largest industrial REIT. In November 2006, it invested in A-KOF, a real estate fund investing in office buildings in South Korea. In 2007, the Issuer also successfully launched a series of private real estate funds, namely AIDT, ACCF, ACIBPF, A-KOF, A-KOF2, A-KIF as well as the ASEAN Fund. In August 2007, the Issuer listed a-iTrust, Asia's first listed Indian property trust.

The Group is well positioned in both business markets and real estate markets across Asia. Its 20-year experience in the industry, coupled with its world-class management team, makes it the most ideal candidate for developing and managing business properties in Asia.

Review of the Competition in the Property Market for the Past Two Years

For the last two years, 2010 and 2011, growth concerns took center stage with diverse global growth outlooks implicating asset prices. The loss of growth was due to rising uncertainty in the developed markets of the Euro zone and the United States. Until recently, Asia's emerging economies had motored along at a steady clip since the region's strong growth at the start of 2009, with no shortage of investment capital until the middle of 2011 where concerns over inflationary pressures took precedence. Mounting prospects of a global relapse also created unease amongst local investors with the region's close linkages with developed markets via trade and financial channels. The sense of unease has been trickling into the property market and real estate activity has been moderating since 2010 as a series of government policies such as limits on bank loans and restrictions on certain types of real estate investments were implemented to prevent Asian economies from overheating.

In Singapore, the Issuer's main competitors are Boustead, Crescendas Group, United Engineers Limited, Mapletree, Chui Teng, Sim Lian, Soilbuild and C&P Holdings.

In India, commercial office space development is highly fragmented with local, regional and national players out-bidding each other to capture the growing market for quality business space. The growth of the IT and IT enabled services industry in India continues to be the primary driver of the business space requirements during the last few years and continues to drive further development across the country. Indian developers such as DLF Ltd, Unitech Ltd, RMZ, Embassy Group and others diversified into business space development in the last few years and continue to provide competition to newer entrants in this field. However, international players such as the Issuer are well positioned to create a mark due to strong branding, a reliable track record and experience in business space and an existing clientele network.

In China, the strong economic landscape has provided a boost for commercial real estate, resulting in an increase in occupier demand and a decrease in vacancy rates. Rentals also stabilised or rebounded after declining since 2008. The Issuer's competitors in the commercial property sectors include Morgan Stanley, Goldman Sachs, Mapletree, SOHO China, Lujiazui Group and Ping An Trusts.

The industrial property sector saw renewed interest by investors, particularly for logistics property investment and development, due to favourable government policies such as tax-free incentives. Demand for business parks also increased, in part due to the Shanghai World Expo held in 2010. Logistics demand, especially in export-driven cities along the east coast which were affected by the global economic crisis, saw improvement due to domestic-driven growth. As domestic enterprises continue to expand in China, new demands from central and mid-western China continue to support the ongoing industrial migration. The Issuer's competitors in the industrial/logistics/business parks include Yida Group, Goodman China Logistics, Global Logistics Properties, Mapletree, Genway Group and Shui On Group.

South Korea has an active office investment market with keen competition amongst investors in pursuing office properties. The Issuer's competitors include MAPS, Koramco, Morgan Stanley, Merrill Lynch, GIC Singapore and GE Real Estate.

QUALITY EXCELLENCE AND AWARDS

As at November 2011, the Issuer has been awarded the following accolades:

Quality Excellence

Award	Description	Year
2011 ASEAN Energy Awards – Energy Efficiency Competition (Retrofit Category) - The Galen (Top winner)	The new chiller plant, equipped with a state-of-the-art Energy Management System, has enabled The Galen to enjoy annual cost savings of \$1.1 million. The building's carbon emissions have also reduced by 2,700 metric tonnes annually	2011
2011 Seoul Architecture Forum Award – Signature Towers Seoul	The Seoul Architecture Festival is organized annually by the Korean Institute of Architects and hosted by the Seoul Metropolitan Government, with the objective to promote architectural culture and sharing new vision of architecture in Seoul. Signature Towers Seoul was one of the buildings to receive the award at the 29th Architecture Awards held at the festival in 2011	2011
FIABCI's Inaugural Singapore Property Awards 2011	The FIABCI Singapore Property Award recognizes excellence in real estate development projects in terms of design, aesthetics, functionality, contribution to the built environment and community at large. It represents an outstanding achievement for Icon@IBP and 1 and 3 Changi Business Park Crescent in the industrial category	2011
LEED Silver Certification (for Voyager building in ITPB SEZ) 2011	Voyager building at ITPB SEZ has been awarded LEED silver certification for 'Core and Shell' by Indian Green Building Council	2011
LEED Silver Certification for Pinnacle building at International Tech Park Chennai (September 2011)	The Pinnacle building received LEED Silver status from U.S Green Building Council, in recognition of its achievements in the areas of sustainability and green development and operations Pinnacle building is the first multi-tenanted building in India to be certified under the new version LEED EB O&M v 2009 standard	2011
Singapore Quality Class 2011	Ascendas is certified for its overall business excellence standard based on the internationally benchmarked business excellence framework	2011
SIAS Investor's Choice Awards 2008; 2009; 2010; 2011	A-REIT won the "Most Transparent Company" award in the Real Estate Investment Trust category	2008 - 2011

Award	Description	Year
Green Mark Awards	The Green Mark Awards is given by the Building and Construction Authority of Singapore ("BCA") to developers and building owners who construct and maintain buildings that are environmentally friendly	2006 - 2011
Platinum Green Mark	The BCA Platinum Award, the highest accolade in Singapore for environmental sustainability. 2009 – 3 Changi Business Park Crescent 2010 – The Galen (Existing buildings – Industrial)	2009 -2010
People Developer Standard 2004: 2007; 2010	The Issuer was re-certified as a People Developer organization in recognition of its investment and commitment to staff learning and development. The People Developer Standard is a national standard for human resource development administered by SPRING Singapore (Standards, Productivity and Innovation Board)	2004 - 2010
FinanceAsia's 2010 annual poll of Asia's best managed companies	A-REIT was ranked: - Singapore's Best Managed Companies (ranked 8th) - Singapore's Best Corporate Governance (ranked 7th)	2010
2009 Model Park of BPO for Hangzhou	By Hangzhou Foreign trade and Economic Cooperation Bureau 杭州市外经贸局	2009
2009: First of Hangzhou software parks with special features	SHSTP heralds as first of Hangzhou software parks with special features by 杭州市信息化工作领导小组	2009
2009: Qian Jiang Cup of Zhejiang	Lyra building awarded Qian Jiang Cup – highest award for quality construction project in Zhejiang	2009
7th Annual Asiamoney Corporate Governance Poll 2009	A-REIT was ranked the following: – Best Overall for Corporate Governance in Singapore (ranked 3rd) – Best for Responsibilities of Management and the Board of Directors in Singapore (ranked 1st)	2009
ECO Office certification for Ascendas headquarters at the Galen, Singapore	The Issuer has obtained the Eco-office certification for its headquarters at The Galen, Singapore Science Park. The Eco-office Audit was done in January 2009 and the certification is awarded by the Singapore Environmental Council (SEC)	2009
ISO 9001:2000 certification for Ascendas Bangalore, Chennai & Hyderabad	Ascendas India's Bangalore, Chennai and Hyderabad operations have been officially recognised as ISO 9001:2000 compliant by India's leading certification company TUV India	2009
Best Ornamental Garden Award 2008	International Tech Park, Bangalore, was awarded the distinction of "The Best Ornamental Garden Award 2008!" at the recently concluded horticultural show in Bangalore	2008

Award	Description	Year
Construction Quality Awards	Dalian Ascendas IT Park Phase 2 and Singapore-Hangzhou Science & Technology Park have garnered a series of awards recognizing its quality and safe construction standards. These include: Dalian Ascendas IT Park Phase 2 • 2008 Dalian Model Site for the Standardisation of Construction Safety • 2008 Dalian Construction Projects Xinghai Cup • 2008 Liaoning Province Outstanding Structural Projects Singapore-Hangzhou Science & Technology Park • 2008 Hangzhou Model Construction Projects West Lake Cup	2008
Euromoney's 2008 Liquid Real Estate Awards	The Issuer was awarded Best Industrial/Warehouse Developer in Singapore	2008
Excellent project management at Singapore-Hangzhou Science and Technology Park	The park is highly acclaimed by the Ministry of Housing and Urban-Rural Development of China for its quality, safety, and the high-standards of project management and operation	2008
Asian Power Awards 2007 – Best Decentralised Power Plant	The International Tech Park Bangalore was awarded the Best Decentralised Power Plant in the Third Annual Asian Power Awards 2007 for its heat and power plant operations. The Asian Power Awards is seen as the “Oscars” of the power industry. It recognises industry players in Asia for their outstanding performances and contributions to the power sector	2007
Best Foreign Investor 2007	The Issuer's IT park flagship in China, Dalian Ascendas IT Park, was named Best Foreign Investor in 2007 by the Dalian Hi-tech Industrial Zone Foreign Investment Promotion Bureau	2007
CityScape Asia Real Estate Awards 2007	The Issuer's Icon@IBP was highly commended for its unique architecture and environmentally friendly estate planning at the inaugural CityScape Asia Real Estate Awards 2007	2007
FinanceAsia Awards 2007	a-iTrust was named the Best Singapore Deal in 2007 by FinanceASia, one of the most respected and established financial publications in Asia. a-iTrust's unique “best of two worlds” offering was noted to have a “more aggressive growth profile than other Singapore Reits” and “better suited for investments within India's IT/outsourcing sector where high-quality space is still a scarcity.”	2007
SIAS Investor's Choice Awards 2007	a-iTrust, Singapore's first listed Indian property trust, won the “Most Transparent Company” award in the New Issue Category at the SIAS Investors'Choice Awards 2007. In the same year, A-REIT obtained first runner-up in the Real Estate Investment Trust category	2007
Green Mark Award – The Galen	The Galen was awarded the Building and Construction Authority's Green Mark Award 2005 for its environmentally friendly design	2005

Award	Description	Year
International Real Estate Federation (“ FIABCI ”) and BCA Excellence Award – The Capricorn	The Capricorn, a biotech and R&D building located in Singapore Science Park II competed against the crème de la crème of projects around the world in the FIABCI Prix d’Excellence 2003, as one of only two finalists in the Specialised Category. The Capricorn also won the BCA Award 2003	2003
World Teleport Property 2002 – International Tech Park Bangalore, India	The International Tech Park Bangalore was conferred the prestigious World Teleport Property 2002 award by the New York-based Intelligent Community Forum. The International Tech Park Bangalore, India’s first work-live-play business environment was also the first park in India to be accredited with ISO 9002 certification for park management and operations, and has become the benchmark for other IT/business park projects in India	2002
CONQUAS and BCA Excellence Awards - Honeywell Building	The Honeywell Building scored 85 out of 100 points under CONQUAS, the highest score in the industrial category for 2001. In the same year, the Honeywell Building also received a merit award at the BCA Construction Excellence Awards, which accord recognition to construction projects that have demonstrated the highest standards of construction excellence in Singapore	2001
Garden City Merit Award – The Alpha	The Alpha building at Singapore Science Park II received a merit award for its landscaping quality in the industrial category of the Garden City Awards 2001	2001
BCA Excellence Award – Institute of Molecular AgroBiology building (“ IMA ”)	The Issuer received a merit award for the project management of the IMA	2000
CONQUAS 21 - Institute of Research and Engineering building (“ IMRE ”)	The Issuer received a merit award for its role in the development management of the IMRE within the campus of the National University of Singapore. The project, which was completed in September 1999, was the first in Singapore to be assessed under the CONQUAS 21 standard, scored 81.9 out of 100 points	2000
ISO 9001:2000 Certification	The Issuer secured the ISO 9001:2000 certifications for its operations in Singapore in the areas of Project Development, Management Services and Property Management Services	2000
ISO 9002:1994 Certification	The Issuer secured the ISO 9002:1994 certifications for its operations in Singapore in the areas of Project Development, Management Services and Property Management Services	2000
BCA Merit Award - Techview	Techview, a multi-tenanted industrial building in Kaki Bukit, received a merit award from the BCA. The Issuer is the owner and project manager of Techview, which was worth S\$60 million and completed more than a month ahead of schedule in November 1998	1998
Construction Quality Assessment System (“ CONQUAS ”) - Techview	Techview was given the seal of approval under the CONQUAS, which serves as the national benchmark for quality in the building and construction industry in Singapore. It was rated 80 out of 100 points, well above the national average of 73.2 points for industrial projects in the same category	1998

Other Awards

Award	Description	Year
2011 Advanced Property Management	Nanjing Ascendas IT Park is awarded for its outstanding in 'Advanced Property Management' in Jiangning District.	2011
2011 All-Asia Executive Team	A-REIT Tan Ser Ping voted as Best CEO for Property Sector	2011
2011 APREA Best Practices Awards	A-REIT won the Merit Award under the Mature Markets - Market Disclosure Category	2011
2011 Industry development outstanding contribution award - DAITP	Issued by DHTZ Administrative Committee	2011
Ascendas Ocean Towers Awarded Top 50 Enterprise in Huang Pu District	Ascendas Ocean Towers was awarded Top 50 Enterprise in Huang Pu District, ranked 37th among all the top 50 enterprise with distinguished contributions	2011
Industry Development Outstanding Contribution Award 2011	Dalian Ascendas IT Park awarded for its outstanding contribution to industry development to Dalian	2011
Singapore Corporate Award 2011	A-REIT awarded Best Annual Report: Bronze award in the REITs & Business Trusts Category	2011
2010-2011中国软件和信息服务业 年度最佳服务机构奖	By CISIS 中国软件和信息服务交易委员会	2010 - 2011
Associate of the Arts Awards	The Issuer is an active supporter of emerging local artists and arts groups. For its support of the arts, the Issuer was conferred the Associate of the Arts Award by the National Arts Council of Singapore from 2002 to 2007	2002 - 2010
2010 Business Intelligent Enterprise Special Award	By 中国推选网	2010
2010 Economic & Intelligent Enterprise Special Award	Ascendas China was awarded for its contribution to China's economic and social progress	2010
2010 Nanjing Excellent Property Management	Nanjing Ascendas IT Park is awarded for outstanding as 'Nanjing Excellent Property Management'	2010
2010: Top 10 for Dalian Ascendas IT Park	By the Dalian Municipality for its contributions to the city's economic and social development	2010
Frost & Sullivan 2010	A-REIT was awarded the Asia Pacific Logistics Park Developer of the Year	2010
The Emerson Cup 2010	The Issuer won the award under the retrofit category. The Emerson Cup - an annual event that recognizes talent and rewards excellence in the HVAC/R industry. The Award ceremony was held on Oct 8 evening in Chennai, India	2010
2009 Model Enterprise of Social Responsibility - SHSTP	By Hangzhou Government 中共杭州市委、杭州市人民政府	2009
Outstanding CEO of the Year Award	Ascendas President and CEO Ms Chong Siak Ching, was recognized as 'Outstanding CEO of the Year' in the Singapore Business Awards 2009	2009

Award	Description	Year
Best Ornamental Garden Award 2008	International Tech Park, Bangalore, was awarded the distinction of “The Best Ornamental Garden Award 2008!” at the recently concluded horticultural show in Bangalore	2008
Dalian-Xinghai Friendship Award	The President & CEO Ms Chong Siak Ching of the Issuer was awarded the Dalian-Xinghai Friendship award by the Dalian Municipal Government. The annual award is the highest honour given by the Dalian Municipal Government to foreign professionals, in appreciation of their contributions to Dalian's economic and social progress	2008
Friend of the Arts Awards	The Issuer is an active supporter of emerging local artists and arts groups. For its support of the arts, the Issuer was conferred the Friend of the Arts Award by the National Arts Council of Singapore for 2008	2008
Asset Asian Awards 2003	AMGM was awarded the Best Structure Equity Deal for A-REIT by The Asset, Asia's most reputable finance magazine	2003
SABRE Awards 2002	The creation by the Issuer of a new brand upon merger reached the finals of the Superior Achievement in Branding and Reputation (“ SABRE ”) Awards held in New York in the International category for a Gold SABRE Award. The Issuer was the only finalist from Singapore in this category, which is awarded for projects totally or substantially outside the U.S.	2002
Superbrand 2002	The Issuer was awarded Superbrand status in 2002 and was featured as one of Singapore's top 10 Superbrands	2002
PRWeek Awards 2001	The Issuer came in among the top three positions for Corporate Branding at the prestigious PRWeek Awards 2001 held on 30 November 2001 in Hong Kong	2001

FINANCIAL SUMMARY OF THE GROUP

Highlights of the Group's financial performance for FY2008/2009 to FY2010/2011 are set out as follows:

Description	FY2008/2009 Actual Full Year S\$'000	FY2009/2010 Actual Full Year S\$'000 ¹	FY2010/2011 Actual Full Year S\$'000
TOTAL REVENUE	361,859	293,517	318,591
COST OF SALES/DIRECT COSTS	(167,193)	(144,705)	(149,944)
GROSS PROFIT	194,666	148,812	168,647
Interest Income	9,212	5,838	6,554
Gain/(Loss) on Disposal of Assets/Investments	5,649	84,815	96,643
Other Gains/(Losses) - Net	(24,606)	(30,592)	11,058
OTHER OPERATING INCOME/EXPENSE	(9,745)	60,061	114,255
TOTAL OVERHEADS	(70,928)	(61,721)	(65,921)
OPERATING PROFIT	113,993	147,152	216,981
Share of Profit/(Loss) from Associates	37,088	21,889	39,991
Finance Costs	(29,996)	(36,236)	(31,776)
PROFIT BEFORE TAX	121,085	132,805	225,196
Taxation	(32,543)	(35,722)	(34,702)
NET PROFIT	88,542	97,083	190,494
Available-For-Sale Financial Assets – Fair Value (Losses)/Gains	(20,274)	44,059	(11,385)
Available-For-Sale Financial Assets – Reclassification to Profit or Loss Following Disposal	-	-	(14,112)
Cash Flow Hedges – Fair Value Losses	-	(2,357)	(3,877)

Description	FY2008/2009 Actual Full Year S\$'000	FY2009/2010 Actual Full Year S\$'000¹	FY2010/2011 Actual Full Year S\$'000
Cash Flow Hedges – Reclassification to Profit or Loss Upon Settlement	-	972	2,835
Currency Translation Differences Arising From Consolidation	(23,986)	6,217	(31,460)
Currency Translation Reserve on Disposal Of A Subsidiary Charged to Other Gains/(Losses) – Net	(619)	2,276	(712)
Currency Translation Reserve on Transfer of An Investment in An Associated Company to Assets Held For Sale Charged to Other Gains/(Losses) – Net	(23)	(1,564)	-
Share of Other Comprehensive (Loss)/Income of Associated Companies	(16,144)	4,052	(32,586)
OTHER COMPREHENSIVE INCOME, NET OF TAX	(61,046)	53,655	(91,297)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	27,496	150,738	99,197
PROFIT ATTRIBUTABLE TO:			
Equity Holder	88,729	95,049	191,033
Minority Interests	(187)	2,034	(539)
	88,542	97,083	190,494
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity Holder	37,959	143,952	109,745
Minority Interests	(10,463)	6,786	(10,548)
	27,496	150,738	99,197

⁽¹⁾ For FY2009/2010, the original audited figures were reclassified to reflect the comparative figures in the audited consolidated financial statements for FY2010/2011 as set out in Appendix II to this Information Memorandum.

For FY2009/2010, PricewaterhouseCoopers LLP was the independent auditor to the Issuer.

A summary of the balance sheets of the Group for FY2008/2009 to FY2010/2011 is set out as follows:

	FY08/09 Actual S\$'000	FY09/10 Actual S\$'000	FY10/11 Actual S\$'000
<u>Non-Current Assets</u>			
Deferred Income Tax Assets	32,209	31,625	1,165
Goodwill	111,781	111,781	111,781
Investment Properties	1,056,242	1,287,489	1,081,993
Investment Properties Under Development	180,831	21,143	66,486
Property, Plant and Equipment	22,360	21,678	19,277
Investments in Associated and Joint Venture Companies	904,559	963,626	971,765
Other Non-Current Assets	463	237	191
Trade and Other Receivables	50,108	42,008	68,075
Deposits	-	-	31
Cash and Bank Balances	5,259	4,396	4,711
Available-for-Sale Financial Assets	24,208	23,577	23,486
Total Non-Current Assets (a)	2,388,020	2,507,560	2,348,961
<u>Current Assets</u>			
Assets Classified as Held For Sale	-	2,794	-
Properties Under Development	78,081	-	-
Properties Held for Sale	53,619	29,712	9,660
Available-for-Sale Financial Assets	24,990	69,680	36,777
Consumables	18	37	51
Prepayments	7,650	11,056	6,671
Trade and Other Receivables	178,726	179,620	209,598
Deposits	56,581	2,331	2,274
Cash and Bank Balances	223,801	315,890	430,900
Total Current Assets (b)	623,466	611,120	695,931
<u>Current Liabilities</u>			
Trade and Other Payables	251,719	152,322	137,602
Current Income Tax Liabilities	121,485	116,499	95,946
Borrowings	98,423	172,457	147,394
Derivative Financial Instruments	7,261	-	1,242
Total Current Liabilities (c)	478,888	441,278	382,184

	FY08/09 Actual S\$'000	FY09/10 Actual S\$'000	FY10/11 Actual S\$'000
Net Current Assets (d) = (b) - (c)	144,578	169,842	313,747
<u>Non-Current Liabilities</u>			
Other Payables	56,609	43,758	37,258
Loans from Minority Shareholders	132,462	151,662	139,662
Borrowings	497,977	490,632	428,340
Deferred Income on Long-Term Leases	181,300	177,245	173,190
Derivative Financial Instruments	-	1,669	1,397
Deferred Income Tax Liabilities	7,561	12,107	11,094
Total Non-Current Liabilities (e)	875,909	877,073	790,941
Net Assets (a) + (d) - (e)	1,656,689	1,800,329	1,871,767
Equity			
Capital and Reserves Attributable to the Company's Equity Holder			
Share Capital	585,622	585,622	585,622
Fair Value and Other Reserves	(64,050)	(15,463)	(96,039)
Revenue Reserve	1,021,273	1,097,261	1,240,722
	1,542,845	1,667,420	1,730,305
Minority Interests	113,844	132,909	141,462
Total Equity	1,656,689	1,800,329	1,871,767
Gearing Ratio	47%	45%	38%

FY2009/2010 versus FY2008/2009

The Group's revenue was S\$68 million lower than last year mainly due to lower sale of development properties and lower fund management fee income by S\$65 million and S\$10 million respectively, offset by higher rental income largely attributable to better performance from Singapore properties. Direct costs, in particular cost of development properties, decreased which was in line with lower revenue.

Share of profits of associates was also lower than last year by S\$15 million on account of the Group's lower shareholding in A-REIT following its private placement exercise and impairment for A-REIT's properties in tandem with AIDT's write-downs of development projects in Nagpur and Pune. Gains on disposal of assets/investments increased substantially by S\$79 million with the sale of Ascendas Plaza and DBS Asia Hub and gain on dilution of interest in A-REIT. Consequently, the Group achieved a net profit attributable to equity holder of S\$95 million and performed better by 7% as compared to last year.

Total assets increased by S\$107 million mainly attributable to development costs incurred for on-going development properties (S\$141 million), capital injections into associates (S\$110 million), increase in fair valuation of the Group's quoted available-for-sale investments (S\$45 million), offset by disposal

of Ascendas Plaza (S\$118 million), repayment of deposit placed with an associate for funding of construction/land acquisition costs in prior year (S\$51 million) and decrease in properties held for sale (S\$24 million).

Total liabilities decreased by S\$37 million mainly due to repayment of dividend to JTC (S\$69 million), repayment of deposit placed by an associate with the Group in prior year for the purpose of funding construction/land acquisition costs (S\$44 million) offset by increase in net bank borrowings of S\$112 million and issuance of medium term notes of S\$50 million.

FY2010/2011 versus FY2009/2010

The Group's revenue was higher than last year by S\$25 million mainly due to higher fund management fee income on the back of performance fee income from A-REIT and higher acquisition fee income, as well as higher agency fee and utilities income and other revenue. Direct costs increased by S\$5 million substantially as a result of higher staff costs, utilities expenses and other direct costs, offset by cost savings from finalisation of Food Xchange development costs.

In tandem with the partial write-back of S\$10 million of provisions for impairment of two of the Group's investment properties (in contrast to impairment provisions of S\$36 million made last year), as well as favourable share of results in A-REIT and AIDT, the Group doubled its net profit over last year by achieving a net profit of S\$191 million.

Total assets decreased by S\$74 million largely due to disposal of investment properties and entire stake in Gallant Venture (S\$170 million), reversal of deferred tax assets following the finalisation of tax treatment for unamortised land premiums received in respect of land leases sold in prior years (S\$30 million), decrease in properties held for sale (S\$20 million), offset by increase in cash and bank balances mainly due to proceeds collected from sale of DBS Asia Hub (S\$115 million) and increase in loan to the Group's jointly controlled entity in respect of Changi Business Park project (S\$30 million).

Total liabilities decreased by S\$145 million mainly due to the Group's repayment of the S\$80 million medium term notes, reversal of S\$44 million tax provision following the finalisation of tax treatment for unamortised land premiums received in respect of land leases sold in prior years and income tax payment of S\$27 million.

RISK FACTORS

Prior to making an investment or divestment decision, prospective investors in or existing holders of the Notes should carefully consider all the information set forth in this Information Memorandum, including the risk factors set out below. The risk factors set out below do not purport to be complete or comprehensive of all the risk factors that may be involved in the businesses of the Issuer or any decision to purchase, own or dispose of the Notes. Additional risk factors that the Issuer is currently unaware of may also impair the businesses, financial condition, performance or prospects. If any of the following risk factors develops into actual events, the business, results of operations and financial condition of the Issuer could be materially and adversely affected. In such cases, the ability of the Issuer to comply with its obligations under the Notes may be adversely affected.

Limitations of this Information Memorandum

This Information Memorandum does not purport to nor does it contain all information that a prospective investor in or existing holder of the Notes may require in investigating the Issuer, prior to making an investment or divestment decision in relation to the Notes issued under the MTN Programme. Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the MTN Programme or the Notes (nor any part thereof) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, any of the Dealers or either of the Arrangers that any recipient of this Information Memorandum or any such other document or information (or such part thereof) should subscribe for or purchase or sell any of the Notes. Each person receiving this Information Memorandum acknowledges that such person has not relied on the Issuer, its Subsidiaries or associated companies (if any), any of the Dealers or either of the Arrangers or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or of any additional information considered by it to be necessary in connection with its investment or divestment decision. Any recipient of this Information Memorandum contemplating subscribing for or purchasing or selling any of the Notes should determine for itself the relevance of the information contained in this Information Memorandum and any such other document or information (or any part thereof) and its investment or divestment should be, and shall be deemed to be, based solely upon its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, its Subsidiaries and associated companies (if any), the terms and conditions of the Notes and any other factors relevant to its decision, including the merits and risks involved.

Risk factors associated with investment in the Notes

Limited Liquidity of the Notes issued under the MTN Programme.

There can be no assurance regarding the future development of the market for the Notes issued under the MTN Programme, the ability of the Noteholders, or the price at which the Noteholders may be able, to sell their Notes.

Although the issue of additional Notes may increase the liquidity of the Notes, there can be no assurance that the price of such Notes will not be adversely affected by the issue in the market of such additional Notes.

Fluctuation of Market Value of Notes issued under the MTN Programme.

Trading prices of the Notes are influenced by numerous factors, including the operating results and/or financial condition of the Issuer and/or its Subsidiaries and/or associated companies (if any), political, economic, financial and any other factors that can affect the capital markets, the industry, the Issuer, its Subsidiaries and/or associated companies (if any) generally. Adverse economic developments, in Singapore as well as countries in which the Issuer, its Subsidiaries and/or associated companies (if any) operate or have business dealings, could have a material adverse effect on the operating results and/or the financial condition of the Issuer, its Subsidiaries and associated companies (if any).

Interest Rate Risk.

Noteholders may suffer unforeseen losses due to fluctuation in interest rates. Generally, a rise in interest rates may cause a fall in bond prices, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, bond prices may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

Inflation Risk.

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns.

Singapore Taxation Risk.

The Notes to be issued from time to time under the MTN Programme, during the period from the date of this Information Memorandum to 31 December 2013, are intended to be “qualifying debt securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore (“**ITA**”) subject to the fulfilment of certain conditions more particularly described in the section “Singapore Taxation”. However, there is no assurance that such Notes will continue to enjoy the tax concessions should the relevant tax laws be amended or revoked at any time.

The Qualifying Debt Securities Plus Scheme (“**QDS Plus Scheme**”) has also been introduced as an enhancement of the Qualifying Debt Securities Scheme. Under the QDS Plus Scheme, subject to certain qualifications and conditions, income tax exemption is granted on interest, discount income (not including discount income from secondary trading), “prepayment fee”, “redemption premium” and “break cost” (as such terms are defined in the ITA) derived by any investor from qualifying debt securities (excluding Singapore Government Securities) which:

- (a) are issued during the period from 16 February 2008 to 31 December 2013;
- (b) have an original maturity of not less than 10 years;
- (c) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; and
- (d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

With respect to any tranche of the Notes issued with an original maturity of at least 10 years and which are “qualifying debt securities”, there is no assurance that holders of such Notes would enjoy any tax exemption under the QDS Plus Scheme as it is currently unclear how the above requirements would be applicable in the context of certain events occurring or which may occur within 10 years from the date of issue of such Notes.

The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement to this Information Memorandum;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The Notes may be subject to optional redemption by the Issuer.

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Notes may be issued at a substantial discount or premium.

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Risk factors associated with Renminbi-denominated Notes

Notes denominated in RMB ("**RMB Notes**") may be issued under the MTN Programme. RMB Notes contain particular risks for potential investors.

Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC.

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar, despite the significant reduction over the years by the PRC government of control over foreign exchange transactions.

The People's Bank of China (the "**PBOC**") promulgated the Administrative Measures on Renminbi Settlement for Foreign Direct Investment (the "**PBOC Measures**") on 13 October 2011 providing instructions to banking institutions on procedures for remittance and settlement activities for foreign direct investment into the PRC in RMB. As the PBOC Measures is relatively new promulgations, it will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying these new regulations and impose additional conditions. Further, there is no assurance that the PRC government will continue to gradually liberalise the control over cross-border RMB remittances in the future, that the pilot scheme introduced in July 2009 allowing participating banks in Hong Kong to engage in the settlement of RMB trade transactions will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outward from the PRC.

Holders of beneficial interests in the Notes denominated in Renminbi may be required to provide certifications and other information (including Renminbi account information) in order to allow such holder to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

The net proceeds arising from the issue of Notes under the MTN Programme will be used for the purpose of financing the investments and general corporate purposes of the Group and for refinancing the existing borrowings of the Group. Subject to obtaining all necessary approvals from and registration with the relevant PRC government authorities (including but not limited to Ministry of Commerce or its local subsidiaries and foreign exchange administrations), the Issuer may decide to remit the proceeds into China in Renminbi or other currencies. However, there is no assurance that the necessary approvals from and registration with the relevant PRC government authorities will be obtained on a timely basis, or at all or, if obtained, they will not be revoked or amended in the future.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and the Issuer's ability to source Renminbi outside the PRC to service such RMB Notes.

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. Since February 2004, in accordance with arrangements between the PRC Central Government and the Hong Kong government, licensed banks in Hong Kong may offer limited Renminbi-denominated banking services to Hong Kong residents and specified business customers. The PBOC has also established a Renminbi clearing and settlement system for participating banks in Hong Kong. On 19 July 2010, further amendments were made to the Settlement Agreement on the Clearing of RMB Business (the “**Settlement Agreement**”) between the PBOC and Bank of China (Hong Kong) Limited (the “**RMB Clearing Bank**”) to further expand the scope of RMB business for participating banks in Hong Kong. Pursuant to the revised arrangements, all corporations are allowed to open RMB accounts in Hong Kong; there is no longer any limit on the ability of corporations to convert RMB; and there will no longer be any restriction on the transfer of RMB funds between different accounts in Hong Kong.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. As of 30 September 2011, the total amount of Renminbi deposits held by institutions authorised to engage in Renminbi banking business in Hong Kong amounted to approximately RMB622.2 billion, according to HKMA. In addition, participating banks are also required by the HKMA to maintain a total amount of Renminbi (in the form of cash and its settlement account balance with the RMB Clearing Bank) of no less than 25 per cent. of their Renminbi deposits, which further limits the availability of Renminbi that participating banks can utilise for conversion services for their customers. Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The RMB Clearing Bank only has access to onshore liquidity support from PBOC to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement and for individual customers of up to RMB20,000 per person per day. The RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from the offshore market to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of its RMB Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in RMB Notes is subject to exchange rate risks.

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. All payments of interest and principal will be made with respect to RMB Notes in Renminbi. As a result, the value of these Renminbi payments in U.S. dollar terms may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other foreign currencies by

reference to which Noteholders measure their investment returns, the value of investment in U.S. dollar or other applicable foreign currency terms will decline and could result in a loss to the Noteholders when the return on the Notes is translated into the currency by reference to which they measure their investment returns.

Payments in respect of RMB Notes will only be made to investors in the manner specified in such RMB Notes.

All payments to investors in respect of RMB Notes will be made solely by (i) when RMB Notes are represented by Global Notes, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing CMU rules and procedures, or (ii) when RMB Notes are in definitive form, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

Risk factors associated with the Issuer's business

The outbreak of an infectious disease or any other serious public health concerns in Asia and elsewhere could adversely impact the business, results of operations and financial condition of the Issuer.

As most of the Issuer's business activities are concentrated in Asia, the outbreak of an infectious disease in Asia and elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy and business activities in Asia, and could thereby adversely impact the revenues and results of the Issuer. There can be no assurance that any precautionary measures taken against infectious diseases will be effective. A future outbreak of an infectious disease or any other serious public health concern in Asia could seriously harm the Issuer's businesses.

Terrorist attacks, other acts of violence or war and adverse political developments may affect the business, results of operations and financial condition of the Issuer.

Terrorist activities in the region have contributed to the substantial and continuing economic volatility and social unrest in Southeast Asia. Any developments stemming from these events or other similar events could cause further volatility. Any significant military or other response by the U.S. and/or its allies or any further terrorist activities could also materially and adversely affect international financial markets and the Singapore economy and may adversely affect the operations, revenues and profitability of the Issuer. The consequences of any of these terrorist attacks or armed conflicts are unpredictable, and the Issuer may not be able to foresee events that could have an adverse effect on its business, results of operations and financial condition.

Economic conditions in Asia, where the Issuer's business is concentrated, may adversely affect the business, results of operations and financial condition of the Issuer.

Most of the Issuer's business activities are concentrated in Asia. As a result, the Group's revenue and results of operations and future growth depend, to a large extent, on the continued growth of the markets in Asia. Over the past five years, currency fluctuations, liquidity shortages, fluctuations in interest rates and other factors have materially and adversely affected the economies of many countries in Asia in general, and particularly in Southeast Asia. The effect of further economic decline in Asia could adversely affect the Issuer's results of operations and future growth. Moreover, some of the countries in Asia in which the Issuer operates and has investments have experienced or continued to experience political instability. The continuation or re-emergence of such political instability in the future could have a material adverse effect on economic and social conditions in those countries.

Economic conditions in countries outside of Asia may adversely affect the business, results of operations and financial condition of the Issuer.

The Issuer is involved in the development, marketing, management and investment in science, business, high-tech and industrial properties both in Asia and the rest of the world. Therefore, the business of the Issuer will be subject to fluctuation in the economic conditions as well as the regulatory controls, property and property-related market conditions locally, regionally and globally. Notwithstanding the countries referred to in this Information Memorandum, the Issuer may in future expand its businesses to include other countries. The risk profile of the Issuer therefore, will encompass the risks involved in each of the

countries or businesses that the Issuer operates in. The business, financial condition, performance or prospects of the Issuer may be adversely affected by any of such risks. Adverse economic and/or property and property-related developments locally and/or globally may also have a material adverse effect on the business, financial condition, performance or prospects of the Issuer.

The global capital markets have experienced, and may continue to experience, significant dislocations and liquidity disruptions arising from, *inter alia*, the sovereign debt crisis in Europe and the downgrade of long-term credit rating of United States government-sponsored enterprises. These and other related events have had and continue to have a significant impact on the global credit markets and financial markets as a whole which may have a negative impact on the business, financial condition, performance or prospects of the Issuer, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

The Issuer's overseas business is subject to the macro-economic policies and austerity measures of foreign governments, in both Asia and abroad.

The property sectors in the countries in which the Issuer has business are subject to the macro-economic policies and austerity measures of the respective governments.

For instance, the Chinese government adjusts its monetary and economic policies to prevent and curtail the overheating of the national and provincial economies, which may affect the real estate markets in which the Issuer operates. Any action by the Chinese government concerning the economy or the real estate sector in particular could have a material adverse effect on the Issuer's financial condition and results of operations. Policies and measures introduced and which may be introduced by the Chinese government may lead to changes in market conditions, including price instability and an imbalance between supply of and demand for properties in China. The central and local authorities may continue to adjust interest rates, tax rates and other economic policies or impose other regulations or restrictions that may have an adverse effect on the property market in China, which may adversely affect the Issuer's business.

The Issuer's business is subject to laws and regulations of foreign countries.

The Issuer's overseas operations are subject to the regulations of the respective national, city and provincial governments.

Real estate laws differ from country to country and the Issuer's business may not always enjoy the same level of legal rights or protection that it is afforded in Singapore.

For instance, the real estate laws and in particular, the laws relating to the rights of foreign investors are often unclear in China. China may not accord equivalent rights (or protection of such rights) to those rights investors might expect in other countries that have more transparent real estate laws and regulations. Furthermore, it may be more difficult for the Issuer to obtain effective enforcement of its rights by legal or arbitral proceedings in China than in countries with more mature legal systems. As the legal system in China develops new laws, the changes to existing laws and the pre-emption of local regulations by national laws could have an adverse effect on the business and the results of the Issuer. Furthermore, any potential enforcement of existing laws by the Issuer may be uncertain, which may also arise by reason of the different interpretation of the laws by local or provincial authorities.

The Issuer's business may be affected by interest rate fluctuations.

As at 31 March 2011, the Issuer has a consolidated debt of approximately S\$716 million. Approximately 76% of the debt either bears fixed interest rates or is fully hedged. The balance bears floating interest rates. Consequently, the interest cost to the Group for the floating interest rate debt will be subject to fluctuations in interest rates. As a result, its operations or financial conditions could potentially be adversely affected by interest rate fluctuations.

The Issuer's business may be affected by exchange rate fluctuations.

The Group's revenues, costs and capital expenditure are mainly denominated in Singapore dollars, Renminbi, U.S. dollars, Indian rupees, Philippine peso and Korean won. Consequently, portions of the Group's costs and its margins are affected by fluctuations in the exchange rates among the above-mentioned currencies.

Although the Group engages in certain hedging activities to mitigate currency exchange rate exposure, the impact of future exchange rate fluctuations between the U.S. dollar, the Singapore dollar and other currencies on the Group's cost of sales and margins cannot be accurately predicted. Some of the currencies may not be convertible or exchangeable or may be subject to exchange controls.

The Group is subject to restrictions in repatriation of funds.

The Group may be subject to foreign exchange controls that may adversely affect the ability to repatriate the income or proceeds of rental or sale arising from the Issuer's properties that are located outside of Singapore. Repatriation of income, capital and the proceeds of rental or sale may require the consent of the relevant governments. Delays in or a refusal to grant any such approval, a revocation or variation of consents previously granted, or the imposition of new restrictions may adversely affect the Issuer's business, results of operations and financial condition.

The Issuer faces increasing competition in its key markets.

The Issuer's real estate business competes with both domestic and international companies with respect to factors such as location, facilities, supporting infrastructure, services and pricing. Intensified competition between real estate developers may result in increased costs for land acquisition, oversupply of properties and delays in the approval process for new property developments by the relevant government authorities all of which may adversely affect the Issuer's property development business. Some of these companies have significant financial resources, marketing and other capabilities. Domestic companies in the overseas markets have extensive knowledge of the local real estate markets and a longer operational track record in their respective domestic markets. International companies are able to capitalise on their overseas experience and greater financial resources to compete in the markets in which the Issuer has an overseas presence. As a result, there can be no assurance that the Issuer will be able to compete successfully in the future against its existing or potential competitors or that increased competition with respect to the Issuer's activities may not have a material adverse effect on the business, financial condition and results of operations. Furthermore, such competition may limit the Issuer's opportunities to invest in projects that could potentially add value.

The Issuer could face the risks of declining rental rates.

The amount of cash flow available to the Issuer will depend in part on its ability to continue to let its properties on economically favourable terms. As most of the income of the Issuer from the properties is derived from rentals, the cash flow could be adversely affected by any significant decline in the rental rates at which it is able to lease its properties and to renew existing leases or attract new tenants.

There can be no assurance that rental rates will not decline at some point during the period from each issue of the Notes until their redemption and that such decline will not have an adverse effect on the cash flow of the Issuer.

Loss of anchor tenants could directly and indirectly reduce the future cash flows of the Issuer.

The Issuer's ability to lease any properties and the value of the Issuer's properties could be adversely affected by the loss of an anchor tenant in the event that an anchor tenant relocates or files for bankruptcy or insolvency or experiences a downturn in its business.

Space that has been vacated by an anchor tenant can reduce the demand for and value of other properties because of the departure of an anchor tenant may reduce the number of visitors to the property. In addition, as some of the Issuer's anchor tenants may be related to each other, the risk of such

loss is concentrated and could affect the Issuer's other properties if it should occur. Any of these events could materially and adversely affect the Issuer's business, results of operations, financial condition and the future cash flows of the Issuer.

Certain construction risks may arise during the building of any new property.

Construction of new developments entails significant risks, including shortages of materials or skilled labour, unforeseen engineering, environmental or geological problems, work stoppages, litigation, weather interference, floods and unforeseen cost increases, any of which could give rise to delayed completions or cost overruns. Difficulties in obtaining any requisite licences, permits, allocations or authorisations from regulatory authorities could also increase the cost, or delay the construction or opening of, new developments. All of these factors may affect the Issuer's business, results of operations, financial condition and the future cash flows of the Issuer.

The Group may suffer an uninsured loss.

The Group maintains insurance policies covering both its assets and employees in line with general business practices in Singapore in the real estate industry, with policy specifications and insured limits that the Group believes are adequate. There are, however, certain types of losses (such as those resulting from wars, acts of terrorism or acts of God) that generally are not insured because they are either uninsurable or not economically insurable. Should an uninsured loss or a loss in excess of insured limits occur, the Group could be required to pay compensation and/or lose capital invested in the property, as well as anticipated future revenue from that property. The Group would also remain liable for any debt that is with recourse to the Group and may remain liable for any mortgage indebtedness or other financial obligations related to the relevant property. Any such loss could adversely affect the results of operations and financial condition of the Issuer. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future or that adequate insurance coverage for the Group will be available in the future on commercially reasonable terms or at commercially reasonable rates.

The Group may be involved in legal and other proceedings arising from its operations from time to time.

The Group may be involved from time to time in disputes with various parties involved in the development and lease of its properties such as contractors, sub-contractors, suppliers, construction companies, purchasers and tenants. These disputes may lead to legal or other proceedings, and may cause the Group to incur additional costs and delays. In addition, the Group may have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavourable orders, directives or decrees that result in financial losses and delay the construction or completion of its projects.

The Issuer may encounter problems with its joint ventures that may adversely affect its business.

The Issuer has, and expects in the future to have, interests in joint venture entities in connection with its property development plans. Disagreements may occur between the Issuer and its joint venture partners regarding the business and operations of the joint ventures that may not be resolved amicably. In addition, the Issuer's joint venture partners may (i) have economic or business interests or goals that are inconsistent with those of the Issuer; (ii) take actions contrary to the Issuer's instructions, requests, policies or objectives; (iii) be unable or unwilling to fulfill their obligations; (iv) have financial difficulties; or (v) have disputes with the Issuer as to the scope of their responsibilities and obligations. Any of these and other factors may materially and adversely affect the performance of the Issuer's joint ventures, which may in turn materially and adversely affect the Issuer's business, results of operations and financial condition and the future cash flows of the Issuer.

The Issuer may not be able to successfully implement its business strategies or manage its growth successfully.

In this Information Memorandum, the strategies for the Issuer's businesses are set out in the section titled "The Issuer – Business Strategy". In determining its strategies, the Issuer has made certain assumptions about the future economic performance of the countries and industries in which it operates. The ability of the Issuer to implement its strategies successfully is dependent on various factors, including but not limited to the ability to manage its existing businesses, to identify suitable opportunities to grow its

businesses, to obtain additional financing to fund its operations and support its growth, to retain its key employees and to attract and retain tenants as well as the competition the Issuer faces in its businesses. In the event that the Issuer is not able to successfully implement its business strategies, this may adversely affect the financial condition of the Issuer, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

Declines in property values may lead to downward revaluations of the properties of the Group which may adversely affect its property value and profitability.

The Group owns commercial properties in 10 countries, including Singapore, China, India, South Korea and the Philippines. There is no assurance that property prices in any of these countries will not decrease such that a downward revaluation of the properties is required.

Further, there is no assurance that the Issuer's properties will retain the price at which they may be valued or that the Issuer's investment in such properties will be realised at the valuations or property values it has recorded or reflected in its financial statements or in this Information Memorandum. Therefore, the price at which the Issuer may sell or lease any part or the whole of the properties may be lower than the valuation for those properties.

The Issuer may be adversely affected by physical damage to or defects in its properties; renovation or asset enhancement works to the properties of the Issuer may disrupt the operations of these properties and collection of rental income.

Physical damage to the properties resulting from fire or other causes and design or construction defects in the Issuer's properties may lead to additional capital expenditure, repair or maintenance expenditure, business interruption, or payment of damages or other obligations to third parties, and may in turn result in an adverse impact on the business, financial condition, results of operations and prospects of the Issuer.

The properties of the Issuer may need to undergo renovation or asset enhancement works from time to time and may also require unforeseen *ad hoc* maintenance or repairs. The business and operations of the properties during such renovation or asset enhancement works and consequently, the revenue generated by such properties may suffer some disruption. The costs of maintaining a commercial property and the risk of unforeseen maintenance or repair requirement tend to increase over time as the building ages.

The Issuer is dependent upon contractors and third party service providers for the provision of various services.

The Issuer engages contractors to provide construction services in respect of its property development business.

There is no assurance that the services rendered by the contractors or third party service providers engaged by the Issuer will be satisfactory or match the level of quality required by the Issuer. Moreover, the Issuer's contractors or service providers may experience financial or other difficulties such as procuring foreign labour that may affect their ability to carry out the work for which they were contracted, thus delaying the completion of the Issuer's property development projects. Any interruption or termination in the services or deterioration in the performance of the Issuer's contractors or third party service providers may cause serious disruptions to the business, service levels and reputation of the Issuer, and negatively impact the profitability, financial performance and reputation of the Issuer, and may also result in litigation and damages claims made against the Issuer. If the Issuer's arrangements with any of its contractors or third party service providers are terminated, the Issuer may have to source for alternative contractors and/or service providers and there is no assurance that these engagements will be on terms no less favourable to the Issuer as compared to the Issuer's existing arrangements.

PURPOSE OF THE MTN PROGRAMME AND USE OF PROCEEDS

The net proceeds arising from the issue of Notes under the MTN Programme (after deducting relevant expenses) will be used for the purpose of financing the investments and general corporate purposes of the Group and for refinancing the existing borrowings of the Group.

CLEARING AND SETTLEMENT

Clearance and Settlement under the Depository System

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities (“**Depository System**”) maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a global note for persons holding the Notes in securities accounts with CDP (“**Depositors**”). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors. Although CDP encourages settlement on the third business day following the trade date of debt securities, market participants may mutually agree on a different settlement period if necessary.

Settlement of over-the-counter trades in the Notes through the Depository System may only be effected through certain corporate depositors (“**Depository Agents**”) approved by CDP under the Companies Act to maintain securities sub-accounts and to hold the Notes in such securities sub-accounts for themselves and their clients. Accordingly, Notes for which trade settlement is to be effected through the Depository System must be held in securities sub-accounts with Depository Agents. Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Issuing and Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Clearance and Settlement under CMU

The CMU is a central depository service provided by the Central Moneymarkets Unit of the HKMA for the safe custody and electronic trading between the members of this service (“**CMU Members**”) of capital markets instruments (“**CMU Instruments**”) which are specified in the CMU Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association and “authorised institutions” under the Banking Ordinance.

Compared to clearing services provided by Euroclear and Clearstream, Luxembourg, the standard custody and clearing service provided by the CMU is limited. In particular (and unlike Euroclear and Clearstream, Luxembourg), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, the CMU Instruments. Instead, the HKMA advises the lodging CMU Member (or a designated paying agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU Instruments are credited, whereupon the lodging CMU Member (or the designated paying agent) will make the necessary payments of interest or principal or send notices directly to the

relevant CMU Members. Similarly, the HKMA will not obtain certificates of non-US beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging and Paying Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream, Luxembourg in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream, Luxembourg each have with the CMU.

Clearance and Settlement under Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfer. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems which enables their respective participants to settle trades with one another. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to other financial institutions, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

A participant's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the relevant Paying Agent, to the cash accounts of the relevant Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

SINGAPORE TAXATION

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines issued by MAS in force as at the date of this Information Memorandum and are subject to any changes in such laws or administrative guidelines, or the interpretation of those laws or guidelines, occurring after such date, which changes could be made on a retroactive basis. These laws and guidelines are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive tax incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Arrangers or any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

1. Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0% final withholding tax described below) to non-resident persons (other than non-resident individuals) is 17.0% with effect from the year of assessment 2010. The applicable rate for non-resident individuals is 20.0%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0%. The rate of 15.0% may be reduced by applicable tax treaties.

Notwithstanding the above, with effect from 29 December 2009, the said deeming provisions of Section 12(6) of the ITA would not apply to payments for any arrangement, management, service or guarantee relating to any loan or indebtedness, where: (i) the arrangement, management or service is performed outside Singapore; or (ii) the guarantee is provided, for or on behalf of a person resident in Singapore or a permanent establishment in Singapore by a non-resident person who:

- (i) is not an individual, is not incorporated, formed or registered in Singapore; and
 - (A) does not by himself or in association with others, carry on a business in Singapore and does not have a permanent establishment in Singapore; or
 - (B) carries on a business in Singapore (by himself or in association with others) or has a permanent establishment in Singapore, but (a) the arrangement, management or service is not performed through; or (b) the giving of the guarantee is not effectively connected with, that business carried on in Singapore or that permanent establishment.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after 1 January 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

The term “**related party**”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms “**prepayment fee**”, “**redemption premium**” and “**break cost**” are defined in the ITA as follows:

“prepayment fee”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;

“redemption premium”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity; and

“break cost”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption.

References to “prepayment fee”, “redemption premium” and “break cost” in this Singapore tax disclosure have the same meaning as defined in the ITA.

In addition, as the Programme as a whole was arranged by Citicorp Investment Bank (Singapore) Limited and DBS Bank Ltd., each of whom is a Financial Sector Incentive (Bond Market) Company (as defined in the ITA), any tranche of the Notes issued as debt securities under the Programme during the period from the date of this Information Memorandum to 31 December 2013 (the “**Relevant Notes**”) would be “qualifying debt securities” for the purposes of the ITA, to which the following treatments shall apply:

- (i) subject to certain prescribed conditions having been fulfilled, including:
 - (aa) the furnishing by the Issuer, or such other person as the Comptroller of Income Tax in Singapore (the “**Comptroller**”) may direct, of (1) a return on debt securities for the Relevant Notes within such period as the Comptroller may specify and (2) such other particulars in connection with the Relevant Notes as the Comptroller may require to the Comptroller and MAS; and
 - (bb) the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where any interest, discount income, prepayment fee, redemption premium or break cost is derived from the Relevant Notes by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption shall not apply if such person acquires the Relevant Notes using funds from that its Singapore operations,

interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the “**Specified Income**”) from the Relevant Notes, derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore where the funds used by that person to acquire the Relevant Notes are not obtained from its Singapore operations, are exempt from Singapore tax;
- (ii) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Comptroller may direct, of a return on debt securities for the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require to the Comptroller and MAS), Specified Income from the Relevant Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0%; and
- (iii) subject to:
 - (aa) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
 - (bb) the Issuer, or such other person as the Comptroller may direct, furnishing to the Comptroller and the MAS a return on debt securities for the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require,

Specified Income derived from the Relevant Notes is not subject to withholding of tax by the Issuer.

However, notwithstanding the foregoing:

- (A) if during the primary launch of any tranche of Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four (4) persons and 50.0% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as “qualifying debt securities”; and
- (B) even though a particular tranche of Relevant Notes are “qualifying debt securities”, if, at any time during the tenure of such tranche of Relevant Notes, 50.0% or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income derived from such Relevant Notes held by:-
 - (i) any related party of the Issuer; or

- (ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

Notwithstanding that the Issuer is permitted to make payments of Specified Income in respect of the Relevant Notes without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA.

The Qualifying Debt Securities Plus Scheme (“**QDS Plus Scheme**”) has also been introduced as an enhancement of the Qualifying Debt Securities Scheme. Under the QDS Plus Scheme, subject to certain conditions having been fulfilled, income tax exemption is granted on Qualifying Income derived by any investor from qualifying debt securities (excluding Singapore Government Securities) which:

- (a) are issued during the period from 16 February 2008 to 31 December 2013;
- (b) have an original maturity of not less than 10 years;
- (c) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; and
- (d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

In determining an investor's income that is to be exempted from tax under the QDS Plus Scheme, prescribed conditions apply in relation to how the investor's losses, expenses, capital allowances and donations which are attributable to exempt income are to be treated.

2. Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard 39 – Financial Instruments: Recognition and Measurement (“**FRS 39**”) may, for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39. Please see the section below on “Adoption of FRS 39 Treatment for Singapore Income Tax Purposes”.

3. Adoption of FRS 39 Treatment for Singapore Income Tax Purposes

The Inland Revenue Authority of Singapore has issued a circular entitled “Income Tax Implications Arising from the adoption of FRS 39 - Financial Instruments: Recognition & Measurement” (the “**FRS 39 Circular**”). Legislative amendments to give effect to the FRS 39 Circular have been enacted in Section 34A of the ITA.

The FRS 39 Circular and section 34A of the ITA generally apply, subject to certain “opt-out” provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

According to the FRS 39 Circular, for financial assets on revenue account classified as:

- (a) “fair value through profit or loss”, gains or losses recognised in the profit and loss account will be taxed or allowed as a deduction even though they are unrealised;

- (b) “available-for-sale”, only the cumulative gains or losses (which had been recognised in equity) that are transferred to the profit and loss account upon derecognition will be taxed or allowed as a deduction; and
- (c) “held-to-maturity” and loans, the interest income based on the amount shown in the accounts, which is calculated under the effective interest method under FRS 39, will be taxed.

The FRS 39 Circular refers to the definition of the effective interest method under FRS 39 and states that the “effective interest method” is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period and the “effective interest rate” is the rate that exactly discounts estimated future cash payments of receipts through the expected life of the financial instruments. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

However, for debt securities which are on capital account, the FRS 39 Circular indicates that interest income reflected in the profit and loss account under FRS 39 will be adjusted to that based on the coupon/contractual rate.

In this regard, Section 34A of the ITA provides that where interest from debt securities is chargeable to tax under Section 10(1)(d) of the ITA (i.e. as passive income rather than as income from a trade or business), such interest will be computed based on the contractual interest rate and not the effective interest rate. In this section, “contractual interest rate” in relation to any financial instrument means the interest rate specified in the financial instrument. A gain from discounts or premiums on debt securities, being a gain chargeable to tax under Section 10(1)(d) of the ITA, shall be deemed to accrue only on the maturity or redemption of the debt securities and to be equal to the difference between the amount received on the maturity or redemption of the debt securities and the amount for which the debt securities were issued.

Holders of the Notes who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

4. Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

SUBSCRIPTION, PURCHASE AND DISTRIBUTION

The Programme Agreement provides for Notes to be offered from time to time through one or more Dealers. The price at which a Series or Tranche will be issued will be determined prior to its issue between the Issuer and the relevant Dealer(s). The obligations of the Dealers under the Programme Agreement will be subject to certain conditions set out in the Programme Agreement. Each Dealer (acting as principal) will subscribe or procure subscribers for Notes from the Issuer pursuant to the Programme Agreement.

United States

The Notes have not been and will not be registered under the Securities Act, and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the MTN Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, as determined and certified to the Issuing and Paying Agent by such Dealer (or, in the case of an identifiable tranche of Notes sold to or through more than one Dealer, by each of such Dealers with respect to Notes of an identifiable tranche purchased by or through it, in which case the Issuing and Paying Agent shall notify such Dealer when all such Dealers have so certified), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer that is not participating in the offering of such Notes may violate the registration requirements of the Securities Act.

United Kingdom

Each Dealer has represented and agreed that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

European Union

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **“Relevant Member State”**), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **“Relevant Implementation Date”**) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **“Non-exempt Offer”**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in the applicable Pricing Supplement;
- (b) at any time to legal entities which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an **“offer of Notes to the public”** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **“Prospectus Directive”** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member States), and includes any relevant implementing measure in the Relevant Member State and the expression **“2010 PD Amending Directive”** Means Directive 2010/73/EU.

Hong Kong

In relation to each Tranche of Notes issued by the Issuer, each Dealer has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong other than (a) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the

securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

PRC

Each of the Arrangers has represented, warranted and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC, except as permitted by the securities laws and other relevant laws and regulations of the PRC.

Singapore

Each Dealer has acknowledged that this Information Memorandum has not been registered as a prospectus with MAS. Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or to any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

General

Each Dealer understands that no action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Information Memorandum or any other document or any Pricing Supplement, in any country or jurisdiction (other than Singapore) where action for that purpose is required.

Each Dealer has agreed that it will comply with all applicable securities laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers Notes or any interest therein or rights in respect thereof or has in its possession or distributes, any other document or any Pricing Supplement. No Dealer will directly or indirectly offer, sell or deliver Notes or any interest therein or rights in respect thereof or distribute or publish any prospectus, circular, advertisement or other offering material (including, without limitation, this Information Memorandum) in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations, and all offers, sales and deliveries of Notes or any interest therein or rights in respect thereof by it will be made on the foregoing terms. In connection with the offer, sale or delivery by any Dealer of any Notes or any interest therein or rights in respect thereof, the Issuer shall not have responsibility for, and each Dealer will obtain, any consent, approval or permission required in and each Dealer will comply with the laws and regulations in force in, any jurisdiction to which it is subject or from which it may make any such offer or sale.

Any person who may be in doubt as to the restrictions set out in the SFA or the laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers the Notes or any interest therein or rights in respect thereof and the consequences arising from a contravention thereof should consult his own professional advisers and should make his own inquiries as to the laws, regulations and directives in force or applicable in any particular jurisdiction at any relevant time.

GENERAL AND OTHER INFORMATION

INFORMATION ON DIRECTORS

1. (a) The name and position of each of the Directors are set out below:

Name	Position
Mr Lim Hock San	Chairman of the Board
Ms Chong Siak Ching	President & Chief Executive Officer
Mr Manohar Khiatani	Director
Mr Reggie Thein	Director
Mr Tan Gee Paw	Director
Mr Willy Shee Ping Yah	Director
Mr Chee Hong Tat	Director
Mr Charles Chen	Director
Mr Lee Eng Beng	Director
Mr Balu Doraisamy	Director
Mr Jen Kwong Hwa	Director
Mr Alan Rupert Nisbet	Director

- (b) The business experience of each of the Directors is as follows:

Mr Lim Hock San
Chairman - Ascendas Pte Ltd

Mr Lim Hock San is the President and CEO of United Industrial Corporation Ltd, and Singapore Land Ltd.

Prior to Mr Lim's current employment, he was the Director-General of the Civil Aviation Authority of Singapore from 1980 - 1992. He actively participated in the feasibility, siting, development and operations of Singapore Changi Airport, as well as managed the transition from the old Paya Lebar Airport to the new Changi Airport.

He sits on the board of Keppel Corporation Ltd and is the Chairman of Gallant Ventures Ltd and the National Council on Problem Gambling. Mr Lim received his Masters of Science from the Alfred P Sloan School of Management of Massachusetts Institute of Technology, USA in 1973. He also attended the Advanced Management Program at the Harvard Business School and the Senior Executive Program of the London Business School.

He is a Fellow of The Chartered Institute of Management Accountants, UK, and a Fellow and past President of the Institute of Certified Public Accountants of Singapore. He is also a Justice of Peace and a recipient of the Singapore Government Meritorious Service Medal, the Public Administration Medal (Gold) and the Public Service Medal.

Ms Chong Siak Ching
Director - Ascendas Pte Ltd
President and CEO

Ms Chong is the President and Chief Executive Officer of Ascendas Pte Ltd. She sits on the boards of Ascendas Pte Ltd and its subsidiaries. Ascendas pioneered Singapore's first business space trust, Ascendas REIT in November 2002, and Singapore's first India-based properties business trust, Ascendas India Trust in August 2008.

She is the Deputy Chairman of Spring Singapore, the enterprise development agency of Singapore, as well as an Independent Director on the Board of Singapore Press Holdings. She is also a board member of Jurong Health Services and a member of the NUS Board of Trustees. Previously JTC's Deputy Chief Executive Officer, she has extensive experience in business space management.

Ms Chong studied Estate Management at NUS where, in 1981, she graduated with honours and was awarded a Gold Medal by the Singapore Institute of Surveyors and Valuers. In 1991, Ms Chong obtained a Masters in Business Administration from the same university. Ms Chong completed the Advanced Management Programme at Harvard Business School in 1998. In recognition of her unwavering commitment and service to her alma mater, Ms Chong was conferred the NUS Distinguished Alumni Award by the Faculty of Architecture and Building Management in 1999 and the NUS Distinguished Alumni Service Award in 2009. In March 2009, Ms Chong was recognised as the 'Outstanding CEO of the Year' in the Singapore Business Awards 2009 for her steadfast leadership and dynamism in establishing Ascendas as Asia's leading provider of business space across Asia.

Mr Manohar Khiatani
Director - Ascendas Pte Ltd

Mr Manohar Khiatani is the CEO of JTC. JTC is the Government's lead agency to plan, promote and develop key industrial infrastructure and facilities, in support of the nation's economic development.

Prior to JTC, Mr Khiatani was Deputy Managing Director at the Economic Development Board ("EDB"). He joined the EDB in 1986 where he played an instrumental role in the development and transformation of important sectors in Singapore's economy such as electronics, transport engineering, precision engineering, logistics, infocomms and media, and clean technology. He was also in charge of EDB's operations in the Americas and Europe.

Between 1994 and 1999, Mr Khiatani worked in the private sector when he was the Managing Director of German conglomerate Preussag SEA. Mr Khiatani, a Singapore Government Scholar, holds a Masters Degree (Naval Architecture) from the University of Hamburg, Germany. He also attended the Advanced Management Program at the Harvard Business School in 2006. He is currently also a Board Member of JURONG International Holdings Pte Ltd and Jurong Port Pte Ltd.

Mr Reggie Thein
Director - Ascendas Pte Ltd

Mr Thein retired as a senior partner from Coopers & Lybrand legacy firm of PricewaterhouseCoopers in 1999 after 37 years with the firm. He was vice-chairman of the firm and managing partner of its management consulting services company from the latter's inception in 1972 until its global integration in 1995.

Mr Thein is a Fellow of the Institute of Chartered Accountants in England & Wales and is also a member of the Institute of Certified Public Accountants of Singapore. He is a member of the Governing Council of The Singapore Institute Directors and a director and audit committee member of several listed companies. He is active in promoting and advancing the practice of corporate governance in Singapore, and is keenly involved in community, welfare and charity work. Mr Thein was awarded the Public Service Medal by the President of Singapore in 1999.

His directorships include:

- BIL International Limited
- Energy Support Management Pte Ltd
- FJ Benjamin Holdings Ltd

- Grand Banks Yachts Limited
- GuocoLand Limited
- Haw Par Corporation Limited
- Keppel Telecommunications & Transportation Limited
- Lindeteves-Jacoberg Limited
- MFS Technology Ltd
- MobileOne Ltd

Mr Tan Gee Paw

Director - Ascendas Pte Ltd

Mr Tan Gee Paw was appointed Chairman of the PUB, Singapore's national water agency on 1 April 2001. He is also chairman and director of a number of companies, and a member of several committees. Previous appointments held by Mr Tan were Principal of Ngee Ann Polytechnic, and Permanent Secretary of the then Ministry of the Environment.

Mr Tan graduated with First Class Honours in Bachelor of Engineering (Civil) from the University of Malaya in 1967. In 1971, he obtained a Master of Science in Systems Engineering from the University of Singapore. He was conferred an Honorary Degree of Doctor of Science from the University of Westminster, UK in 1993; and an Honorary Doctorate in Engineering from Sheffield University, UK in 1995.

In 1978, Mr Tan received the Public Administration Medal (Silver), and in 2001, the Meritorious Service Medal. He also received a Special Award (Gold Medal) for Clean River Commemoration in 1987. He received the Medal of Commendation at the NTUC May Day Award in 2005, and the President's Award for the Environment in 2007. Mr Tan was also bestowed the Distinguished Service Order in 2010. In 2011, Mr Tan was conferred the Distinguished Engineering Alumni Award (DEAA) by the National University of Singapore, and elected an Honorary Fellow of the Institution of Engineers, Singapore.

Mr Willy Shee Ping Yah

Director - Ascendas Pte Ltd

Mr Willy Shee Ping Yah is currently the Chairman, Asia, of CB Richard Ellis (Pte) Ltd. He also holds several other appointments with the Singapore Chinese Chamber of Commerce and Industry, World Presidents' Organisation, Supreme Court Inquiry Panel, Real Estate Developers' Association of Singapore, and the Lions Club of Singapore Jurong.

In addition to his current employment, he is involved in other organisations:

- Director, CB Richard Ellis Management (Pte) Ltd
- Director, CB Richard Ellis (Pte) Ltd
- Director, NTUC Choice Homes Co-operative Ltd
- Director/Chairman, Choice Homes Alpha Pte Ltd
- Director/Chairman, Rivershore Pte Ltd
- Director, Lafe (Emerald Hill) Development Pte Ltd
- Director, Strategic Partners Asia II Pte Ltd
- Director, SLF Properties Pte Ltd

A Colombo Plan Scholar, Mr Shee graduated in 1970 from the University of Auckland, New Zealand, with a Diploma in Urban Valuation. He is presently an associate member of the New Zealand Property Institution, fellow member of the Singapore Institute of Surveyors and Valuers and Association of Facilities and Property Management. Mr Shee was awarded the Friend of Labour Award by NTUC in May 2007.

Mr Chee Hong Tat
Director - Ascendas Pte Ltd

Mr Chee Hong Tat is Chief Executive at the Energy Market Authority. Before being appointed to his present post, he was the Principal Private Secretary to Minister Mentor Lee Kuan Yew from 2008 to 2011.

He joined the Administrative Service in 1998 as Assistant Director of Human Resource Planning in the Ministry of Home Affairs. He was subsequently posted to the Ministry of Finance from 2000-2003 where he was Head of Regulatory Services and Secretary to the Council on Corporate Disclosure and Governance. From 2003-2005, he was Deputy Director for Sea Transport and Head of Strategic Planning in the Ministry of Transport. He served in the Ministry of Education as Director of Planning from 2006-2008.

Hong Tat studied at the University of California at Berkeley on an Overseas Merit Scholarship, and graduated in 1996 with a Bachelor of Science (Highest Honours) in Electrical Engineering & Computer Sciences and a Bachelor of Arts (Highest Honours) in Economics. He obtained a Masters of Business Administration from Adelaide University in 2006, and was awarded the Newmont Australia Prize for Most Outstanding MBA Graduate.

Mr Charles Chen Chih-Yuan
Director - Ascendas Pte Ltd

Based in Taiwan, Mr Chen is a highly-regarded corporate figure in the local community with many years of experiences in technology, financial services, insurance and transportation management sectors.

Mr Chen currently holds the position of Chairman in Eyon Holding Group. He is also the Vice-Chairman of Taiwan Air Cargo Terminal Corporation and Taiwan Insurance Co., Ltd. In addition, he serves as a board member of China Airlines, and holds many other local and foreign directorships.

Mr Chen was the Chairman of the UTAC Group, the world's number five semiconductor back-end services provider in 2006, between 2000 and 2007. He was also the Chairman of Epistar Corporation, a world leading LED chip company, between 2005 and 2007.

Mr Chen is the Co-President of Chen Yung Foundation and Formosa Cancer Foundation in Taiwan. He also sits on the boards of a number of other non-profit organizations, including Children Liver Foundation, Earth's Love Foundation, Taiwan Orthopedic Sports Medicine Research Foundation, among others.

Mr Chen received his Masters in Business Administration (MBA) degree from New York University in 1991. He obtained a Bachelor of Economics degree from Fu-Jen Catholic University in Taiwan in 1985 and received the "Outstanding Alumni" Award in 2004.

Mr Lee Eng Beng SC
Director - Ascendas Pte Ltd

From 1998 to date, Mr Lee Eng Beng has been a partner at Rajah & Tann LLP. From 2003 to 2009, he headed the firm's Business Finance and Insolvency Practice Group, with a strong focus on banking, insolvency and commercial litigation.

He continues to be active as counsel and advisor to banks and financial institutions, insolvency practitioners, and distressed companies, as well as commercial litigation and arbitration. He was appointed Senior Counsel in 2008 and the Deputy Managing Director of Rajah & Tann LLP in 2009.

Mr Lee graduated with First Class Honours in Law from NUS in 1992. He served as a Senior Tutor with the Faculty of Law in NUS and a Justices' Law Clerk in the Supreme Court of Singapore. In 1994, he obtained the Bachelor of Civil Law postgraduate degree from Oxford University, with First Class Honours. He then served as a lecturer in the Faculty of Law in NUS from 1994-1998.

Mr Balu Doraisamy
Director - Ascendas Pte Ltd

Balu Doraisamy has 30 years of IT experience spanning the global market, including 25 years with HP. This includes three years as Managing Director of Hewlett-Packard (HP) in Asia Pacific and Japan (APJ), and nine years as Country Managing Director for HP/Compaq in India. Under his leadership, HP has achieved nearly 20% (USD 23B) of its global business in the APJ region.

His diverse international background includes hands-on experience in Software, Server, Storage, PC, Printer, Network, Services, M&A and Integration in the U.S. and across APJ. Balu led leadership teams in various countries through complex customer engagements, business transformation and growth initiatives. His experience include developing and overseeing Country subsidiaries, Manufacturing facilities, Offshore IT delivery services, BPO units, Engineering centers and Research labs.

Balu's expertise includes the application of technology to the benefits of business transformation across multiple industries. He has also developed significant insight in growing Enterprise, Government, SME and Consumer markets.

Balu holds a post graduate degree in Computer Science and a Master's degree in Mathematics. He currently serves as a board member of MphasiS (an HP Company), TVS Electronics (India), and Ascendas (Singapore).

Mr Jen Kwong Hwa
Director - Ascendas Pte Ltd

Mr Jen Kwong Hwa is Managing Director of Micron Semiconductor Asia. Mr Jen joined Micron in October 1998 with the acquisition of Texas Instruments' memory business. He started his career with Texas Instruments Singapore in 1979 as engineer and held a series of increasingly responsible positions, including Engineering Manager, Quality Manager and Operations Manager before assuming the General Manager role in 1996. He was appointed to the current position of Managing Director in October 1999.

Mr Jen was born in Singapore and received his early education in Anglo Chinese School. He received a Bachelor of Science degree from Imperial College, London in 1979. He is married and has two children aged nineteen and twenty two.

Away from work, his interests include golf and electronics. He was a past member of the SQA Governing Council, Energy Market Authority and the Co-Chair of the Energy Sub-Committee of the Economic Strategies Committee.

He is currently a board member of JTC and IM Flash Singapore, LLP.

Mr Alan Nisbet
Director – Ascendas Pte Ltd

Mr Alan Nisbet was with Deloitte in Australia, United States of America and in the Asia Pacific Region in a career which spanned 38 years. He was head of Audit & Assurance Services for Deloitte Southeast Asia, a role which covered the Audit & Assurance Operations, Business Development and Quality of the Deloitte Audit & Assurance practice in Southeast Asia. While at Deloitte, Mr Nisbet also established the Deloitte Enterprise Risk Service (ERS) function in Singapore and led that practice division for four years, taking care of Corporate Governance, Risk Management, Internal Audit and IT Security services.

Following his retirement from Deloitte in May 2011, Mr Nisbet established Kanni Advisory, a consultancy specialising in financial and business advisory services. He completed four of the five Listed Company Director courses conducted by the Singapore Institute of Directors and performed the oversight role of the Quality Reviews of Deloitte Australia and Korea practices. He also successfully completed the Singapore Mediation Centre accreditation workshop for Industry Professionals and has been invited to sit on the SMC Panel of Principal Mediators.

Mr Nisbet holds a Diploma of Business Studies, Accounting from Caulfield Institute of Technology, Melbourne. He is a member of the Institute of Certified Public Accountants of Singapore (ICPAS) and a Practicing Associate of the Institute of Chartered Accountants in Australia (ICAA).

2. No Director is or was involved in any of the following events:
 - (a) a petition under any bankruptcy laws filed in any jurisdiction against such person or any partnership in which he was a partner or any corporation of which he was a director or an executive officer;
 - (b) a conviction of any offence, other than a traffic offence, or judgment, including findings in relation to fraud, misrepresentation or dishonesty, given against him in any civil proceedings in Singapore or elsewhere, or being a named subject to any proceedings pending as at the date of this Information Memorandum which may lead to such a conviction or judgment, or so far as such person is aware, any criminal investigation pending against him; or
 - (c) the subject of any order, judgment or ruling of any court of competent jurisdiction, tribunal or government body, permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.
3. The Directors are not related by blood or marriage to one another nor are they related to any substantial shareholder of the Issuer.

Mr Khiatani and Mr Jen are directors on the board of JTC. Mr Khiatani is also the CEO of JTC.
4. No option to subscribe for shares in, or debentures of, the Issuer has been granted to, or was exercised by, any Director or employees of the Group during the last financial year ended 31 March 2011.
5. No Director is interested, directly or indirectly, in the promotion of any assets acquired or disposed of by or leased to, the Issuer or any of its Subsidiaries, within the two years preceding the date of this Information Memorandum, or in any proposal for such acquisition, disposal or lease as aforesaid.

SHARE CAPITAL

6. As at the date of this Information Memorandum, there is only one class of ordinary shares in the Issuer. The rights and privileges attached to the Shares are stated in the Articles of Association of the Issuer.
7. The issued share capital of the Issuer is as follows:

Share Designation	Issued Share Capital	
	Number of Shares	Amount
Ordinary Shares	585,621,697	S\$585,621,697

8. Save for the issue pursuant to the MTN Programme of S\$50,000,000 in principal amount of fixed rate notes due 2014 comprised in Series 002 on 29 April 2009, no shares in, or debentures of, the Issuer have been issued or are proposed to be issued, as fully or partly paid-up, for cash or for a consideration other than cash, within the two years preceding the date of this Information Memorandum.

9. No shares in, or debentures of, the Issuer are under option or agreed conditionally or unconditionally to be put under option and no person has been, or is entitled to be, given an option to subscribe for any shares in, or debentures of, the Issuer.

BORROWINGS

10. Save as disclosed in Appendix II, as at 31 March 2011, the Issuer has no other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances (other than normal trading bills) or acceptance credits, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

WORKING CAPITAL

11. The Directors of the Issuer are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Notes, the Issuer will have adequate working capital for its present requirements.

CHANGES IN ACCOUNTING POLICIES

12. The accounting policies adopted are consistent with those adopted for the year ended 31 March 2011 except in the current financial year, the Group has adopted all the new and revised standards and Interpretations of FRS (INT FRS) that are effective for annual period beginning on or after 1 January 2011. The adoption of these standards and interpretations did not have any effects on the financial performance or position of the Group and the Issuer. The new and revised standards and interpretations adopted are as follows:

Amendments to FRS 32 Financial Instruments: Presentation – Classification of Rights Issues

INT FRS 119 Extinguishing Financial Liabilities with Equity Instruments

Amendments to INT FRS 114 Prepayments of a Minimum Funding Requirement

INT FRS 115 Agreements for the Construction of Real Estate

Amendments to FRS 103 Business Combinations

Amendments to FRS 1 Presentation of Financial Statements

Amendments to transition requirements for amendments arising as a result of FRS 27 Consolidated and Separate Financial Statements

Amendments to INT FRS 113 Customer Loyalty Programmes

LITIGATION

13. There are no legal or arbitration proceedings pending or, as far as the Directors are aware, threatened against the Issuer or any of its Subsidiaries the outcome of which, in the opinion of the Directors, may have or have had during the 12 months prior to the date of this Information Memorandum a material adverse effect on the financial position of the Group.

MATERIAL ADVERSE CHANGE

14. There has been no material adverse change in the financial condition or business of the Issuer or the Group since 31 March 2011.

CONSENTS

15. The Independent Auditors to the Issuer in respect of FY2011 and the Independent Auditors to the Issuer in respect of FY2009 and FY2010 have given and have not withdrawn their written consent to the inclusion of their auditor's reports dated 2 June 2011 and 1 June 2010 in relation to the audited consolidated financial statements of the Issuer for the financial years ended 31 March 2011 and 31 March 2010 in this Information Memorandum, and the references to their name in the form and context in which they are included.

DOCUMENTS AVAILABLE FOR INSPECTION

16. Copies of the following documents may be inspected at the registered office of the Issuer at 61 Science Park Road, #04-01 The Galen, Singapore 117525 during normal business hours for a period of six months from the date of this Information Memorandum:
- (a) the Memorandum and Articles of Association of the Issuer;
 - (b) the Trust Deed;
 - (c) the consent letters referred to in paragraph 15 above; and
 - (d) the audited consolidated financial statements of the Issuer and its subsidiaries for the financial year ended 31 March 2011 and 31 March 2010.

FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE

17. The functions, rights and obligations of the Trustee are set out in the Trust Deed.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF ASCENDAS PTE LTD
AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

The information in this Appendix II has been reproduced from the audited consolidated financial statements of Ascendas Pte Ltd and its subsidiaries for the financial year ended 31 March 2011 and has not been specifically prepared for inclusion in this Information Memorandum.

Co. Reg. No. 200010635R

ASCENDAS PTE LTD
AND ITS SUBSIDIARIES

ANNUAL FINANCIAL STATEMENTS
31 MARCH 2011

ASCENDAS PTE LTD
(Incorporated in Singapore)
AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS
For the financial year ended 31 March 2011

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**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

DIRECTORS' REPORT

For the financial year ended 31 March 2011

The directors present their report to the shareholder together with the audited financial statements of the Group for the financial year ended 31 March 2011 and the balance sheet of the Company at 31 March 2011.

Directors

The directors of the Company in office at the date of this report are as follows:

Lim Hock San
Chong Siak Ching
Chee Hong Tat
Charles C.Y. Chen
Lee Eng Beng
Manohar Khiatani
Willy Shee
Tan Gee Paw
Reggie Thein

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 object was 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' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in shares or debentures of the Company or its related corporations.

Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member, or with a company in which the director has a substantial financial interest, save that a director received remuneration as a result of his employment with the immediate holding corporation, Jurong Town Corporation.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

DIRECTORS' REPORT

For the financial year ended 31 March 2011

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

Independent auditor

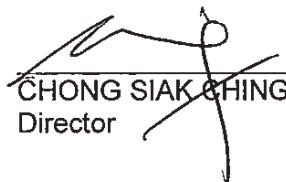
Ernst & Young LLP have expressed their willingness to accept reappointment as auditors.

On behalf of the board of Directors



LIM HOCK SAN
Director

2 June 2011



CHONG SIAK CHING
Director

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

STATEMENT BY DIRECTORS

For the financial year ended 31 March 2011

In the opinion of the Directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 6 to 111 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2011 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; 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.

On behalf of the board of Directors



LIM HOCK SAN
Director



CHONG SIAK CHING
Director

2 June 2011

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011**

To the member of Ascendas Pte Ltd

Report on the Financial Statements

We have audited the accompanying financial statements of Ascendas Pte Ltd (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 6 to 111, which comprise the balance sheets of the Group and the Company as at 31 March 2011, the consolidated statement of changes in equity of the Group and the consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, 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 profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (continued)**

Opinion

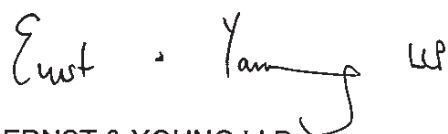
In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2011 and the results, changes in equity and cash flows of the Group for the financial year ended on that date.

Other Matters

The financial statements for the financial year ended 31 March 2010 were audited by another auditor whose report dated 1 June 2010 expressed an unqualified opinion on those statements.

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 and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.



ERNST & YOUNG LLP
Public Accountants and
Certified Public Accountants

Singapore
2 June 2011

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 March 2011

		The Group	
	Note	2011 \$'000	2010 \$'000
Revenue	4	318,591	293,517
Other gains/(losses) – net	5	114,255	60,061
Expenses			
Cost of development properties sold		(15,934)	(19,085)
Depreciation of investment properties	11	(36,170)	(36,257)
Depreciation of property, plant and equipment	13	(4,868)	(4,447)
Maintenance and conservancy expenses		(23,798)	(22,981)
Project consultancy, property and lease management expenses		(780)	(1,414)
Renovation services expenses		(2,154)	(3,671)
Employee compensation	6	(71,991)	(60,790)
Property taxes		(7,592)	(8,630)
Other operating expenses	7	(52,578)	(49,151)
Finance expense	8	(31,776)	(36,236)
Total expenses		(247,641)	(242,662)
Share of profit of associated companies		39,991	21,889
Profit before income tax		225,196	132,805
Income taxes	9(a)	(34,702)	(35,722)
Net profit		190,494	97,083
Available-for-sale financial assets – fair value (losses)/gains	29(b)	(11,385)	44,059
Available-for-sale financial assets – reclassification to profit or loss following disposal	29(b)	(14,112)	-
Cash flow hedges – fair value losses	29(c)	(3,877)	(2,357)
Cash flow hedges – reclassification to profit or loss upon settlement	29(c)	2,835	972
Currency translation differences arising from consolidation		(31,460)	6,217
Currency translation reserve on disposal of a subsidiary charged to other gains/(losses) – net	29(a)	(712)	2,276
Currency translation reserve on transfer of an investment in an associated company to assets held for sale charged to other gains/(losses) – net	29(a)	-	(1,564)
Share of other comprehensive (loss)/income of associated companies		(32,586)	4,052
Other comprehensive income, net of tax		(91,297)	53,655
Total comprehensive income for the year		99,197	150,738
Profit attributable to:			
Equity holder of the Company		191,033	95,049
Non-controlling interests		(539)	2,034
		190,494	97,083
Total comprehensive income attributable to:			
Equity holder of the Company		109,745	143,952
Non-controlling interests		(10,548)	6,786
		99,197	150,738

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

BALANCE SHEETS

As at 31 March 2011

	Note	The Group		The Company	
		2011	2010	2011	2010
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Non-current assets					
Deferred income tax assets	9(c)	1,165	31,625	-	-
Goodwill	10	111,781	111,781	-	-
Investment properties	11	1,081,993	1,287,489	-	-
Investment properties under development	12	66,486	21,143	-	-
Property, plant and equipment	13	19,277	21,678	-	-
Investments in subsidiary companies	14	-	-	801,398	797,784
Investments in associated and joint venture companies	15	971,765	963,626	-	-
Other non-current assets		191	237	-	-
Trade and other receivables	16	68,075	42,008	-	-
Deposits		31	-	-	-
Cash and bank balances	18	4,711	4,396	-	-
Available-for-sale financial assets	19	23,486	23,577	-	-
		2,348,961	2,507,560	801,398	797,784
Current assets					
Properties under development	21	-	-	-	-
Properties held for sale		9,660	29,712	-	-
Available-for-sale financial assets	19	36,777	69,680	-	-
Consumables		51	37	-	-
Prepayments		6,671	11,056	1	5
Trade and other receivables	16	209,598	179,620	546,785	464,657
Deposits		2,274	2,331	1	5
Cash and bank balances	18	430,900	315,890	47,993	80,229
		695,931	608,326	594,780	544,896
Assets classified as held for sale	20	-	2,794	-	-
		695,931	611,120	594,780	544,896
Total assets		3,044,892	3,118,680	1,396,178	1,342,680
LIABILITIES					
Current liabilities					
Trade and other payables	23	137,602	152,322	591,772	509,243
Current income tax liabilities	9(b)	95,946	116,499	135	146
Borrowings	26	147,394	172,457	-	80,000
Derivative financial instruments	22	1,242	-	-	-
		382,184	441,278	591,907	589,389

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

BALANCE SHEETS

As at 31 March 2011

	Note	The Group		The Company	
		2011	2010	2011	2010
		\$'000	\$'000	\$'000	\$'000
Non-current liabilities					
Other payables	24	37,258	43,758	-	-
Loans from minority shareholders	25	139,662	151,662	-	-
Borrowings	26	428,340	490,632	149,206	49,782
Deferred income on long term leases	27	173,190	177,245	-	-
Derivative financial instruments	22	1,397	1,669	370	-
Deferred income tax liabilities	9(c)	11,094	12,107	-	-
		790,941	877,073	149,576	49,782
Total liabilities		1,173,125	1,318,351	741,483	639,171
NET ASSETS		1,871,767	1,800,329	654,695	703,509
EQUITY					
Capital and reserves attributable to the Company's equity holder					
Share capital	28	585,622	585,622	585,622	585,622
Fair value and other reserves	29	(96,039)	(15,463)	(370)	-
Revenue reserve	30	1,240,722	1,097,261	69,443	117,887
		1,730,305	1,667,420	654,695	703,509
Non-controlling interests		141,462	132,909	-	-
TOTAL EQUITY		1,871,767	1,800,329	654,695	703,509

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 March 2011

		Attributable to equity holder of the Company				
	Note	Share capital	Fair value and other reserves	Revenue reserve	Non-controlling interests	Total equity
		\$'000	\$'000	\$'000	\$'000	\$'000
2011						
Beginning of financial year		585,622	(15,463)	1,097,261	132,909	1,800,329
Net profit		-	-	191,033	(539)	190,494
Other comprehensive income:						
Available-for-sale financial assets						
– fair value losses		-	(11,385)	-	-	(11,385)
– reclassification to profit or loss following disposal		-	(14,112)	-	-	(14,112)
Cash flow hedges						
– fair value losses		-	(3,877)	-	-	(3,877)
– reclassification to profit or loss upon settlement		-	2,835	-	-	2,835
Currency translation differences arising from consolidation		-	(21,720)	-	(9,740)	(31,460)
Currency translation reserve on disposal of a subsidiary charged to other gains/(losses) – net		-	(712)	-	-	(712)
Share of other comprehensive loss of associated companies		-	(32,317)	-	(269)	(32,586)
Other comprehensive income for the year, net of tax		-	(81,288)	-	(10,009)	(91,297)
Total comprehensive income for the year		-	(81,288)	191,033	(10,548)	99,197
Contributions by and distributions to owners:						
Capital contribution by non-controlling interests		-	665	-	23,893	24,558
Capital return to non-controlling interests		-	-	-	(2,518)	(2,518)
Acquisition of additional interest in a subsidiary company		-	-	-	(141)	(141)
Dividends	31	-	-	(47,525)	-	(47,525)
Dividends paid to non-controlling interests		-	-	-	(2,133)	(2,133)
Transfer between reserves		-	47	(47)	-	-
End of financial year		585,622	(96,039)	1,240,722	141,462	1,871,767

An analysis of the movements in each category within "Fair value and other reserves" is presented in Note 29.

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2011

	Note	Attributable to equity holder of the Company				Total equity \$'000
		Share capital \$'000	Fair value and other reserves \$'000	Revenue reserve \$'000	Non-controlling interests \$'000	
2010						
Beginning of financial year		585,622	(64,050)	1,021,273	113,844	1,656,689
Net profit		-	-	95,049	2,034	97,083
Other comprehensive income:						
Available-for-sale financial assets						
– fair value gains		-	44,059	-	-	44,059
Cash flow hedges						
– fair value losses		-	(2,357)	-	-	(2,357)
– reclassification to profit or loss upon settlement		-	972	-	-	972
Currency translation differences arising from consolidation		-	1,465	-	4,752	6,217
Currency translation reserve on disposal of a subsidiary charged to other gains/(losses) – net		-	2,276	-	-	2,276
Currency translation reserve on transfer of an investment in an associated company to assets held for sale charged to other gains/(losses) – net		-	(1,564)	-	-	(1,564)
Share of other comprehensive income of associated companies		-	4,052	-	-	4,052
Other comprehensive income for the year, net of tax		-	48,903	-	4,752	53,655
Total comprehensive income for the year		-	48,903	95,049	6,786	150,738
Contributions by and distributions to owners:						
Capital contribution by non-controlling interests		-	-	-	17,283	17,283
Capital return to non-controlling interests		-	-	-	(3,059)	(3,059)
Disposal of interest in a subsidiary company	33	-	(1,188)	-	-	(1,188)
Reversal of capital reserves on write-down of investment in an associated company	29(d)	-	(189)	-	-	(189)
Dividends	31	-	-	(18,000)	-	(18,000)
Dividends paid to non-controlling interests		-	-	-	(1,945)	(1,945)
Transfer between reserves		-	1,061	(1,061)	-	-
End of financial year		585,622	(15,463)	1,097,261	132,909	1,800,329

An analysis of the movements in each category within "Fair value and other reserves" is presented in Note 29.

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2011

	Note	2011 \$'000	2010 \$'000
Cash flows from operating activities			
Profit before tax		225,196	132,805
Adjustments for:			
Amortisation of long term lease premium		(4,055)	(4,055)
Depreciation		41,038	40,704
Dividend income		(82)	(642)
Interest income		(6,554)	(5,838)
Interest expense		31,776	36,236
Gain on disposal of:			
- investment properties		(65,698)	(31,576)
- property, plant and equipment		(6)	(5)
- subsidiary companies		(5,942)	(39,607)
- available-for-sale financial assets		(19,494)	-
Gain on dilution of interest in associated companies		(5,502)	(13,627)
Impairment losses (written back)/made on:			
- investment properties		(10,145)	31,177
- investment in associated companies		(57)	4,278
Allowance for impairment of receivables made/(written back):			
- trade receivables from non-related parties		49	(129)
- other receivables from non-related parties		231	(55)
- amounts owing by associated companies		602	1,040
Unrealised translation differences		5,502	(676)
Share of profit of associated companies		(39,991)	(21,889)
Property, plant and equipment written off		102	352
Investment properties written off		-	602
Fair value loss on derivative financial instruments		-	1,465
Negative goodwill arising from acquisition of additional interests in associated companies		-	(1,438)
Gain on capital contribution by a minority shareholder of a subsidiary company		-	(705)
Gain on return of capital to a minority shareholder of a subsidiary company		-	(2,032)
Operating cash flow before working capital changes		146,970	126,385
Changes in operating assets and liabilities, net of effects from acquisitions and disposals of subsidiary companies			
Consumables		(14)	(19)
Properties under development		19,096	(38,468)
Trade and other receivables		(32,148)	110,990
Prepayments		4,385	(3,570)
Deposits		57	54,249
Trade and other payables		(10,008)	(63,653)
Cash generated from operations		128,338	185,914

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2011

	Note	2011 \$'000	2010 \$'000
Cash generated from operations		128,338	185,914
Interest paid		(29,136)	(35,525)
Cash settlement of interest rate swaps		(2,835)	(972)
Interest received		6,554	5,845
Income tax paid	9(b)	(27,464)	(38,594)
Net cash generated from operating activities		75,457	116,668
Cash flows from investing activities			
Purchase of investment properties		(1,491)	(5,573)
Purchase of property, plant and equipment		(4,477)	(2,942)
Cost of developing investment properties		(51,917)	(160,133)
Proceeds from disposal of subsidiary companies	33	22,366	110,015
Proceeds from disposal of investment properties		183,194	14,631
Proceeds from disposal of property, plant and equipment		17	13
Proceeds from disposal of available-for-sale financial assets		27,053	-
Increase in investment in associated companies		(75,705)	(110,084)
Dividend received			
- available-for-sale financial assets		82	642
- associated companies		65,112	73,732
Cash settlement of foreign exchange forward contracts and cross-currency interest rate swaps		-	(8,726)
Repayment of loans from associated companies		-	5,190
Loan to joint venture company		(29,995)	-
Acquisition of subsidiary companies, net of cash acquired	32	244	-
Net cash generated from/(used in) investing activities		134,483	(83,235)
Cash flows from financing activities			
Repayment of borrowings		(171,538)	(34,495)
Increase in non-controlling interests		24,417	16,961
Proceeds from borrowings		112,846	111,750
Proceeds from medium term note		-	49,782
Fixed deposits pledged with financial institutions		(2,350)	(3,735)
Dividend paid to equity holder of the Company		(47,525)	(87,000)
Dividend paid to non-controlling interests		(2,133)	(1,945)
Net cash (used in)/generated from financing activities		(86,283)	51,318
Net increase in cash and cash equivalents		123,657	84,751
Cash and cash equivalents at beginning of financial year	18	294,626	209,034
Effects of exchange rate changes on cash and cash equivalents		(8,520)	841
Cash and cash equivalents at end of financial year	18	409,763	294,626

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate information

Ascendas Pte Ltd ("the Company") is a limited liability company, which is domiciled and incorporated in Singapore and its immediate and ultimate holding entity is Jurong Town Corporation ("JTC"), a body incorporated by statute in Singapore. The address of its registered office and principal place of business of the Company is located at 61 Science Park Road, #04-01 The Galen, Singapore Science Park II, Singapore 117525.

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are as disclosed in Note 38 to the financial statements.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements of the Group and Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

The financial statements are presented in Singapore Dollars and all values presented are rounded to the nearest thousand (\$'000) as indicated.

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 and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 April 2010. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except as disclosed below:

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

FRS 103 Business Combination (revised) and FRS 27 Consolidated and Separate Financial Statements (revised)

The revised FRS 103 *Business Combinations* and FRS 27 *Consolidated and Separate Financial Statements* are applicable for annual periods beginning on or after 1 July 2009. As of 1 April 2010, the Group adopted both revised standards at the same time in accordance with their transitional periods.

FRS 103 Business Combination (revised)

The revised FRS 103 introduces a number of changes to the accounting for business combination that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Changes in significant accounting policies resulting from the adoption of the revised FRS 103 include:

- Transaction costs would no longer be capitalised as part of the cost of acquisition but will be expensed immediately;
- Consideration contingent on future events are recognised at fair value on the acquisition date and any changes in the amount of consideration to be paid will no longer be adjusted against goodwill but recognised in profit or loss;
- The Group elects for each acquisition of a business, to measure non-controlling interest at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets, and this impacts the amount of goodwill recognised; and
- When a business is acquired in stages, the previously held equity interests in the acquiree is remeasured to fair value at the acquisition date with any corresponding gain or loss recognised in profit or loss, and this impacts the amount of goodwill recognised.

According to its transitional provisions, the revised FRS 103 has been applied prospectively. Assets and liabilities that arose from business combinations whose acquisition dates are before 1 April 2010 are not adjusted.

FRS 27 Consolidated and Separate Financial Statements (revised)

Changes in significant accounting policies resulting from the adoption of the revised FRS 27 include:

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

FRS 27 Consolidated and Separate Financial Statements (revised) (continued)

- A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss recognised in profit or loss;
- Losses incurred by a subsidiary are allocated to the non-controlling interest even if the losses exceed the non-controlling interest in the subsidiary's equity; and
- When control over a subsidiary is lost, any interest retained is measured at fair value with the corresponding gain or loss recognised in profit or loss.

According to its transitional provisions, the revised FRS 27 has been applied prospectively, and does not impact the Group's consolidated financial statements in respect of transactions with non-controlling interest, attribution of losses to non-controlling interests and disposal of subsidiaries before 1 April 2010. The changes will affect future transactions with non-controlling interest.

Amendments to FRS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items (effective for annual periods beginning on or after 1 July 2009)

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations.

The Group has applied this amendment from 1 April 2010, but its application does not have a material impact on the financial statements.

INT FRS 117 Distributions of Non-Cash Assets to Owners (effective for annual periods beginning on or after 1 July 2009)

INT FRS 117 clarifies how the Group should measure distributions of assets, other than cash, to its owners. INT FRS 117 specifies that such a distribution should only be recognised when appropriately authorised, and that the dividend should be measured at the fair value of the assets to be distributed. The difference between the fair value and the carrying amount of the assets distributed should be recognised in profit or loss. INT FRS 117 applies to pro rata distributions of non-cash assets except for distributions to a party or parties under common control.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

INT FRS 117 Distributions of Non-Cash Assets to Owners (effective for annual periods beginning on or after 1 July 2009) (continued)

The Group has applied INT FRS 117 from 1 April 2010, but its application does not have a material impact on the financial statements.

2.2 Standards issued but not yet effective

The Group and the Company have not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
INT FRS 119 Extinguishing Financial Liabilities with Equity Instruments	1 July 2010
Amendments to INT FRS 113 Customer Loyalty Programmes	1 July 2010
Revised FRS 24 Related Party Disclosures	1 January 2011
Amendments to INT FRS 114 Prepayments of a Minimum Funding Requirement	1 January 2011
INT FRS 115 Agreements for the Construction of Real Estate	1 January 2011
The Conceptual Framework for Financial Reporting 2010 (Chapter 1 and 3)	1 March 2011
Amendment to FRS 101 Secure Hyperinflation and Removal of First-time Adopters	1 July 2011
Amendments to FRS 107 Disclosures – Transfer of Financial Assets	1 July 2011
Amendments to FRS 12 Deferred Tax: Recovery of Improvements to FRSs issued in underlying assets	1 January 2012
Improvements to FRSs issued in 2010:	
Amendments to FRS 103 Business Combinations	1 July 2010

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.2 Standards issued but not yet effective (continued)

Description	Effective for annual periods beginning on or after
Transition requirements for amendments arising as a result of FRS 27 Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 107 Financial Instruments: Disclosure	1 July 2010
Amendments to FRS 1 Presentation of Financial Statements	1 July 2010

Except for the revised FRS 24 and INT FRS 115 the directors expect that the adoption of the other standards and interpretations 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 the revised FRS 24 and INT FRS 115 are described below.

Revised FRS 24 Related Party Disclosures

The revised FRS 24 clarifies the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application. The revised FRS 24 expands the definition of a related party and would treat two entities as related to each other whenever a person (or a close member of that person's family) or a third party has control or joint control over the entity, or has significant influence over the entity. The revised standard also introduces a partial exemption of disclosure requirements for government-related entities. The Group is currently determining the impact of the changes to the definition of a related party has on the disclosure of related party transaction. As this is a disclosure standard, it will have no impact on the financial position or financial performance of the Group when implemented for the next financial year.

INT FRS 115 Agreements for the Construction of Real Estate

INT FRS 115 clarifies when revenue and related expenses from a sale of real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of real estate is completed. INT FRS 115 determines that contracts which do not classify as construction contracts in accordance with FRS 11 can only be accounted for using the percentage of completion method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work in progress in its current state as construction progresses. As at 31 March 2011, there is no financial impact to the Group should this INT FRS have been adopted. Going forward, the Group will continue to determine the impact upon adoption of INT FRS 115.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Revenue is presented, net of goods and services tax, rebates and discounts, and after eliminating sales within the Group. Revenue is recognised as follows:

- (a) Premiums received in respect of long term leases are recognised as revenue:
 - on an equal annual basis over the period of the lease in respect of land which are leased for periods substantially shorter than the remaining tenure of the land owned by the Group; or
 - in the year when the leases are entered into in respect of land which are leased for periods substantially the same as the remaining tenure of the land owned by the Group.
- (b) Profits on property development projects are recognised using the percentage of completion method.
- (c) Revenue from consultancy and turnkey projects is recognised using the percentage of completion method.
- (d) Rental income from operating leases is recognised on a straight-line basis over the term of the lease.
- (e) Management fees and agency fees from the provision of property management, fund management and other consultancy services are recognised when the services have been rendered.
- (f) Revenue from the generation and supply of power is recognised on an accrual basis, upon rendering of services.
- (g) Dividend income is recognised when the right to receive payment is established.
- (h) Interest income from finance lease is accrued on a time-proportion basis as provided for in the finance lease agreement. Interest income from bank deposits and other interest bearing receivables is accrued on a time-proportion basis using the effective interest method.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.3 Revenue recognition (continued)

- (i) Profits on in-house renovation projects are recognised using the percentage of completion method. Profit is brought to the financial statements only in respect of sales procured and to the extent that such profit relates to the progress of construction work. The percentage of completion is measured with reference to the percentage of costs incurred to date of the estimated total costs for each contract.

2.4 Group accounting

(a) *Business combination from 1 April 2010*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries 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 Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions 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.

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.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

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 accordance with FRS 39 either in profit or loss or as change to other comprehensive income. If the contingent consideration is classified as equity, it is not be remeasured until it is finally settled within equity.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.4 Group accounting (continued)

(a) *Business combination from 1 April 2010 (continued)*

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree 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 interest 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. The accounting policy for goodwill is set out in Note 2.10. 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.

In comparison to the above mentioned requirements, the following differences applied:

Business combinations are accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interest are treated as a revaluation and recognised in equity.

When the Group acquired a business, embedded derivatives separate from the host contract by the acquiree are not reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent measurements to the contingent consideration affected goodwill.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.4 Group accounting (continued)

(b) Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

(c) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to between and including 20% and 50% of the voting rights. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses. Investments in associated companies in the consolidated balance sheet include goodwill (net of accumulated impairment loss) identified on acquisition. Please refer to Note 2.10 for the Group's accounting policy on goodwill.

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.4 Group accounting (continued)

(c) Associated companies (continued)

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition movements in reserves is recognised in equity directly. These post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the joint venture company.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associated companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Upon loss of significant influence over the associate, the Group measures any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in profit or loss.

Dilution gains and losses arising from investments in associated companies are recognised in profit or loss.

Please refer to Note 2.12 for the Company's accounting policy on investments in associated companies in the separate financial statements of the Company.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.4 Group accounting (continued)

(d) Joint venture companies

Joint venture companies are entities over which the Group has contractual arrangements to jointly share the control over the economic activity of the entities with one or more parties. The Group's interest in joint venture companies is accounted for in the consolidated financial statements using the equity method of accounting less impairment losses. Investments in joint venture companies in the consolidated balance sheet include goodwill (net of accumulated impairment loss) identified on acquisition. Please refer to Note 2.10 for the Group's accounting policy on goodwill.

Investments in joint venture companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

In applying the equity method of accounting, the Group's share of its joint venture companies post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition movements in reserves is recognised in equity directly. These post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a joint venture company equals or exceeds its interest in the joint venture company, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the joint venture company.

Unrealised gains on transactions between the Group and its joint venture companies are eliminated to the extent of the Group's interest in the joint venture companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of joint venture companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Upon loss of joint control, the Group measures any retained investment at its fair value. Any difference between the carrying amount of the former joint venture company upon loss of joint venture control and the aggregate of the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Please refer to Note 2.12 for the Company's accounting policy on investments in joint venture companies in the separate financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.5 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses (Note 2.13).

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 by management. The projected cost of dismantlement, removal or restoration is also included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Expenditure relating to construction are capitalised as capital work-in-progress when incurred and no depreciation is provided until the construction is completed.

(b) Depreciation

Freehold land and capital work-in-progress are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight line method to allocate their depreciable amounts over the estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold land	- lease term of 99 years
Buildings on leasehold land	- 30 years
Renovations and improvements	- 3 to 5 years
Computers, furniture and equipment	- 3 to 20 years
Motor vehicles	- 5 years

The residual values, depreciation method and estimated useful lives of property, plant and 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 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 Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.5 Property, plant and equipment (continued)

(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.

2.6 Investment properties under development

Investment properties under development are properties being constructed or developed for future rental. They are carried at cost less impairment until construction or development is completed, at which time they are transferred and accounted for as investment properties. Cost capitalised include cost of land and other directly related development expenditure, including borrowing costs incurred in developing the properties.

2.7 Investment properties

Investment properties of the Group, comprising principally completed office buildings and land that is held for a currently undetermined future use, are held for long-term rental yields and capital appreciation and are not occupied by the Group. Properties accounted for as finance leases and which meet the definition of investment properties are classified as such in the financial statements.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Depreciation on other items of investment properties is calculated using the straight line method to allocate the depreciable amounts over the estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold land	- lease terms ranging from 47 to 99 years
Buildings on freehold/leasehold land	- 12 to 50 years
Renovations and improvements	- 3 to 5 years
Plant, machinery and equipment	- 3 to 20 years

The residual values, depreciation method and estimated useful lives of investment properties 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.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.7 Investment properties (continued)

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as addition and the carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvement is charged to profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.8 Properties under development

Properties under development refer to development properties for sale.

Unsold development properties

Properties under development that are unsold are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less cost to complete the development and selling expenses.

Sold development properties

Revenue and cost on properties under development that have been sold are recognised using the percentage of completion method. The stage of completion is measured by reference to the physical surveys of construction work completed. When it is probable that the total development costs will exceed the total revenue, the expected loss is recognised as an expense immediately.

The aggregated costs incurred and the profit/loss recognised in each development property that has been sold are compared against progress billings up to the financial year-end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as due from customers on development projects. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as due to customers on development projects.

2.9 Properties held for sale

Completed properties held for sale are carried at lower of cost and net realisable value. Cost includes cost of land and construction and borrowing costs incurred during the period of the construction. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.10 Goodwill on acquisitions

Goodwill represents the excess of the cost of an acquisition of subsidiary companies, associated or joint venture companies over the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary companies, associated and joint venture companies at the date of acquisition.

Goodwill on acquisitions of subsidiary companies is recognised separately as an asset on the balance sheet. Goodwill on acquisition of associated or joint venture companies is included in the carrying amount of investments in associated companies or joint venture companies.

Goodwill recognised separately is tested at least annually for impairment and carried at cost less accumulated impairment losses (Note 2.12).

Gains and losses on the disposal of the subsidiary companies, associated or joint venture companies include the carrying amount of goodwill relating to the entity sold.

2.11 Borrowing costs

Borrowing costs incurred to finance the development of properties are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised on a time-proportion basis in profit or loss using the effective interest method.

The cost capitalised is the actual borrowing costs incurred during the period less any investment income on the temporary investment of those borrowings.

2.12 Investments in subsidiary companies, associated and joint venture companies

Investments in subsidiary companies, associated and joint venture companies are carried at cost less accumulated impairment losses (Note 2.13) in the Company's balance sheet. On disposal of investments in subsidiary companies, associated and joint venture companies, the difference between net disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.13 Impairment of non-financial assets

(a) *Goodwill*

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Goodwill included in the carrying amount of an investment in an associated company is tested for impairment as part of the investments, rather than separately.

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) *Property, plant and equipment*
Investment properties
Investment properties under development
Investment in subsidiary companies, associated and joint venture companies

Property, plant and equipment, investment properties, both completed and under development, and investment in subsidiary companies, associated and joint venture companies are reviewed for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing of these assets, the 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 CGU to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.13 Impairment of non-financial assets (continued)

- (b) *Property, plant and equipment*
Investment properties
Investment properties under development
Investment in subsidiary companies, associated and joint venture companies (continued)

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.

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 an asset other than goodwill is increased to its revised recoverable amount, provided that this revised recoverable amount does not exceed the carrying amount that would have been determined (net of accumulated 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 Financial assets

- (a) *Classification*

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale. The classification depends on the nature of the asset and the purpose for which the assets were 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 later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as bank balances and trade and other receivables on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.14 Financial assets (continued)

(a) Classification (continued)

(ii) Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investments 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 securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

(b) Recognition and derecognition

Financial assets are recognised on the balance sheet when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Regular way purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a financial asset, the difference between the carrying amount and sale proceeds 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 are initially recognised at fair value plus transaction costs.

(d) Subsequent measurement

Available-for-sale financial assets are subsequently carried at fair value. 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.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.14 Financial assets (continued)

(d) *Subsequent measurement* (continued)

Interest and dividend income on available-for-sale financial assets are recognised separately in the income statement. Changes in the fair value of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes. The currency translation differences are recognised in profit or loss and the other changes are recognised in the fair value reserve. Changes in fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in the fair value reserve, together with the related currency translation differences.

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.

(e) *Impairment*

The Group assesses at each balance sheet date whether there is 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, it is written off against the allowance account. Subsequent recovery of amounts previously written off is recognised against the same line item in profit or loss.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.14 Financial assets (continued)

(e) Impairment (continued)

(ii) Loans and receivables (continued)

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. 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

In addition to the objective evidence of impairment described in Note 2.14(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

If any evidence of impairment exists, the cumulative loss that was recognised in the fair value reserve is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity instruments are not reversed through profit or loss but recognised directly in other comprehensive income.

Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale financial assets are not reversed through profit or loss, until the equity instruments are disposed of.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.15 Financial guarantees

The Company has issued corporate guarantees to financial institutions for banking facilities granted to its subsidiary companies and jointly-controlled entities. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiary companies or the jointly-controlled entities fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the balance sheet of the Group and/or the Company.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries' borrowings, unless it is probable that the Company will reimburse the financial institution for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the financial institution in the balance sheet of the Group and/or the Company.

Intra-group transactions are eliminated on consolidation.

2.16 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.17 Financial liabilities

(a) *Initial recognition and measurement*

Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.17 Financial liabilities (continued)

(b) *Subsequent measurement*

The measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The Group has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

(ii) Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.17 Financial liabilities (continued)

(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.

2.18 Derivative financial instruments and hedging activities

A derivative financial instrument, including separated embedded derivative, 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 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 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.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.18 Derivative financial instruments and hedging activities (continued)

Cash flow hedge - interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for 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 interest rate swaps designated as cash flow hedges are recognised in the hedging reserve and transferred to profit or loss when the 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.

2.19 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 and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets held by the Group are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flows, are also used to determine the fair values of financial instruments.

The fair values of currency forwards are determined using actively quoted forward exchange rates. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.20 Leases

(a) When a group company is the lessee:

The Group leases certain investment properties from non-related parties and its immediate holding company.

(i) Finance leases

Leases of investment properties where the Group assumes substantially all risks and rewards incidental to ownership are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as investment properties and borrowings respectively, at the inception of the leases at the lower of the fair values of the leased assets and the present values of the minimum lease payments.

Each lease payment is apportioned between the finance charge and the reduction of the outstanding lease liability. The finance charge is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(ii) Operating leases

Leases of investment properties where substantially all risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period expires, any payment required to be made to the lessor by way of penalty is recognised as an expense in the financial year in which termination takes place.

For both finance and operating leases, contingent rents are recognised as an expense in profit or loss when incurred.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.20 Leases (continued)

(b) When a group company is the lessor:

The Group leases out certain investment properties to non-related parties.

(i) Finance leases

Leases of investment properties where substantially all the risks and rewards incidental to legal ownership of the assets are transferred by the Group to the lessees are classified as finance leases.

The leased asset is derecognised and the present value of the lease receivable (net of initial direct costs for negotiating and arranging the lease) is included in trade and other receivables on the balance sheet. The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Initial indirect costs incurred by the Group in negotiating and arranging finance lease are added to finance lease receivables and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

(ii) Operating leases

Leases of investment properties where the Group retains substantially all the risks and rewards incidental to legal ownership of the assets are classified as operating leases.

Assets leased out under operating leases are included in investment properties. Rental income from operating leases (net of any incentives given to lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial indirect costs incurred by the Group in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

For both finance and operating leases, contingent rents are recognised as income in profit or loss when earned.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.21 Income taxes

Current income tax liabilities and assets for the current and prior periods are recognised 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 balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when:

- (a) the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction; and
- (b) In respect of taxable temporary differences associated with investment in subsidiary and associated companies, 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.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary companies, associated companies and jointly-controlled entities, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised except:

- (a) 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
- (b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized 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.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.21 Income taxes (continued)

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 utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax is measured:

- (a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (b) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income 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 arising from a business combination is adjusted against goodwill on acquisition.

2.22 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Group has a present obligation (legal or constructive) as a result of past events, it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated.

Provision are reviewed at the end of each 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.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.23 Employee compensation

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as Central Provident Fund on a mandatory or contractual basis. The Group has no further payment obligations once the contributions have been paid.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2.24 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 Group's financial statements are presented in Singapore Dollar, which is the Company's functional currency.

(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 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 balance sheet date 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 determined. 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.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.24 Currency translation (continued)

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the 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 rates at the reporting date;
- (ii) Income and expenses are translated at average exchange rates; and
- (iii) All resulting exchange differences are recognised in the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 April 2005 are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date. For acquisitions prior to 1 April 2005, the exchange rates at the dates of acquisition are used.

2.25 Cash and cash equivalents

For the purpose of presentation in the consolidated cash flow statement, cash and cash equivalents comprise cash at bank and on hand, fixed deposits with financial institutions which are subject to an insignificant risk of change in value, but exclude balances which are subjected to restriction.

2.26 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against share capital.

2.27 Dividends

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.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.28 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. A component of the Group is classified as a "discontinued operation" when the criteria to be classified as held for sale have been met or its has been disposed of and such a component represents a separate major line of business or geographical area of operations or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

In profit or loss of the current reporting period, and of the comparative period, all income and expenses from discontinued operations are reported separate from income and expenses from continuing activities, down to the level of profit after taxes, even when the Group retains a non-controlling interest in the subsidiary company after the sale. The resulting profit or loss (after taxes) is reported separately in profit or loss.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

2.29 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants relating to expenses are shown separately as offset against the related expenses.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

2. Significant accounting policies (continued)

2.30 Related parties

A party is considered to be related to the Group if:

- (a) The party, directly or indirectly through one or more intermediaries,
 - (i) controls, is controlled by, or is under common control with, the Group;
 - (ii) has an interest in the Group that gives it significant influence over the Group; or
 - (iii) has joint control over the Group;
- (b) The party is an associate;
- (c) The party is a jointly-controlled entity;
- (d) The party is a member of the key management personnel of the Group or its parent;
- (e) The party is a close member of the family of any individual referred to in (a) or (d); or
- (f) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) The party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the capital allowances, taxability of certain incomes and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating units exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is more sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. Further details of the key assumptions applied in the impairment assessment of goodwill are given in Note 10 to the financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

3. Critical accounting estimates, assumptions and judgements (continued)

(a) Critical accounting estimates and assumptions (continued)

Valuation of properties

Management determines the fair value of the properties for purpose of assessing impairment (Note 2.13). The fair values are determined using the income method, discounted cash flow method and direct comparison method. The income and discounted cash flow methods involve the estimation of income and expenses, taking into account expected future changes in economic and social conditions, which may affect the value of the properties. The direct comparison method involves the comparison of recent sales transactions of similar properties. Management is of the view that the valuation methods and estimates are reflective of the current market condition.

Fair value of financial instruments

Where the fair values of financial instruments recorded on the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flow model. The inputs to these models are derived from observable market data where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of liquidity and model inputs regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The valuation of financial instruments is described in more detail in Note 35.

(b) Critical judgements in applying the entity's accounting policies

Impairment of available-for-sale financial assets

The Group follows the guidance of FRS 39 in determining when an available-for-sale financial asset is considered impaired. This determination requires significant judgement. The Group 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.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

3. Critical accounting estimates, assumptions and judgements (continued)

(b) *Critical judgements in applying the entity's accounting policies* (continued)

Impairment of investment in associated companies

Investment in associated companies is tested for impairment whenever there is any objective evidence or indication that they may be impaired. The Company follows the guidance of FRS 36 in determining when the investment in associated companies is considered impaired. This determination requires significant judgement. The Company evaluates, among other factors, the duration and extent to which the recoverable amount of the investment is below its carrying value, the financial health of and near-term business outlook for the associated companies, including factors such as industry and sector performance, changes in technology and operational and financial cash flow. Management is of the view that the factors considered for the purpose of determining impairment are appropriate and meet the requirements of FRS 36.

4. Revenue

	The Group	
	2011	2010
	\$'000	\$'000
Rental income and service charges from investment properties	128,721	130,851
Sale of completed development properties	41,737	40,880
Fund management fee	61,051	52,237
Property management and other consultancy services	25,984	22,532
Agency fee	19,650	13,541
Revenue from utilities supply and district cooling	14,359	8,844
Carpark income	9,817	8,426
Renovation services	2,481	4,154
Project consultancy and management fee	3,264	2,849
Others	11,527	9,203
	318,591	293,517

Included in rental income from investment properties is an amount of \$4,055,000 (2010: \$4,055,000) relating to amortisation of deferred income in respect of long-term leases (Note 27).

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

5. Other gains/(losses) - net

Other gains/(losses) - net comprise the following:

	Note	The Group	
		2011 \$'000	2010 \$'000
Interest income			
- associated companies		915	625
- financial institutions		4,050	3,150
- finance leases		1,488	1,699
- others		101	364
Gross dividend income			
- unquoted investments		82	642
Corporate service income		796	745
Amortisation of financial guarantee		939	12
Gain on disposal of			
- investment properties		65,698	31,576
- property, plant and equipment		6	5
- subsidiary companies	33	5,942	39,607
- available-for-sale financial assets		19,494	-
Gain on dilution of interest in associated companies		5,502	13,627
Currency exchange loss		(2,715)	(695)
Gain on capital contribution by a minority shareholder of a subsidiary company		-	705
Gain on return of capital to a minority shareholder of a subsidiary company		-	2,032
Negative goodwill on acquisition of additional interests in associated companies		-	1,438
Fair value losses on derivative financial instruments	22	-	(1,465)
Allowance for impairment of receivables (made)/written back – net			
- amount owing by associated companies	35(b)(ii)	(602)	(1,040)
- other receivables	35(b)(ii)	(231)	55
Impairment losses written back/(made) – net on			
- investment properties	11	10,145	(31,177)
- associated companies		57	(4,278)
Others		2,588	2,434
		114,255	60,061

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2011

6. Employee compensation

	The Group	
	2011	2010
	\$'000	\$'000
Salaries, wages and employee benefits	66,769	58,120
Employer's contributions to defined contribution plans including Central Provident Fund	5,305	3,685
Less: Government grant – Jobs Credit Scheme	(83)	(1,015)
	71,991	60,790

The Jobs Credit scheme is a cash grant introduced in the Singapore Budget 2009 to help businesses preserve jobs in the economic downturn. The Jobs Credit were paid to eligible employers in 2010 in six payments and the amount an employer received depended on the fulfilment of the conditions as stated in the scheme. The Jobs Credit Scheme expired on 30 June 2010.

7. Other operating expenses

Other operating expenses comprise the following:

		The Group	
	Note	2011	2010
		\$'000	\$'000
Allowance for impairment of receivables made/ (written back) – net			
- trade receivables from non-related parties	35(b)(ii)	49	(129)
Bad debts written off on trade and other receivables – net			
- non-related parties		8	18
Operating lease expense		2,889	2,630
Property, plant and equipment written off		144	352
Investment properties written off		-	602
Goodwill written off		6	-
Professional fees		4,008	4,690
Travel-related expenses		2,566	2,049
Advertising and publicity expenses		1,475	1,942
Business taxes		1,741	2,390
Security service expenses		2,687	2,462
Marketing and other agency fees		9,564	6,144
Communication expenses		1,362	1,447
Carpark expenses		3,983	3,272
Shuttle bus service expenses		2,882	3,171

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

7. Other operating expenses (continued)

Other operating expenses comprise the following:

	Note	The Group	
		2011 \$'000	2010 \$'000
Insurance expenses		898	870
Recruitment expenses		620	343
Office rental and maintenance expenses		3,915	3,704
Directors' fees		1,403	1,164
Others		12,378	12,030
		52,578	49,151

8. Finance expense

	The Group	
	2011 \$'000	2010 \$'000
Interest expense		
- financial institutions	20,127	26,118
- minority shareholders	8,989	9,198
- others	19	55
	29,135	35,371
Cash flow hedges, transfer from hedging reserve upon settlement (Note 29(c))	2,835	972
Interest expense capitalised in investment properties and investment properties under development	(194)	(107)
Finance expense recognised in profit or loss	31,776	36,236

The interest expense had been capitalised at rates ranging from 5.18% to 6.77% (2010: 5.18%) per annum for the current financial year.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

9. Income taxes

(a) Income tax expense

	The Group	
	2011	2010
	\$'000	\$'000
Tax expense attributable to profit is made up of:		
Profit from current financial year		
- current tax expense	37,355	34,388
- deferred tax expense	906	4,584
	38,261	38,972
(Over)/under provision in respect of prior years		
- current tax expense	(1,319)	(4,051)
- deferred tax expense	(2,240)	801
	(3,559)	(3,250)
	34,702	35,722

The tax expense on profit differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	The Group	
	2011	2010
	\$'000	\$'000
Profit before income tax	225,196	132,805
Income tax using the statutory tax rate of 17% (2010: 17%)	38,283	22,577
Tax effect of non deductible expenses	16,524	24,326
Income not subject to tax	(20,580)	(8,839)
Effect of different tax rates arising from foreign jurisdictions	(366)	(4,509)
Utilisation of previously unrecognised tax losses and capital allowances	(159)	(678)
Effect of deferred tax assets not recognised	1,348	1,960
Effect of tax incentives	(519)	(416)
Effect of tax losses not allowed for carry forward	85	322
Overprovision in respect of prior years	(3,559)	(3,250)
Tax on overseas profits to be remitted	866	219
Tax on dividend income from associated companies	8,598	8,640
Tax calculated on share of profit of associated and joint venture companies	(6,798)	(3,722)
Others	979	(908)
Tax charge	34,702	35,722

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

9. Income taxes (continued)

(b) Movements in current income tax liabilities

	The Group		The Company	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Beginning of financial year	116,499	121,485	146	196
Tax expense	37,355	34,388	-	-
(Over)/under provision in respect of prior years	(1,319)	(4,051)	(14)	18
Arising from disposal of subsidiary companies	39	(479)	-	-
Income tax paid	(27,464)	(38,594)	3	(68)
Tax effect of unrealised profits from transactions with associated companies	2,497	3,441	-	-
Transfer to deferred income tax liabilities	(30,820)	-	-	-
Currency translation differences	(841)	309	-	-
End of financial year	<u>95,946</u>	<u>116,499</u>	<u>135</u>	<u>146</u>

(c) Deferred income tax assets and liabilities

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 taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the balance sheets as follows:-

	The Group	
	2011	2010
	\$'000	\$'000
Deferred income tax assets:		
- to be recovered within a year	-	(689)
- to be recovered after one year	(1,165)	(30,936)
	<u>(1,165)</u>	<u>(31,625)</u>
Deferred income tax liabilities:		
- to be settled after one year	11,094	12,107
	<u>9,929</u>	<u>(19,518)</u>

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For the financial year ended 31 March 2011

9. Income taxes (continued)

(c) Deferred income tax assets and liabilities (continued)

Movements in deferred income tax account are as follows:

	The Group	
	2011 \$'000	2010 \$'000
Beginning of financial year	(19,518)	(24,648)
Arising from disposal of subsidiary company	(52)	-
Tax credited to equity	72	(284)
Tax (credited)/charged to profit or loss	(1,334)	5,385
Transfer from current income tax liabilities	30,820	-
Translation differences	(59)	29
End of financial year	9,929	(19,518)

The movements in the deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) are as follows:-

The Group

Deferred income tax liabilities

	Accelerated tax depreciation \$'000	Taxable interest income \$'000	Others \$'000	Total \$'000
2011				
Beginning of financial year	7,690	1,023	3,394	12,107
Arising from disposal of subsidiary company	-	(52)	-	(52)
Tax (credited)/charged to profit or loss	(1,191)	(11)	342	(860)
Currency translation differences	(101)	-	-	(101)
End of financial year	6,398	960	3,736	11,094
2010				
Beginning of financial year	4,000	172	3,389	7,561
Tax charged to profit or loss	3,657	851	5	4,513
Currency translation differences	33	-	-	33
End of financial year	7,690	1,023	3,394	12,107

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9. Income taxes (continued)

(c) Deferred income tax liabilities and assets (continued)

Deferred income tax assets

	Deferred income on long term lease \$'000	Others \$'000	Total \$'000
2011			
Beginning of financial year	(30,820)	(805)	(31,625)
Tax charged to equity	-	72	72
Tax credited to profit or loss	-	(474)	(474)
Transfer from current income tax liabilities	30,820	-	30,820
Currency translation differences	-	42	42
End of financial year	-	(1,165)	(1,165)
2010			
Beginning of financial year	(31,509)	(700)	(32,209)
Tax credited to equity	-	(284)	(284)
Tax charged to profit or loss	689	183	872
Currency translation differences	-	(4)	(4)
End of financial year	(30,820)	(805)	(31,625)

Deferred tax assets have not been recognised in respect of the following:

	The Group	
	2011	2010
	\$'000	\$'000
Deductible temporary differences	1,579	1,132
Unabsorbed tax losses	36,828	39,301
	38,407	40,433

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the subsidiary companies having the deductible temporary differences and unabsorbed tax losses can utilise the benefits.

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For the financial year ended 31 March 2011

10. Goodwill

	Note	The Group	
		2011 \$'000	2010 \$'000
Cost			
Beginning and end of financial year		111,781	111,781

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to country of operation and business segment.

Goodwill allocated to the Group's fund management CGU in Singapore amounted to \$111,781,000 (2010: \$111,781,000). The recoverable amount of the CGU was determined based on value-in-use calculations. Cash flow projections used in these calculations were based on financial forecast covering a 10-year period. The 10-year forecast is reviewed, updated and approved by management on an annual basis. Cash flows beyond the 10-year period were extrapolated using the estimated growth rates stated below.

Key assumptions used for value-in-use calculations

	The Group	
	2011	2010
Growth rate ⁽¹⁾	1%	1%
Discount rate ⁽²⁾	9.52%	9.52%

⁽¹⁾ Forecasted post-tax EBITDA annual long-term growth rate

⁽²⁾ Weighted-average cost of capital

The Group has assessed and determined that no impairment in the value of goodwill has arisen.

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11. Investment properties

	Note	The Group	
		2011	2010
		\$'000	\$'000
Cost			
Beginning of financial year		1,571,157	1,300,515
Additions		1,625	12,043
Disposals/write-offs	11(f)	(125,252)	(99,014)
Arising from disposal of subsidiary companies	33	(41,638)	(130,338)
Transfer from investment properties under development	12	3,759	322,286
Transfer from/(to) property, plant and equipment	13	1,929	(743)
Transfer from properties under development	21	-	135,912
Transfer from properties held for sale		956	4,543
Transfer to assets classified as held for sale	20	-	(2,694)
Currency translation differences		(40,534)	28,647
End of financial year		1,372,002	1,571,157
Accumulated depreciation and impairment			
Beginning of financial year		283,668	244,273
Depreciation charge		36,170	36,257
(Reversal of impairment)/Impairment charge	5	(10,145)	31,177
Disposals/write-offs	11(f)	(14,590)	(10,847)
Arising from disposal of subsidiary companies	33	(2,507)	(18,816)
Transfer from investment properties under development	12	-	3,978
Transfer from property, plant and equipment	13	4	-
Transfer to assets classified as held for sale	20	-	(1,056)
Currency translation differences		(2,591)	(1,298)
End of financial year		290,009	283,668
Net book value			
End of financial year		1,081,993	1,287,489

- (a) Included in additions are investment properties acquired under credit terms amounting to \$134,000 (2010: \$6,373,000).
- (b) Investment properties are leased to non-related parties under operating leases (Note 36).
- (c) Investment properties with net book values of \$447,729,000 (2010: \$531,529,000) were pledged as security against loans from minority shareholders (Note 25) and bank loans (Note 26).

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11. Investment properties (continued)

- (d) Investment properties are carried at cost less accumulated depreciation and accumulated impairment losses. Valuations are made annually based on the properties' highest-and-best use using the income method, discounted cash flow method and direct comparison method. The fair values of the investment properties as at the balance sheet date as determined by independent professional valuers, except for 1 investment property with a carrying amount of \$27,244,000 which was valued by in-house valuers, and including the premium received or receivable in advance in respect of land leases contracted at the balance sheet date (Note 27), are as follows:-

	The Group	
	2011	2010
	\$'000	\$'000
Fair value	1,675,028	1,896,904

- (e) The following amounts are recognised in profit or loss:-

	The Group	
	2011	2010
	\$'000	\$'000
Direct operating expenses arising from investment properties that generated rental income	(79,053)	(82,845)
Property tax and other direct operating expenses arising from investment properties that did not generate rental income	(1,821)	(4,445)

- (f) In March 2010, a subsidiary company of the Group successfully concluded the sale of an investment property to an associated company of the Group. Under the terms of the sale, the subsidiary company agreed to indemnify the associated company for claims made against the associated company by the head lessee for any major disruption that may arise from the proposed construction of an MRT line in the vicinity of the investment property. Management is confident that the likelihood of such claims occurring and/or succeeding is remote given that certain conditions need to be fulfilled before the associated company can successfully file such claims.

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NOTES TO THE FINANCIAL STATEMENTS

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12. Investment properties under development

	Note	The Group	
		2011 \$'000	2010 \$'000
Land and other related costs		28,343	7,598
Development costs		38,143	13,545
		<u>66,486</u>	<u>21,143</u>
Transfer to investment properties	11	<u>3,759</u>	318,308

Investment properties under development amounting to \$39,323,000 (2010: \$4,247,000) were pledged as security against bank loans (Note 26).

Investment properties under development are carried at cost less accumulated impairment losses. Valuations are made annually based on the properties' highest-and-best use using the income method, discounted cash flow method and direct comparison method. The fair values of the investment properties under development as at the balance sheet date as determined by independent professional valuers, are as follows:-

	The Group	
	2011 \$'000	2010 \$'000
Fair value	<u>151,457</u>	38,763

During the financial year, borrowing cost of \$194,000 (2010: \$107,000), arising from borrowings obtained specifically for the development properties were capitalised under "development costs". The rates used to determine the amount of borrowing costs eligible for capitalisation ranged from 5.18% to 6.77% (2010: 5.18%), which is the effective interest rate of the specific borrowing.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

13. Property, plant and equipment

<u>The Group</u>	<u>Note</u>	<u>Leasehold land \$'000</u>	<u>Buildings on leasehold land \$'000</u>	<u>Renovations and improvements \$'000</u>	<u>Computers, furniture and equipment \$'000</u>	<u>Motor vehicles \$'000</u>	<u>Capital work-in- progress \$'000</u>	<u>Total \$'000</u>
2011								
Cost								
Beginning of financial year		4,740	7,167	4,828	23,560	1,008	1,147	42,450
Additions		-	-	176	1,723	99	2,655	4,653
Disposals/write-offs		-	-	(89)	(341)	(149)	-	(579)
Arising from disposal of a subsidiary company	33	-	-	-	(14)	-	-	(14)
Transfers /Reclassifications		-	-	-	798	-	(798)	-
Transfer from/(to) investment properties	11	-	-	-	(9)	-	(1,920)	(1,929)
Currency translation differences		-	-	(44)	(358)	(33)	(1)	(436)
End of financial year		4,740	7,167	4,871	25,359	925	1,083	44,145
2011								
Accumulated depreciation and impairment								
Beginning of financial year		(362)	(1,772)	(2,204)	(15,769)	(665)	-	(20,772)
Depreciation charge		(49)	(239)	(975)	(3,485)	(120)	-	(4,868)
Disposals/write-offs		-	-	20	297	149	-	466
Arising from disposal of a subsidiary company	33	-	-	-	7	-	-	7
Transfer from/(to) investment properties	11	-	-	-	4	-	-	4
Currency translation differences		-	-	13	262	20	-	295
End of financial year		(411)	(2,011)	(3,146)	(18,884)	(616)	-	(24,868)
Net book value								
End of financial year		4,329	5,156	1,725	6,675	309	1,083	19,277

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For the financial year ended 31 March 2011

13. Property, plant and equipment (continued)

<u>The Group</u>	<u>Note</u>	<u>Leasehold land \$'000</u>	<u>Buildings on leasehold land \$'000</u>	<u>Renovations and improvements \$'000</u>	<u>Computers, furniture and equipment \$'000</u>	<u>Motor vehicles \$'000</u>	<u>Capital work-in- progress \$'000</u>	<u>Total \$'000</u>
2010								
Cost								
Beginning of financial year		4,740	7,361	6,444	20,829	954	1,482	41,810
Additions		-	-	78	2,282	85	1,219	3,664
Disposals/write-offs		-	(194)	-	(3,131)	-	-	(3,325)
Arising from disposal of a subsidiary company	33	-	-	-	(200)	-	-	(200)
Transfers /Reclassifications		-	-	(1,556)	3,107	-	(1,551)	-
Transfer from/(to) investment properties	11	-	-	-	746	-	(3)	743
Currency translation differences		-	-	(138)	(73)	(31)	-	(242)
End of financial year		4,740	7,167	4,828	23,560	1,008	1,147	42,450
2010								
Accumulated depreciation and impairment								
Beginning of financial year		313	1,575	1,589	15,393	580	-	19,450
Depreciation charge		49	240	945	3,110	103	-	4,447
Disposals/write-offs		-	(43)	-	(2,921)	-	-	(2,964)
Arising from disposal of a subsidiary company	33	-	-	-	(122)	-	-	(122)
Transfers/Reclassifications		-	-	(336)	336	-	-	-
Currency translation differences		-	-	6	(27)	(18)	-	(39)
End of financial year		362	1,772	2,204	15,769	665	-	20,772
Net book value								
End of financial year		4,378	5,395	2,624	7,791	343	1,147	21,678

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13. Property, plant and equipment (continued)

- (a) Included in additions are property, plant and equipment acquired on credit terms amounting to \$175,000 (2010: \$722,000). The cash outflow on acquisition of property, plant and equipment amounted to \$4,477,000 (2010: \$2,942,000).
- (b) The recoverable amounts of land and buildings were assessed on the basis of open market values by independent professional valuers at 31 March 2011.

14. Investments in subsidiary companies

	Note	The Company	
		2011 \$'000	2010 \$'000
Cost			
Beginning of financial year		797,784	792,253
Additions		3,614	5,531
End of financial year	39	801,398	797,784
Accumulated impairment			
Beginning of financial year		-	15,518
Impairment loss written back to profit or loss		-	(15,518)
End of financial year		-	-
		801,398	797,784

In 2010, as part of the annual review exercise, management performed an impairment test for its investment in Ascendas Land International Pte Ltd. A full reversal of impairment loss of \$15,518,000 was recognised for the financial year ended 31 March 2010 to remeasure this subsidiary to its recoverable amount. The recoverable amount of the investment in Ascendas Land International Pte Ltd has been determined and capped based on the lower of the net tangible asset values or fair values of its underlying property investments.

Details of subsidiary companies are included in Note 39.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

15. Investments in associated and joint venture companies

	Note	The Group	
		2011	2010
		\$'000	\$'000
Investment in associated companies			
Quoted equity investments, at cost		689,804	680,745
Unquoted equity investments, at cost		471,914	404,380
	40	1,161,718	1,085,125
Less:			
Goodwill written off		(4,258)	(4,258)
Impairment		(5,974)	-
Share of post-acquisition reserves		(70,536)	(38,204)
Share of post-acquisition loss		(85,478)	(67,300)
Elimination of unrealised profits arising from transactions with associated companies		(77,782)	(68,295)
Dilution of interest		39,492	33,990
Translation differences		(26,906)	(22,001)
		930,276	919,057
Investment in joint venture companies			
Unquoted equity investments, at cost	40	56,861	53,247
Less:			
Share of post-acquisition loss		(14,390)	(9,452)
Translation differences		(982)	774
		41,489	44,569
Total investments in associated and joint venture companies		971,765	963,626
(a) The summarised financial information of associated companies, stated at cost and not adjusted for the proportion of ownership interest held by the Group, are as follows:			
- assets		7,364,514	6,802,350
- liabilities		3,602,547	3,076,331
- revenue		725,605	662,135
- net profit		217,700	137,984
Share of associated companies' contingent liabilities incurred jointly with other investors		27,188	27,648
Contingent liabilities for which the Group is severally liable		81,226	85,127

The Group has not recognised profits amounting to \$6,652,000 (2010: \$2,241,000) for certain associated companies because the Group's share of cumulative losses has exceeded its interest in these associated companies and the Group has no obligations in respect of these losses. The accumulated losses not recognised were \$7,091,000 (2010: \$13,743,000). However, the Group has recognised a cumulative allowance for impairment of \$2,467,000 (2010: \$9,193,000) for the loans and advances to these associated companies.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

15. Investments in associated and joint venture companies (continued)

Negative goodwill arising from the Group's acquisition of interests in associated companies is included in "Other gains/(losses) – net" (Note 5).

Further details regarding associated companies are set out in Note 40.

The Group's investment in associated companies include investments in listed associated companies with a carrying amount of \$563,325,000 (2010: \$596,970,000) for which the published price quotations are \$985,682,000 (2010: \$933,100,000) at the balance sheet date.

- (b) The Group's investment in the joint venture companies are equity-accounted for in the consolidated balance sheet and profit or loss. The following amounts represent the Group's effective share of the assets and liabilities and income and expenses of the joint venture companies as at 31 March 2011 should proportionate consolidation be adopted.

	The Group	
	2011	2010
	\$'000	\$'000
Current assets	108,846	65,192
Non-current assets	117,266	107,089
	226,112	172,281
Current liabilities	29,730	82,190
Non-current liabilities	157,843	46,535
	187,573	128,725
Share of net assets	38,539	43,556
Revenue	4,276	3,577
Expenses	(8,276)	(4,844)
Net loss	(4,000)	(1,267)
Capital commitments in relation to interest in joint venture	128,055	158,050
Proportionate interest in joint venture's capital commitments	131,690	46,225

Further details regarding the joint venture companies are set out in Note 40.

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NOTES TO THE FINANCIAL STATEMENTS
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16. Loans and receivables

	Note	The Group		The Company	
		2011	2010	2011	2010
		\$'000	\$'000	\$'000	\$'000
Trade and other receivables - current					
Finance lease receivables	17	1,193	1,102	-	-
Trade receivables					
- non-related parties		4,186	3,058	-	-
- holding company		1,153	482	-	-
- associated companies		149,507	129,800	-	-
- joint venture companies		2,560	-	-	-
		157,406	133,340	-	-
Less: Allowance for impairment of receivables					
- non-related parties	35(b)(ii)	(108)	(889)	-	-
- associated companies	35(b)(ii)	(1,617)	(1,104)	-	-
Trade receivables – net		155,681	131,347	-	-
Other receivables					
- non-related parties		36,422	41,986	7	-
- subsidiary companies		-	-	546,776	464,655
- associated companies		4,469	5,551	2	2
- joint venture companies		93	-	-	-
- investee companies		63	62	-	-
		41,047	47,599	546,785	464,657
Advance to associated companies		-	833	-	-
Loan to associated company		13,177	-	-	-
Less: Allowance for impairment of other receivables					
- non-related parties	35(b)(ii)	(1,473)	(1,247)	-	-
- associated companies	35(b)(ii)	(27)	(14)	-	-
		209,598	179,620	546,785	464,657
Trade and other receivables – non current					
Finance lease receivables	17	4,880	6,073	-	-
Trade receivables - non-related parties		11,470	13,430	-	-
Other receivables					
- non-related parties		525	916	-	-
- loan to joint venture company		29,995	-	-	-
- loans to associated companies		22,028	29,664	-	-
		52,548	30,580	-	-
Less: Allowance for impairment of receivables					
- loans to associated companies	35(b)(ii)	(823)	(8,075)	-	-
Other receivables – net		51,725	22,505	-	-
		68,075	42,008	-	-
Add : Cash and bank balances	18	435,611	320,286	47,993	80,229
Total loans and receivables		713,284	541,914	594,778	544,886

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16. Loans and receivables (continued)

(a) Trade and other receivables - current

Trade and other receivables from holding company, subsidiary companies, associated and joint venture companies, investee companies and other related companies are unsecured, interest-free and repayable on demand in cash.

Other receivables from non-related parties comprise mainly accrued sales, GST receivables and recoverables.

Loan to associated company is unsecured and repayable on demand in cash with interest charged at 3.0% (2010: nil) per annum.

(b) Trade and other receivables – non current

(i) Finance lease receivables

In 2001, the finance lease receivables were receivable over 156 months commencing June 2003. In 2002, the payment schedule was revised such that the balance is receivable over 180 months commencing June 2001. Interest is charged at 8.16% (2010: 8.16%) per annum.

(ii) Other receivables – non-related parties

Other receivables – non-related parties is receivable over 60 months commencing February 2008 and is interest-free.

(iii) Loans to associated companies

	The Group	
	2011	2010
	\$'000	\$'000
Interest-bearing loans	21,205	21,589
Interest-free loans	823	8,075
	22,028	29,664

The management of the parties involved do not intend for the loans to be repaid within the next 12 months. In respect of the interest-bearing loans, interest was charged at rates ranging from 1.14% to 7.03% (2010: 1.4% to 7.03%) per annum.

(iv) The fair values of the non-current trade and other receivables approximated their carrying amounts.

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17. Finance lease receivables

	The Group	
	2011	2010
	\$'000	\$'000
Gross receivables due:		
- not later than one year	1,645	1,647
- later than one year and not later than five years	5,608	6,570
- later than five years	-	682
	7,253	8,899
Less: Unearned finance income	(1,180)	(1,724)
Net investment in finance leases	6,073	7,175

The net investment in finance leases may be analysed as follows:

	Note	The Group	
		2011	2010
		\$'000	\$'000
Not later than one year	16	1,193	1,102
Later than one year :			
- later than one year and not later than five years		4,880	5,404
- later than five years		-	669
	16	4,880	6,073
		6,073	7,175

18. Cash and bank balances

	The Group		The Company	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	203,191	94,517	4,983	5,228
Fixed deposits	232,420	225,769	43,010	75,001
Cash and bank balances	435,611	320,286	47,993	80,229
Less: Non-current fixed deposits pledged	(4,711)	(4,396)		
Less: Current fixed deposits pledged	(21,137)	(21,264)		
Cash and cash equivalents in the consolidated cash flow statement	409,763	294,626		
Non-current portion	4,711	4,396		
Current portion	430,900	315,890		
	435,611	320,286		

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For the financial year ended 31 March 2011

18. Cash and bank balances (continued)

Non-current fixed deposits of the Group of \$4,711,000 (2010: \$4,396,000) are pledged to financial institutions for banking facilities granted to an associated company. Included in current fixed deposits of the Group are deposits of \$21,137,000 (2010: \$21,264,000) pledged to lenders of a subsidiary company in respect of deposits put up by tenants of the subsidiary company.

19. Available-for-sale financial assets

	Note	The Group	
		2011	2010
		\$'000	\$'000
Beginning of financial year		93,257	49,198
Disposal		(21,609)	-
Fair value (losses)/gains recognised in equity	29(b)	(11,385)	44,059
End of financial year		<u>60,263</u>	<u>93,257</u>
Non-current portion		23,486	23,577
Current portion		<u>36,777</u>	<u>69,680</u>
		<u>60,263</u>	<u>93,257</u>

Available-for-sale financial assets are analysed as follows:

	The Group	
	2011	2010
	\$'000	\$'000
Quoted equity securities	36,777	69,680
Unquoted equity securities	<u>23,486</u>	<u>23,577</u>
	<u>60,263</u>	<u>93,257</u>

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For the financial year ended 31 March 2011

20. Assets classified as held for sale

For the financial year ended 31 March 2010, the balance of \$2,794,000 pertained to the following:

- (i) \$1,638,000 pertained to an investment property for which a potential buyer placed a deposit with a subsidiary company of the Group for the option to purchase on 29 March 2010. The option was subsequently exercised on 12 April 2010 and the transaction is expected to be completed in September 2010. The option was subsequently exercised and the sale was completed.
- (ii) \$1,156,000 pertained to investment in an associated company where the Group management is of the opinion that the investment no longer fits the strategic objectives of the Group. The necessary internal approval had been obtained to dispose of this investment and management has initiated proceedings to locate a buyer. The sale of this investment is expected to take place within the next 12 months.

During the year ended 31 March 2011, this investment was transferred back to investment in associated company as the Group could not find a buyer for the investment during the financial year and does not expect the sale to take place within the next 12 months.

21. Properties under development

	Note	The Group	
		2011 \$'000	2010 \$'000
Transfer to investment properties	11	-	135,912

In 2010, a subsidiary company of the Group transferred 2 completed properties to investment properties.

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For the financial year ended 31 March 2011

22. Derivative financial instruments

	Note	The Group	
		2011	2010
		\$'000	\$'000
Beginning of financial year		(1,669)	(7,261)
Fair value (losses)/gains included in profit or loss - other gains/(losses) – net	5	-	(1,465)
Fair value loss included in equity	29(c)	(3,805)	(2,641)
Cash settlement		2,835	9,698
End of financial year		(2,639)	(1,669)

Analysed as:

	2011			2010		
	Contract/ notional amount \$'000	Fair values		Contract/ notional amount \$'000	Fair values	
		Assets \$'000	Liabilities \$'000		Assets \$'000	Liabilities \$'000
<i>Cash flow hedges</i>						
- Interest rate swaps	200,079	-	(2,639)	166,079	-	(1,669)
Less: Current portion	-	-	1,242	-	-	-
Non-current portion	-	-	(1,397)	-	-	(1,669)

The fixed interest rates on interest rate swaps vary from 1.56% to 2.16% (2010: 1.56% to 2.04%) per annum and the floating interest rates are based on 3-month Swap Offer Rate.

Period when the cash flows on cash flow hedges are expected to occur or affect profit or loss

Interest rate swaps are entered to hedge floating quarterly interest payments on borrowings that will mature on 30 December 2011, 30 January 2012, 28 September 2012, 30 March 2015 and 31 March 2015 respectively. Fair value gains and losses on the interest rate swaps recognised in the hedging reserve are transferred to profit or loss as part of interest expense over the period of borrowings.

**ASCENDAS PTE LTD
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For the financial year ended 31 March 2011

23. Trade and other payables

	Note	The Group		The Company	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Trade payables					
- non-related parties		7,782	7,055	-	-
- associated companies		362	73	-	-
- other related companies		-	1	-	-
		8,144	7,129	-	-
Other payables					
- non-related parties		41,150	43,009	1,298	2,259
- subsidiary companies		-	-	581,293	496,796
- associated companies		-	365	-	-
- other related companies		-	62	-	-
		41,150	43,436	582,591	499,055
Accrued operating expenses		37,397	50,824	588	436
Rental and other deposits		43,870	46,564	-	-
Deferred income on long term leases - current portion	27	4,050	4,050	-	-
Deferred income		112	114	-	-
Financial guarantee contracts		2,879	205	8,593	9,752
Total trade and other payables		137,602	152,322	591,772	509,243
Add/(less):					
Deferred income on long term leases - current portion	27	(4,050)	(4,050)	-	-
Deferred income		(112)	(114)	-	-
Borrowings	26	575,734	663,089	149,206	129,782
Other payables – non-current	24	37,258	43,758	-	-
Loans from minority shareholders	25	139,662	151,662	-	-
Derivative financial instruments	22	2,639	1,669	370	-
Total financial liabilities carried at amortised cost		888,733	1,008,336	741,348	639,025

Trade and other payables to subsidiary companies, associated companies and other related companies are unsecured, interest-free and repayable on demand in cash. Other payables to non-related parties represent mainly advances received, interest payable, GST payable, retention sum payable and employee benefits.

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For the financial year ended 31 March 2011

24. Other payables – non-current

Other payables represent mainly deposits received from tenants. The fair values of non-current other payables approximate their carrying amounts.

25. Loans from minority shareholders

The loan from a minority shareholder amounting to \$4,062,000 (2010: \$4,062,000) is unsecured and interest-free. Although there is no fixed term of repayment for this loan, the management of the parties involved do not intend for the loan balance to be repaid within the next 12 months. Accordingly, the fair value of the loan is not determinable as there is no fixed term of repayment.

The loan from other minority shareholders amounting to \$135,600,000 (2010: \$147,600,000) is secured by investment properties amounting to \$326,570,000 (2010: \$354,408,000) and repayable on 27 May 2015. Interest is charged at 6.50% (2010: 6.50%) per annum. The fair value of the loan is \$149,249,000 (2010: \$140,541,000) discounted at market borrowing rate of 6.34% (2010: 7.30%) per annum.

26. Borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate and currency risks, refer to Note 35.

	The Group		The Company	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
<i>Current</i>				
Unsecured medium term note	-	80,000	-	80,000
Unsecured bank loans	125,907	86,000	-	-
Secured bank loans	21,487	6,457	-	-
	147,394	172,457	-	80,000
<i>Non-current</i>				
Unsecured medium term note	49,835	49,782	49,835	49,782
Unsecured bank loans	313,371	339,667	99,371	-
Secured bank loans	65,134	101,183	-	-
	428,340	490,632	149,206	49,782
Total	575,734	663,089	149,206	129,782

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26. Borrowings (continued)

Terms and debt repayment schedule

<u>The Group</u>	<u>Total</u> \$'000	<u>Within</u> <u>1 year</u> \$'000	<u>After 1 year</u> <u>but within</u> <u>5 years</u> \$'000	<u>After</u> <u>5 years</u> \$'000
2011				
Unsecured medium term notes				
- SGD note fixed at 5.15% per annum*	49,835	-	49,835	-
	49,835	-	49,835	-
Unsecured bank loans				
- SGD term loans fixed at 2.64% per annum	100,000	-	100,000	-
- SGD term loans variable at 0.61% to 3.25% per annum	339,278	125,907	213,371	-
	439,278	125,907	313,371	-
Secured bank loans				
- RMB term loan variable at 5.18% to 7.10% per annum	57,508	19,410	38,098	-
- INR term loan fixed at 9.20% per annum	2,352	2,077	275	-
- INR term loan variable at 14.75% per annum	6,194	-	6,194	-
- KRW term loan fixed at 6.50% per Annum	20,567	-	20,567	-
	86,621	21,487	65,134	-
Total	575,734	147,394	428,340	-

* \$50,000,000 fixed rate notes less unamortised bank fees of \$165,000.

- (a) The \$50,000,000 Fixed Rate Notes due 2014 was issued on 29 April 2009 under the S\$1,000,000,000 Multicurrency Medium Term Note ("MTN") Programme by the Company. The notes are unsecured and repayable on 29 April 2014 with interest charged at 5.15% (2010: 5.15%) per annum.

Under the same Programme, the \$80,000,000 Fixed Rate Notes issued on 14 May 2008 was fully repaid during the financial year, with interest charged at 3.66% for 2010.

- (b) The RMB (2010: SGD and RMB) term loans are secured by investment properties and investment properties under development amounting to \$140,010,000 (2010: \$157,539,000).
- (c) The INR term loan is secured by investment properties amounting to \$20,472,000 (2010: \$23,829,000).

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26. Borrowings (continued)

- (d) The KRW term loan is secured by investment properties amounting to \$326,570,000 (2010: \$354,408,000).

Terms and debt repayment schedule

<u>The Group</u>	<u>Total</u> \$'000	<u>Within</u> <u>1 year</u> \$'000	<u>After 1 year</u> <u>but within</u> <u>5 years</u> \$'000	<u>After</u> <u>5 years</u> \$'000
2010				
Unsecured medium term notes				
- SGD note fixed at 3.66% per annum	80,000	80,000	-	-
- SGD note fixed at 5.15% per annum*	49,782	-	49,782	-
	<u>129,782</u>	<u>80,000</u>	<u>49,782</u>	<u>-</u>
Unsecured bank loans				
- SGD term loans fixed at 2.64% to 3.61% per annum	186,000	86,000	100,000	-
- SGD term loans variable at 1.00% to 3.25% per annum	239,667	-	239,667	-
	<u>425,667</u>	<u>86,000</u>	<u>339,667</u>	<u>-</u>
Secured bank loans				
- SGD term loan variable at 1.59% per annum	2,500	-	2,500	-
- RMB term loan variable at 5.18% to 6.34% per annum	72,675	4,969	67,706	-
- INR term loan fixed at 9.20% per annum	4,092	1,488	2,604	-
- INR term loan variable at 13% per annum	5,987	-	4,020	1,967
- KRW term loan fixed at 6.50% per annum	22,386	-	-	22,386
	<u>107,640</u>	<u>6,457</u>	<u>76,830</u>	<u>24,353</u>
Total	<u>663,089</u>	<u>172,457</u>	<u>466,279</u>	<u>24,353</u>

The fair value of the borrowings as at balance sheet date approximated their carrying values.

27. Deferred income on long term leases

Deferred income relates principally to premium received or receivable in advance in respect of land leases and the amount is amortised to profit or loss in accordance with the policy of the Group.

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27. Deferred income on long term leases (continued)

	Note	The Group	
		2011	2010
		\$'000	\$'000
Within 12 months	23	4,050	4,050
After 12 months		173,190	177,245
		177,240	181,295

28. Share capital

The Company's share capital comprise fully paid-up 585,622,000 (2010: 585,622,000) ordinary shares with no par value, amounting to a total of \$585,622,000 (2010: \$585,622,000).

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

29. Fair value and other reserves

	Note	The Group	
		2011	2010
		\$'000	\$'000
Foreign currency translation reserve	(a)	(116,485)	(62,207)
Fair value reserve	(b)	20,190	44,803
Hedging reserve	(c)	(11,335)	(8,938)
Other reserves	(d)	10,926	10,879
Premium received from non-controlling interests		665	-
		(96,039)	(15,463)

(a) Foreign currency translation reserve

	Note	The Group	
		2011	2010
		\$'000	\$'000
Beginning of financial year		(62,207)	(64,901)
Exchange differences arising on translation of foreign subsidiary companies and associated companies		(21,720)	1,465
Release on disposal of subsidiary companies	33	(712)	2,276
Release on transfer of investment in an associated company to assets held for sale charged to other gains/(losses) - net		-	(1,564)
Share of translation reserve of associated companies		(31,846)	517
End of financial year		(116,485)	(62,207)

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29. Fair value and other reserves (continued)

(b) Fair value reserve

	Note	The Group	
		2011	2010
		\$'000	\$'000
Beginning of financial year		44,803	1,628
Fair value (losses)/gains on available-for-sale financial assets	19	(11,385)	44,059
Reclassification to profit or loss following disposal		(14,112)	-
Share of fair value reserve of associated companies		884	(884)
End of financial year		20,190	44,803

(c) Hedging reserve

	Note	The Group	
		2011	2010
		\$'000	\$'000
Beginning of financial year		(8,938)	(11,972)
Fair value losses on cash flow hedges	22	(3,805)	(2,641)
Tax on fair value losses		(72)	284
Reclassification to profit or loss - finance expense upon settlement	8	2,835	972
Share of hedging reserve of an associated company		(1,624)	4,419
Non-controlling interests' share of hedging reserve		269	-
Balance at end of financial year		(11,335)	(8,938)

(d) Other reserves

	Note	The Group	
		2011	2010
		\$'000	\$'000
Beginning of financial year		10,879	11,195
Transfer from revenue reserve		47	1,061
Release on disposal of subsidiary companies	33	-	(1,188)
Others		-	(189)
End of financial year		10,926	10,879

Other reserves relate primarily to amounts transferred from revenue reserve in compliance with local laws by overseas subsidiary companies and are non-distributable.

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30. Revenue reserve

Movement in revenue reserve for the Group is disclosed in the consolidated statement of changes in equity. Movement in revenue reserve for the Company is set out below:

	Note	The Company	
		2011 \$'000	2010 \$'000
Beginning of financial year		117,887	122,808
Net (loss)/profit for the financial year		(919)	13,079
Dividends	31	(47,525)	(18,000)
End of financial year		<u>69,443</u>	<u>117,887</u>

31. Dividends

	The Company	
	2011 \$'000	2010 \$'000
<i>Ordinary dividends paid</i>		
Final tax-exempt dividend in respect of the previous financial year of 8.12 cents (2010: 3.07 cents) per share	<u>47,525</u>	<u>18,000</u>

32. Acquisition of subsidiary companies

On 9 July 2010, the Group acquired 100% of the issued share capital of Ascendas India Development VII Pte Ltd and 74% of Ascendas IT Park (Pune) Private Limited for a cash consideration of \$1.

The effects of acquisition of the subsidiary companies on cash flows of the Group were as follows:

	The Group	
	2011 \$'000	2010 \$'000
Current assets	566	-
Current liabilities	(566)	-
Identifiable net assets acquired	-	-
Cash consideration paid	#	-
Add: Cash of subsidiary company acquired	244	-
Net cash inflow	<u>244</u>	<u>-</u>

Less than \$1000

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For the financial year ended 31 March 2011

33. Disposal of subsidiary companies

During the current financial year, the Group disposed of or liquidated the following subsidiaries for a total consideration of \$29,707,000:

Name of Subsidiary	Date Disposed	Effective Interest Disposed
Ascendas Zpark (Singapore) Pte Ltd and its subsidiary	5 July 2010	100%
JTCI Industrial Holdings (Bangkok) Pte Ltd	12 January 2011	60%

During the previous financial year, the Group disposed of or liquidated the following subsidiaries for a total consideration of \$143,343,000:

Name of Subsidiary	Date Disposed	Effective Interest Disposed
Ascendas Plaza Pte Ltd and its subsidiary	1 September 2009	69.45%
First Ventures Corporation	26 February 2010	100%
Pioneer Investments (Labuan) Berhad	26 February 2010	100%

The aggregate effects of disposal of subsidiary companies on cash flows of the Group were as follows:

	Note	The Group	
		2011 \$'000	2010 \$'000
Investment properties	11	(39,131)	(111,522)
Property, plant and equipment	13	(7)	(78)
Other non-current assets		(291)	(90)
Current assets		(14,028)	(34,650)
Current liabilities		1,889	60,266
Non-current liabilities		24,211	2,628
		(27,357)	(83,446)
Less: Increase in investments in associated companies		2,518	-
Net assets disposed		(24,839)	(83,446)
Transfer from foreign currency translation reserve	29(a)	712	(2,276)
Transfer from other reserve	29(d)	-	1,188
Sales consideration		29,707	143,343
		5,580	58,809
Less: Unrealised profits arising from transactions with associated companies		362	(19,202)
Gain on disposal of subsidiary companies	5	5,942	39,607
Sales consideration		29,707	143,343
Less: Cash of subsidiary companies disposed		(7,341)	(14,248)
Less: Amount offsetted against payables		-	(19,080)
Net cash inflow		22,366	110,015

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For the financial year ended 31 March 2011

34. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

	The Group	
	2011	2010
	\$'000	\$'000
Holding company:		
Amounts received/receivable		
- facility and property management fee	2,615	5,400
Amounts paid/payable		
- operating lease	2,889	2,630
- car park licence fee	442	884
- professional fee	-	91
- miscellaneous expenses	3	9
Associated companies:		
Amounts received/receivable		
- corporate secretarial and service fee	465	444
- financial and accounting fee	50	54
- property related services and management fee	7,629	23,175
- fund management and trustee fees	61,051	47,887
- interest income	558	625
- car park licence fee	-	40
Sale of subsidiary companies	25,931	124,263
Sale of an investment property	125,600	116,000
Amounts paid/payable		
- property and project management fees	471	184
- car park licence fee and others	-	2,664
Key management personnel compensation:		
- salaries and other short term employee benefits	9,664	7,889
- post-employment benefits - contribution to CPF	225	184
	9,889	8,073

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

35. Financial risk management

Financial risk management objectives and policies

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk, liquidity risk and capital risk. 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 and interest rate swaps to hedge financial risk exposures.

Risk management is carried out in accordance with established policies and guidelines approved by the board of Directors. The management continually monitors the Group'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 Group's activities.

Financial risk management is carried out by the Group and country finance teams in accordance with policies approved by the Board. The Group and country finance teams identify, evaluate, and hedge financial risks in close co-operation with the Group's operating units. Guidelines for authority levels and exposure limits are in place to prevent unauthorised transactions. The Board is also regularly updated on the Group's financial investments and hedging activities.

The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is the Group's policy that no derivatives shall be undertaken for speculative purposes.

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35. Financial risk management (continued)

(a) Market Risk

(i) Currency Risk

The Group operates in Asia with dominant operations in Singapore, India, People's Republic of China, Korea and Southeast Asia. The Group is exposed to foreign currency risk on limited rental income, purchases and borrowings that are denominated in currencies other than the respective functional currency of the Group's entities. The currencies giving rise to this risk are primarily Singapore Dollar ("SGD"), United States Dollar ("USD"), Indian Rupee ("INR"), Chinese Renminbi ("RMB"), Korean Won ("KRW") and Philippines Peso ("PHP").

In addition, the Group is exposed to foreign currency movements on its investment in foreign subsidiary and associated companies, which generate revenue and incur costs denominated in foreign currencies; and such changes impact the reserves of the Group.

Where appropriate, the Group enters into foreign exchange forward contracts and cross currency swaps to minimise its currency risk exposure resulting from anticipated sale and purchase transactions in foreign currencies, its foreign currency denominated investments and net assets of its foreign subsidiary and associated companies.

Natural hedging is preferred as far as possible by matching assets and liabilities of the same currency. Derivative financial instruments are only used when necessary to reduce exposure to fluctuation in foreign exchange rates.

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35. Financial risk management (continued)

(a) Market Risk (continued)

(i) Currency Risk (continued)

The Group's exposure to foreign currencies based on the information provided to key management is as follows:-

	SGD \$'000	USD \$'000	RMB \$'000	INR \$'000	KRW \$'000	PHP \$'000	Others \$'000	Total \$'000
The Group								
2011								
Financial Assets								
Cash and bank balances	322,492	7,154	40,140	28,532	36,552	285	456	435,611
Trade and other receivables	250,522	234	2,177	13,968	2,842	7,791	139	277,673
Deposits	547	57	220	835	558	66	22	2,305
	573,561	7,445	42,537	43,335	39,952	8,142	617	715,589
Financial Liabilities								
Trade and other payables – current								
Less: Deferred income included in trade and other payables	(64,276)	(4)	(20,728)	(9,183)	(38,639)	(270)	(340)	(133,440)
Borrowings	(489,113)	-	(57,508)	(8,546)	(20,567)	-	-	(575,734)
Interest rate swaps	(2,639)	-	-	-	-	-	-	(2,639)
Other financial liabilities	(13,012)	-	(7,395)	-	(156,469)	-	(44)	(176,920)
	(569,040)	(4)	(85,631)	(17,729)	(215,675)	(270)	(384)	(888,733)
Net financial (liabilities)/assets	4,521	7,441	(43,094)	25,606	(175,723)	7,872	233	(173,144)
Less:								
Net financial liabilities/(assets) denominated in the respective entities' functional currencies	(15,422)	(124)	39,387	(27,864)	179,731	(7,838)	(359)	167,511
	(10,901)	7,317	(3,707)	(2,258)	4,008	34	(126)	(5,633)

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35. Financial risk management (continued)

(a) Market Risk (continued)

(i) Currency Risk (continued)

	<u>The Group</u> 2010	SGD \$'000	USD \$'000	RMB \$'000	INR \$'000	KRW \$'000	PHP \$'000	Others \$'000	Total \$'000
Financial Assets									
Cash and bank balances		221,052	6,255	40,540	16,646	35,060	308	425	320,286
Trade and other receivables		193,501	233	2,206	13,812	3,201	8,117	558	221,628
Deposits		827	-	225	424	685	65	105	2,331
		415,380	6,488	42,971	30,882	38,946	8,490	1,088	544,245

Financial Liabilities

Trade and other payables – current
Less: Deferred income included in
trade and other payables
Borrowings
Interest rate swaps
Other financial liabilities

	(84,725)	(46)	(20,462)	(9,634)	(32,776)	(228)	(287)	(148,158)
	(557,948)	-	(72,675)	(10,080)	(22,386)	-	-	(663,089)
	(1,669)	-	-	-	-	-	-	(1,669)
	(9,945)	-	(9,080)	-	(176,324)	-	(71)	(195,420)
	(654,287)	(46)	(102,217)	(19,714)	(231,486)	(228)	(358)	(1,008,336)

Net financial (liabilities)/assets

Less:

Net financial liabilities/(assets)
denominated in the respective
entities' functional currencies

	(238,907)	6,442	(59,246)	11,168	(192,540)	8,262	730	(464,091)
	219,994	(13)	55,494	(11,310)	193,506	(8,180)	(242)	449,249
	(18,913)	6,429	(3,752)	(142)	966	82	488	(14,842)

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35. Financial risk management (continued)

(a) Market Risk (continued)

(i) Currency Risk (continued)

The Company's exposure to currency risk is minimal as its revenue, expenses, assets and liabilities are substantially denominated in SGD.

Sensitivity Analysis

If the USD, RMB, INR, KRW and PHP change against the SGD by 10% (2010: 7%), 6% (2010: 7%), 10% (2010: 3%), 8% (2010: 15%) and 6% (2010: 0%) respectively with all other variables including tax rate being held constant, the effects arising from the net financial asset/liability position will be as follows:

	2011		2010	
	Profit After Tax \$'000	Equity \$'000	Profit After Tax \$'000	Equity \$'000
<u>The Group</u>				
USD against SGD				
- strengthened	607	-	373	-
- weakened	(607)	-	(373)	-
RMB against SGD				
- strengthened	(184)	-	(218)	-
- weakened	184	-	218	-
INR against SGD				
- strengthened	(188)	-	(4)	-
- weakened	188	-	4	-
KRW against SGD				
- strengthened	266	-	120	-
- weakened	(266)	-	(120)	-
PHP against SGD				
- strengthened	2	-	-	-
- weakened	(2)	-	-	-

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

35. Financial risk management (continued)

(a) Market Risk (continued)

(ii) Price Risk

The Group has available-for-sale investments in equity securities and is exposed to price risk. These securities are listed in Hong Kong. The Group is not exposed to commodity price risk.

Sensitivity Analysis

If prices for the equity securities listed in Hong Kong 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:

	2011		2010	
	Profit After Tax \$'000	Equity \$'000	Profit After Tax \$'000	Equity \$'000
<u>The Group</u>				
Listed in Hong Kong				
- increased by 19% (2010: 58%)	-	6,988	-	27,881
- decreased by 19% (2010: 58%)	-	(6,988)	-	(27,881)

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

35. Financial risk management (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. 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's exposure to interest rate risk relates primarily to its interest-bearing financial assets and financial liabilities. The Group borrows a mix of fixed and variable rate debts with varying tenors. Where appropriate, the Group uses interest rate swaps to minimise its exposure to variable interest rates for specific underlying debt obligations over the duration of the obligations.

The Group currently holds interest rate swaps to exchange floating rate SGD loans for fixed rate SGD loans. Hedge accounting is applied on these swaps.

Sensitivity Analysis

The Group's interest-bearing financial assets at variable rates on which effective hedges have not been entered into, are denominated mainly in SGD, RMB and KRW (2010: SGD, KRW and RMB). If interest rates increase/decrease by 150 (2010: 200) basis points, with all other variables, including foreign currency exchange rates, being held constant, the Group's profit after tax will be higher/lower by approximately \$2,365,000 (2010: \$1,609,000) as a result of higher/lower interest income from these interest-bearing financial assets.

The Group's borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in SGD, RMB and INR (2010: SGD, RMB and INR). If interest rates increase/decrease by 175 (2010: 200) basis points, with all other variables, including foreign currency exchange rates, being held constant, the Group's profit after tax will be lower/higher by approximately \$2,947,000 (2010: \$2,569,000) as a result of higher/lower interest expense on these borrowings. If interest rates increase by 200 (2010: 200) basis points and decrease by 25 (2010: 50) basis points, with all other variables, including foreign currency exchange rates, being held constant, other comprehensive income would have been higher by \$7,312,000 (2010: \$6,588,000) and lower by \$914,000 (2010: \$1,647,000) respectively, mainly as a result of higher/lower fair value of interest rate swaps designated as cash flow hedges of variable rate borrowings.

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For the financial year ended 31 March 2011

35. Financial risk management (continued)

In respect of interest-bearing financial assets and liabilities, their effective interest rates at the balance sheet date and carrying amounts (including the effects of interest rate swaps) are illustrated as follows:

<u>The Group</u>			Effective interest rate	Variable rates	Fixed rates	Non- interest bearing	Total
	Note		%	\$'000	\$'000	\$'000	\$'000
2011							
<u>Assets</u>							
Trade and other receivables							
- non-current	16	2.29		15,650	49,070	3,355	68,075
Trade and other receivables							
- current	16	5.26		-	16,026	193,572	209,598
Cash and cash equivalents (excluding fixed deposit pledged)	18	1.07		174,310	206,186	29,267	409,763
Other financial assets		5.52		-	25,848	62,567	88,415
Total				189,960	297,130	288,761	775,851
<u>Liabilities</u>							
Trade and other payables (less deferred income)	23	9.10		-	27	133,413	133,440
Borrowings	26	2.94		202,901	372,833	-	575,734
Other financial liabilities		6.41		-	138,283	41,276	179,559
Total				202,901	511,143	174,689	888,733
2010							
<u>Assets</u>							
Trade and other receivables							
- non-current	16	3.21		15,650	12,007	14,351	42,008
Trade and other receivables							
- current	16	8.40		-	1,097	178,523	179,620
Cash and cash equivalents (excluding fixed deposit pledged)	18	0.80		81,306	200,109	13,211	294,626
Other financial assets		5.19		-	25,660	95,588	121,248
Total				96,956	238,873	301,673	637,502
<u>Liabilities</u>							
Trade and other payables (less deferred income)	23	9.09		-	27	148,131	148,158
Borrowings	26	3.62		154,750	508,339	-	663,089
Other financial liabilities		6.45		-	149,340	47,749	197,089
Total				154,750	657,706	195,880	1,008,336

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35. Financial risk management (continued)

(iii) Interest Rate Risk (continued)

The Company

	Note	Effective interest rate %	Variable rates \$'000	Fixed rates \$'000	Non- interest bearing \$'000	Total \$'000
2011						
<u>Assets</u>						
Trade and other receivables - current	16	-	-	-	546,785	546,785
Cash and cash equivalents (excluding fixed deposit pledged)	18	0.03	4,983	43,010	-	47,993
Other financial assets		-	-	-	1	1
Total			4,983	43,010	546,786	594,779
<u>Liabilities</u>						
Trade and other payables	23	-	-	-	591,772	591,772
Borrowings	26	2.52	65,371	83,835	-	149,206
Other financial liabilities		2.06	-	370	-	370
Total			65,371	84,205	591,772	741,348

The Company

	Note	Effective interest rate %	Variable rates \$'000	Fixed rates \$'000	Non- interest bearing \$'000	Total \$'000
2010						
<u>Assets</u>						
Trade and other receivables - current	16	-	-	-	464,657	464,657
Cash and cash equivalents (excluding fixed deposit pledged)	18	0.12	5,228	75,001	-	80,229
Other financial assets		-	-	-	5	5
Total			5,228	75,001	464,662	544,891
<u>Liabilities</u>						
Trade and other payables	23	-	-	-	509,243	509,243
Borrowings	26	4.23	-	129,782	-	129,782
Total			-	129,782	509,243	639,025

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

35. Financial risk management (continued)

(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 Group, as and when they fall due. In managing credit risk exposure, credit review and approval processes as well as monitoring mechanisms are applied.

For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other receivables, the Group deals only with high credit quality counterparties. Generally, advance deposits of at least 3 months rental (or equivalent amount in bankers' guarantee) are obtained for all tenancies. Cash and bank deposits are placed with financial institutions which are regulated. Transactions involving derivative financial instruments are entered into only with counterparties that are of acceptable credit quality.

As at balance sheet date, the Group and the Company have no significant concentration of credit risk. As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each financial asset presented on the balance sheet, except as follows:-

	The Company	
	2011	2010
	\$'000	\$'000
Corporate guarantees provided to banks on loans to subsidiaries and a joint venture company	8,593	9,753

The credit risk for trade and other receivables (current and non-current) by geographical segments based on information provided to key management is as follows:-

	The Group		The Company	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Singapore	242,645	188,075	546,785	464,657
India	22,015	20,220	-	-
The Philippines	7,741	8,018	-	-
People's Republic of China	2,979	2,569	-	-
Others	2,293	2,746	-	-
	277,673	221,628	546,785	464,657

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AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

35. Financial risk management (continued)

(b) Credit Risk (continued)

(i) Financial assets that are neither past due nor impaired

Bank deposits are mainly deposits with banks which are regulated. Trade receivables that are neither past due nor impaired are substantially from companies with a good collection track record with the Group. Other receivables that are neither past due or impaired include amounts due from non-related parties, associated and joint venture companies. These companies have relatively healthy financial positions and management does not expect any of these companies to fail to meet its obligations.

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

The age analysis of trade receivables from non-related parties (current) as at the balance sheet date is as follows:-

	The Group			
	2011	Allowance for	2010	Allowance for
	Gross	Impairment	Gross	Impairment
	\$'000	\$'000	\$'000	\$'000
Past due 0 to 90 days	3,625	84	1,757	34
Past due 91 to 180 days	195	4	76	3
Past due 181 to 360 days	27	2	24	16
Past due over 360 days	175	18	1,007	836
	4,022	108	2,864	889

The movements in the allowance for impairment are as follows:-

		The Group	
	Note	2011	2010
		\$'000	\$'000
<u>Trade receivables (current)</u>			
Beginning of financial year		889	1,036
Allowance made/(written back) – net	7	49	(129)
Allowance utilised		(836)	(16)
Currency translation differences		6	(2)
End of financial year		108	889

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

35. Financial risk management (continued)

(b) Credit Risk (continued)

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

The movements in the allowance for impairment in respect of amounts due from associated companies (trade) and other receivables (current and non-current) are as follows:-

		The Group	
	Note	2011	2010
		\$'000	\$'000
<u>Trade receivables – associated companies (current)</u>			
Beginning of financial year		1,104	57
Allowance made	5	602	1,040
Currency translation differences		(89)	7
End of financial year		<u>1,617</u>	<u>1,104</u>

		The Group	
	Note	2011	2010
		\$'000	\$'000
<u>Other receivables (current and non-current)</u>			
Beginning of financial year		9,336	9,392
Allowance (written back)/made	5	231	(55)
Allowance utilised		(7,164)	-
Currency translation differences		(80)	(1)
End of financial year		<u>2,323</u>	<u>9,336</u>

Trade and other receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and have defaulted on payments. There is no allowance for impairment made in respect of the Company's trade and other receivables.

(c) Liquidity Risk

The Group manages the liquidity risk by maintaining sufficient cash, internally generated cashflows and the availability of funding resources through adequate committed credit facilities. The Group also maintains a mix of short-term money market borrowings as well as the ability to tap the capital market through the MTN programme to fund working capital requirements and capital expenditure/ investments.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

35. Financial risk management (continued)

(c) Liquidity Risk (continued)

The table below analyses the maturity profile of the Group's and Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000	Total \$'000
<u>The Group</u>				
2011				
Trade and other payables (less deferred income)	(133,440)	-	-	(133,440)
Borrowings	(161,640)	(452,720)	-	(614,360)
Other financial liabilities	(14,191)	(198,676)	(1,198)	(214,065)
	<u>(309,271)</u>	<u>(651,396)</u>	<u>(1,198)</u>	<u>(961,865)</u>
2010				
Trade and other payables (less deferred income)	(148,158)	-	-	(148,158)
Borrowings	(189,423)	(498,302)	(24,810)	(712,535)
Other financial liabilities	(11,312)	(79,209)	(154,368)	(244,889)
	<u>(348,893)</u>	<u>(577,511)</u>	<u>(179,178)</u>	<u>(1,105,582)</u>
<u>The Company</u>				
2011				
Trade and other payables	(591,772)	-	-	(591,772)
Borrowings	(2,462)	(160,294)	-	(162,756)
	<u>(594,234)</u>	<u>(160,294)</u>	<u>-</u>	<u>(754,528)</u>
2010				
Trade and other payables	(509,244)	-	-	(509,244)
Borrowings	(81,834)	(59,016)	-	(140,850)
	<u>(591,078)</u>	<u>(59,016)</u>	<u>-</u>	<u>(650,094)</u>

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AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

35. Financial risk management (continued)

(c) Liquidity Risk (continued)

The table below analyses the maturity profile of the Group's derivative financial instruments for which contractual maturities are essential for an understanding of the timing of the cash flows into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000	Total \$'000
<u>The Group</u>				
2011				
Net-settled interest rate swaps – cash flow hedges	(1,242)	(1,397)	-	(2,639)
2010				
Net-settled interest rate swaps – cash flow hedges	-	(1,669)	-	(1,669)
<u>The Company</u>				
2011				
Net-settled interest rate swaps – cash flow hedges	-	(370)	-	(370)

The Company has no derivative financial instruments at 31 March 2010.

(d) Capital Risk

The Group's objectives when managing capital are to safeguard the Group'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 Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

35. Financial risk management (continued)

(d) Capital Risk (continued)

Management monitors capital based on the debt equity ratio, which is calculated as total external borrowings divided by total equity. The Group's policy is to keep debt equity ratio to less than two-thirds of total equity.

	The Group		The Company	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Total borrowings including loans from minority shareholders	715,396	814,751	149,206	129,782
Total equity	1,871,767	1,800,329	654,695	703,509
Debt equity ratio	38.2%	45.3%	22.8%	18.4%

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 March 2011 and 2010.

(e) Fair value measurements

The Group classify its fair value measurement of assets and liabilities using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- (iii) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following table presents the assets and liabilities measured at fair value at 31 March 2011.

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<u>The Group</u>				
Assets				
Available-for-sale financial assets				
- equity securities	36,777	-	1,099	37,876
Liabilities				
Derivatives used for hedging	-	(2,639)	-	(2,639)

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AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

35. Financial risk management (continued)

(e) Fair value measurements (continued)

<u>The Company</u>	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<u>Liabilities</u>				
Derivatives used for hedging	-	(370)	-	(370)

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows and these investments are included in Level 2. Where a valuation technique for these instruments is based on unobservable inputs, such instruments are included in Level 3.

The carrying values of current trade and other receivables and payables approximate their fair values. The carrying values of borrowings approximate their fair values.

There have been no changes in Level 3 instruments for the financial year ended 31 March 2011.

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value.

The fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not a reasonable approximation of fair value are as follow:

	The Group	
Carrying value	2011	2010
	\$'000	\$'000
Financial assets:		
Available-for-sale financial assets - equity securities	22,387	22,387

***Investment in equity instruments are carried at cost**

Fair value information has not been disclosed for the Group's investments in equity instruments that are carried at cost because fair value cannot be measured reliably. These equity instruments represent ordinary shares in companies operating business parks in China, Taiwan and Vietnam. These investments are not quoted on any market and do not have any comparable industry peer that is listed. In addition, the variability in the range of reasonable fair value estimates of these investments derived from valuation techniques is significant.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

36. Commitments

As at the end of the financial year, the Group and the Company had the following commitments:

Development and capital expenditure:

	The Group	
	2011	2010
	\$'000	\$'000
Amounts approved and contracted for	185,942	46,662
Amounts approved but not contracted for	460,694	228,616
	646,636	275,278

Commitments in respect of investments are as follows:

	The Group	
	2011	2010
	\$'000	\$'000
- property trust funds	45,000	45,000
- associated companies	155,703	308,960
- joint venture company	128,055	158,050
	328,758	512,010

The Group leases land from its holding company and office space from non-related parties under non-cancellable operating lease agreements with varying terms.

Future minimum lease payments under non-cancellable operating leases are as follows:

	The Group	
	2011	2010
	\$'000	\$'000
Lease payments due:		
- within 1 year	3,315	4,281
- after 1 year but within 5 years	13,250	13,981
- after 5 years	120,066	150,318
	136,631	168,580

Included in the above lease payments of the Group is an amount of \$44,447,000 (2010: \$167,378,000) payable to the holding company.

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For the financial year ended 31 March 2011

36. Commitments (continued)

In addition, there is one 30+30 year term and a 30-year term operating leases on leasehold land, which expires in January 2065 and October 2030 respectively. The lease rental is subject to yearly revision. The payments due are computed without the yearly revision as the quantum has not been determined.

The Group leases out office, industrial and retail spaces to non-related parties under non-cancellable operating leases. The lessees are required to pay either absolute fixed annual increases to the lease payments or contingent rents based on sales achieved by tenants

Future minimum lease receivables under non-cancellable operating leases are as follows:

	The Group	
	2011	2010
	\$'000	\$'000
Lease receivables:		
- within 1 year	103,517	94,339
- after 1 year but within 5 years	197,718	264,593
- after 5 years	82,279	166,743
	383,514	525,675

**ASCENDAS PTE LTD
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For the financial year ended 31 March 2011

37. Contingencies

Contingent liabilities

In the financial year ended 31 March 2007, a subsidiary company of the Group disposed of its investment in Philippines and agreed to indemnify the buyer against contingent claims, breach of representations and warranties and incremental operational costs, of which the total and cumulative liability shall not exceed the sum of \$3 million. Its liability to indemnify the buyer against contingent claims has lapsed with effect from 29 December 2009.

On 5 December 2008, a fire broke out at West Icheon Logistic Center ("WILC"), one of 2 buildings held by associate, Ascendas Korea Industrial Fund ("AKIF"). The fire burnt down the entire building and resulted in 8 deaths and 1 seriously injured. As at 2 June 2011, AKI and AKIF have received civil lawsuits with claims totaling \$98 million and court hearings for some of the lawsuits are in progress. No provision has been recognised as management is of the view that the claims are without merit and AKIF, AKI and its employees have not been prosecuted for any part in the cause of the fire. The Group does not have obligations to contribute additional capital into AKI and AKIF and the losses from the claims will be limited by the Group's existing investments in AKI and AKIF of \$20.4 million of which \$0.6 million had not been provided for as at 31 March 2011.

Contingent assets

Arising from the WILC fire, AKIF has received insurance payout from the insurer of the building amounting to \$30 million (2010: \$22 million) and has been awarded a further \$7 million. In view of the pending civil suits disclosed above, no contingent assets have been recognised in the financial statements on grounds of prudence.

38. Events occurring after the reporting period

- (a) On 1 April 2011, a subsidiary company of the Group in Singapore took possession of the land it had successfully tendered from the Group's ultimate holding company on 7 January 2011. Prior to possession, a deposit of \$1.3 million had been paid on 25 March 2011.

On 8 April 2011, the balance of the first 25% of the land premium less deposit amounting to \$20.6 million was paid and the balance of 75% or \$65.4 million is to be paid by the subsidiary company by 16 June 2011.

- (b) On 11 April 2011, Ascendas Fund Management (S) Limited, the manager of the Group's associated company, A-REIT, issued 206.2 million new units in A-REIT at an issue price of \$1.94 per new unit. With the issue of new units, the total number of units in A-REIT in issue is 2,080 million as at 11 April 2011. Immediately following this issue of new units, the Group's effective shareholding in A-REIT decreased from 20.86% to 18.79% with a dilution gain of approximately \$30 million to be recorded in the financial year ending 31 March 2012.
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**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

39. Subsidiary companies

The following are the Company's subsidiary companies:

Direct subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Percentage of equity held by the Company		Cost of investment	
				2011 %	2010 %	2011 \$'000	2010 \$'000
Ascendas Investment Pte Ltd*	Investment holding	Singapore	Ordinary	100	100	337,809	337,809
Ascendas Land International Pte Ltd*	Investment holding	Singapore	Ordinary	100	100	205,458	205,458
Ascendas Land (Singapore) Pte Ltd*	Property owners, and the planning, developing, marketing and management of industrial parks, science parks, business parks and related facilities and investment holding	Singapore	Ordinary	100	100	258,131	254,517
						801,398	797,784

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

39. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2011 %	2010 %
Subsidiary companies of Ascendas Investment Pte Ltd					
Ascendas Holdings (Manila) Pte Ltd*	Investment holding	Singapore/ Philippines	Ordinary	63.75	63.75
Ascendas Utilities Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
JTCI Industrial Holdings (Bangkok) Pte Ltd@	Investment holding	Singapore/ Thailand	Ordinary	-	60
Ascendas Funds Management (S) Limited*	Property fund management	Singapore	Ordinary	100	100
Ascendas Property Fund Trustee Pte Ltd*	Trustee for property trust and property fund management	Singapore	Ordinary	100	100
Ascendas Services (Shanghai) Co., Ltd**	Provision of e-infrastructure services	People's Republic of China	Registered Capital	100	100
Ascendas China Fund Management Pte. Ltd.*	Property fund management	Singapore	Ordinary	100	100
Ascendas China Commercial Fund Management Pte. Ltd.*	Property fund management	Singapore	Ordinary	100	100
Ascendas Asia Fund Management Pte. Ltd. (Formerly known as Ascendas S.E. Asia Business Space Fund Management Pte. Ltd.)*	Property fund management	Singapore	Ordinary	100	100
Ascendas India Development Fund Management Pte. Ltd.*	Trustee for property trust and property fund management	Singapore	Ordinary	100	100
AIDT2 Trustee Pte. Ltd.*	Trustee for property trust	Singapore	Ordinary	100	100
AIDT2 Fund Management Pte. Ltd.*	Property fund management	Singapore	Ordinary	100	100
Ascendas Japan Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Asset Management Co., Ltd**	Property fund management	Korea	Ordinary	100	100

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For the financial year ended 31 March 2011

39. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2011 %	2010 %
Subsidiary companies of Ascendas Land International Pte Ltd					
Ascendas (China) Pte Ltd*	Investment holding	Singapore/People's Republic of China	Ordinary	100	100
Ascendas (Philippines) Corporation**	Construction and project management	Philippines	Ordinary	100	100
Ascendas (India) Private Limited**	Construction of infrastructure facilities, commercial and residential complexes and townships	India	Equity	100	100
Crystal Clear Limited+	Investment holding	Cayman Islands	Ordinary	100	100
Riverbook Group Limited+	Investment holding	British Virgin Islands	Ordinary	100	100
			Redeemable preference shares	100	100
Ascendas (Korea) Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
a-kof2 ***	Private trust investing in real estate in Korea	Korea	Ordinary	57	57
Ascendas (Malaysia) Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Mahindra IT Park Private Limited**	Development, owning and management of information technology parks	India	Equity	98.7	98.7
Ascendas China Trustee Pte. Ltd.*	Trustee for property trust	Singapore	Ordinary	100	100
Ascendas China Commercial Trustee Pte. Ltd.*	Trustee for property trust	Singapore	Ordinary	100	100
Ascendas S.E. Asia Business Space Fund Trustee Pte. Ltd.*	Trustee for property trust	Singapore	Ordinary	100	100

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

39. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2011 %	2010 %
Subsidiary companies of Ascendas Land International Pte Ltd (continued)					
Ascendas (ACIBPF) Holdings Pte. Ltd.*	Investment holding	Singapore	Ordinary	66.74	66.74
Ascendas (ACCF) Holdings Pte. Ltd.*	Investment holding	Singapore	Ordinary	71.88	71.88
Ascendas India Development VII Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	-
Subsidiary companies of Ascendas Land (Singapore) Pte Ltd					
Ascendas (Kaki Bukit) Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas (Tuas) Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas Services Pte Ltd*	Marketing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas (Ubi) Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas Development Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
Ascendas (KB View) Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas (Admiralty) Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

39. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2011 %	2010 %
Subsidiary companies of Ascendas Land (Singapore) Pte Ltd (continued)					
Arcasia Properties, Inc+	Property leasing	United States of America	Ordinary	100	100
iAxil Pte Ltd*	Incubation management and business advisory services	Singapore	Ordinary	100	100
Tuas View Development Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	65	65
Singapore Science Park Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas Media Hub Pte Ltd**	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	-
Ascendas Venture Pte Ltd**	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	-
Subsidiary company of Ascendas Japan Pte Ltd					
Ascendas Japan Inc +	Property fund management	Japan	Ordinary	100	100
Subsidiary companies of Ascendas (China) Pte Ltd					
Ascendas (Shanghai) Co., Ltd**	Provision of project consultancy, project management and other related services	People's Republic of China	Registered Capital	100	100
Beijing Ascendas-BETIDC Development Co., Ltd.**	Building, managing, leasing and selling built-to-suit facilities	People's Republic of China	Registered Capital	99.8	99.8

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

39. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2011 %	2010 %
Subsidiary companies of Ascendas (China) Pte Ltd (continued)					
Ascendas Services (Suzhou) Co., Ltd**	Provision of project consultancy, project management and other related services	People's Republic of China	Registered Capital	100	100
Xi'an Ascendas-Science Technology Investment Co., Ltd**	Development, sale and leasing of properties	People's Republic of China	Registered Capital	80	80
Ascendas Development (Tianjin) Co., Ltd**	Development, sale and leasing of properties	People's Republic of China	Registered Capital	100	100
Ascendas Nanjing Jiangning Investment Holding Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
Ascendas Development (Wujiang) Co., Ltd**	Real estate development; project management and consultancy; sales, lease and management of the properties it developed and provision of related services	People's Republic of China	Registered Capital	100	100
Ascendas Zpark (Singapore) Pte. Ltd.@	Investment holding	Singapore	Ordinary	-	100
Ascendas Singapore-Hangzhou Science & Technology Park I Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Singapore-Hangzhou Science & Technology Park II Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Singapore-Hangzhou Science & Technology Park III Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Singapore-Hangzhou Science & Technology Park IV Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Singapore-Hangzhou Science & Technology Park V Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

39. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2011 %	2010 %
Subsidiary companies of Ascendas (China) Pte Ltd (continued)					
Ascendas Singapore-Hangzhou Science & Technology Park VI Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Singapore-Hangzhou Science & Technology Park VII Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Suzhou Science & Technology Park Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
Subsidiary company of Crystal Clear Limited					
Krefelt Investments Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
Subsidiary companies of Ascendas (Korea) Pte Ltd					
Ascendas Korea Inc.**	Management consulting, real estate leasing, purchasing and selling of real estate and other related services	South Korea	Ordinary	100	100
Ascendas (Mauritius) Limited+	Investment holding	Mauritius	Ordinary	100	100
Subsidiary company of Ascendas (Mauritius) Limited					
Ascendas (Malta) Limited+	Investment holding	Malta	Ordinary	100	100
Subsidiary company of Ascendas Nanjing Jiangning Investment Holding Pte Ltd					
Ascendas Development (Nanjing) Co., Ltd**	Real estate development; project management and consultancy; sales, lease and management of the properties it developed and provision of related services	People's Republic of China	Registered Capital	100	100

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

39. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2011 %	2010 %
Subsidiary company of Ascendas Zpark (Singapore) Pte. Ltd.					
Ascendas Hi-tech Development (Beijing) Co., Ltd@	To build, manage (including management and maintenance of properties and M&E facilities), lease and sell industrial facilities, and provide project management and project consultancy services	People's Republic of China	Registered Capital	-	100
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park I Pte.Ltd.					
Ascendas Hangzhou Science & Technology Co., Ltd**	Software technology R&D, business process outsourcing and leasing of buildings and equipment	People's Republic of China	Registered Capital	80	80
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park II Pte. Ltd.					
Ascendas Hangzhou Software Technology Co., Ltd**	Manufacturing of software product, sales and provision of related services, development and leasing of properties	People's Republic of China	Registered Capital	80	80
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park III Pte. Ltd.					
Ascendas Hangzhou Industrial Automatic Co., Ltd**	R&D, design and test of industry automation product and related equipment, development and leasing of properties	People's Republic of China	Registered Capital	80	80
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park IV Pte. Ltd.					
Ascendas Hangzhou Data Processing Co., Ltd**	Manufacturing of intelligent card and IC card, sales, development and leasing of properties	People's Republic of China	Registered Capital	80	80

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

39. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2011 %	2010 %
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park V Pte Ltd					
Ascendas Hangzhou Multi-Media Technology Co., Ltd**	Development of multimedia software, sales, development and leasing of properties	People's Republic Of China	Registered Capital	80	80
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park VI Pte. Ltd.					
Ascendas Hangzhou Computer System Service Co., Ltd**	Manufacturing of computer system product, sales and provision of related services and leasing of properties	People's Republic of China	Registered Capital	80	80
Subsidiary company of Ascendas Suzhou Science & Technology Park Pte Ltd					
Ascendas Science & Technology Park Development (SIP) Co., Ltd**	Development, sale and leasing of properties	People's Republic of China	Registered Capital	100	100
Subsidiary company of Ascendas India Development VII Pte Ltd					
Ascendas IT Park (Pune) Private Limited**	Development, owning and management of information technology parks	India	Equity	74	-
Subsidiary companies of Ascendas Services Pte Ltd					
Ascendas Property Management Services (India) Private Limited**	Marketing and management of industrial parks and related facilities	India	Equity	100	100
Ascendas Services Malaysia Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
Ascendas Services Vietnam Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Services Philippines Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Services Beijing Co., Ltd.**	Investment holding	People's Republic of China	Ordinary	100	100

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

39. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2011 %	2010 %
Subsidiary company of Ascendas Services Malaysia Pte Ltd					
Ascendas Services Malaysia Sdn Bhd**	Marketing and management of commercial, industrial, warehousing properties and related facilities	Malaysia	Ordinary	100	100
Subsidiary company of Ascendas Services Vietnam Pte. Ltd.					
Ascendas Services Vietnam Co., Ltd**	Real estate consultancy and management services whether residential, commercial or industrial-related; construction project management and management consultancy services	Vietnam	Ordinary	100	100
Subsidiary company of Ascendas Services Philippines Pte. Ltd.					
Ascendas Services Philippines Corporation**	Project management of construction, development, renovation and/or maintenance of land or building and to provide services for asset and/or property management of buildings	Philippines	Ordinary	100	100
Subsidiary company of Ascendas Media Hub Pte Ltd					
Ascendas Citramas Pte Ltd^	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	70	-

* Audited by Ernst & Young LLP, Singapore.

** Audited by member firms of Ernst & Young in the respective countries.

*** Audited by other auditors.

^ The subsidiary was incorporated during the year.

+ Not subject to audit by law in the country of incorporation.

@ Disposed/liquidated/struck off during the financial year.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

40. Associated and joint venture companies

Associated companies	Principal activities	Country of incorporation/ place of business	Effective interest held by the Group		Cost of investment	
			2011 %	2010 %	2011 \$'000	2010 \$'000
Associated companies of Ascendas Investment Pte Ltd						
Karimun Investment Holding Pte Ltd***	Investment holding	Singapore/ Indonesia	25	25	2,800	2,800
Thai Industrial Estate Corporation Limited***	Development and management of industrial park in Thailand	Thailand	25	25	1,808	-
Associated companies of Ascendas Land International Pte Ltd						
Ascendas India Trust and its subsidiaries* **	Public business trust investing in Information Technology Parks and IT related properties through the acquisition, development, re-development, management, maintenance, operating and leasing of such properties in India	Singapore	25.87	25.51	121,583	118,690
a-kof ***	Private trust investing in income generating office buildings and office development projects in Seoul and Seoul Metropolitan area	Korea	30	30	35,426	35,426
a-kif ***	Private trust investing in logistics and industrial assets, both income generating and development projects in South Korea	Korea	30	30	18,852	18,852
Ascendas ASEAN Business Space Fund and its subsidiaries*	Private trust investing in principally real estate or real estate related assets used or to be used or predominantly for business space solutions located in Malaysia, Vietnam and Philippines	Singapore	20.5	20.5	32,523	32,523

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

40. Associated and joint venture companies (continued)

Associated companies	Principal activities	Country of incorporation/ place of business	Effective interest held by the Group		Cost of investment	
			2011 %	2010 %	2011 \$'000	2010 \$'000
Associated companies of Ascendas Land International Pte Ltd (continued)						
Ascendas India Development Trust and its subsidiaries*	Private trust investing in the development of mixed or multi-use projects through the acquisition, development, re-development, sale and leasing of such assets in India	Singapore	26	26	130,000	113,880
Associated companies of Ascendas Land (Singapore) Pte Ltd						
Ascendas Global Gateway Pte Ltd***	Provision of telehousing and infocomm infrastructure and facilities	Singapore	40	40	1,059	1,059
Corporation Place Pte Ltd***	Property investment and development	Singapore	25	25	3,000	3,000
Teletech Park Pte Ltd*	Property investment and development	Singapore	25	25	6,250	6,250
Ascendas Real Estate Investment Trust*** #	Investment advisor and property fund management	Singapore	20.86	20.73	568,221	562,055
Associated company of Ascendas Holdings (Manila) Pte Ltd						
Carmelray-JTCI Corporation***	Development and management of industrial park in Philippines	Philippines	25.5	25.5	26,332	26,332
Associated company of Ascendas (Philippines) Corporation						
RBF Development Corporation**	Development, operation and management of industrial buildings	Philippines	40	40	2,344	2,545

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

40. Associated and joint venture companies (continued)

Associated companies	Principal activities	Country of incorporation/ place of business	Effective interest held by the Group		Cost of investment	
			2011 %	2010 %	2011 \$'000	2010 \$'000
Associated company of Krefelt Investments Pte Ltd						
Masagana Holdings Corporation**	Investment holding	Philippines	40	40	455	455
Associated company of Ascendas (ACIBPF) Holdings Pte. Ltd.						
Ascendas China Industrial and Business Parks Fund and its subsidiaries*	Private trust investing principally in industrial and business parks properties in the PRC through the acquisition, development, re-development, management maintenance operation, and leasing	Singapore	25.58	25.58	42,859	33,682
Associated company of Ascendas (ACCF) Holdings Pte. Ltd.						
Ascendas China Commercial Fund and its subsidiaries*	Private trust investing in real estate or real estate related assets used or to be used for commercial purposes in the PRC through the acquisition, development, re-development, management maintenance operation, and leasing	Singapore	30.55	30.55	168,206	127,576
					1,161,718	1,085,125

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

40. Associated and joint venture companies (continued)

Joint venture companies	Principal activities	Country of incorporation/ place of business	Effective interest held by the Group		Cost of investment	
			2011 %	2010 %	2011 \$'000	2010 \$'000
Joint venture company of Ascendas Development Pte. Ltd.						
Ascendas Frasers Pte Ltd*	Property owner and the planning, developing and management of industrial parks, retail and hospitality facilities	Singapore	50.0	50.0	16,331	12,717
Joint venture company of Ascendas (China) Pte Ltd						
DLSP Ascendas Co., Ltd**	Development, management, leasing and selling of industrial properties and providing real estate consultancy	People's Republic of China	50	50	40,530	40,530
					56,861	53,247

* Audited by Ernst & Young LLP, Singapore.

** Audited by member firms of Ernst & Young in the respective countries.

*** Audited by other auditors.

Includes 1.50% held by Ascendas Funds Management (S) Limited (2010: 1.50%).

Includes 1.93% held by Ascendas Property Fund Trustee Pte Ltd (2010: 1.45%).

41. Comparative figures

The consolidated financial statements for the financial year ended 31 March 2010 were audited by another firm of Certified Public Accountants.

42. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the board of Directors of Ascendas Pte Ltd on 2 June 2011.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF ASCENDAS PTE LTD
AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010**

The information in this Appendix III has been reproduced from the audited financial consolidated statements of Ascendas Pte Ltd and its subsidiaries for the financial year ended 31 March 2010 and has not been specifically prepared for inclusion in this Information Memorandum.

ASCENDAS PTE LTD
(Incorporated in Singapore. Registration Number:200010635R)
AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS
For the financial year ended 31 March 2010

ASCENDAS PTE LTD
(Incorporated in Singapore)
AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS
For the financial year ended 31 March 2010

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**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

DIRECTORS' REPORT

For the financial year ended 31 March 2010

The directors present their report to the shareholder together with the audited financial statements of the Group for the financial year ended 31 March 2010 and the balance sheet of the Company at 31 March 2010.

Directors

The directors of the Company in office at the date of this report are as follows:

Lim Hock San
Chong Siak Ching
Chee Hong Tat
Charles C.Y. Chen
Lee Eng Beng
Manohar Khlatani
Willy Shee
Tan Gee Paw
Reggie Thein

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 object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in shares or debentures of the Company or its related corporations.

Directors' contractual benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

DIRECTORS' REPORT

For the financial year ended 31 March 2010

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the Directors



LIM HOCK SAN
Director

1 June 2010



CHONG SIAK CHING
Director

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

STATEMENT BY DIRECTORS

For the financial year ended 31 March 2010

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 5 to 104 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2010 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; 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.

On behalf of the Directors



LIM HOCK SAN
Director

1 June 2010



CHONG SIAK CHING
Director

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF ASCENDAS PTE LTD**

We have audited the accompanying financial statements of Ascendas Pte Ltd (the "Company") and its subsidiaries (the "Group") set out on pages 5 to 104, which comprise the balance sheets of the Company and of the Group as at 31 March 2010, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act (Cap. 50) (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting control 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 profit and loss accounts and balance sheets and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2010 and the results, changes in equity and cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditor, have been properly kept in accordance with the provisions of the Act.



PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants

Singapore, 1 June 2010

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2010

		The Group	
	Note	2010 \$'000	2009 \$'000
Revenue	4	294,159	361,859
Other gains/(losses) – net	5	59,419	(9,745)
Expenses			
Cost of development properties sold		(19,085)	(55,997)
Depreciation of investment properties	11	(36,257)	(28,936)
Depreciation of property, plant and equipment	13	(4,447)	(4,130)
Maintenance and conservancy expenses		(22,981)	(19,891)
Project consultancy, property and lease management expenses		(1,414)	(1,634)
Renovation services expenses		(3,671)	(4,687)
Employee compensation	6	(60,790)	(64,608)
Property taxes		(8,630)	(8,670)
Other operating expenses	7	(49,151)	(49,568)
Finance expense	8	(36,236)	(29,996)
Total expenses		(242,662)	(268,117)
Share of profit of associated companies		21,889	37,088
Profit before income tax		132,805	121,085
Income tax expense	9(a)	(35,722)	(32,543)
Net profit		97,083	88,542
Available-for-sale financial assets – fair value gains/losses	32(b)	44,059	(20,274)
Cash flow hedges – fair value losses	32(c)	(1,385)	-
Currency translation differences arising from consolidation		6,217	(23,986)
Currency translation reserve on disposal of a subsidiary charged to other gains/(losses) – net	32(a)	2,276	(619)
Currency translation reserve on transfer of an investment in an associated company to assets held for sale charged to other gains/(losses) – net	32(a)	(1,564)	(23)
Share of other comprehensive income/(loss) of associated companies		4,052	(16,144)
Other comprehensive income, net of tax		53,655	(61,046)
Total comprehensive income		150,738	27,496
Profit attributable to:			
Equity holder of the Company		95,049	88,729
Minority interests		2,034	(187)
		97,083	88,542
Total comprehensive income attributable to:			
Equity holder of the Company		143,952	37,959
Minority interests		6,786	(10,463)
		150,738	27,496

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

BALANCE SHEETS

As at 31 March 2010

	Note	The Group		The Company	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
ASSETS					
Non-current assets					
Deferred income tax assets	9(c)	31,626	32,209	-	-
Goodwill	10	111,781	111,781	-	-
Investment properties	11	1,287,489	1,056,242	-	-
Investment properties under development	12	21,143	180,831	-	-
Property, plant and equipment	13	21,678	22,360	-	-
Investments in subsidiary companies	14	-	-	797,784	776,735
Investments in associated companies	15	950,946	904,559	-	-
Investment in a jointly-controlled entity	16	12,680	-	-	-
Other non-current assets		237	463	-	-
Trade and other receivables	17	42,008	50,108	-	-
Cash and bank balances	19	4,396	5,259	-	-
Available-for-sale financial assets	20	23,577	24,208	-	-
		2,507,560	2,388,020	797,784	776,735
Current assets					
Properties under development	22	-	78,081	-	-
Properties held for sale		29,712	53,619	-	-
Other current assets	24	13,387	64,231	10	76
Available-for-sale financial assets	20	69,680	24,990	-	-
Consumables		37	18	-	-
Trade and other receivables	25	179,620	178,726	464,657	490,602
Cash and bank balances	19	315,890	223,801	80,229	47,321
		608,326	623,466	544,896	537,999
Assets classified as held for sale	21	2,794	-	-	-
		611,120	623,466	544,896	537,999
Total assets		3,118,680	3,011,486	1,342,680	1,314,734
LIABILITIES					
Current liabilities					
Trade and other payables	26	152,322	251,719	509,243	526,108
Current income tax liabilities	9(b)	116,499	121,485	146	196
Borrowings	29	172,457	98,423	80,000	-
Derivative financial instruments	23	-	7,261	-	-
		441,278	478,888	589,389	526,304

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

BALANCE SHEETS

As at 31 March 2010

	Note	The Group		The Company	
		2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000
Non-current liabilities					
Other payables	27	43,758	56,609	-	-
Loans from minority shareholders	28	151,662	132,462	-	-
Borrowings	29	490,632	497,977	49,782	80,000
Deferred income on long term leases	30	177,245	181,300	-	-
Derivative financial instruments	23	1,669	-	-	-
Deferred income tax liabilities	9(c)	12,107	7,561	-	-
		877,073	875,909	49,782	80,000
Total liabilities		1,318,351	1,354,797	639,171	606,304
NET ASSETS		1,800,329	1,656,689	703,509	708,430
EQUITY					
Capital and reserves attributable to the Company's equity holder					
Share capital	31	585,622	585,622	585,622	585,622
Fair value and other reserves	32	(15,463)	(64,050)	-	-
Revenue reserve	33	1,097,261	1,021,273	117,887	122,808
		1,667,420	1,542,845	703,509	708,430
Minority interests		132,909	113,844	-	-
TOTAL EQUITY		1,800,329	1,656,689	703,509	708,430

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 March 2010

	Note	Attributable to equity holder ← of the Company →			Minority interests \$'000	Total equity \$'000
		Share capital \$'000	Fair value and other reserves \$'000	Revenue reserve \$'000		
2010						
Beginning of financial year		585,022	(64,050)	1,021,273	113,844	1,656,089
Capital contribution by minority interests		-	-	-	17,283	17,283
Capital return to minority interests		-	-	-	(3,059)	(3,059)
Disposal of interest in a subsidiary company	36	-	(1,188)	-	-	(1,188)
Reversal of capital reserves on write-down of investment in an associated company	32(d)	-	(189)	-	-	(189)
Dividends	34	-	-	(18,000)	-	(18,000)
Dividends paid to minority interests		-	-	-	(1,945)	(1,945)
Transfer between reserves		-	1,061	(1,061)	-	-
Total comprehensive income for the year		-	48,903	95,049	6,786	150,738
End of financial year		585,022	(15,463)	1,097,261	132,909	1,800,329

An analysis of the movements in each category within "Fair value and other reserves" is presented in Note 32.

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2010

	Note	Attributable to equity holder of the Company				Total equity \$'000
		Share capital \$'000	Fair value and other reserves \$'000	Revenue reserve \$'000	Minority interests \$'000	
2009						
Beginning of financial year		585,622	(14,894)	1,003,158	51,166	1,625,052
Incorporation of a subsidiary company		-	-	-	72,580	72,580
Acquisition of a subsidiary company		-	-	-	2,065	2,065
Disposal of / dilution of interest in subsidiary companies		-	-	-	148	148
Capital contribution by minority interests		-	-	-	450	450
Capital return to minority interests		-	-	-	(800)	(800)
Dividends	34	-	-	(69,000)	-	(69,000)
Dividends paid to minority interests		-	-	-	(1,302)	(1,302)
Transfer between reserves		-	1,614	(1,614)	-	-
Total comprehensive income for the year		-	(50,770)	88,729	(10,463)	27,496
End of financial year		585,622	(64,050)	1,021,273	113,844	1,656,689

An analysis of the movements in each category within "Fair value and other reserves" is presented in Note 32.

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2010

	Note	2010 \$'000	2009 \$'000
Cash flows from operating activities			
Net profit		97,083	88,542
Adjustments for:			
Income tax expense		35,722	32,543
Amortisation of long term lease premium		(4,055)	(4,058)
Depreciation		40,704	33,066
Dividend income		(642)	(1,377)
Interest income		(5,838)	(9,212)
Interest expense		36,236	29,996
(Gain)/loss on disposal of:			
- investment properties		(31,576)	(4,060)
- property, plant and equipment		(5)	(320)
- subsidiary companies		(39,607)	(1,639)
- associated companies		-	(25)
- available-for-sale financial assets		-	(1)
Gain on dilution of interest in a subsidiary company		-	(363)
(Gain)/loss on dilution of interest in associated companies		(13,627)	759
Impairment losses made/(written back) on:			
- investment properties		31,177	2,784
- available-for-sale financial assets		-	52,538
- investment in associated companies		4,278	-
Allowance for impairment of receivables (written back)/made:			
- trade receivables from non-related parties		(129)	379
- other receivables from non-related parties		1	-
- amounts owing by associated companies		984	136
Unrealised translation differences		(676)	(132)
Share of profit of associated companies		(21,889)	(37,088)
Property, plant and equipment written off		352	2
Investment properties written off		602	-
Fair value loss/(gain) on derivative financial instruments		1,465	(4,855)
Share of loss and goodwill of associated companies written off		-	(298)
Negative goodwill arising from acquisition of additional interests in associated companies		(1,438)	(20,332)
Gain on capital contribution by a minority shareholder of a subsidiary company		(705)	-
Gain on return of capital to a minority shareholder of a subsidiary company		(2,032)	-
Operating cash flow before working capital changes		126,385	156,985
Changes in operating assets and liabilities, net of effects from acquisitions and disposals of subsidiary companies			
Consumables		(19)	(18)
Properties under development		(38,468)	(36,341)
Other current assets		50,679	(47,836)
Trade and other receivables		110,990	(76,303)
Trade and other payables		(63,653)	114,489
Cash generated from operations		185,914	110,976

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2010

	Note	2010 \$'000	2009 \$'000
Cash generated from operations		185,914	110,976
Interest paid		(35,525)	(29,996)
Cash settlement of interest rate swaps		(972)	-
Interest received		5,845	9,212
Income tax paid	9(b)	(38,594)	(33,684)
Net cash generated from operating activities		116,668	56,508
Cash flows from investing activities			
Purchase of investment properties		(5,573)	(386,343)
Purchase of property, plant and equipment		(2,942)	(3,598)
Cost of developing investment properties		(160,133)	(144,813)
Proceeds from disposal of subsidiary companies	36	110,015	2,142
Proceeds from disposal of associated companies		-	534
Proceeds from disposal of investment properties		14,631	9,520
Proceeds from disposal of property, plant and equipment		13	52
Proceeds from disposal of available-for-sale financial assets		-	5
Increase in investment in associated companies		(110,084)	(103,522)
Return of capital from associated companies		-	1,632
Dividend received			
- available-for-sale financial assets		642	1,377
- associated companies		73,732	72,171
Cash (settlement of)/ receipts from foreign exchange forward contracts and cross-currency interest rate swaps		(8,726)	5,031
Repayment of loans from associated companies		5,190	33,548
Acquisition of subsidiary companies, net of cash acquired	35	-	(1,017)
Net cash used in investing activities		(83,235)	(513,281)
Cash flows from financing activities			
Repayment of borrowings		(34,495)	(72,131)
Increase in minority interests		16,961	72,230
Proceeds from borrowings		111,750	215,838
Proceeds from loans from minority shareholders		-	158,400
Proceeds from medium term note		49,782	80,000
Fixed deposits pledged with financial institutions		(3,735)	(13,854)
Dividend paid to equity holder of the Company		(87,000)	-
Dividend paid to minority interests		(1,945)	(1,302)
Net cash generated from financing activities		51,318	439,181
Net increase/(decrease) in cash and cash equivalents		84,751	(17,592)
Cash and cash equivalents at beginning of financial year	19	209,034	230,059
Effects of exchange rate changes on cash and cash equivalents		841	(3,433)
Cash and cash equivalents at end of financial year	19	294,626	209,034

The accompanying notes form an integral part of these financial statements.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Ascendas Pte Ltd (the "Company") is a limited liability company, which is domiciled and incorporated in Singapore and its immediate and ultimate holding company is Jurong Town Corporation ("JTC"), a body incorporated by statute in Singapore. The address of its registered office is 61 Science Park Road, #04-01 The Galen, Singapore Science Park II, Singapore 117525.

The principal activity of the Company is that relating to investment holding. The principal activities of the subsidiary companies are as disclosed in Note 42 to the financial statements.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

On 1 April 2009, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

The following are the new or amended FRSs that are relevant to the Group:

- FRS 1 (revised) Presentation of financial statements (effective from 1 January 2009). The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity. All non-owner changes in equity are shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has chosen to adopt the former alternative. Where comparative information is restated or reclassified, a restated balance sheet is required to be presented as at the beginning comparative period. There is no restatement of the balance sheet as at 1 April 2008 in the current financial year.
- Amendment to FRS 107 Improving disclosures about financial statements (effective from 1 January 2009). The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy (see Note 38(e)). The adoption of the amendment results in additional disclosures but does not have an impact on the accounting policies and measurement bases adopted by the Group.
- FRS 40 (amendment) Investment property (and consequential amendments to FRS 16) (effective from 1 January 2009). Prior to 1 January 2009, property that is under construction or development for future use as an investment property was accounted for under FRS 16 Property, plant and equipment at cost less impairment. The amendment has no significant effect on the Group as the Group has adopted the cost model for accounting of investment property and will continue to account for investment properties under construction or development at cost less impairment under the amended FRS 40. However, the amendment results in disclosure of fair value information for investment properties under development.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Revenue is presented, net of goods and services tax, rebates and discounts, and after eliminating sales within the Group. Revenue is recognised as follows:

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.2 Revenue recognition (continued)

- (a) Premiums received in respect of long term leases are recognised as revenue:
 - on an equal annual basis over the period of the lease in respect of land which are leased for periods substantially shorter than the remaining tenure of the land owned by the Group; or
 - in the year when the leases are entered into in respect of land which are leased for periods substantially the same as the remaining tenure of the land owned by the Group.
- (b) Profits on property development projects are recognised using the percentage of completion method.
- (c) Revenue from consultancy and turnkey projects is recognised using the percentage of completion method.
- (d) Rental income from operating leases is recognised on a straight-line basis over the term of the lease.
- (e) Management fees and agency fees from the provision of property management, fund management and other consultancy services are recognised when the services have been rendered.
- (f) Revenue from the generation and supply of power is recognised on an accrual basis, upon rendering of services.
- (g) Dividend income is recognised when the right to receive payment is established.
- (h) Interest income from finance lease is accrued on a time-proportion basis as provided for in the finance lease agreement. Interest income from bank deposits and other interest bearing receivables is accrued on a time-proportion basis using the effective interest method.
- (i) Profits on in-house renovation projects are recognised using the percentage of completion method. Profit is brought to the financial statements only in respect of sales procured and to the extent that such profit relates to the progress of construction work. The percentage of completion is measured with reference to the percentage of costs incurred to date of the estimated total costs for each contract.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.3 Group accounting

(a) Subsidiary companies

Subsidiary companies are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The purchase method of accounting is used to account for the acquisition of subsidiary companies by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on the date of acquisition, irrespective of the extent of non-controlling interest. Please refer to Note 2.9 for the accounting policy on goodwill on acquisition of subsidiary companies.

Subsidiary companies are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Minority interests are that part of the net results of operations and of net assets of a subsidiary company attributable to the interests which are not owned directly or indirectly by the Group. They are measured at the minorities' share of the fair value of the subsidiary companies' identifiable assets and liabilities at the date of acquisition by the Group and the minorities' share of changes in equity since the date of acquisition, except when the minorities' share of losses in a subsidiary company exceeds its interests in the equity of that subsidiary company. In such cases, the excess and further losses applicable to the minorities are attributed to the equity holders of the Company, unless the minorities have a binding obligation to, and are able to, make good the losses. When that subsidiary company subsequently reports profits, the profits applicable to the minority interests are attributed to the equity holders of the Company until the minorities' share of losses previously absorbed by the equity holders of the Company are fully recovered.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.3 Group accounting (continued)

(a) Subsidiary companies (continued)

Please refer to Note 2.11 for the Company's accounting policy on investments in subsidiary companies in the separate financial statements of the Company.

(b) Transactions with minority interests

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recognised in profit or loss. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the Group's incremental share of the carrying value of identifiable net assets of the subsidiary company.

(c) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to between and including 20% and 50% of the voting rights. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses. Investments in associated companies in the consolidated balance sheet include goodwill (net of accumulated impairment loss) identified on acquisition. Please refer to Note 2.9 for the Group's accounting policy on goodwill.

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition movements in reserves is recognised in equity directly. These post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.3 Group accounting (continued)

(c) Associated companies (continued)

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associated companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Dilution gains and losses arising from investments in associated companies are recognised in profit or loss.

Please refer to Note 2.11 for the Company's accounting policy on investments in associated companies in the separate financial statements of the Company.

(d) Jointly-controlled entities

Jointly-controlled entities are entities over which the Group has contractual arrangements to jointly share the control over the economic activity of the entities with one or more parties. The Group's interest in jointly-controlled entities is accounted for in the consolidated financial statements using the equity method of accounting less impairment losses. Investments in jointly-controlled entities in the consolidated balance sheet include goodwill (net of accumulated impairment loss) identified on acquisition. Please refer to Note 2.9 for the Group's accounting policy on goodwill.

Investments in jointly-controlled entities are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

In applying the equity method of accounting, the Group's share of its jointly-controlled entities' post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition movements in reserves is recognised in equity directly. These post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a jointly-controlled entity equals or exceeds its interest in the jointly-controlled entity, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the jointly-controlled entity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.3 Group accounting (continued)

(d) Jointly-controlled entities (continued)

Unrealised gains on transactions between the Group and its jointly-controlled entities are eliminated to the extent of the Group's interest in the jointly-controlled entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of jointly-controlled entities have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Please refer to Note 2.11 for the Company's accounting policy on investments in jointly-controlled entities in the separate financial statements of the Company.

2.4 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses (Note 2.12).

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 by management. The projected cost of dismantlement, removal or restoration is also included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Expenditure relating to construction are capitalised as capital work-in-progress when incurred and no depreciation is provided until the construction is completed.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.4 Property, plant and equipment (continued)

(b) Depreciation

Freehold land and capital work-in-progress are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight line method to allocate their depreciable amounts over the estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold land	- lease term of 99 years
Buildings on leasehold land	- 30 years
Renovations and improvements	- 3 to 5 years
Computers, furniture and equipment	- 3 to 20 years
Motor vehicles	- 5 years

The residual values, depreciation method and estimated useful lives of property, plant and 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 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 Group and the cost of the item can be measured reliably. All other 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.

2.5 Investment properties under development

Investment properties under development are properties being constructed or developed for future rental. They are carried at cost less impairment until construction or development is completed, at which time they are transferred and accounted for as investment properties. Cost capitalised include cost of land and other directly related development expenditure, including borrowing costs incurred in developing the properties.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.6 Investment properties

Investment properties of the Group, comprising principally completed office buildings and land that is held for a currently undetermined future use, are held for long-term rental yields and capital appreciation and are not occupied by the Group.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Depreciation on other items of investment properties is calculated using the straight line method to allocate the depreciable amounts over the estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold land	- lease terms ranging from 47 to 99 years
Buildings on freehold/leasehold land	- 12 to 50 years
Renovations and improvements	- 3 to 5 years
Plant, machinery and equipment	- 3 to 20 years

The residual values, depreciation method and estimated useful lives of investment properties 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.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as addition and the carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvement is charged to profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.7 Properties under development

Properties under development refer to development properties for sale.

Unsold development properties

Properties under development that are unsold are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less cost to complete the development and selling expenses.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.7 Properties under development (continued)

Sold development properties

Revenue and cost on properties under development that have been sold are recognised using the percentage of completion method. The stage of completion is measured by reference to the physical surveys of construction work completed. When it is probable that the total development costs will exceed the total revenue, the expected loss is recognised as an expense immediately.

The aggregated costs incurred and the profit/loss recognised in each development property that has been sold are compared against progress billings up to the financial year-end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as due from customers on development projects. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as due to customers on development projects.

2.8 Properties held for sale

Completed properties held for sale are carried at lower of cost and net realisable value. Cost includes cost of land and construction and borrowing costs incurred during the period of the construction. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.9 Goodwill on acquisitions

Goodwill represents the excess of the cost of an acquisition of subsidiary companies, associated companies or jointly-controlled entities over the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary companies, associated companies or jointly-controlled entities at the date of acquisition.

Goodwill on acquisitions of subsidiary companies is recognised separately as an asset on the balance sheet. Goodwill on acquisition of associated companies or jointly-controlled entities is included in the carrying amount of investments in associated companies or jointly-controlled entities.

Goodwill recognised separately is tested as least annually for impairment and carried at cost less accumulated impairment losses (Note 2.12).

Gains and losses on the disposal of the subsidiary companies, associated companies or jointly-controlled entities include the carrying amount of goodwill relating to the entity sold.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.10 Borrowing costs

Borrowing costs incurred to finance the development of properties are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised on a time-proportion basis in profit or loss using the effective interest method.

The cost capitalised is the actual borrowing costs incurred during the period less any investment income on the temporary investment of those borrowings.

2.11 Investments in subsidiary companies, associated companies and jointly-controlled entities

Investments in subsidiary companies, associated companies and jointly-controlled entities are carried at cost less accumulated impairment losses (Note 2.12) in the Company's balance sheet. On disposal of investments in subsidiary companies, associated companies and jointly-controlled entities, the difference between net disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.12 Impairment of non-financial assets

(a) *Goodwill*

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Goodwill included in the carrying amount of an investment in an associated company is tested for impairment as part of the investments, rather than separately.

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.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.12 Impairment of non-financial assets (continued)

- (b) *Property, plant and equipment*
Investment properties
Investment properties under development
Investments in subsidiary companies, associated companies and jointly-controlled entities

Property, plant and equipment, investment properties, both completed and under development, and investments in subsidiary companies, associated companies and jointly-controlled entities are reviewed for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing of these assets, the 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 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.

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 an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.13 Financial assets

(a) *Classification*

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale. The classification depends on the nature of the asset and the purpose for which the assets were 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 later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as bank balances and trade and other receivables on the balance sheet.

(ii) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless management intends to dispose of the assets within 12 months after the balance sheet date.

(b) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a financial asset, the difference between the carrying amount and sale proceeds is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is transferred to profit or loss.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.13 Financial assets (continued)

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

(d) Subsequent measurement

Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Interest and dividend income on available-for-sale financial assets are recognised separately in the income statement. Changes in the fair value of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes. The currency translation differences are recognised in profit or loss and the other changes are recognised in the fair value reserve. Changes in fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in the fair value reserve, together with the related currency translation differences.

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/(loss).

(e) Impairment

The Group assesses at each balance sheet date whether there is 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.13 Financial assets (continued)

(e) *Impairment (continued)*

(i) *Loans and receivables (continued)*

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, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. 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*

In addition to the objective evidence of impairment described in Note 2.13(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

If any evidence of impairment exists, the cumulative loss that was recognised in the fair value reserve is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity securities are not reversed through profit or loss.

Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale financial assets are not reversed through profit or loss, until the equity instruments are disposed of.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.14 Financial guarantees

The Company has issued corporate guarantees to financial institutions for banking facilities granted to its subsidiary companies and jointly-controlled entities. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiary companies or the jointly-controlled entities fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the balance sheet of the Group and/or the Company.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries' borrowings, unless it is probable that the Company will reimburse the financial institution for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the financial institution in the balance sheet of the Group and/or the Company.

Intra-group transactions are eliminated on consolidation.

2.15 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.16 Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.17 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 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 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.

Cash flow hedge - interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for 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 interest rate swaps designated as cash flow hedges are recognised in the hedging reserve and transferred to profit or loss when the 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.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.18 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 and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets held by the Group are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flows, are also used to determine the fair values of the financial instruments.

The fair values of currency forwards are determined using actively quoted forward exchange rates. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.19 Leases

(a) *When a group company is the lessee:*

The Group leases certain investment properties from non-related parties and its immediate holding company.

(i) *Finance leases*

Leases of investment properties where the Group assumes substantially all risks and rewards incidental to ownership are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as investment properties and borrowings respectively, at the inception of the leases at the lower of the fair values of the leased assets and the present values of the minimum lease payments.

Each lease payment is apportioned between the finance charge and the reduction of the outstanding lease liability. The finance charge is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(ii) *Operating leases*

Leases of investment properties where substantially all risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period expires, any payment required to be made to the lessor by way of penalty is recognised as an expense in the financial year in which termination takes place.

For both finance and operating leases, contingent rents are recognised as an expense in profit or loss when incurred.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.19 Leases (continued)

(b) When a group company is the lessor:

The Group leases out certain investment properties to non-related parties.

(i) Finance leases

Leases of investment properties where substantially all the risks and rewards incidental to legal ownership of the assets are transferred by the Group to the lessees are classified as finance leases.

The leased asset is derecognised and the present value of the lease receivable (net of initial direct costs for negotiating and arranging the lease) is included in trade and other receivables on the balance sheet. The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Initial indirect costs incurred by the Group in negotiating and arranging finance lease are added to finance lease receivables and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

(ii) Operating leases

Leases of investment properties where the Group retains substantially all the risks and rewards incidental to legal ownership of the assets are classified as operating leases.

Assets leased out under operating leases are included in investment properties. Rental income from operating leases (net of any incentives given to lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial indirect costs incurred by the Group in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

For both finance and operating leases, contingent rents are recognised as income in profit or loss when earned.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.20 Income taxes

Current income tax for current and prior periods is recognised 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 substantially enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary companies, associated companies and jointly-controlled entities, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date; and
- (b) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income 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 arising from a business combination is adjusted against goodwill on acquisition.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.21 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Group has a present obligation (legal or constructive) as a result of past events, it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount has been reliably estimated.

2.22 Employee compensation

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as Central Provident Fund on a mandatory or contractual basis. The Group has no further payment obligations once the contributions have been paid.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2.23 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 financial statements are presented in Singapore Dollar, which is the Company's functional currency.

(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 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 balance sheet date are recognised in profit or loss.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.23 Currency translation (continued)

(b) Transactions and balances (continued)

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 determined. 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.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the 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 rates at the reporting date;
- (ii) Income and expenses are translated at average exchange rates; and
- (iii) All resulting exchange differences are recognised in the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 April 2005 are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date. For acquisitions prior to 1 April 2005, the exchange rates at the dates of acquisition are used.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.24 Cash and cash equivalents

For the purpose of presentation in the consolidated cash flow statement, cash and cash equivalents comprise cash at bank and on hand, fixed deposits with financial institutions which are subject to an insignificant risk of change in value, but exclude balances which are subjected to restriction.

2.25 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.26 Dividends

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.

2.27 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held for sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and

- (a) represents a separate major line of business or geographical area of operations; or
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- (c) is a subsidiary acquired exclusively with a view to resale.

2.28 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

2. Significant accounting policies (continued)

2.28 Government grants (continued)

Government grants relating to expenses are shown separately as offset against the related expenses.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the capital allowances, taxability of certain incomes and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Valuation of properties

Management determines the fair value of the properties for purpose of assessing impairment (Note 2.12). The fair values are determined using the income method, discounted cash flow method and direct comparison method. The income and discounted cash flow methods involve the estimation of income and expenses, taking into account expected future changes in economic and social conditions, which may affect the value of the properties. The direct comparison method involves the comparison of recent sales transactions of similar properties. Management is of the view that the valuation methods and estimates are reflective of the current market condition.

**ASCENDAS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

3. Critical accounting estimates, assumptions and judgements (continued)

(b) Critical judgements in applying the entity's accounting policies

Impairment of available-for-sale financial assets

The Group follows the guidance of FRS 39 in determining when an available-for-sale financial asset is considered impaired. This determination requires significant judgement. The Group 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

	The Group	
	2010	2009
	\$'000	\$'000
Rental income and service charges from investment properties	130,851	121,451
Sale of development properties	40,880	105,848
Fund management fee	52,237	62,263
Property management and other consultancy services	22,532	18,778
Agency fee	13,541	14,998
Revenue from utilities supply and district cooling	8,844	8,311
Carpark income	8,426	6,688
Renovation services	4,154	5,405
Project consultancy and management fee	2,849	4,354
Gross dividend income		
- unquoted investments	642	1,377
Others	9,203	12,386
	294,159	361,859

Included in rental income from investment properties is an amount of \$4,055,000 (2009: \$4,058,000) relating to amortisation of deferred income in respect of long-term leases (Note 30).

Also included in rental income from investment properties is contingent rent amounting to \$788,000 (2009: \$2,563,000), which was computed based on the sales achieved by tenants. Contingent rent is that portion of lease payments that is not fixed in amount but is based on a factor other than the passage of time.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

5. Other gains/(losses) - net

Other gains/(losses) - net comprise the following:

		The Group	
	Note	2010	2009
		\$'000	\$'000
Interest income			
- associated companies		625	1,816
- financial institutions		3,150	4,586
- finance leases		1,699	1,848
- others		364	962
Corporate service income		745	1,199
Amortisation of financial guarantee		12	-
Gain on disposal of			
- investment properties		31,576	4,060
- property, plant and equipment		5	320
- subsidiary companies	36	39,607	1,639
- associated companies		-	25
- available-for-sale financial assets		-	1
Gain on dilution of interest in a subsidiary company		-	363
Gain/(loss) on dilution of interest in associated companies		13,627	(759)
Currency exchange (loss)/gain - net		(695)	1,983
Share of loss and goodwill of associated companies written off		-	298
Gain on capital contribution by a minority shareholder of a subsidiary company		705	-
Gain on return of capital to a minority shareholder of a subsidiary company		2,032	-
Negative goodwill on acquisition of additional interests in associated companies		1,438	20,332
Fair value (losses)/gains on derivative financial instruments	23	(1,465)	4,855
Allowance for impairment of receivables (made)/written back - net			
- amount owing by associated companies	38(b)(ii)	(1,040)	(57)
- other receivables	38(b)(ii)	55	(79)
Impairment losses made - net on			
- available-for-sale financial assets	20	-	(52,538)
- investment properties	11	(31,177)	(2,784)
- associated companies		(4,278)	-
Others		2,434	2,185
		59,419	(9,745)

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

6. Employee compensation

	The Group	
	2010	2009
	\$'000	\$'000
Salaries, wages and employee benefits	58,120	61,205
Employer's contributions to defined contribution plans including Central Provident Fund	3,685	3,403
Less: Government grant – Jobs Credit Scheme	(1,015)	-
	60,790	64,608

The Jobs Credit scheme is a cash grant introduced in the Singapore Budget 2009 to help businesses preserve jobs in the economic downturn. The Jobs Credit will be paid to eligible employers in 2009 in four payments and the amount an employer can receive would depend on the fulfilment of the conditions as stated in the scheme.

7. Other operating expenses

Other operating expenses comprise the following:

		The Group	
	Note	2010	2009
		\$'000	\$'000
Allowance for impairment of receivables (written back)/made - net			
- trade receivables from non-related parties	38(b)(ii)	(129)	379
Bad debts written off on trade and other receivables - net			
- non-related parties		18	187
Operating lease expense		2,630	1,870
Property, plant and equipment written off		352	2
Investment properties written off		602	-
Professional fees		4,690	6,588
Travel-related expenses		2,049	3,703
Advertising and publicity expenses		1,942	2,586
Business taxes		2,390	2,772
Security service expenses		2,462	2,230

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

7. Other operating expenses (continued)

Other operating expenses comprise the following:

	Note	The Group	
		2010 \$'000	2009 \$'000
Marketing and other agency fees		6,144	6,380
Communication expenses		1,447	1,392
Carpark expenses		3,272	2,403
Shuttle bus service expenses		3,171	3,519
Insurance expenses		870	824
Recruitment expenses		343	1,017
Office rental and maintenance expenses		3,704	3,313
Directors' fees		1,164	823
Others		12,030	9,580
		<u>49,151</u>	<u>49,568</u>

8. Finance expense

	The Group	
	2010 \$'000	2009 \$'000
Interest expense		
- financial institutions	26,118	21,828
- minority shareholders	9,198	7,947
- others	55	221
	<u>35,371</u>	<u>29,996</u>
Cash flow hedges, transfer from hedging reserve (Note 32(c))	972	-
Interest expense capitalised in investment properties and investment properties under development	(107)	-
Finance expense recognised in profit or loss	<u>36,236</u>	<u>29,996</u>

The interest expense had been capitalised at rate of 5.18% (2009: Nil) per annum for the current financial year.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

9. Income taxes

(a) Income tax expense

	The Group	
	2010	2009
	\$'000	\$'000
Tax expense attributable to profit is made up of:		
Profit from current financial year		
- current tax expense	34,388	35,565
- deferred tax expense	4,584	(3,769)
	<u>38,972</u>	<u>31,796</u>
(Over)/under provision in respect of prior years		
- current tax expense	(4,051)	(420)
- deferred tax expense	801	(56)
	<u>(3,250)</u>	<u>(476)</u>
- adjustment for reduction in Singapore statutory tax rate	-	1,223
	<u>35,722</u>	<u>32,543</u>

The tax expense on profit differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	The Group	
	2010	2009
	\$'000	\$'000
Profit before income tax	<u>132,805</u>	<u>121,085</u>
Income tax using the statutory tax rate of 17% (2009: 17%)	22,577	20,584
Tax effect of non deductible expenses	24,326	15,656
Income not subject to tax	(8,839)	(15,689)
Effect of different tax rates arising from foreign jurisdictions	(4,509)	3,975
Utilisation of previously unrecognised tax losses and capital allowances	(678)	(652)
Effect of deferred tax assets not recognised	1,960	3,311
Effect of tax incentives	(416)	(116)
Effect of tax losses not allowed for carry forward	322	120
Tax on overseas profits to be remitted	219	199
Tax on dividend income from associated companies	8,640	10,527
Tax calculated on share of profit of associated companies and a jointly-controlled entity	(3,722)	(6,305)
Others	(908)	186
Tax charge	<u>38,972</u>	<u>31,796</u>

**ASCENDAS PTE LTD
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For the financial year ended 31 March 2010

9. Income taxes (continued)

(b) Movements in current income tax liabilities

	The Group		The Company	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Beginning of financial year	121,485	121,875	196	576
Tax expense	34,388	35,565	-	3
(Over)/under provision in respect of prior years	(4,051)	(420)	18	-
Arising from disposal of subsidiary companies	(479)	(39)	-	-
Income tax paid	(38,594)	(33,684)	(68)	(383)
Tax effect of unrealised profits from transactions with associated companies	3,441	-	-	-
Currency translation differences	309	(1,812)	-	-
End of financial year	<u>116,499</u>	<u>121,485</u>	<u>146</u>	<u>196</u>

(c) Deferred income tax assets and liabilities

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 taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the balance sheets as follows:-

	The Group	
	2010	2009
	\$'000	\$'000
Deferred income tax assets:		
- to be recovered within a year	(689)	(689)
- to be recovered after one year	(30,936)	(31,520)
	<u>(31,625)</u>	<u>(32,209)</u>
Deferred income tax liabilities:		
- to be settled after one year	12,107	7,561
	<u>(19,518)</u>	<u>(24,648)</u>

**ASCENDAS PTE LTD
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For the financial year ended 31 March 2010

9. Income taxes (continued)

(c) Deferred income tax assets and liabilities (continued)

Movements in deferred income tax account are as follows:

	The Group	
	2010	2009
	\$'000	\$'000
Beginning of financial year	(24,648)	(22,000)
Tax credited to equity	(284)	-
Tax charged/(credited) to profit or loss	5,385	(2,602)
Translation differences	29	(46)
End of financial year	<u>(19,518)</u>	<u>(24,648)</u>

The movements in the deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) are as follows:-

The Group

Deferred income tax liabilities

	Accelerated tax depreciation \$'000	Taxable interest income \$'000	Others \$'000	Total \$'000
2010				
Beginning of financial year	4,000	172	3,389	7,561
Tax charged to profit or loss	3,657	851	5	4,513
Currency translation differences	33	-	-	33
End of financial year	<u>7,690</u>	<u>1,023</u>	<u>3,394</u>	<u>12,107</u>
2009				
Beginning of financial year	3,030	134	9,186	12,350
Tax charged/(credited) to profit or loss	1,037	38	(5,797)	(4,722)
Currency translation differences	(67)	-	-	(67)
End of financial year	<u>4,000</u>	<u>172</u>	<u>3,389</u>	<u>7,561</u>

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2010

9. Income taxes (continued)

(c) Deferred income tax liabilities and assets (continued)

Deferred income tax assets

	Deferred income on long term lease \$'000	Others \$'000	Total \$'000
2010			
Beginning of financial year	(31,509)	(700)	(32,209)
Tax credited to equity	-	(284)	(284)
Tax charged to profit or loss	689	183	872
Currency translation differences	-	(4)	(4)
End of financial year	(30,820)	(805)	(31,625)
2009			
Beginning of financial year	(34,084)	(266)	(34,350)
Tax charged/(credited) to profit or loss	2,575	(455)	2,120
Currency translation differences	-	21	21
End of financial year	(31,509)	(700)	(32,209)

Deferred tax assets have not been recognised in respect of the following:

	The Group	
	2010	2009
	\$'000	\$'000
Deductible temporary differences	1,132	-
Unabsorbed tax losses	39,301	32,235
	40,433	32,235

The deductible temporary differences and unabsorbed tax losses do not expire under current tax legislation.

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the subsidiary companies having the deductible temporary differences and unabsorbed tax losses can utilise the benefits.

**ASCENDAS PTE LTD
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For the financial year ended 31 March 2010

10. Goodwill

	Note	The Group	
		2010 \$'000	2009 \$'000
Cost			
Beginning and end of financial year		<u>111,781</u>	<u>111,781</u>

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to country of operation and business segment.

Goodwill allocated to the Group's fund management CGU in Singapore amounted to \$111,781,000 (2009: \$111,781,000). The recoverable amount of the CGU was determined based on value-in-use calculations. Cash flow projections used in these calculations were based on financial forecast covering a 10-year period. The 10-year forecast is reviewed, updated and approved by management on an annual basis. Cash flows beyond the 10-year period were extrapolated using the estimated growth rates stated below.

Key assumptions used for value-in-use calculations

	The Group	
	2010	2009
Growth rate ⁽¹⁾	1%	1%
Discount rate ⁽²⁾	<u>9.52%</u>	<u>9.52%</u>

⁽¹⁾ Forecasted post-tax EBITDA annual long-term growth rate

⁽²⁾ Weighted-average cost of capital

The Group has assessed and determined that no impairment in the value of goodwill has arisen.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

11. Investment properties

		The Group	
	Note	2010 \$'000	2009 \$'000
Cost			
Beginning of financial year		1,300,515	937,867
Additions		12,043	386,782
Disposals/write-offs	11(f)	(99,014)	(8,161)
Arising from disposal of subsidiary companies	36	(130,338)	-
Transfer from investment properties under development	12	322,286	24,317
Transfer (to)/from property, plant and equipment	13	(743)	3,076
Transfer from properties under development	22	135,912	-
Transfer from properties held for sale		4,543	-
Transfer to assets classified as held for sale	21	(2,694)	-
Currency translation differences		28,647	(43,366)
End of financial year		1,571,157	1,300,515
Accumulated depreciation and impairment			
Beginning of financial year		244,273	212,281
Depreciation charge		36,257	28,936
Impairment charge	5	31,177	2,784
Disposals/write-offs	11(f)	(10,847)	(2,685)
Arising from disposal of subsidiary companies	36	(18,816)	-
Transfer from investment properties under development	12	3,978	-
Transfer from property, plant and equipment	13	-	227
Transfer to assets classified as held for sale	21	(1,056)	-
Currency translation differences		(1,298)	2,730
End of financial year		283,668	244,273
Net book value			
End of financial year		1,287,489	1,056,242

- (a) Included in additions are investment properties acquired under credit terms amounting to \$6,373,000 (2009: \$439,000).
- (b) Investment properties are leased to non-related parties under operating leases (Note 39).
- (c) Investment properties with net book values of \$531,529,000 (2009: \$578,127,000) were pledged as security against loans from minority shareholders (Note 28) and bank loans (Note 29).

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11. Investment properties (continued)

- (d) Investment properties are carried at cost less accumulated depreciation and accumulated impairment losses. Valuations are made annually based on the properties' highest-and-best use using the income method, discounted cash flow method and direct comparison method. The fair values of the investment properties as at the balance sheet date as determined by independent professional valuers, except for 2 investment properties with a carrying amount of \$39,240,000 which was valued by in-house valuers, and including the premium received or receivable in advance in respect of land leases contracted at the balance sheet date (Note 30), are as follows:-

	The Group	
	2010	2009
	\$'000	\$'000
Fair value	1,896,904	1,636,584

- (e) The following amounts are recognised in profit or loss:-

	The Group	
	2010	2009
	\$'000	\$'000
Direct operating expenses arising from investment properties that generated rental income	(82,845)	(67,317)
Property tax and other direct operating expenses arising from investment properties that did not generate rental income	(4,445)	(2,231)

- (f) In March 2010, a subsidiary company of the Group successfully concluded the sale of an investment property to an associated company of the Group. Under the terms of the sale, the subsidiary company agreed to indemnify the associated company for claims made against the associated company by the head lessee for any major disruption that may arise from the proposed construction of an MRT line in the vicinity of the investment property. Management is confident that the likelihood of such claims occurring and/or succeeding is remote given that certain conditions need to be fulfilled before the associated company can successfully file such claims.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

12. Investment properties under development

	Note	The Group	
		2010 \$'000	2009 \$'000
Land and other related costs		7,598	40,184
Development costs		13,545	144,625
		<u>21,143</u>	<u>184,809</u>
Less : allowance for impairment		-	(3,978)
		<u>21,143</u>	<u>180,831</u>
Transfer to investment properties	11	<u>318,308</u>	<u>24,317</u>

Investment properties under development amounting to \$4,247,000 (2009: Nil) were pledged as security against bank loans (Note 29).

Investment properties under development are carried at cost less accumulated impairment losses. Valuations are made annually based on the properties' highest-and-best use using the income method, discounted cash flow method and direct comparison method. The fair values of the investment properties under development as at the balance sheet date as determined by independent professional valuers, are as follows:-

	The Group	
	2010 \$'000	2009 \$'000
Fair value	<u>38,763</u>	<u>#</u>

Fair value information was not available as investment properties under development was previously accounted for under FRS 16 – Property, Plant and Equipment (Note 2.1) which did not require the Group to disclose the fair value of investment properties under development.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2010

13. Property, plant and equipment

<u>The Group</u>	<u>Note</u>	<u>Leasehold land \$'000</u>	<u>Buildings on leasehold land \$'000</u>	<u>Renovations and improvements \$'000</u>	<u>Computers, furniture and equipment \$'000</u>	<u>Motor vehicles \$'000</u>	<u>Capital work-in- progress \$'000</u>	<u>Total \$'000</u>
2010								
Cost								
Beginning of financial year		4,740	7,351	6,444	20,829	954	1,482	41,810
Additions		-	-	73	2,282	85	1,219	3,664
Disposals/write-offs		-	(194)	-	(3,131)	-	-	(3,325)
Arising from disposal of a subsidiary company	36	-	-	-	(200)	-	-	(200)
Transfers (Reclassifications)		-	-	(1,555)	3,107	-	(1,551)	-
Transfer from (to) investment properties	11	-	-	-	746	-	(3)	743
Currency translation differences		-	-	(138)	(73)	(31)	-	(242)
End of financial year		4,740	7,157	4,828	23,560	1,008	1,147	42,450
2010								
Accumulated depreciation and impairment								
Beginning of financial year		313	1,575	1,589	15,383	580	-	19,450
Depreciation charge		49	240	945	3,110	103	-	4,447
Disposals/write-offs		-	(43)	-	(2,921)	-	-	(2,964)
Arising from disposal of a subsidiary company	36	-	-	-	(122)	-	-	(122)
Transfers (Reclassifications)		-	-	(336)	336	-	-	-
Currency translation differences		-	-	6	(27)	(18)	-	(39)
End of financial year		362	1,772	2,204	15,769	665	-	20,772
Net book value								
End of financial year		4,378	5,385	2,624	7,791	343	1,147	21,678

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2010

13. Property, plant and equipment (continued)

<u>The Group</u>	<u>Note</u>	<u>Leasehold land \$'000</u>	<u>Buildings on leasehold land \$'000</u>	<u>Renovations and improvements \$'000</u>	<u>Computers, furniture and equipment \$'000</u>	<u>Motor vehicles \$'000</u>	<u>Capital work-in- progress \$'000</u>	<u>Total \$'000</u>
2009								
Cost								
Beginning of financial year		5,535	9,575	6,237	18,130	734	834	41,105
Additions		-	-	194	2,523	195	654	3,806
Disposals/write-offs		-	-	-	(160)	(34)	-	(254)
Arising from acquisition of subsidiary companies	35	-	-	-	64	74	-	138
Transfers		-	-	82	24	-	(105)	-
Transfer (to)/from investment properties	11	(382)	(2,484)	(26)	326	-	-	(3,076)
Currency translation differences		97	270	(43)	(78)	45	-	291
End of financial year		4,740	7,361	6,444	20,829	954	1,482	41,810
2008								
Accumulated depreciation and impairment								
Beginning of financial year		327	1,547	348	12,991	483	-	15,696
Depreciation charge		49	246	1,261	2,459	115	-	4,130
Disposals/write-offs		-	-	-	(145)	(72)	-	(217)
Arising from acquisition of subsidiary companies	35	-	-	-	12	29	-	41
Transfer (to)/from investment properties	11	(76)	(245)	(7)	95	-	-	(227)
Currency translation differences		7	27	(13)	(19)	25	-	27
End of financial year		313	1,575	1,589	15,393	580	-	19,450
Net book value								
End of financial year		4,427	5,786	4,855	5,436	374	1,482	22,360

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

13. Property, plant and equipment (continued)

- (a) Included in additions are property, plant and equipment acquired on credit terms amounting to \$722,000 (2009: \$8,000).
- (b) Property, plant and equipment with the following net book values were pledged as security against bank loans (Note 29).

	The Group	
	2010	2009
	\$'000	\$'000
Computers, furniture and equipment	-	360

- (c) The recoverable amounts of land and buildings were assessed on the basis of open market values by independent professional valuers at 31 March 2010.

14. Investments in subsidiary companies

	Note	The Company	
		2010	2009
		\$'000	\$'000
Cost			
Beginning of financial year		792,253	789,711
Additions		5,531	2,542
End of financial year	42	797,784	792,253
Accumulated impairment			
Beginning of financial year		15,518	-
Impairment loss (written back)/charged to profit or loss		(15,518)	15,518
End of financial year		-	15,518
		797,784	776,735

Details of subsidiary companies are included in Note 42.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

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15. Investments in associated companies

	Note	The Group	
		2010 \$'000	2009 \$'000
Quoted equity investments, at cost		680,745	672,292
Unquoted equity investments, at cost		444,910	344,548
	43	1,125,655	1,016,840
Less:			
Goodwill written off		(4,258)	(4,258)
Share of post-acquisition reserves		(38,204)	(42,013)
Share of post-acquisition loss		(76,715)	(17,495)
Elimination of unrealised profits arising from transactions with associated companies		(68,295)	(50,396)
Dilution of interest		33,990	20,362
Translation differences		(21,227)	(18,481)
		<u>950,946</u>	<u>904,559</u>
The summarised financial information of associated companies are as follows:			
- assets		8,474,779	7,659,505
- liabilities		3,405,639	3,166,533
- revenue		669,288	638,957
- net profit		<u>260,830</u>	<u>81,238</u>
Share of associated companies' contingent liabilities incurred jointly with other investors		<u>27,648</u>	<u>24,241</u>
Contingent liabilities for which the Group is severally liable		<u>85,127</u>	<u>66,648</u>

The Group has not recognised losses amounting to \$545,000 (2009: \$268,000) for certain associated companies because the Group's share of cumulative losses has exceeded its interest in these associated companies and the Group has no obligations in respect of these losses. The accumulated losses not recognised were \$13,572,000 (2009: \$13,027,000). However, the Group has recognised a cumulative allowance for impairment of \$9,193,000 (2009: \$8,202,000) for the loans and advances to these associated companies.

The Group has not recognised its share of profit for the financial year of an associated company amounting to \$2,786,000 (2009: loss of \$2,957,000) because the Group's cumulative share of unrecognised losses with respect to that entity amounts to \$171,000 (2009: \$2,957,000) at the balance sheet date.

Negative goodwill arising from the Group's acquisition of interests in associated companies is included in "Other gains/(losses) – net" (Note 5).

Further details regarding associated companies are set out in Note 43.

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

15. Investments in associated companies (continued)

The Group's investment in associated companies include investments in listed associated companies with a carrying amount of \$596,970,000 (2009: \$609,380,000) for which the published price quotations are \$933,100,000 (2009: \$568,179,000) at the balance sheet date.

16. Investment in a jointly-controlled entity

	Note	The Group	
		2010 \$'000	2009 \$'000
Unquoted equity investment, at cost	44	12,717	^
Share of post-acquisition loss		(37)	^
		<u>12,680</u>	<u>-</u>

^ Less than \$1,000

The Group's investment in the jointly-controlled entity is equity-accounted for in the consolidated balance sheet and income statement. The following amounts represent the Group's effective share of the assets and liabilities and income and expenses of the jointly-controlled entity as at 31 March 2010 should proportionate consolidation be adopted.

	The Group	
	2010 \$'000	2009 \$'000
Current assets	58,020	2,534
Non-current assets	24,437	77,832
	<u>82,457</u>	<u>80,366</u>
Current liabilities	68,765	80,367
Non-current liabilities	1,217	-
	<u>69,982</u>	<u>80,367</u>
Share of net assets/(liabilities)	<u>12,475</u>	<u>(1)</u>
Revenue	-	1
Expenses	(24)	(1)
Net loss	<u>(24)</u>	<u>-</u>
Capital commitments in relation to interest in joint venture	<u>158,050</u>	<u>12,500</u>
Proportionate interest in joint venture's capital commitments	<u>46,225</u>	<u>6,539</u>

Further details regarding the jointly-controlled entity are set out in Note 44.

**ASCENDAS PTE LTD
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17. Trade and other receivables - non-current

	Note	The Group	
		2010 \$'000	2009 \$'000
Finance lease receivables	18	6,073	7,175
Trade receivables - non-related parties		13,430	15,498
Other receivables			
- non-related parties		916	1,308
- loan to a non-related party		-	4,128
- loans to associated companies		29,664	30,144
		30,580	35,580
Less: Allowance for impairment of receivables			
- loans to associated companies		(8,075)	(8,145)
Other receivables - net		22,505	27,435
		42,008	50,108

(a) Finance lease receivables

In 2001, the finance lease receivables were receivable over 156 months commencing June 2003. In 2002, the payment schedule was revised such that the balance is receivable over 180 months commencing June 2001. Interest is charged at 8.16% (2009: 8.16%) per annum.

(b) Other receivables - non-related parties

Other receivables - non-related parties is receivable over 60 months commencing February 2008 and is interest-free.

(c) Loan to a non-related party

Prior year's loan to a non-related party was secured by shares in the borrower, denominated in THB and earned interest at Minimum Lending Rate plus one percent. Originally scheduled to be repaid via bi-annual instalments over a 5-year period commencing May 2007, the loan was fully repaid by the borrower during the current financial year.

(d) Loans to associated companies

	The Group	
	2010 \$'000	2009 \$'000
Interest-bearing loans	21,589	21,999
Interest-free loans	8,075	8,145
	29,664	30,144

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

17. Trade and other receivables - non-current (continued)

(d) Loans to associated companies (continued)

The management of the parties involved do not intend for the loans to be repaid within the next 12 months. In respect of the interest-bearing loans, interest was charged at rates ranging from 1.4% to 7.03% (2009: 2.12% to 5.02%) per annum.

(e) The fair values of the non-current trade and other receivables approximated their carrying amounts.

18. Finance lease receivables

	The Group	
	2010	2009
	\$'000	\$'000
Gross receivables due:		
- not later than one year	1,647	1,647
- later than one year and not later than five years	6,570	6,575
- later than five years	682	2,324
	8,899	10,546
Less: Unearned finance income	(1,724)	(2,354)
Net investment in finance leases	7,175	8,192

The net investment in finance leases may be analysed as follows:

		The Group	
	Note	2010	2009
		\$'000	\$'000
Not later than one year	25	1,102	1,017
Later than one year :			
- later than one year and not later than five years		5,404	4,987
- later than five years		669	2,188
	17	6,073	7,175
		7,175	8,192

**ASCENDAS PTE LTD
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For the financial year ended 31 March 2010

19. Cash and bank balances

	The Group		The Company	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	94,517	146,067	5,228	9,320
Fixed deposits	225,769	82,993	75,001	38,001
Cash and bank balances	320,286	229,060	80,229	47,321
Less: Non-current fixed deposits pledged	(4,396)	(5,259)		
Less: Current fixed deposits pledged	(21,264)	(14,767)		
Cash and cash equivalents in the consolidated cash flow statement	294,626	209,034		
Non-current portion	4,396	5,259		
Current portion	315,890	223,801		
	320,286	229,060		

Non-current fixed deposits of the Group of \$4,396,000 (2009: \$5,259,000) are pledged to financial institutions for banking facilities granted to an associated company. Included in current fixed deposits of the Group pertained to deposits of \$21,264,000 (2009: \$14,767,000) pledged to lenders of a subsidiary company in respect of deposits put up by tenants of the subsidiary company.

20. Available-for-sale financial assets

	Note	The Group	
		2010	2009
		\$'000	\$'000
Beginning of financial year		49,198	122,010
Fair value gains/(losses) recognised in equity	32(b)	44,059	(20,274)
Less: Impairment losses	5	-	(52,538)
End of financial year		93,257	49,198
Non-current portion		23,577	24,208
Current portion		69,680	24,990
		93,257	49,198

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20. Available-for-sale financial assets (continued)

Available-for-sale financial assets are analysed as follows:

	The Group	
	2010	2009
	\$'000	\$'000
Quoted equity securities	69,680	24,990
Unquoted equity securities	23,577	24,208
	<u>93,257</u>	<u>49,198</u>

21. Assets classified as held for sale

The balance of \$2,794,000 pertained to the following:

- (i) \$1,638,000 pertained to an investment property for which a potential buyer placed a deposit with a subsidiary company of the Group for the option to purchase on 29 March 2010. The option was subsequently exercised on 12 April 2010 and the transaction is expected to be completed in September 2010.
- (ii) \$1,156,000 pertained to investment in an associated company where the Group management is of the opinion that the investment no longer fits the strategic objectives of the Group. The necessary internal approval had been obtained to dispose of this investment and management has initiated proceedings to locate a buyer. The sale of this investment is expected to take place within the next 12 months.

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22. Properties under development

	Note	The Group	
		2010 \$'000	2009 \$'000
Unsold development properties, at cost		-	78,081
Transfer to investment properties	11	135,912	-

As stated in Note 2.2(b), the Group recognises profit from the sale of properties using the percentage of completion method. Had the completion of construction method been adopted, the financial effects as required under Recommended Accounting Practice 11, Pre-completion Contracts For The Sale of Development Property, are as follows:

	Increase/(Decrease)	
	2010 \$'000	2009 \$'000
Revenue	-	68,513
Profit after income tax	-	23,658
Properties under development at 31 March	-	-
Revenue reserve at beginning of financial year	-	(23,658)

23. Derivative financial instruments

	Note	The Group	
		2010 \$'000	2009 \$'000
Beginning of financial year		(7,261)	(6,645)
Fair value (losses)/gains included in profit or loss - other gains/(losses) - net	5	(1,465)	4,855
Fair value loss included in equity	32(c)	(2,641)	-
Cash settlement/(receipt)		9,698	(5,031)
Currency translation differences		-	(440)
End of financial year		(1,669)	(7,261)

**ASCENDAS PTE LTD
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For the financial year ended 31 March 2010

23. Derivative financial instruments (continued)

Analysed as:

	2010			2009		
	Contract/ notional amount \$'000	Fair values Assets \$'000	Liabilities \$'000	Contract/ notional amount \$'000	Fair values Assets \$'000	Liabilities \$'000
<i>Cash flow hedges</i>						
- Interest rate swaps	166,079	-	(1,669)	-	-	-
<i>Fair value through profit or loss</i>						
- Foreign currency forward contract	-	-	-	22,067	-	(2,172)
- Cross-currency interest rate swap	-	-	-	22,899	-	(5,089)
Total		-	(1,669)		-	(7,261)
Less: Current portion		-	-		-	7,261
Non-current portion		-	(1,669)		-	-

The fixed interest rates on interest rate swaps vary from 1.56% to 2.04% (2009: 1.69% to 3.17%) per annum and the floating interest rates are based on 3-month Swap Offer Rate. The floating rates for interest rate swaps for 2009 are based on LIBOR+1.15% per annum.

Period when the cash flows on cash flow hedges are expected to occur or affect profit or loss

Interest rate swaps are entered to hedge floating quarterly interest payments on borrowings that will mature on 30 December 2011, 30 January 2012 and 28 September 2012 respectively. Fair value gains and losses on the interest rate swaps recognised in the hedging reserve are transferred to profit or loss as part of interest expense over the period of borrowings.

24. Other current assets

	The Group		The Company	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Deposits	2,331	56,581	5	3
Prepayments	11,056	7,650	5	73
	13,387	64,231	10	76

At 31 March 2009, the deposits comprise mainly funds placed with an associated company as consideration for new shares to be issued by the associated company.

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For the financial year ended 31 March 2010

25. Trade and other receivables – current

	Note	The Group		The Company	
		2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000
Finance lease receivables	18	1,102	1,017	-	-
Trade receivables					
- non-related parties		3,058	87,061	-	-
- holding company		-	260	-	-
- associated companies		14,800	30,000	-	-
		17,858	117,321	-	-
Less: Allowance for impairment of receivables					
- non-related parties		(889)	(1,036)	-	-
- associated companies		(1,104)	(57)	-	-
Trade receivables – net		15,865	116,228	-	-
Other receivables					
- non-related parties		41,986	45,230	-	112
- subsidiary companies		-	-	464,655	490,490
- associated companies		120,551	4,929	2	-
- jointly-controlled entity		-	12,500	-	-
- investee companies		62	65	-	-
- other related companies		482	-	-	-
		163,081	62,724	464,657	490,602
Advance to associated companies		833	4	-	-
Less: Allowance for impairment of other receivables					
- non-related parties		(1,247)	(1,247)	-	-
- associated companies		(14)	-	-	-
		179,620	178,726	464,657	490,602

Trade and other receivables from holding company, subsidiary companies, associated companies, jointly-controlled entity, investee companies and other related companies are unsecured, interest-free and repayable on demand.

Other receivables from non-related parties comprise mainly accrued sales, GST receivables and recoverables.

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For the financial year ended 31 March 2010

26. Trade and other payables

	Note	The Group		The Company	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Trade payables					
- non-related parties		7,055	5,172	-	-
- associated companies		73	16	-	-
- other related companies		1	1,206	-	-
		7,129	6,394	-	-
Other payables					
- non-related parties		43,009	51,023	2,259	1,117
- holding company		-	54	-	-
- subsidiary companies		-	-	496,796	447,484
- associated companies		365	11,599	-	-
- other related companies		62	-	-	-
		43,436	62,676	499,055	448,601
Dividend payable to holding company		-	69,000	-	69,000
Accrued operating expenses		50,824	47,076	436	519
Rental and other deposits		46,564	17,790	-	-
Deposit from an associated company		-	44,066	-	-
Deferred income on long term leases - current portion	30	4,050	4,050	-	-
Deferred income		114	436	-	-
Financial guarantee contracts		205	-	9,752	7,988
Contract work-in-progress		-	231	-	-
		152,322	251,719	509,243	526,108

The deposit from an associated company at 31 March 2009 represented funds placed by an associated company as consideration for the planned transfer of equity interests in another associated company of the Group.

Trade and other payables to holding company, subsidiary companies, associated companies and other related companies are unsecured, interest-free and repayable on demand. Other payables to non-related parties represent mainly advances received, interest payable, GST payable, retention sum payable and employee benefits.

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27. Other payables – non-current

Other payables represent mainly deposits received from tenants. The fair values of non-current other payables approximate their carrying amounts.

28. Loans from minority shareholders

The loan from a minority shareholder amounting to \$4,062,000 (2009: \$4,062,000) is unsecured and interest-free. Although there are no fixed terms of repayment for this loan, the management of the parties involved do not intend for the loan balance to be repaid within the next 12 months. The fair value of the loan approximates its carrying amount.

The loan from other minority shareholders amounting to \$147,600,000 (2009: \$128,400,000) is secured by investment properties amounting to \$354,408,000 (2009: \$314,594,000) and repayable on 27 May 2015. Interest is charged at 6.50% (2009: 6.50%) per annum. The fair value of the loan is \$140,541,000 (2009: \$122,133,000) discounted at market borrowing rate of 7.30% (2009: 7.50%) per annum.

29. Borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate and currency risks, refer to Note 38.

	The Group		The Company	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
<i>Current</i>				
Unsecured medium term note	80,000	-	80,000	-
Unsecured bank loans	86,000	30,000	-	-
Secured bank loans	6,457	68,423	-	-
	172,457	98,423	80,000	-
<i>Non-current</i>				
Unsecured medium term note	49,782	80,000	49,782	80,000
Unsecured bank loans	339,667	338,426	-	-
Secured bank loans	101,183	79,551	-	-
	490,632	497,977	49,782	80,000
Total	663,089	596,400	129,782	80,000

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For the financial year ended 31 March 2010

29. Borrowings (continued)

Terms and debt repayment schedule

<u>The Group</u>	<u>Total</u> \$'000	<u>Within</u> <u>1 year</u> \$'000	<u>After 1 year</u> <u>but within</u> <u>5 years</u> \$'000	<u>After</u> <u>5 years</u> \$'000
2010				
Unsecured medium term notes				
- SGD note fixed at 3.66% per annum	80,000	80,000	-	-
- SGD note fixed at 5.15% per annum*	49,782	-	49,782	-
	<u>129,782</u>	<u>80,000</u>	<u>49,782</u>	<u>-</u>
Unsecured bank loans				
- SGD term loans fixed at 2.64% to 3.61% per annum	186,000	86,000	100,000	-
- SGD term loans variable at 1.00% to 3.25% per annum	239,667	-	239,667	-
	<u>425,667</u>	<u>86,000</u>	<u>339,667</u>	<u>-</u>
Secured bank loans				
- SGD term loan variable at 1.59% per annum	2,500	-	2,500	-
- RMB term loan variable at 5.18% to 6.34% per annum	72,675	4,969	67,706	-
- INR term loan fixed at 9.20% per annum	4,092	1,488	2,604	-
- INR term loan variable at 13% per annum	5,987	-	4,020	1,967
- KRW term loan fixed at 6.50% per annum	22,386	-	-	22,386
	<u>107,640</u>	<u>6,457</u>	<u>76,830</u>	<u>24,353</u>
Total	<u>663,089</u>	<u>172,457</u>	<u>466,279</u>	<u>24,353</u>

* \$50,000,000 fixed rate notes less unamortised bank fees of \$218,000

- (a) The \$80,000,000 Fixed Rate Notes due 2010 and \$50,000,000 Fixed Rate Notes due 2014 were issued on 14 May 2008 and 29 April 2009 respectively under the S\$1,000,000,000 Multicurrency Medium Term Note ("MTN") Programme by the Company. The \$80,000,000 notes are unsecured and repayable on 14 May 2010 with interest charged at 3.66% (2009: 3.66%) per annum while the \$50,000,000 notes are unsecured and repayable on 29 April 2014 with interest charged at 5.15% (2009: Nil) per annum.
- (b) The SGD and RMB (2009: SGD, USD and RMB) term loans are secured by investment properties, investment properties under development and property, plant and equipment amounting to \$157,539,000 (2009: \$254,056,000).
- (c) The INR term loan is secured by investment properties amounting to \$23,829,000 (2009: \$9,837,000).

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29. Borrowings (continued)

- (d) The KRW term loan is secured by investment properties amounting to \$354,408,000 (2009: \$314,594,000).

Terms and debt repayment schedule

<u>The Group</u>	<u>Total</u> <u>\$'000</u>	<u>Within</u> <u>1 year</u> <u>\$'000</u>	<u>After 1 year</u> <u>but within</u> <u>5 years</u> <u>\$'000</u>	<u>After</u> <u>5 years</u> <u>\$'000</u>
2009				
Unsecured medium term note				
- SGD note fixed at 3.66% per annum	80,000	-	80,000	-
Unsecured bank loans				
- SGD term loans fixed at 2.64% to 3.61% per annum	216,000	30,000	186,000	-
- SGD term loans variable at 2.42% to 4.55% per annum	152,426	-	152,426	-
	<u>368,426</u>	<u>30,000</u>	<u>338,426</u>	<u>-</u>
Secured bank loans				
- SGD term loan variable at 1.89% per annum	2,500	-	2,500	-
- USD term loan variable at 7.38% per annum	52,026	52,026	-	-
- RMB term loan variable at 5.18% to 8.02% per annum	68,574	14,957	53,617	-
- INR term loan fixed at 9.20% per annum	5,400	1,440	3,960	-
- KRW term loan fixed at 6.50% per annum	19,474	-	-	19,474
	<u>147,974</u>	<u>68,423</u>	<u>60,077</u>	<u>19,474</u>
Total	596,400	98,423	478,503	19,474

The fair value of the borrowings as at balance sheet date approximated their carrying values.

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30. Deferred income on long term leases

Deferred income relates principally to premium received or receivable in advance in respect of land leases and the amount is amortised to profit or loss in accordance with the policy of the Group.

	Note	The Group	
		2010 \$'000	2009 \$'000
Within 12 months	26	4,050	4,050
After 12 months		177,245	181,300
		<u>181,295</u>	<u>185,350</u>

31. Share capital

The Company's share capital comprise fully paid-up 585,622,000 (2009: 585,622,000) ordinary shares with no par value, amounting to a total of \$585,622,000 (2009: \$585,622,000).

32. Fair value and other reserves

	Note	The Group	
		2010 \$'000	2009 \$'000
Foreign currency translation reserve	(a)	(62,207)	(64,901)
Fair value reserve	(b)	44,803	1,628
Hedging reserve	(c)	(8,938)	(11,972)
Other reserves	(d)	10,879	11,195
		<u>(15,463)</u>	<u>(64,050)</u>

(a) Foreign currency translation reserve

	Note	The Group	
		2010 \$'000	2009 \$'000
Beginning of financial year		(64,901)	(39,417)
Exchange differences arising on translation of foreign subsidiary companies and associated companies		1,465	(13,710)
Release on disposal of subsidiary companies	36	2,276	(619)
Release on transfer of investment in an associated company to assets held for sale charged to other gains/(losses) - net		(1,564)	(23)
Share of translation reserve of associated companies		517	(11,132)
End of financial year		<u>(62,207)</u>	<u>(64,901)</u>

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32. Fair value and other reserves (continued)

(b) Fair value reserve

	Note	The Group	
		2010 \$'000	2009 \$'000
Beginning of financial year		1,628	21,902
Fair value gains/(losses) on available-for-sale financial assets	20	44,059	(20,274)
Share of fair value reserve of associated companies		(884)	-
End of financial year		<u>44,803</u>	<u>1,628</u>

(c) Hedging reserve

	Note	The Group	
		2010 \$'000	2009 \$'000
Beginning of financial year		(11,972)	(6,960)
Fair value losses on cash flow hedges	23	(2,641)	-
Tax on fair value losses		284	-
Reclassification to profit or loss - finance expense	8	972	-
Share of hedging reserve of an associated company		4,419	(5,012)
Balance at end of financial year		<u>(8,938)</u>	<u>(11,972)</u>

(d) Other reserves

	Note	The Group	
		2010 \$'000	2009 \$'000
Beginning of financial year		11,195	9,581
Transfer from revenue reserve		1,061	1,614
Release on disposal of subsidiary companies	36	(1,188)	-
Others		(189)	-
End of financial year		<u>10,879</u>	<u>11,195</u>

Other reserves relate primarily to amounts transferred from revenue reserve in compliance with local laws by overseas subsidiary companies and are non-distributable.

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For the financial year ended 31 March 2010

33. Revenue reserve

Movement in revenue reserve for the Group is disclosed in the consolidated statement of changes in equity. Movement in revenue reserve for the Company is set out below:

	Note	The Company	
		2010 \$'000	2009 \$'000
Beginning of financial year		122,808	208,803
Net profit/(loss) for the financial year		13,079	(16,995)
Dividends	34	(18,000)	(69,000)
End of financial year		<u>117,887</u>	<u>122,808</u>

34. Dividends

	The Company	
	2010 \$'000	2009 \$'000
<i>Ordinary dividends paid or payable</i>		
Interim tax-exempt dividend in respect of the previous financial year of 11.78 cents (2009: Nil) per share	-	69,000
Final tax-exempt dividend in respect of the previous financial year of 3.07 cents (2009: Nil) per share	<u>18,000</u>	<u>-</u>
	<u>18,000</u>	<u>69,000</u>

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35. Acquisition of subsidiary companies

On 27 September 2008, the Group acquired 80% of the issued share capital of Ascendas Hangzhou Science & Technology Co., Ltd for a cash consideration of \$7,952,000.

The effects of acquisition of a subsidiary company on cash flows of the Group were as follows:

	Note	The Group	
		2010 \$'000	2009 \$'000
Investment properties under development		-	17,100
Property, plant and equipment	13	-	97
Current assets		-	9,936
Current liabilities		-	(17,116)
Minority interests		-	(2,065)
Identifiable net assets acquired		-	7,952
Goodwill		-	-
Cash consideration paid		-	7,952
Less: Cash of subsidiary company acquired		-	(6,935)
Net cash outflow		-	1,017

36. Disposal of subsidiary companies

During the current financial year, the Group disposed of or liquidated the following subsidiaries for a total consideration of \$143,343,000:

Name of Subsidiary	Date Disposed	Effective Interest Disposed
Ascendas Plaza Pte Ltd and its subsidiary	1 September 2009	69.45%
First Ventures Corporation	26 February 2010	100%
Pioneer Investments (Labuan) Berhad	26 February 2010	100%

During the previous financial year, the Group disposed of or liquidated the following subsidiaries for a total consideration of \$5,347,000:

Name of Subsidiary	Date Disposed	Effective Interest Disposed
Ascendas IT Park (Nagpur) Private Limited	7 July 2008	100%
Ascendas Development (Hangzhou) Co., Ltd	28 July 2008	100%
Springboard ABS Speciality Company L.L.C.	4 September 2008	100%
Ascendas IT Park (Pune) Private Limited	23 March 2009	100%

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36. Disposal of subsidiary companies (continued)

The aggregate effects of disposal of subsidiary companies on cash flows of the Group were as follows:

	Note	The Group	
		2010	2009
		\$'000	\$'000
Investment properties	11	(111,522)	-
Investment properties under development		-	(11,878)
Property, plant and equipment	13	(78)	-
Other non-current assets		(90)	-
Current assets		(34,650)	(4,652)
Current liabilities		60,266	4,652
Non-current liabilities		2,628	-
Minority interests		-	7,739
		<u>(83,446)</u>	<u>(4,139)</u>
Less: Increase in investments in associated companies		-	3
Net assets disposed		<u>(83,446)</u>	<u>(4,136)</u>
Transfer from foreign currency translation reserve	32(a)	(2,276)	619
Transfer from other reserve	32(d)	1,188	-
Sales consideration		<u>143,343</u>	<u>5,347</u>
		<u>58,809</u>	<u>1,830</u>
Less: Unrealised profits arising from transactions with associated companies		<u>(19,202)</u>	<u>(191)</u>
Gain on disposal of subsidiary companies	5	<u>39,607</u>	<u>1,639</u>
Sales consideration		143,343	5,347
Less: Cash of subsidiary companies disposed		(14,248)	(2,251)
Less: Amount offsetted against payables		(19,080)	(954)
Net cash inflow		<u>110,015</u>	<u>2,142</u>

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37. Related party transactions

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

	The Group	
	2010	2009
	\$'000	\$'000
Holding company:		
Amounts received/receivable		
- facility and property management fee	<u>5,400</u>	<u>3,849</u>
Amounts paid/payable		
- operating lease	2,630	1,870
- car park licence fee	884	500
- professional fee	91	52
- miscellaneous expenses	<u>9</u>	<u>-</u>
Associated companies:		
Amounts received/receivable		
- corporate secretarial and service fee	444	700
- financial and accounting fee	54	54
- property related services and management fee	23,175	22,750
- fund management and trustee fees	47,887	61,509
- interest income	625	1,816
- service and conservancy charges	-	62
- underwriting fees	-	1,602
- car park licence fee	40	-
Sale of subsidiary companies	124,263	3,701
Sale of an investment property	116,000	-
Amounts paid/payable		
- property and project management fees	184	-
- car park licence fee and others	<u>2,664</u>	<u>1,951</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

37. Related party transactions (continued)

	The Group	
	2010	2009
	\$'000	\$'000
Key management personnel compensation:		
- salaries and other short term employee benefits	7,889	9,728
- post-employment benefits - contribution to CPF	184	181
	<u>8,073</u>	<u>9,909</u>

38. Financial risk management

Financial risk management objectives and policies

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. 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 and interest rate swaps to hedge financial risk exposures.

Risk management is carried out in accordance with established policies and guidelines approved by the Board of Directors. The management continually monitors the Group'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 Group's activities.

Financial risk management is carried out by the Group and country finance teams in accordance with policies approved by the Board. The Group and country finance teams identify, evaluate, and hedge financial risks in close co-operation with the Group's operating units. Guidelines for authority levels and exposure limits are in place to prevent unauthorised transactions. The Board is also regularly updated on the Group's financial investments and hedging activities.

The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is the Group's policy that no derivatives shall be undertaken for speculative purposes.

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38. Financial risk management (continued)

(a) Market Risk

(i) Currency Risk

The Group operates in Asia with dominant operations in Singapore, India, People's Republic of China, Korea and Southeast Asia. The Group is exposed to foreign currency risk on limited rental income, purchases and borrowings that are denominated in currencies other than the respective functional currency of the Group's entities. The currencies giving rise to this risk are primarily Singapore Dollar ("SGD"), United States Dollar ("USD"), Indian Rupee ("INR"), Chinese Renminbi ("RMB"), Korean Won ("KRW") and Philippines Peso ("PHP").

In addition, the Group is exposed to foreign currency movements on its investment in foreign subsidiary and associated companies, which generate revenue and incur costs denominated in foreign currencies; and such changes impact the reserves of the Group.

Where appropriate, the Group enters into foreign exchange forward contracts and cross currency swaps to minimise its currency risk exposure resulting from anticipated sale and purchase transactions in foreign currencies, its foreign currency denominated investments and net assets of its foreign subsidiary and associated companies.

Natural hedging is preferred as far as possible by matching assets and liabilities of the same currency. Derivative financial instruments are only used when necessary to reduce exposure to fluctuation in foreign exchange rates.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2010

(a) Market Risk (continued)

The Group's exposure to foreign currencies based on the information provided to key management is as follows:-

Financial Liabilities				
Trade and other payables – current				
Less: Deferred income included in				
trade and other payables	(84,725)	(46)	(20,482)	(9,634)
Borrowings	(557,948)	-	(72,675)	(10,080)
interest rate swaps	(1,669)	-	-	-
Other financial liabilities	(9,945)	-	(9,080)	-
	(654,287)	(46)	(102,217)	(19,714)
			(231,486)	(228)
			(358)	(1,008,336)

Net financial (liabilities)/assets	(238,937)	6,442	(59,246)	11,168	(192,540)	8,262	730	(484,091)
Less:								
Net financial liabilities/assets								
denominated in the respective								
entities' functional currencies	219,934	(13)	55,494	(11,310)	193,506	(8,180)	(242)	449,249
	(18,913)	6,429	(3,752)	(142)	966	82	488	(14,842)

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(a) Market Risk (continued)The Group
2009

Cash and bank balances	125,016	24,216	34,920	17,918	25,765	701	524	229,060
Trade and other receivables	191,300	2,154	6,504	14,691	1,822	7,217	5,146	228,834
Deposits	263	132	180	445	258	55,288	15	56,581
	316,579	26,502	41,604	33,054	27,845	63,206	5,685	514,475

Trade and other payables – current
Less: Deferred income included in
trade and other payables
Borrowings
Other financial liabilities

Look

Add:
Cross currency interest rate swaps
Foreign currency forward contracts

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38. Financial risk management (continued)

(a) Market Risk (continued)

(i) Currency Risk (continued)

The Company's exposure to currency risk is minimal as its revenue, expenses, assets and liabilities are substantially denominated in SGD.

Sensitivity Analysis

If the USD, RMB, INR, KRW and PHP change against the SGD by 7% (2009: 9%), 7% (2009: 12%), 3% (2009: 12%), 15% (2009: 22%) and 0% (2009: 6%) respectively with all other variables including tax rate being held constant, the effects arising from the net financial asset/liability position will be as follows:

	2010		2009	
	Profit After Tax \$'000	Equity \$'000	Profit After Tax \$'000	Equity \$'000
<u>The Group</u>				
USD against SGD				
- strengthened	373	-	(1,767)	-
- weakened	(373)	-	1,767	-
RMB against SGD				
- strengthened	(218)	-	(2,390)	-
- weakened	218	-	2,390	-
INR against SGD				
- strengthened	(4)	-	(137)	-
- weakened	4	-	137	-
KRW against SGD				
- strengthened	120	-	(2,956)	-
- weakened	(120)	-	2,956	-
PHP against SGD				
- strengthened	-	-	5	-
- weakened	-	-	(5)	-

**ASCENDAS PTE LTD
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For the financial year ended 31 March 2010

38. Financial risk management (continued)

(a) Market Risk (continued)

(ii) Price Risk

The Group has available-for-sale investments in equity securities and is exposed to price risk. These securities are listed in Singapore and Hong Kong. The Group is not exposed to commodity price risk.

Sensitivity Analysis

If prices for the equity securities listed in Singapore and Hong Kong 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:

	2010		2009	
	Profit After Tax \$'000	Equity \$'000	Profit After Tax \$'000	Equity \$'000
<u>The Group</u>				
Listed in Singapore				
- increased by 47% (2009: 133%)	-	10,156	-	9,971
- decreased by 47% (2009: 100%)	-	(10,156)	(7,497)	-
Listed in Hong Kong				
- increased by 58% (2009: 71%)	-	27,881	-	12,420
- decreased by 58% (2009: 71%)	-	(27,881)	(12,420)	-

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38. Financial risk management (continued)

(a) Market Risk (continued)

(iii) Interest Rate Risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. 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's exposure to interest rate risk relates primarily to its interest-bearing financial assets and financial liabilities. The Group borrows a mix of fixed and variable rate debts with varying tenors. Where appropriate, the Group uses interest rate swaps to minimise its exposure to variable interest rates for specific underlying debt obligations over the duration of the obligations.

The Group currently holds interest rate swaps to exchange floating rate SGD loans for fixed rate SGD loans. Hedge accounting is applied on these swaps.

Sensitivity Analysis

The Group's interest-bearing financial assets at variable rates on which effective hedges have not been entered into, are denominated mainly in SGD, RMB and KRW (2009: SGD and RMB). If interest rates increase/decrease by 200 (2009: 200) basis points, with all other variables, including foreign currency exchange rates, being held constant, the Group's profit after tax will be higher/lower by approximately \$1,609,000 (2009: \$2,192,000) as a result of higher/lower interest income from these interest-bearing financial assets.

The Group's borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in SGD, RMB and INR (2009: SGD, RMB and USD). If interest rates increase/decrease by 200 (2009: 200) basis points, with all other variables, including foreign currency exchange rates, being held constant, the Group's profit after tax will be lower/higher by approximately \$2,569,000 (2009: \$4,194,000) as a result of higher/lower interest expense on these borrowings. If interest rates increase by 200 (2009: Nil) basis points and decrease by 50 (2009: Nil) basis points, with all other variables, including foreign currency exchange rates, being held constant, other comprehensive income would have been higher by \$6,588,000 (2009: Nil) and lower by \$1,647,000 (2009: Nil) respectively, mainly as a result of higher/lower fair value of interest rate swaps designated as cash flow hedges of variable rate borrowings.

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For the financial year ended 31 March 2010

38. Financial risk management (continued)

In respect of interest-bearing financial assets and liabilities, their effective interest rates at the balance sheet date and carrying amounts (including the effects of interest rate swaps) are illustrated as follows:

<u>The Group</u>			Effective interest rate %	Variable rates \$'000	Fixed rates \$'000	Non- interest bearing \$'000	Total \$'000
	Note						
2010							
<u>Assets</u>							
Trade and other receivables							
- non-current	17		3.21	15,650	12,007	14,351	42,008
Trade and other receivables							
- current	25		8.40	-	1,097	178,523	179,620
Cash and cash equivalents (excluding fixed deposit pledged)	19		0.80	81,306	200,109	13,211	294,626
Investments in associated companies	15			-	-	950,946	950,946
Investment in a jointly- controlled entity	16			-	-	12,680	12,680
Other financial assets			5.19	-	25,660	95,588	121,248
Non-financial assets				-	-	1,517,552	1,517,552
Total				96,956	238,873	2,782,851	3,118,680
<u>Liabilities</u>							
Trade and other payables (less deferred income)	26		9.09	-	27	148,131	148,158
Borrowings	29		3.62	154,750	508,339	-	663,089
Other financial liabilities			6.45	-	149,340	47,749	197,089
Non-financial liabilities				-	-	310,015	310,015
Total				154,750	657,706	505,895	1,318,351
<u>The Group</u>							
	Note		Effective interest rate %	Variable rates \$'000	Fixed rates \$'000	Non- interest bearing \$'000	Total \$'000
2009							
<u>Assets</u>							
Trade and other receivables							
- non-current	17		4.69	26,127	7,175	16,806	50,108
Trade and other receivables							
- current	25		7.78	680	1,017	177,029	178,726
Cash and cash equivalents (excluding fixed deposit pledged)	19		0.94	105,267	62,066	40,801	209,034
Investments in associated companies	15		-	-	-	904,559	904,559
Other financial assets			5.43	-	20,026	105,779	125,805
Non-financial assets				-	-	1,543,254	1,543,254
Total				132,074	91,184	2,788,228	3,011,486
<u>Liabilities</u>							
Trade and other payables (less deferred income)	26		3.25	-	27	247,206	247,233
Borrowings	29		4.18	275,526	320,874	-	596,400
Other financial liabilities			6.50	-	128,497	67,835	196,332
Non-financial liabilities				-	-	314,832	314,832
Total				275,526	449,398	629,873	1,354,797

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38. Financial risk management (continued)

(iii) Interest Rate Risk (continued)

The Company

	Note	Effective interest rate %	Variable rates \$'000	Fixed rates \$'000	Non- interest bearing \$'000	Total \$'000
2010						
<u>Assets</u>						
Trade and other receivables - current	25	-	-	-	464,657	464,657
Cash and cash equivalents (excluding fixed deposit pledged)	19	0.12	5,228	75,001	-	80,229
Investments in subsidiary companies	14	-	-	-	797,784	797,784
Other financial assets		-	-	-	5	5
Non-financial assets		-	-	-	5	5
Total			5,228	75,001	1,262,451	1,342,680
<u>Liabilities</u>						
Trade and other payables	26		-	-	509,243	509,243
Borrowings	29	4.23	-	129,782	-	129,782
Non-financial liabilities			-	-	146	146
Total			-	129,782	509,389	639,171

The Company

	Note	Effective interest rate %	Variable rates \$'000	Fixed rates \$'000	Non- interest bearing \$'000	Total \$'000
2009						
<u>Assets</u>						
Trade and other receivables - current	25	-	-	-	490,602	490,602
Cash and cash equivalents (excluding fixed deposit pledged)	19	0.30	9,320	38,001	-	47,321
Investments in subsidiary companies	14	-	-	-	776,735	776,735
Other financial assets		-	-	-	3	3
Non-financial assets		-	-	-	73	73
Total			9,320	38,001	1,267,413	1,314,734
<u>Liabilities</u>						
Trade and other payables	26	-	-	-	526,108	526,108
Borrowings	29	3.66	-	80,000	-	80,000
Non-financial liabilities		-	-	-	196	196
Total			-	80,000	526,304	606,304

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38. Financial risk management (continued)

(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 Group, as and when they fall due. In managing credit risk exposure, credit review and approval processes as well as monitoring mechanisms are applied.

For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other receivables, the Group deals only with high credit quality counterparties. Generally, advance deposits of at least 3 months rental (or equivalent amount in bankers' guarantee) are obtained for all tenancies. Cash and bank deposits are placed with financial institutions which are regulated. Transactions involving derivative financial instruments are entered into only with counterparties that are of acceptable credit quality.

As at balance sheet date, the Group and the Company have no significant concentration of credit risk. As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each financial asset presented on the balance sheet, except as follows:-

	The Company	
	2010	2009
	\$'000	\$'000
Corporate guarantees provided to banks on loans to subsidiaries and a jointly-controlled entity	9,753	7,988

The credit risk for trade and other receivables (current and non-current) by geographical segments based on information provided to key management is as follows:-

	The Group		The Company	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Singapore	188,075	183,706	464,657	490,602
India	20,220	26,086	-	-
The Philippines	8,018	7,565	-	-
People's Republic of China	2,569	8,851	-	-
Others	2,746	2,626	-	-
	221,628	228,834	464,657	490,602

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

38. Financial risk management (continued)

(b) Credit Risk (continued)

(i) Financial assets that are neither past due nor impaired

Bank deposits are mainly deposits with banks which are regulated. Trade receivables that are neither past due nor impaired are substantially from companies with a good collection track record with the Group. Other receivables that are neither past due or impaired include amounts due from non-related parties, associated companies and a jointly-controlled entity. These companies have relatively healthy financial positions and management does not expect any of these companies to fail to meet its obligations.

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

The age analysis of trade receivables from non-related parties (current) as at the balance sheet date is as follows:-

	The Group			
	2010	Allowance for	2009	Allowance for
	Gross	Impairment	Gross	Impairment
	\$'000	\$'000	\$'000	\$'000
Past due 0 to 90 days	1,757	34	2,330	49
Past due 91 to 180 days	76	3	1,691	91
Past due 181 to 360 days	24	16	81	33
Past due over 360 days	1,007	836	924	863
	<u>2,864</u>	<u>889</u>	<u>5,026</u>	<u>1,036</u>

The movements in the allowance for impairment are as follows:-

	Note	The Group	
		2010	2009
		\$'000	\$'000
<u>Trade receivables (current)</u>			
Beginning of financial year		1,036	921
Allowance (written back)/made – net	7	(129)	379
Allowance utilised		(16)	(267)
Currency translation differences		(2)	3
End of financial year		<u>889</u>	<u>1,036</u>

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38. Financial risk management (continued)

(b) Credit Risk (continued)

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

The movements in the allowance for impairment in respect of amounts due from associated companies (trade) and other receivables (current and non-current) are as follows:-

		The Group	
	Note	2010 \$'000	2009 \$'000
<u>Trade receivables – associated companies (current)</u>			
Beginning of financial year		57	-
Allowance made	5	1,040	57
Currency translation differences		7	-
End of financial year		<u>1,104</u>	<u>57</u>

		The Group	
	Note	2010 \$'000	2009 \$'000
<u>Other receivables (current and non-current)</u>			
Beginning of financial year		9,392	9,595
Allowance (written back)/made	5	(55)	79
Allowance utilised		-	(266)
Currency translation differences		(1)	(16)
End of financial year		<u>9,336</u>	<u>9,392</u>

Trade and other receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and have defaulted on payments. There is no allowance for impairment made in respect of the Company's trade and other receivables.

(c) Liquidity Risk

The Group manages the liquidity risk by maintaining sufficient cash, internally generated cashflows and the availability of funding resources through adequate committed credit facilities. The Group also maintains a mix of short-term money market borrowings as well as the ability to tap the capital market through the MTN programme to fund working capital requirements and capital expenditure/ investments.

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38. Financial risk management (continued)

(c) Liquidity Risk (continued)

The table below analyses the maturity profile of the Group's and Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000	Total \$'000
<u>The Group</u>				
2010				
Trade and other payables (less deferred income)	(148,158)	-	-	(148,158)
Borrowings	(189,423)	(498,302)	(24,810)	(712,535)
Other financial liabilities	(11,312)	(79,209)	(154,368)	(244,889)
	<u>(348,893)</u>	<u>(577,511)</u>	<u>(179,178)</u>	<u>(1,105,582)</u>
2009				
Trade and other payables (less deferred income)	(247,233)	-	-	(247,233)
Borrowings	(117,561)	(511,284)	(21,191)	(650,036)
Other financial liabilities	(8,037)	(92,717)	(139,719)	(240,473)
	<u>(372,831)</u>	<u>(604,001)</u>	<u>(160,910)</u>	<u>(1,137,742)</u>
<u>The Company</u>				
2010				
Trade and other payables	(509,244)	-	-	(509,244)
Borrowings	(81,834)	(59,016)	-	(140,850)
	<u>(591,078)</u>	<u>(59,016)</u>	<u>-</u>	<u>(650,094)</u>
2009				
Trade and other payables	(526,108)	-	-	(526,108)
Borrowings	(2,928)	(81,452)	-	(84,380)
	<u>(529,036)</u>	<u>(81,452)</u>	<u>-</u>	<u>(610,488)</u>

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38. Financial risk management (continued)

(c) Liquidity Risk (continued)

The table below analyses the maturity profile of the Group's derivative financial instruments for which contractual maturities are essential for an understanding of the timing of the cash flows into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000	Total \$'000
<u>The Group</u>				
2010				
Net-settled interest rate swaps – cash flow hedges	-	(1,669)	-	(1,669)
2009				
Net-settled cross currency interest rate swaps	(5,089)	-	-	(5,089)
Net-settled foreign currency forwards	(2,172)	-	-	(2,172)
	(7,261)	-	-	(7,261)

The Company has no derivative financial instruments at 31 March 2010 and 31 March 2009.

(d) Capital Risk

The Group's objectives when managing capital are to safeguard the Group'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 Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

38. Financial risk management (continued)

(d) Capital Risk (continued)

Management monitors capital based on the debt equity ratio, which is calculated as total external borrowings divided by total equity. The Group's policy is to keep debt equity ratio to less than two-thirds of total equity.

	The Group		The Company	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Total borrowings including loans from minority shareholders	814,751	728,862	129,782	80,000
Total equity	1,800,329	1,656,689	703,509	708,430
Debt equity ratio	45.3%	44.0%	18.4%	11.3%

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 March 2010 and 2009.

(e) Fair value measurements

Effective 1 April 2009, the Group adopted the amendment to FRS 107 which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- (iii) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following table presents the assets and liabilities measured at fair value at 31 March 2010.

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
The Group				
Assets				
Available-for-sale financial assets				
- equity securities	69,680	-	23,577	93,257
Liabilities				
Derivatives used for hedging	-	(1,669)	-	(1,669)

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For the financial year ended 31 March 2010

38. Financial risk management (continued)

(e) Fair value measurements (continued)

The Company has no assets and liabilities measured at fair value at 31 March 2010.

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows and these investments are included in Level 2. Where a valuation technique for these instruments is based on unobservable inputs, such instruments are included in Level 3.

The carrying value less impairment provision of current trade and other receivables and payables are assumed to approximate their fair values. The fair value of current borrowings approximates their carrying amount.

There have been no changes in Level 3 instruments for the financial year ended 31 March 2010 except a fair value loss of \$631,000 pertaining to an available-for-sale financial asset which had been debited to the fair value reserve.

39. Commitments

As at the end of the financial year, the Group and the Company had the following commitments:

Development and capital expenditure:

	The Group	
	2010	2009
	\$'000	\$'000
Amounts approved and contracted for	46,662	227,525
Amounts approved but not contracted for	228,616	293,583
	275,278	521,108

Commitments in respect of investments are as follows:

	The Group	
	2010	2009
	\$'000	\$'000
- property trust funds	45,000	45,000
- associated companies	308,960	430,041
- jointly-controlled entity	158,050	12,500
	512,010	487,541

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39. Commitments (continued)

The Group leases land from its holding company and office space from non-related parties under non-cancellable operating lease agreements with varying terms.

Future minimum lease payments under non-cancellable operating leases are as follows:

	The Group	
	2010	2009
	\$'000	\$'000
Lease payments due:		
- within 1 year	4,281	3,328
- after 1 year but within 5 years	13,981	8,944
- after 5 years	150,318	89,921
	<u>168,580</u>	<u>102,193</u>

Included in the above lease payments of the Group is an amount of \$167,378,000 (2009: \$101,078,000) payable to the holding company.

In addition, there is one 30+30 year term and a 30-year term operating leases on leasehold land, which expire in January 2065 and October 2030 respectively. The lease rental is subject to yearly revision. The payments due are computed without the yearly revision as the quantum has not been determined.

The Group leases out office, industrial and retail spaces to non-related parties under non-cancellable operating leases. The lessees are required to pay either absolute fixed annual increases to the lease payments or contingent rents based on sales achieved by tenants

Future minimum lease receivables under non-cancellable operating leases are as follows:

	The Group	
	2010	2009
	\$'000	\$'000
Lease receivables:		
- within 1 year	94,339	110,837
- after 1 year but within 5 years	264,593	205,995
- after 5 years	166,743	61,364
	<u>525,675</u>	<u>378,196</u>

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40. Contingencies

Contingent liabilities

In the financial year ended 31 March 2007, a subsidiary company of the Group disposed of its investment in Philippines and agreed to indemnify the buyer against contingent claims, breach of representations and warranties and incremental operational costs, of which the total and cumulative liability shall not exceed the sum of \$3 million. Its liability to indemnify the buyer against contingent claims has lapsed with effect from 29 December 2009.

On 5 December 2008, a fire broke out at West Icheon Logistic Center ("WILC"), one of 2 buildings held by associate, Ascendas Korea Industrial Fund ("AKIF"). The fire burnt down the entire building and resulted in 8 deaths and 1 seriously injured. As at 1 June 2010, AKI and AKIF have received civil lawsuits with claims totaling \$103 million and court hearings for some of the lawsuits are in progress. No provision has been recognised as management is of the view that the claims are without merit and AKIF, AKI and its employees have not been prosecuted for any part in the cause of the fire. The Group does not have obligations to contribute additional capital into AKI and AKIF and the losses from the claims will be limited by the Group's existing investments in AKI and AKIF of \$20.4 million of which \$0.9 million had not been provided for as at 31 March 2010.

Contingent assets

Arising from the WILC fire, AKIF expects to receive additional insurance payout from the insurer of the building on top of the \$22 million (2009: \$11 million) it had already received. The amount is, however, not reasonably determined at present and is not recognised in the financial statements.

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41. New or revised accounting standards and interpretations

Certain new accounting standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's financial periods beginning on or after 1 April 2010 or later periods and which the Group has not early adopted. The Group's assessment of the impact of adopting those standards, amendments and interpretations that are relevant to the Group is set out below:-

- (a) Amendments to FRS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items (effective for annual periods beginning on or after 1 July 2009)

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations.

The Group will apply this amendment from 1 April 2010, but it is not expected to have a material impact on the financial statements.

- (b) INT FRS 117 Distributions of Non-Cash Assets to Owners (effective for annual periods beginning on or after 1 July 2009)

INT FRS 117 clarifies how the Group should measure distributions of assets, other than cash, to its owners. INT FRS 117 specifies that such a distribution should only be recognised when appropriately authorised, and that the dividend should be measured at the fair value of the assets to be distributed. The difference between the fair value and the carrying amount of the assets distributed should be recognised in profit or loss. INT FRS 117 applies to pro rata distributions of non-cash assets except for distributions to a party or parties under common control.

The Group will apply INT FRS 117 from 1 April 2010, but it is not expected to have a material impact on the financial statements.

- (c) INT FRS 118 Transfer of Assets to Customers (effective for annual periods beginning on or after 1 July 2009)

INT FRS 118 prescribes the accounting requirements for arrangements where the Group receives an item of property, plant and equipment from a customer which must be used to provide an ongoing service to the customer. It also applies to cash received from a customer that must be used to acquire or construct such property, plant and equipment.

The Group will apply INT FRS 118 from 1 April 2010, but it is not expected to have a material impact on the financial statements.

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41. New or revised accounting standards (continued)

- (d) FRS 27 (revised) Consolidated and Separate Financial Statements (effective for annual periods beginning on or after 1 July 2009)

FRS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The Group will apply FRS 27 (revised) prospectively to transactions with minority interests from 1 April 2010.

- (e) FRS 103 (revised) Business Combinations (effective for annual periods beginning on or after 1 July 2009)

FRS 103 (revised) continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Group will apply FRS 103 (revised) prospectively to all business combinations from 1 April 2010.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2010

42. Subsidiary companies

The following are the Company's subsidiary companies:

Direct subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Percentage of equity held by the Company		Cost of investment	
				2010 %	2009 %	2010 \$'000	2009 \$'000
Ascendas Investment Pte Ltd*	Investment holding	Singapore	Ordinary	100	100	337,809	337,809
Ascendas Land International Pte Ltd*	Investment holding	Singapore	Ordinary	100	100	205,458	200,145
Ascendas Land (Singapore) Pte Ltd*	Property owners, and the planning, developing, marketing and management of industrial parks, science parks, business parks and related facilities and investment holding	Singapore	Ordinary	100	100	254,517	254,299
						<u>797,784</u>	<u>792,253</u>

**ASCENDAS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
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42. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2010 %	2009 %
Subsidiary companies of Ascendas Investment Pte Ltd					
Ascendas Holdings (Manila) Pte Ltd*	Investment holding	Singapore/ Philippines	Ordinary	63.75	63.75
Ascendas Utilities Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
JTCI Industrial Holdings (Bangkok) Pte Ltd* ^	Investment holding	Singapore/ Thailand	Ordinary	60	60
Ascendas Funds Management (S) Limited*	Property fund management	Singapore	Ordinary	100	100
Ascendas Property Fund Trustee Pte Ltd*	Trustee for property trust and property fund management	Singapore	Ordinary	100	100
Ascendas Services (Shanghai) Co., Ltd**	Provision of e-infrastructure services	People's Republic of China	Registered Capital	100	100
Ascendas China Fund Management Pte. Ltd.*	Property fund management	Singapore	Ordinary	100	100
Ascendas China Commercial Fund Management Pte. Ltd.*	Property fund management	Singapore	Ordinary	100	100
Ascendas S.E. Asia Business Space Fund Management Pte. Ltd.*	Property fund management	Singapore	Ordinary	100	100
Ascendas India Development Fund Management Pte. Ltd.*	Trustee for property trust and property fund management	Singapore	Ordinary	100	100
AIDT2 Trustee Pte. Ltd.*	Trustee for property trust	Singapore	Ordinary	100	100
AIDT2 Fund Management Pte. Ltd.*	Property fund management	Singapore	Ordinary	100	100
Ascendas Japan Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Asset Management Co., Ltd**	Property fund management	Korea	Ordinary	100	-

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For the financial year ended 31 March 2010

42. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of Incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2010 %	2009 %
Subsidiary companies of Ascendas Land International Pte Ltd					
Ascendas (China) Pte Ltd*	Investment holding	Singapore/People's Republic of China	Ordinary	100	100
Ascendas (Philippines) Corporation**	Construction and project management	Philippines	Ordinary	100	100
Ascendas (India) Private Limited**	Construction of infrastructure facilities, commercial and residential complexes and townships	India	Equity	100	100
Crystal Clear Limited+	Investment holding	Cayman Islands	Ordinary	100	100
Riverbrook Group Limited+	Investment holding	British Virgin Islands	Ordinary	100	100
			Redeemable preference shares	100	100
Ascendas (Korea) Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
a-kof2 ***	Private trust investing in real estate in Korea	Korea	Ordinary	57	57
Ascendas (Malaysia) Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Mahindra IT Park Private Limited**	Development, owning and management of information technology parks	India	Equity	98.7	74
Ascendas China Trustee Pte. Ltd.*	Trustee for property trust	Singapore	Ordinary	100	100
Ascendas China Commercial Trustee Pte. Ltd.*	Trustee for property trust	Singapore	Ordinary	100	100
Ascendas S.E. Asia Business Space Fund Trustee Pte. Ltd.*	Trustee for property trust	Singapore	Ordinary	100	100

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42. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2010 %	2009 %
Subsidiary companies of Ascendas Land International Pte Ltd (continued)					
Ascendas (ACIBPF) Holdings Pte. Ltd.*	Investment holding	Singapore	Ordinary	66.74	66.74
Ascendas (ACCF) Holdings Pte. Ltd.*	Investment holding	Singapore	Ordinary	71.88	71.88
Subsidiary companies of Ascendas Land (Singapore) Pte Ltd					
Ascendas (Kaki Bukit) Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas (Tuas) Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas Services Pte Ltd*	Marketing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas (Ubi) Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas Development Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
Ascendas (KB View) Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Ascendas (Admiralty) Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100

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For the financial year ended 31 March 2010

42. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2010 %	2009 %
Subsidiary companies of Ascendas Land (Singapore) Pte Ltd (continued)					
Arcasia Properties, Inc+	Property leasing	United States of America	Ordinary	100	100
IXil Pte Ltd*	Incubation management and business advisory services	Singapore	Ordinary	100	100
Tuas View Development Pte Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	65	65
Singapore Science Park Ltd*	Property owners and the planning, developing and management of industrial parks and related facilities	Singapore	Ordinary	100	100
Subsidiary company of Ascendas Japan Pte Ltd					
Ascendas Japan Inc +	Property fund management	Japan	Ordinary	100	100
Subsidiary companies of Ascendas (China) Pte Ltd					
Ascendas (Shanghai) Co., Ltd**	Provision of project consultancy, project management and other related services	People's Republic of China	Registered Capital	100	100
Beijing Ascendas-BETIDC Development Co., Ltd.**	Building, managing, leasing and selling built-to-suit facilities	People's Republic of China	Registered Capital	99.8	99.8
Ascendas Services (Suzhou) Co., Ltd**	Provision of project consultancy, project management and other related services	People's Republic of China	Registered Capital	100	100
Xi'an Ascendas-Science Technology Investment Co., Ltd**	Development, sale and leasing of properties	People's Republic of China	Registered Capital	80	80

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42. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2010 %	2009 %
Subsidiary companies of Ascendas (China) Pte Ltd (continued)					
Ascendas Development (Tianjin) Co., Ltd**	Development, sale and leasing of properties	People's Republic of China	Registered Capital	100	100
Ascendas Nanjing Jiangning Investment Holding Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
Ascendas Development (Wujiang) Co., Ltd**	Real estate development; project management and consultancy; sales, lease and management of the properties it developed and provision of related services	People's Republic of China	Registered Capital	100	100
Ascendas Zpark (Singapore) Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Plaza Pte. Ltd.* @	Investment holding	Singapore	Ordinary	-	100
Ascendas Singapore-Hangzhou Science & Technology Park I Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Singapore-Hangzhou Science & Technology Park II Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Singapore-Hangzhou Science & Technology Park III Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Singapore-Hangzhou Science & Technology Park IV Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Singapore-Hangzhou Science & Technology Park V Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100

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42. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2010 %	2009 %
Subsidiary companies of Ascendas (China) Pte Ltd (continued)					
Ascendas Singapore-Hangzhou Science & Technology Park VI Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Singapore-Hangzhou Science & Technology Park VII Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Suzhou Science & Technology Park Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
Subsidiary company of Crystal Clear Limited					
Krefelt Investments Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
Subsidiary companies of Ascendas (Korea) Pte Ltd					
First Ventures Corporation+@	Investment holding	Federal Territory of Labuan	Ordinary	-	100
Pioneer Investments (Labuan) Berhad+@	Investment holding	Federal Territory of Labuan	Ordinary	-	100
Ascendas Korea Inc.**	Management consulting, real estate leasing, purchasing and selling of real estate and other related services	South Korea	Ordinary	100	100
Ascendas (Mauritius) Limited+	Investment holding	Mauritius	Ordinary	100	100
Subsidiary company of Ascendas (Mauritius) Limited					
Ascendas (Malta) Limited+	Investment holding	Malta	Ordinary	100	100
Subsidiary company of Ascendas Nanjing Jiangning Investment Holding Pte Ltd					
Ascendas Development (Nanjing) Co., Ltd**	Real estate development; project management and consultancy; sales, lease and management of the properties it developed and provision of related services	People's Republic of China	Registered Capital	100	100

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42. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2010 %	2009 %
Subsidiary company of Ascendas Zpark (Singapore) Pte. Ltd.					
Ascendas Hi-tech Development (Beijing) Co., Ltd**	To build, manage (including management and maintenance of properties and M&E facilities), lease and sell industrial facilities, and provide project management and project consultancy services	People's Republic of China	Registered Capital	100	100
Subsidiary company of Ascendas Plaza Pte. Ltd.					
Ascendas Development (Shanghai) Co., Ltd**@	Development, sale and leasing of properties	People's Republic of China	Registered Capital	-	100
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park I Pte.Ltd.					
Ascendas Hangzhou Science & Technology Co., Ltd**	Software technology R&D, business process outsourcing and leasing of buildings and equipment	People's Republic of China	Registered Capital	80	80
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park II Pte. Ltd.					
Ascendas Hangzhou Software Technology Co., Ltd**	Manufacturing of software product, sales and provision of related services, development and leasing of properties	People's Republic of China	Registered Capital	80	80
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park III Pte. Ltd.					
Ascendas Hangzhou Industrial Automatic Co., Ltd**	R&D, design and test of industry automation product and related equipment, development and leasing of properties	People's Republic of China	Registered Capital	80	80
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park IV Pte. Ltd.					
Ascendas Hangzhou Data Processing Co., Ltd**	Manufacturing of intelligent card and IC card, sales, development and leasing of properties	People's Republic of China	Registered Capital	80	80

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42. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2010 %	2009 %
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park V Pte Ltd					
Ascendas Hangzhou Multi-Media Technology Co., Ltd**	Development of multimedia software, sales, development and leasing of properties	People's Republic Of China	Registered Capital	80	80
Subsidiary company of Ascendas Singapore-Hangzhou Science & Technology Park VI Pte. Ltd.					
Ascendas Hangzhou Computer System Service Co., Ltd**	Manufacturing of computer system product, sales and provision of related services and leasing of properties	People's Republic of China	Registered Capital	80	80
Subsidiary company of Ascendas Suzhou Science & Technology Park Pte Ltd					
Ascendas Science & Technology Park Development (SIP) Co., Ltd**	Development, sale and leasing of properties	People's Republic of China	Registered Capital	100	100
Subsidiary companies of Ascendas Services Pte Ltd					
Ascendas Property Management Services (India) Private Limited**	Marketing and management of industrial parks and related facilities	India	Equity	100	100
Ascendas Services Malaysia Pte Ltd*	Investment holding	Singapore	Ordinary	100	100
Ascendas Services Vietnam Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Services Philippines Pte. Ltd.*	Investment holding	Singapore	Ordinary	100	100
Ascendas Services Beijing Co., Ltd.**	Investment holding	People's Republic of China	Ordinary	100	100

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For the financial year ended 31 March 2010

42. Subsidiary companies (continued)

Indirect subsidiary companies	Principal activities	Country of incorporation/ place of business	Class of shares	Effective interest held by the Group	
				2010 %	2009 %
Subsidiary company of Ascendas Services Malaysia Pte Ltd					
Ascendas Services Malaysia Sdn Bhd**	Marketing and management of commercial, industrial, warehousing properties and related facilities	Malaysia	Ordinary	100	100
Subsidiary company of Ascendas Services Vietnam Pte. Ltd.					
Ascendas Services Vietnam Co., Ltd**	Real estate consultancy and management services whether residential, commercial or industrial-related; construction project management and management consultancy services	Vietnam	Ordinary	100	100
Subsidiary company of Ascendas Services Philippines Pte. Ltd.					
Ascendas Services Philippines Corporation**	Project management of construction, development, renovation and/or maintenance of land or building and to provide services for asset and/or property management of buildings	Philippines	Ordinary	100	100

- * Audited by PricewaterhouseCoopers LLP, Singapore.
 ** Audited by member firms of PricewaterhouseCoopers in the respective countries.
 *** Audited by other auditors.
 + Not subject to audit by law in the country of incorporation.
 @ Disposed/liquidated during the financial year.
 ^ In process of strike-off.

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43. Associated companies

Associated companies	Principal activities	Country of incorporation/ place of business	Effective interest held by the Group		Cost of investment	
			2010 %	2009 %	2010 \$'000	2009 \$'000
Associated companies of Ascendas Investment Pte Ltd						
Karimun Investment Holding Pte Ltd***	Investment holding	Singapore/ Indonesia	25	25	2,800	2,800
Thai Industrial Estate Corporation Limited*** A	Development and management of industrial park in Thailand	Thailand	25	25	-	1,808
Associated companies of Ascendas Land International Pte Ltd						
Ascendas India Trust and its subsidiaries* ##	Public business trust investing in Information Technology Parks and IT related properties through the acquisition, development, re-development, management, maintenance, operating and leasing of such properties in India	Singapore	25.51	24.99	118,690	114,924
a-kof ***	Private trust investing in income generating office buildings and office development projects in Seoul and Seoul Metropolitan area	Korea	30	30	35,426	35,426
a-kif ***	Private trust investing in logistics and industrial assets, both income generating and development projects in South Korea	Korea	30	30	18,852	18,852
Ascendas ASEAN Business Space Fund and its subsidiaries*	Private trust investing in principally real estate or real estate related assets used or to be used or predominantly for business space solutions located in Malaysia, Vietnam and Philippines	Singapore	20.5	20.5	32,523	32,523

**ASCENDAS PTE LTD
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43. Associated companies (continued)

Associated companies	Principal activities	Country of incorporation/ place of business	Effective interest held by the Group		Cost of investment	
			2010 %	2009 %	2010 \$'000	2009 \$'000
Associated companies of Ascendas Land International Pte Ltd (continued)						
Ascendas India Development Trust and its subsidiaries*	Private trust investing in the development of mixed or multi-use projects through the acquisition, development, re-development, sale and leasing of such assets in India	Singapore	26	26	113,880	71,499
Associated companies of Ascendas Land (Singapore) Pte Ltd						
Ascendas Global Gateway Pte Ltd***	Provision of telehousing and infocomm infrastructure and facilities	Singapore	40	40	1,059	1,059
Corporation Place Pte Ltd***	Property investment and development	Singapore	25	25	3,000	3,000
Teletech Park Pte Ltd*	Property investment and development	Singapore	25	25	6,250	6,250
Ascendas Real Estate Investment Trust*** #	Investment advisor and property fund management	Singapore	20.73	22.88	562,055	557,368
Associated company of Ascendas Holdings (Manila) Pte Ltd						
Carmelray-JTCI Corporation***	Development and management of industrial park in Philippines	Philippines	25.5	25.5	26,332	26,332
Associated company of Ascendas (China) Pte Ltd						
DLSP Ascendas Co., Ltd**	Development, management, leasing and selling of industrial properties and providing real estate consultancy	People's Republic of China	50	50	40,530	33,866
Associated company of Ascendas (Philippines) Corporation						
RBF Development Corporation**	Development, operation and management of industrial buildings	Philippines	40	40	2,545	2,545

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43. Associated companies (continued)

Associated companies	Principal activities	Country of incorporation/ place of business	Effective interest held by the Group		Cost of investment	
			2010 %	2009 %	2010 \$'000	2009 \$'000
Associated company of Krefelt Investments Pte Ltd						
Masagana Holdings Corporation**	Investment holding	Philippines	40	40	455	455
Associated company of Ascendas (ACIBPF) Holdings Pte. Ltd.						
Ascendas China Industrial and Business Parks Fund and its subsidiaries*	Private trust investing principally in industrial and business parks properties in the PRC through the acquisition, development, re-development, management maintenance operation, and leasing	Singapore	25.58	25.58	33,682	33,682
Associated company of Ascendas (ACCF) Holdings Pte. Ltd.						
Ascendas China Commercial Fund and its subsidiaries*	Private trust investing in real estate or real estate related assets used or to be used for commercial purposes in the PRC through the acquisition, development, re-development, management maintenance operation, and leasing	Singapore	30.55	30.55	127,576	74,451
					1,125,655	1,016,840

- * Audited by PricewaterhouseCoopers LLP, Singapore.
 ** Audited by member firms of PricewaterhouseCoopers in the respective countries.
 *** Audited by other auditors.
 @ Disposed/liquidated during the financial year.
 # Includes 1.50% held by Ascendas Funds Management (S) Limited (2009: 1.51%).
 ## Includes 1.45% held by Ascendas Property Fund Trustee Pte Ltd (2009: 0.77%).
 ^ Reclassified to assets classified as held for sale during the financial year

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44. Jointly-controlled entity

Jointly-controlled entity	Principal activities	Country of incorporation/ place of business	Effective interest held by the Group		Cost of investment	
			2010 %	2009 %	2010 \$'000	2009 \$'000
Jointly-Controlled Entity of Ascendas Development Pte. Ltd.						
Ascendas Frasers Pte Ltd*	Property owner and the planning, developing and management of industrial parks, retail and hospitality facilities	Singapore	50.0	50.0	12,717	-

* Audited by PricewaterhouseCoopers LLP, Singapore
^A Cost of investment is \$1.

45. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Ascendas Pte Ltd on 1 June 2010.