αlpha Tiger Property Trust Limited

Annual report and financial statements 2007

For the period 15 May 2006 to 31 December 2007

αlpha Tiger Property Trust Limited

Contents

Trust summary and objective

Alpha Tiger invests in and develops real estate in India, with a focus on business parks and business park-led mixed use properties.

Alpha Tiger works closely in partnership with international occupiers and local real estate companies.

Objective

Alpha Tiger Property Trust Limited ("the Company" or "Alpha Tiger") invests in and develops real estate in India that offers high total returns. The Company focuses on business parks and business park-led mixed use properties.

Strategy

Alpha Tiger seeks to work closely with international occupiers and local real estate companies in order to access land and transition it through the development process, up the property value and quality curve. The Company focuses on working in partnerships to achieve reasonably priced developments and investments which can deliver a number of key benefits to stakeholders, which include:

- High-quality, high-specification commercial space at competitive rents for Alpha Tiger's tenants;
- Flexibility in terms of the scale, mix and timing of development for the benefit of both tenants and the communities in which Alpha Tiger participates; and
- Strong profitability for investors.

Management

The Company's Investment Manager is Alpha Real Capital LLP ("the Investment Manager"). Control of the Company rests with the non-executive Guernsey based Board of Directors.

Listing

The Company's shares were admitted to the Alternative Investment Market of the London Stock Exchange on 22 December 2006.

Financial highlights

	Period 15 May 2006 to 31 December 2007	Period 15 May 2006 to 30 June 2007
Net asset value (£'000)	74,338	73,121
Net asset value per share	99.1p	97.5p
Profit for the period (£'000)	2,267	1,051
Earnings per share (basic and diluted)	3.0p	1.4p

Chairman's statement

David Jeffreys
Chairman

I am pleased to present the Company's results for the period from incorporation to 31 December 2007.

Alpha Tiger was established for the purposes of investing in and developing real estate in India. The Company's objective is to target investment and development opportunities in real estate in India that will offer high total returns. The Company's investment strategy includes both property investment and development, focussing on business parks and business-park led mixed use properties and township projects.

The Company seeks to diversify risk through investments in existing real estate, forward funding of development opportunities and development partnerships on both a pre-committed and speculative basis, and to create a geographic spread of properties across India which provides a variety of tenants with strong covenants.

During 2007, the Indian real estate market has continued its robust performance despite a global environment of financial uncertainty. Rents have continued to grow and property investment yields have fallen marginally as higher domestic interest rates have stabilised despite continuing evidence of conservative bank lending policies.

> The Company has conditionally committed 93 per cent. of the net proceeds at flotation.

Investment activity

The Company has established a strong presence within the National Capital Region (NCR) of New Delhi. New Okhla Industrial Development Authority (NOIDA) has confirmed itself as a lower cost option for corporate occupiers and a competitive alternative destination to Gurgaon for the IT/ITeS industry and other business park tenants.

The Company is progressing substantial developments with Logix Group (Logix), one of the leading developers of business parks in Northern India. In NOIDA Sector 132 Alpha Tiger has executed an agreement with Logix to acquire a 74 per cent. equity interest in a Special Purpose Vehicle (SPV) for the purposes of holding and co-developing approximately 575,000 square feet of business park and other support facilities. The anticipated cash commitment of the Company is £11.8 million. Subsequent to the year end, Alpha Tiger has invested £5.2 million.

Alpha Tiger has made a further investment in NOIDA at Sector 140a. This is a co-development in partnership with Logix to build 1.2 million square feet of business park-led space in an SEZ (Special Economic Zone) and representing a cash commitment of £14.7 million for a 50 per cent. interest in the total development.

Given its improving infrastructure and connectivity to Delhi and significant tenant demand for business park space, NOIDA is an ideal locality for the Company to expand its activities. The Company is actively considering additional projects in this market.

Additionally, as previously reported, the Company has conditionally agreed to acquire from Xansa plc (subsequently acquired by Groupe Steria SCA, listed on Euronext Paris) approximately 40 acres of development land and six investment properties in Chennai, Pune and NOIDA for up to £36 million, with the capacity to develop up to 3.4 million square feet of new business park space. The Company currently intends to initially commit up to £40 million of additional capital expenditure to build 1.7 million square feet of high-quality business park space.

In aggregate, the Company is close to conditional full equity commitment based on executed transactions.

Results, finance and dividends

Results for the period show a profit after interest and tax of £2.3 million.

The net asset value per share was 99.1p at 31 December 2007.

The Company has no existing borrowings but expects to target borrowing levels of between 50 per cent. and 65 per cent. of Gross Assets in due course.

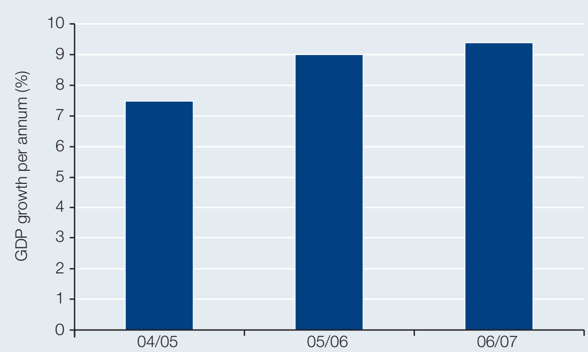
In accordance with the dividend policy set out in the Company's Admission Document, the Board does not propose to pay a dividend for the period. The Board will consider the payment of a dividend as the Company's development programme matures.

> The Indian economy is continuing its robust growth and is estimated to have grown in excess of nine per cent. in 2007.

Economic outlook

India is the third largest economy in the world after the United States and China as measured by purchasing power parity (PPP) with gross domestic product (GDP) in 2007 estimated to be $US 4.7 trillion (International Monetary Fund). India is also the second fastest growing major economy in the world, after China. Between 2004 and 2006, GDP grew at an average of 8.5 per cent. per annum. The growth momentum has accelerated further and GDP is estimated to have grown at over 9.0 per cent. in 2007. This growth is supported by India's stable political outlook, growing foreign exchange reserves, sustained growth in its service and industrial sectors, young demographic profile and regulated financial environment.

GDP growth per annum



Source: Government of India Central Statistical Organisation

The services sector, which is a key source of demand for business park space, is the fastest growing sector in the Indian economy. From 2007 to 2011, growth in this sector is expected to be 13.9 per cent. per annum.

The Indian real estate industry has grown at 30 per cent. per annum over the past few years and is expected to grow in excess of 20 per cent. per annum over the next few years. The industry is expected to grow from US$48 billion in FY2007 to US$140 billion by FY2012 (CAGR of 21 per cent. per annum). (Ernst and Young - Indian Real Estate (December 2007)).

Property market outlook

Growth in rental and capital values is expected to continue in the year ahead with demand for space from tenants likely to exceed supply.

The absence of a securitised debt market has insulated India from the recent uncertainties in European and US credit markets and, despite rises in Indian interest rates, investment asset prices have continued to strengthen, reflecting the strong financial growth drivers underlying the Indian property market.

The 39 million square feet of new office supply absorbed in 2007 has demonstrated the continued maturation of the Indian market with space absorption and rentals reaching all time highs across many sub-markets.

The rental trend line has continued to rise during the year with significant rental escalations in markets such as the NCR, Bangalore and Mumbai.

Delhi National Capital Region

The NCR market with its overall competitiveness, including infrastructure and manpower, continues to grow as a corporate destination. Improvements such as the Delhi-Gurgaon Highway are expected to open in the next quarter improving the traffic flow between the cities and communication within the NCR. The year ahead is expected to see continued demand for business park space.

Chennai

The city is still on a growth curve with improved focus on infrastructure including improvements to the Old Mahabalipuram Road, where the Company's Chennai development project is located. The city has witnessed substantial new investment in infrastructure and enjoys strong tenant demand.

Pune

The proposed expansion of the city limits by the Pune Municipal Corporation will promote planned growth which should benefit the Xansa site at Talewade. The skyline of the city is also set to change with State Government relaxation of height restrictions. In addition the repealing of the Urban Land Ceiling Act will make land capable of supporting additional development.

Real Estate Investment Trusts

During the period, the Securities and Exchange Board of India released a draft proposal for the launch of a scheme for Real Estate Investment Trusts. This will allow retail investors to participate in the real estate industry which should provide a further impetus for values and liquidity. It also has the potential to provide the Company with a further avenue to create value in the future.

Summary

The Company continues to see attractive opportunities for investing in Indian real estate – particularly business park developments. Generally, both economic and property market conditions remain favourable with strong and growing tenant demand keeping pace with increasing availability of stock. In particular, there remains a significant market opportunity for higher-quality, operationally efficient business park space that meets the international standards of global occupiers.

Alpha Tiger remains focused on creating value and quality real estate through the development of world class business park-led environments.

David Jeffreys
Chairman
25 March 2008

> The Indian real estate industry is expected to grow at over 20 per cent. per annum over the next five years.


▲ **Chennai** Development land

▼ **Chennai** Investment property




Property investment review

Brad Bauman
Fund manager

Alpha Tiger has established a very strong base for future growth. The Company's pipeline has been further strengthened by forging promising relationships with leading local development partners demonstrating world-class execution and with international tenants.

The Company executed a legally binding framework agreement with Xansa plc, a leading outsourcing and technology company, to purchase 40 acres of development land and the sale and leaseback of Xansa's real estate interests in India. The agreement also appoints Alpha Tiger as Xansa's preferred real estate supplier in India to facilitate best-in-class development and management of the properties.

Xansa subsequently announced a takeover by Groupe Steria SCA, and this is likely, in the opinion of the Investment Manager, to improve the potential opportunity for the Company as a strategic real estate supplier for Xansa's continuing business expansion in India.

The Company is advancing the execution of transactions envisaged within the framework agreement and will announce their completion in due course. The properties subject to the framework agreement are as follows:

Development Land

Chennai – 25 acres

The Chennai site is long leasehold with development rights over 25 acres of undeveloped land. The land has received Special Economic Zone (SEZ) approval and is awaiting final notification from the Ministry of Commerce. Approval has been received for the arrangements whereby the site will be transferred to a new SPV and for Alpha Tiger to be appointed as co-developers. Substantial progress has taken place in respect of the project; a detailed feasibility study has been completed, development managers have been appointed, and the masterplanning of the site has been significantly progressed. The land will provide development potential for at least 2.2 million square feet of floor space and it is intended that the site will be developed in four phases over four to five years.

Pune – 15.7 acres

The Pune site is a long leasehold with development rights over approximately 15.7 acres. This site has the ability to develop up to an additional area of approximately 1.2 million square feet of floor space. The intention is to develop this site in three phases over three to four years.

Investment Properties

NOIDA

The properties in NOIDA, within the National Capital Region of Delhi, consist of two separately located office buildings; one four storey building (with ground and two basement levels) over 180,000 square feet of floor area and a two-storey building (with ground and basement level) over 42,000 square feet of floor area.

Pune

The properties in Pune comprise two two-storey buildings within a master planned business park; (Phase I with basement, ground floor, first floor and canteen; Phase II with two basements, ground floor and first floor), in a campus-style setting with a combined floor area of over 95,000 square feet.

Chennai (Madras)

The properties in Chennai are in a campus-style development with two three storey buildings representing a floor area of over 165,000 square feet.



Noida Development funding

Pune Investment property (top) and development land (below)





Development Funding

NOIDA

On 3 December 2007, the Company announced it had entered into an agreement to acquire a 74 per cent. equity interest in a business park project (Logix Technova) in NOIDA Sector 132, in the NCR, near Delhi, India. Subsequent to the balance sheet date, the Company has invested in partnership with Logix in a SPV incorporated for the purpose of holding and developing the land which is the subject of the transaction.

The Company together with Logix will develop approximately 575,000 square feet of business park and other support facilities at the site. The estimated cash requirement to be paid by the Company for 74 per cent. of the equity (voting and economic rights) in the SPV is INR 895 million (£11.6 million). This amount shall be satisfied in stages. Since the balance sheet date, INR 400 million (£5.2 million) has been paid, further to the satisfaction of certain conditions precedent. Upon the earlier of either the SPV achieving 90 per cent. of the leasable area being contracted to prospective tenants and 24 months from the date of the transaction, Alpha Tiger shall subscribe for further equity to achieve 74 per cent. of voting and economic ownership of the SPV. Prior to this conversion mechanism, the Company shall retain a 5 per cent. voting interest in the SPV.

The SPV has entered into a development agreement with VC Solutions Private Limited for the construction of the buildings and the development is forecast to be completed and occupied within 24 months (by December 2009).

On 25 March 2008, the Company announced that it had entered into an agreement with Logix for a 1.2 million square feet co-development in Sector 140a. The Company has agreed to acquire a 50 per cent. stake in an SPV which owns the development.

The SPV has an agreement to sub-lease 45 per cent. of a larger 24.8 acre plot which was originally leased to Sarv Mangal Realtech Pvt Limited ("Sarv Mangal") from NOIDA on a 90 year lease. Development of an SEZ has been formally approved by the Indian Government's Board of Approval. The SPV has also executed a co-development agreement with Sarv Mangal, providing equivalent development rights and benefits.

Alpha Tiger has committed INR 1,147 million (£14.7 million) to acquire the 50 per cent. equity interest in the SPV which has an agreement to sub-lease the land and will undertake the development for an aggregate construction cost of circa INR 2,100 million (£26.9 million).

Based on the above transactions representing 93 per cent. of net proceeds at flotation, the Company is close to conditional full commitment and has an exciting portfolio of business park-led projects in India's major cities.

Brad Bauman
For and on behalf of the Investment Manager
25 March 2008

Directors

David Jeffreys (aged 48)

Chairman

David Jeffreys qualified as a Chartered Accountant with Deloitte Haskins and Sells. He was Managing Director of Abacus Fund Managers (Guernsey) Limited between 1993 and 2004. Currently he carries out a number of consultancy assignments as well as being a director of a number of investment funds.

Phillip Rose (aged 48)

Director

Phillip Rose has 25 years experience in the real estate, funds management and banking industries in Europe, the USA and Australasia. He has been the Head of Real Estate for ABN AMRO Bank, Chief Operating Officer of European shopping centre investor and developer TrizecHahn Europe, Managing Director of Lend Lease Global Investment and Executive Manager of listed fund General Property Trust.

Phillip is currently CEO of Alpha Real Capital LLP, a non executive director of Great Portland Estates Plc and a member of the Management Committee of the Hermes Property Unit Trust.

Serena Tremlett (aged 43)

Director

Serena Tremlett is Company Secretary of Assura Group Limited, a company listed on the London Stock Exchange investing primarily in healthcare property, pharmacy and related medical businesses. She was previously the Head of Guernsey Property Funds at Mourant Guernsey Limited where she sat on the board of a number of property and other investment funds.

Jeff Chowdhry (aged 47)

Director

Jeff Chowdhry is currently Head of Emerging Market Equities at F&C Asset Management plc, with overall responsibility for investments in global emerging markets. Previously, from 1997 to 2005, he was a director of Sun F&C Asset Management (India) Limited and also (until 1999) managed the Indian Investment Company SICAV, an open ended investment fund registered in Luxembourg. In 1994 he managed the India Fund Inc, a closed ended investment fund listed in New York that seeks long-term capital appreciation through investing primarily in Indian equities.

Roddy Sage (aged 55)

Director

Roddy Sage is currently chief Executive Officer of the AFP group of companies, providing corporate and taxation advisory services in Asia. Prior to that he spent 20 years with KPMG Hong Kong, 10 years of which were as Senior Tax Partner for Hong Kong and China. He has held Chairmanships within KPMG and outside as Chairman of the Hong Kong General Chamber of Commerce's Taxation Committee and is a non-executive director of Tai Ping Carpets International.

Directors' report

The Directors present their report and financial statements of the Company and the Group for the period from its incorporation on 15 May 2006 to 31 December 2007.

Status

The Company was founded on 15 May 2006. Its shares are traded on the Alternative Investment Market, a market operated by the London Stock Exchange.

The Company is a closed-ended Guernsey registered investment company.

Principal activities

During the period the Company carried on business as a property investment and development company, investing in commercial property in India.

Business review

A review of the business during the period is contained in the Chairman's Statement on page 3.

Results and dividend

The results for the period are set out in the financial statements. In accordance with the dividend policy set out in the Company's Admission document, the Board does not propose to pay a dividend for the period.

Directors

The Directors, all of whom are non-executive and have served to the date of this report, are detailed below:

	Appointed
David Jeffreys (Chairman)	15 May 2006
Phillip Rose	15 May 2006
Serena Tremlett	15 May 2006
Jeff Chowdhry	15 May 2006
Roddy Sage	15 May 2006

At each annual general meeting of the Company, one third by number of the directors shall retire from office in accordance with the Articles of Association. The inaugural Annual General Meeting is scheduled for 23 May 2008.

A retiring director shall be eligible for reappointment.

No director shall be required to vacate his office at any time by reason of the fact that he has attained any specific age.

The biographies of the Directors are on page 10.

The Board considers that there is a balance of skills and experience within the Board and that each of the Directors contributes effectively.

Directors' interests

The following Directors had interests in the shares of the Company at 31 December 2007:

	Number of ordinary shares
David Jeffreys	10,000
Phillip Rose	200,000
Serena Tremlett	-
Jeff Chowdhry	20,000
Roddy Sage	-

There have been no changes in the Directors' interests since the period end.

Directors' remuneration

During the period the Directors received the following emoluments in the form of fees from Group companies:

	£
David Jeffreys	30,904
Phillip Rose	20,603
Serena Tremlett	20,603
Jeff Chowdhry	20,603
Roddy Sage	20,603
Total	**113,316**

The Company's Articles of Association limit the aggregate fees payable to the Directors at £200,000 per annum.

Directors' and officers' liability insurance cover is in place in respect of the Directors.

There are no service contracts in existence between the Company and Directors, however each of the Directors was appointed by a letter of appointment which sets out the main terms of their appointment.

Directors' report (continued)

Substantial shareholding

Shareholders with holdings of more than 3 per cent of the issued ordinary shares of the Company as at 13 March 2008 were as follows:

Name of investor	No. of ordinary shares	% held
Vidacos Nominees Limited	14,799,597	19.7
Chase Nominees Limited	11,400,000	15.2
Citigroup Global Markets U.K. Equity Limited	10,586,526	14.1
Deutsche Bank Aktiengesellschaft London	5,771,900	7.7
Wedd Jefferson (Nominees) Limited	5,100,000	6.8
Nortrust Nominees Limited	4,762,600	6.4
HSBC Global Custody Nominees (UK) Limited	4,563,400	6.1
IPGL Fund Services Ltd	3,000,000	4.0
Goldman Sachs Securities (Nominees) Limited	2,600,000	3.5

Management

The Investment Manager provides investment advisory services to the Company and property advisory, property management and monitoring services to those members of the Group which acquire properties, in each case in accordance with the investment objective and investment policy and restrictions of the Group.

Directors' responsibility statement

Company law requires the directors to prepare Financial Statements for each financial period, which give a true and fair view of the state of affairs of the Company and of the Group at the end of the period and of the profit or loss of the Company and the Group for that period.

In preparing those Financial Statements, the directors are required to:

(1) select suitable accounting policies and then apply them consistently;

(2) make judgements and estimates that are reasonable and prudent;

(3) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;

(4) prepare the Financial Statements on the going concern basis unless it is appropriate to assume that the Group and Company will not continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and to enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 1994. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

Corporate Governance

A statement of Corporate Governance is on pages 13 to 14.

Going Concern

After making enquiries, and bearing in mind the nature of the Company's business and assets, the Directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Financial Statements.

Annual General Meeting

The inaugural AGM of the Company will be held in Guernsey on 23 May 2008.

Auditors

BDO Novus Limited have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board,

David Jeffreys
Director

Serena Tremlett
Director

Corporate governance

Guernsey does not have its own corporate governance regime and, as a Guernsey registered company, the Company is not required to comply with the Combined Code on Corporate Governance, issued by the Financial Reporting Council. However it is the Company's policy to comply with best practice on good corporate governance including taking measures to ensure the Company complies with the Combined Code to the extent appropriate. The Board's arrangements in respect of corporate governance are explained in the paragraphs that follow:

Role of the Board

The Board has determined that its role is to consider and determine the following principal matters which it considers are of strategic importance to the Company:

1) Review the overall objectives for the Company and set the Company's strategy for fulfilling those objectives within an appropriate risk framework;
2) Consider any shifts in strategy that it considers may be appropriate in light of market conditions;
3) Review the capital structure of the Company including consideration of any appropriate use of gearing both for the Company and in any joint ventures in which the Company may invest from time to time;
4) Appoint the Investment Manager, Administrator and other appropriately skilled service providers and monitor their effectiveness through regular reports and meetings;
5) Review key elements of the Company's performance including Net Asset Value and payment of dividends.

Board Decisions

At board meetings, the Board ensures that all the strategic matters are considered and resolved by the Board. Certain issues associated with implementing the Company's strategy are delegated either to the Investment Manager or the Administrator. Such delegation is over minor incidental matters and the Board continually monitors the services provided by these independent agents. The Board considers there are implementation matters that are significant enough to be of strategic importance and should be reserved solely for the Board (e.g. all acquisitions, all disposals, significant capital expenditure, leasing and decisions affecting the Company's financial gearing).

Board Meetings

The Board meets at least quarterly and as required from time to time to consider specific issues reserved for decision by the Board including all potential acquisitions.

At the Board's quarterly meetings it considers papers circulated in advance including reports provided by the Investment Manager and the Administrator. The Investment Manager's report comments on:

- The Indian property markets including recommendations for any changes in strategy that the Investment Manager considers may be appropriate;
- Performance of the Group's portfolio and key asset management initiatives;
- Transactional activity undertaken over the previous quarter and being contemplated for the future;
- The Group's financial position including relationships with bankers and lenders.

The Administrator provides the compliance report.

These reports enable the Board to assess the success with which the Group's property strategy and other associated matters are being implemented and also consider any relevant risks and to consider how they should be properly managed.

The Board also considers reports provided from time to time by its various service providers reviewing their internal controls.

In between its regular quarterly meetings, the Board has also met on a number of occasions during the period to approve all transactions and for other matters.

Committees of the Board

The Board has operated an Audit Committee throughout the period under review and on 28 November 2007 constituted a Remuneration Committee and a Nomination Committee.

The Audit Committee

The Audit Committee is chaired by David Jeffreys and includes Roddy Sage and Serena Tremlett. The Audit Committee meets not less than twice a year and if required meetings can also be attended by the Investment Manager, the Administrator and the Independent Auditors.

The Audit Committee is responsible for reviewing the half-year and annual Financial Statements before their submission to the Board. In addition, the Audit Committee is specifically charged under its terms of reference to advise the Board on the terms and scope of the appointment of the auditors (including remuneration), the independence and objectivity of the auditors, and reviewing with the auditors the results and effectiveness of the audit.

Members of the Audit Committee may also, from time to time meet with the Company's valuer to discuss the scope and conclusions of their work.

The Remuneration Committee

The Remuneration Committee, chaired by Serena Tremlett includes Jeff Chowdhry and David Jeffreys and is required to consider the terms and remuneration of the Company's directors and senior employees.

The Nomination Committee

The Nomination Committee, chaired by Roddy Sage includes Phillip Rose and Serena Tremlett and is convened for the purpose of considering the appointment of additional directors as and when considered appropriate.

The table below shows the attendance at Board and other Committee meetings during the period to 31 December 2007:

Director	Board	Audit committee	Remuneration committee	Nomination committee
David Jeffreys	20	2	1	-
Phillip Rose	8	-	-	1
Serena Tremlett	20	2	1	1
Jeff Chowdhry	7	-	1	-
Roddy Sage	5	2	-	1
No. of meetings during the year	20	2	1	1

Investment management agreement

The Company has entered into an agreement with the Investment Manager. This sets out the Investment Manager's key responsibilities which include proposing a property investment strategy to the Board, identifying property investments to recommend for acquisition and arranging appropriate lending facilities to facilitate the transaction. The Investment Manager is also responsible to the Board for all issues relating to property asset management.

Shareholder relations

Shareholder communications are a high priority of the Board. Members of the Investment Manager's Investment Committee make themselves available at all reasonable times to meet with key shareholders and sector analysts. Feedback from these sessions is provided by the Investment Manager at the quarterly Board meetings.

In addition, the Board is also kept fully appraised of all market commentary on the Company by the Investment Manager and other professional advisors including its brokers.

Through this process the Board seeks to monitor investor relations and to ensure that the Company's communication programme is effective.

The Chairman and the Investment Manager will be available at the Annual General Meeting to answer any questions that shareholders attending may wish to raise.

Independent auditors' report

To the members of Alpha Tiger Property Trust Limited

We have audited the Group and parent Company financial statements ("the Financial Statements") of Alpha Tiger Property Trust Limited for the period ended 31 December 2007, which comprise the Consolidated and Company Income Statement, Consolidated and Company Balance Sheet, Consolidated and Company Cash Flow Statement, Consolidated and Company Statement of Changes in Equity and the related notes 1 to 18. These Financial Statements have been prepared in accordance with the accounting policies as set out on pages 24 to 27.

This report is made solely to the Company's members, as a body, in accordance with Section 64 of the Companies (Guernsey) Law, 1994. Our audit work is undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the Directors' Responsibility Statement within the Directors' Report, the Company's directors are responsible for the preparation of the Financial Statements in accordance with applicable law and International Financial Reporting Standards ("IFRS").

Our responsibility is to audit the Financial Statements in accordance with the relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Financial Statements give a true and fair view and are properly prepared in accordance with the Companies (Guernsey) Law, 1994. We also report to you if, in our opinion, the Directors' Report is not consistent with the Financial Statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law is not disclosed.

We read the other information included in the Annual Report and consider whether it is consistent with the audited Financial Statements. This other information comprises only the Company Summary and Objective, Financial Highlights, Chairman's Statement, Property Investment Review, Directors, Directors' Report and Corporate Governance. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Opinion

In our opinion:

- The Group Financial Statements give a true and fair view, in accordance with IFRS, of the state of the Group's affairs at 31 December 2007 and of its profit for the period 15 May 2006 to 31 December 2007.
- The Company Financial Statements give a true and fair view, in accordance with IFRS, of the state of the Company's affairs at 31 December 2007 and of its profit for the period 15 May 2006 to 31 December 2007.
- The Financial Statements have been properly prepared in accordance with the Companies (Guernsey) Law, 1994.

BDO Novus Limited.

BDO Novus Limited
Chartered Accountants
Elizabeth House, St Peter Port, Guernsey
25 March 2008

Consolidated income statement

For the period from 15 May 2006 to 31 December 2007	Notes	Revenue £'000	Capital £'000	Total £'000
Income				
Revenue		-	-	-
Total income		**-**	**-**	**-**
Expenses				
Administration costs	4	(2,056)	-	(2,056)
Total expenses		**(2,056)**	**-**	**(2,056)**
Operating loss		**(2,056)**	**-**	**(2,056)**
Finance income	3	4,323	-	4,323
Profit before taxation		**2,267**	**-**	**2,267**
Taxation	5	-	-	**-**
Profit for the period		**2,267**	**-**	**2,267**
Earnings per share (basic and diluted)	**7**	**3.0p**	**-**	**3.0p**

The total column of this statement represents the Group's income statement, prepared in accordance with IFRS. The revenue and capital columns are supplied as supplementary information permitted under IFRS. All items in the above statement derive from continuing operations. There are no minority interests.

The accompanying notes on pages 24 to 35 form an integral part of this statement.

Consolidated balance sheet

As at 31 December 2007	Notes	£'000
Current assets		
Trade and other receivables	11	791
Cash and cash equivalents		74,104
Total assets		**74,895**
Current liabilities		
Trade and other payables	12	(557)
Total liabilities		**(557)**
Total assets less current liabilities		**74,338**
Net assets		**74,338**
Equity		
Share capital	13	-
Share premium	14	-
Special reserve	14	72,031
Warrant reserve	14	40
Revenue reserve	14	2,267
Total equity		**74,338**
Net asset value per share	**8**	**99.1p**

David Jeffreys
Director

Serena Tremlett
Director

The Financial Statements were approved by the Board of Directors and authorised for issue on 25 March 2008. They were signed on its behalf by David Jeffreys and Serena Tremlett.

The accompanying notes on pages 24 to 35 form an integral part of this statement.

Consolidated cash flow statement

For the period from 15 May 2006 to 31 December 2007	£'000
Operating activities	
Profit for the period	2,267
Adjustments for:	
Finance income	(4,323)
Operating cash flows before movements in working capital	**(2,056)**
Movements in working capital:	
Increase in operating trade and other receivables	(129)
Increase in operating trade and other payables	557
Cash used in operations	**(1,628)**
Interest received	4,211
Taxation	-
Cash flows from operating activities	**2,583**
Investing activities	
Acquisition costs – deposit paid and costs	(550)
Cash flows from investing activities	**(550)**
Financing activities	
Proceeds from issue of ordinary share capital	75,000
Issue costs	(2,929)
Cash flows from financing activities	**72,071**
Net increase in cash and cash equivalents	**74,104**
Cash and cash equivalents at beginning of period	**-**
Cash and cash equivalents at end of period	**74,104**

The accompanying notes on pages 24 to 35 form an integral part of this statement.

Consolidated statement of changes in equity

For the period from 15 May 2006 to 31 December 2007	Share premium £'000	Special reserve £'000	Warrant reserve £'000	Revenue reserve £'000	Total reserves £'000
Changes in equity for the period					
Profit for the period	-	-	-	2,267	2,267
Total recognised income and expense for the period	**-**	**-**	**-**	**2,267**	**2,267**
Shares issued	75,000	-	-	-	75,000
Share issue costs	(2,929)	-	-	-	(2,929)
Share based payments	(40)	-	40	-	-
Transfer to special reserve	(72,031)	72,031	-	-	-
At 31 December 2007	**-**	**72,031**	**40**	**2,267**	**74,338**
Notes 13, 14					

The accompanying notes on pages 24 to 35 form an integral part of this statement.

Company income statement

For the period from 15 May 2006 to 31 December 2007	Notes	Revenue £'000	Capital £'000	Total £'000
Income				
Revenue		-	-	-
Total income		**-**	**-**	**-**
Expenses				
Administration costs	4	(2,056)	-	(2,056)
Total expenses		**(2,056)**	**-**	**(2,056)**
Operating loss		**(2,056)**	**-**	**(2,056)**
Finance income	3	4,381	-	4,381
Profit before taxation		**2,325**	**-**	**2,325**
Taxation	5	-	-	-
Profit for the period		**2,325**	**-**	**2,325**

The total column of this statement represents the Company's income statement, prepared in accordance with IFRS. The revenue and capital columns are supplied as supplementary information permitted under IFRS. All items in the above statement derive from continuing operations.

The accompanying notes on pages 24 to 35 form an integral part of this statement.

Company balance sheet

As at 31 December 2007	Notes	£'000
Non-current assets		
Investment in subsidiary undertaking	9	-
Amount receivable from subsidiary undertaking	9	2,658
Current assets		
Trade and other receivables	11	791
Cash and cash equivalents		71,504
Total assets		**74,953**
Current liabilities		
Trade and other payables	12	(557)
Total liabilities		**(557)**
Net assets		**74,396**
Equity		
Share capital	13	-
Share premium	14	-
Special reserve	14	72,031
Warrant reserve	14	40
Revenue reserve	14	2,325
Total equity		**74,396**

David Jeffreys
Director

Serena Tremlett
Director

The Financial Statements were approved by the Board of Directors and authorised for issue on 25 March 2008. They were signed on its behalf by David Jeffreys and Serena Tremlett.

The accompanying notes on pages 24 to 35 form an integral part of this statement.

Company cash flow statement

For the period from 15 May 2006 to 31 December 2007	£'000
Cash flows from operating activities	
Profit for the period	2,325
Adjustment for:	
Finance income	(4,381)
Operating cash flows before movements in working capital	**(2,056)**
Movements in working capital:	
Increase in operating trade and other receivables	(129)
Increase in operating trade and other payables	557
Cash used in operations	**(1,628)**
Interest received	4,211
Taxation	-
Cash flows from operating activities	**2,583**
Investing activities	
Loan to subsidiary	(2,600)
Acquisition cost – deposit paid and costs	(550)
Cash flows from investing activities	**(3,150)**
Financing activities	
Proceeds from issue of ordinary share capital	75,000
Issue costs	(2,929)
Cash flows from financing activities	**72,071**
Net increase in cash and cash equivalents	**71,504**
Cash and cash equivalents at beginning of period	**-**
Cash and cash equivalents at end of period	**71,504**

The accompanying notes on pages 24 to 35 form an integral part of this statement.

Company statement of changes in equity

For the period from 15 May 2006 to 31 December 2007	Share premium £'000	Special reserve £'000	Warrant reserve £'000	Revenue reserve £'000	Total reserves £'000
Changes in equity for the period					
Profit for the period	-	-	-	2,325	2,325
Total recognised income and expense for the period	**-**	**-**	**-**	**2,325**	**2,325**
Shares issued	75,000	-	-	-	75,000
Share issue costs	(2,929)	-	-	-	(2,929)
Share based payments	(40)	-	40	-	-
Transfer to special reserve	(72,031)	72,031	-	-	-
At 31 December 2007	**-**	**72,031**	**40**	**2,325**	**74,396**
Notes 13, 14					

The accompanying notes on pages 24 to 35 form an integral part of this statement.

1. General information

The Company is a limited liability, closed-ended investment company incorporated in Guernsey. The address of the registered office is given on page 36. The nature of the Group's operations and its principal activities are set out in the Chairman's Statement on pages 3 to 5. The Financial Statements were approved and authorised for issue on 25 March 2008 and signed by David Jeffreys and Serena Tremlett on behalf of the Board.

2. Significant accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the period, is set out below.

Basis of accounting

The Financial Statements of the Company and of the Group have been prepared in accordance with IFRS, which comprise standards and interpretations approved by the International Accounting Standards Board ("IASB"), and International Accounting Standards and Standards Interpretations Committee interpretations approved by the International Accounting Standards Committee ("IASC") that remain in effect, and to the extent that they have been adopted by the European Union.

The principal accounting policies adopted are set out below.

a) Standards early adopted by the Company

IFRS 7, Financial Instruments: Disclosures, and the complementary Amendment to IAS1, Presentation of Financial Statements – Capital Disclosures, were early adopted. IFRS 7 introduces new disclosures relating to financial instruments. This standard does not have any impact on the classification and valuation of the Company's financial instruments. In accordance with the requirements of the Amendment to IAS 1, additional disclosures have been provided on the Company's objectives and policies for its capital.

b) Standards and interpretations in issue and not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective:-

New standards

IFRS 8: Operating segments – for accounting periods commencing on or after 1 January 2009.

Revised and amended standards

IFRS 2: Share Based Payments – for accounting periods commencing on or after 1 January 2009.

IFRS 3: Business Combinations – for accounting periods commencing on or after 1 July 2009.

IAS 1: Presentation of Financial Statements – for accounting periods commencing on or after 1 January 2009.

IAS 23: Borrowing costs – for accounting periods commencing on or after 1 January 2009.

IAS 27: Consolidated and Separate Financial Statements – for accounting periods commencing on or after 1 July 2009.

IAS 32: Financial Instruments; Presentation – for accounting periods commencing after 1 January 2009.

Interpretations

IFRIC 9: Reassessment of Embedded Derivatives – for accounting periods beginning on or after 1 June 2006.

IFRIC 10: Interim Financial Reporting and Impairment – for accounting periods beginning on or after 1 November 2006

IFRIC 11: IFRS 2 – Group and Treasury Share Transactions – for accounting periods commencing on or after 1 March 2007.

IFRIC 12: Service Concession Arrangements – for accounting periods commencing on or after 1 January 2008.

IFRIC 13: Customer Loyalty Programmes – for accounting periods commencing on or after 1 July 2008.

IFRIC 14: IAS 19 – The limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction – for accounting periods commencing on or after 1 January 2008.

The Directors anticipate that the adoption of these standards and interpretations in future periods will not have a material impact on the financial statements of the Company or of the Group.

2. Significant accounting policies (continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the SPVs controlled by the Company, made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefit from its activities.

The results of SPVs acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisitions or up to the effective date of disposal as appropriate.

When necessary, adjustments are made to the financial statements of SPVs to bring the accounting policies used into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Presentation of income statement

In order to better reflect the activities of an investment company and in accordance with guidance issued by the Association of Investment Companies ("AIC"), supplementary information which analyses the income statement between items of a revenue and capital nature has been presented alongside the income statement.

Revenue recognition

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Foreign currencies

a) Functional and presentation currency

Items included in the financial statements of each of the Group entities are measured in the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in pounds Sterling, which is the Company's functional and presentational currency.

b) Transactions and balances

Transactions in currencies other than pounds Sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each Balance Sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the Balance Sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly to equity.

c) Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentational currency are translated into the presentational currency as follows:

i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet;

ii) income and expenses for each income statement are translated at the average exchange rate prevailing in the period; and

iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, the exchange differences arising from the translation of the net investment in foreign entities are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

The year end exchange rate used is £1.00 : INR 78.76 and the average rate for the year used is £1.00 : INR 79.73.

Operating profit

Operating profit includes revenue and administration costs and excludes finance income and finance costs.

2. Significant accounting policies (continued)

Expenses

All expenses are accounted for on an accruals basis and include those of the Administrators, the Investment Manager and the Directors. In respect of the analysis between revenue and capital items, presented within the income statement, all expenses have been presented as revenue items except as follows:

Expenses which are incidental to the acquisition of an investment property are included within the cost of that investment property.

Taxation

The Company is exempt from Guernsey taxation on income derived outside of Guernsey and bank interest earned in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. A fixed annual fee of £600 is payable to the State of Guernsey in respect of this exemption. No charge to Guernsey taxation arises on capital gains. The Group is liable to foreign tax arising on activities in the overseas subsidiaries. At present the Group only has subsidiary operations in Cyprus.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible timing differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt within equity.

Dividends

Dividends are recognised as a liability in the Group's financial statements in the period in which they become obligations of the Company.

Segmental reporting

The Directors are of the opinion that the Group is engaged in a single segment of business being property investment business. The Group operates in a single geographical segment (India).

Share-based payments

The Group makes equity-settled share-based payments to certain advisers and service providers. Equity-settled share-based payments are measured at fair value as at the date of grant. The fair value determined at grant date is expensed on a straight line basis over the vesting period, based on the Group's estimate of the number of instruments that will eventually vest.

Investment in subsidiaries

Investments in subsidiaries are initially recognised and subsequently carried at cost less provisions for impairment (where applicable) in the Company's financial statements.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. The Group shall offset financial assets and financial liabilities if the Group has a legally enforceable right to set off the recognised amounts and interests and intends to settle on a net basis.

(a) Financial assets

The Group's financial assets fall into the categories discussed below, with the allocation depending to an extent on the purpose for which the asset was acquired. The Group has not classified any of its financial assets as fair value through profit or loss, held to maturity or as available for sale.

Unless otherwise indicated, the carrying amounts of the Group's financial assets are a reasonable approximation of their fair values.

2. Significant accounting policies (continued)

(a)(i) Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These arise principally through cash and cash equivalents, but also incorporate other types of contractual monetary assets. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition on issue and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The effect of discounting on these financial instruments is not considered to be material.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default of significant delay in payment) that the Group will be unable to collect all of the amounts due. The amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Cash and cash equivalents are held to maturity are carried at cost and consist of cash in hand and short term deposits in banks with an original maturity of three months or less.

(a)(ii) De-recognition of financial assets

A financial asset (in whole or in part) is derecognised either:

- when the Group has transferred substantially all the risks and rewards of ownership; or
- when it has transferred nor retained substantially all the risks and rewards and when it no longer has control over the asset or a portion of the asset; or
- when the contractual right to receive cash flow has expired.

(b) Financial liabilities

The Group's financial liabilities comprise of trade and other payables which are classified as financial liabilities measured at amortised cost.

Unless otherwise indicated, the carrying amounts of the Group's financial liabilities are a reasonable approximation of their fair values.

(b)(i) Financial liabilities measured at amortised cost

These include trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(b)(ii) De-recognition of financial liabilities

A financial liability (in whole or in part) is derecognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on de-recognition is taken to the income statement.

(c) Share capital

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Group's ordinary shares are classified as equity instruments. For the purposes of disclosures given in note 18 the Group considers all its reserves and equity as capital. The Company is not subject to any externally imposed capital requirements.

(d) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or liability, or, where appropriate, a shorter period.

3. Finance income

	For the period from 15 May 2006 to 31 December 2007 Group £'000	For the period from 15 May 2006 to 31 December 2007 Company £'000
Bank interest	4,323	4,323
Foreign exchange gain	-	58
Total	**4,323**	**4,381**

The above interest income arises from financial assets classified as loans and receivables (including cash and cash equivalents) and has been calculated using the effective interest rate method.

4. Administration costs

	For the period from 15 May 2006 to 31 December 2007 Group £'000	For the period from 15 May 2006 to 31 December 2007 Company £'000
Auditors' remuneration for audit services	14	14
Other professional fees	247	247
Accounts and administrative fees	190	190
Investment Managers fees	1,492	1,492
Non-executive directors fees	113	113
Total	**2,056**	**2,056**

The Group and Company have no employees. No amounts were paid to BDO Novus Limited by the Company and its subsidiary undertakings in respect of non-audit services.

5. Taxation

(a) Company

The Company is exempt from taxation under the provisions of the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989.

(b) Group

The Group's tax expense for the period comprises:

	For the period from 15 May 2006 to 31 December 2007 Group £'000
Tax expense reconciliation	
Profit for the period	2,267
Less: Income not taxable	(4,323)
Add: Expenditure not taxable	2,056
Total	**-**

There are no deferred tax assets or liabilities at 31 December 2007.

6. Dividends

No dividend has been paid or proposed for the period ended 31 December 2007.

7. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	For the period 15 May 2006 to 31 December 2007	For the period 15 May 2006 to 30 June 2007
Earnings per income statement (£'000)	2,267	1,051
Weighted average number of ordinary shares (000's)	75,000	75,000
Basic and diluted earnings per share	**3.0p**	**1.4p**

The warrants issued to the investment manager (note 15) could potentially dilute basic earnings per share in the future.

The average share price over the period is lower than the exercise price of the warrants and therefore these are not dilutive.

8. Net asset value per share

	31 December 2007	30 June 2007
Net asset value (£'000)	74,338	73,121
Number of ordinary shares (000's)	75,000	75,000
Net asset value per share	**99.1p**	**97.5p**

9. Investment in subsidiary undertakings

A list of the significant investments in subsidiaries, including the name, country of incorporation and the proportion of ownership interest is given below.

Name of subsidiary undertaking	Class of share	% of class held with voting rights	Country of incorporation	Principal activity
Alpha Tiger Cyprus Holdings Limited	Ordinary	100	Cyprus	Holding Company

The Company has invested £2,600,000 in 20,935 redeemable preference shares of INR 1 each at a premium of INR 9,999 each in Alpha Tiger Cyprus Holdings Limited. The shares are redeemable at any time by the Company with each share being redeemed at the initial issue price. The shares carry no right to income.

The Directors do not intend to request redemption of the preference shares within one year and accordingly these shares have been classified as a non-current amounts receivable from the subsidiary undertaking.

10. Categories of financial assets and liabilities

Loans and Receivables	Notes	Group £'000	Company £'000
Amounts receivable from subsidiary	9	-	2,658
Total non-current financial assets		**-**	**2,658**
Current financial assets			
Trade and other receivables	11	791	791
Cash and cash equivalents		74,104	71,504
Total current financial assets		**74,895**	**72,295**
Total financial assets		**74,895**	**74,953**

Financial liabilities measured at amortised cost	Notes	Group £'000	Company £'000
Current financial liabilities			
Trade and other payables	12	557	557
Total current financial liabilities		**557**	**557**

11. Trade and other receivables

	Group £'000	Company £'000
Accrued bank interest	112	112
Other debtors	679	679
Total	**791**	**791**

Other debtors include a fully refundable deposit paid to Xansa plc in relation to the execution of the framework agreement (£500,000) and associated deferred costs.

No trade and other receivables were impaired during the period. The Directors consider that the carrying amount of trade and other receivables approximate their fair value.

12. Trade and other payables

	Group £'000	Company £'000
Accruals	189	189
Investment Manager's fee payable	368	368
Total	**557**	**557**

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame. The Directors consider that the carrying amount of trade and other payables approximate their fair value.

13. Share capital

	Number of shares	£'000
Authorised		
Ordinary shares of no par value	Unlimited	-
Issued share capital		
At 15 May 2006	-	-
Ordinary shares of no par value issued in the period	75,000,000	-
At 31 December 2007	**75,000,000**	**-**

The Company has one class of ordinary share which carries no right to fixed income

14. Reserves

The movements in the reserves for the Group and the Company are shown on pages 19 and 23 respectively.

Share Premium

On 12 January 2007 the Royal Court of Guernsey confirmed the reduction of capital by way of cancellation of the amounts standing to the credit of its share premium account on that date. The amount cancelled was credited to the special reserve.

Special reserve

The special reserve is a distributable reserve to be used for all purposes permitted under Guernsey company law, including the buy- back of shares and payment of dividends.

Warrant reserve

The warrant reserve contains the fair value of share-based payments in respect of the warrants issued to the Investment Manager but not exercised.

Revenue reserve

Any surplus arising from net profit after tax is taken to this reserve, which may be utilised for the buy-back of shares and payment of dividends.

15. Share based payments

Warrants

The Company has issued warrants to the Investment Manager pursuant to which it has been granted the right to subscribe for 3,750,000 ordinary shares in the Company at an exercise price of £1 per share. Such warrants can be exercised at any time up to and including 21 December 2011. The warrant instrument provides that the holder of the warrant May from time to time transfer all or some of its warrants to third parties.

The fair value of the warrants at grant date has been measured as £39,553 using an appropriate option pricing model. In light of the immaterial amount of the fair value the directors do not consider it worthwhile to disclose the assumptions used in determining this fair value. As noted above, the Group recognised a charge of £39,553 in respect of the warrants; this charge was taken to the share premium account.

The weighted average exercise price of outstanding warrants at 31 December 2007 was £1.00, with a weighted average remaining contractual life of 4 years.

16. Events after the balance sheet date

On 3 December 2007, the Company announced it had entered into an agreement to acquire a 74 per cent. equity interest in a business park project (Logix Technova) in NOIDA Sector 132. The Company together with Logix, one of the leading developers of business parks in North India , will develop approximately 575,000 square feet of business park and other support facilities at the site. The anticipated cash commitment of the Company is £11.8 million. Subsequent to the year- end and further to the satisfaction of certain conditions precedent, Alpha Tiger has invested £5.2 million.

On 25 March 2008, Alpha Tiger announced a further transaction at NOIDA in Sector 140a to co-develop with Logix approximately 1.2 million square feet of business park-led space in an SEZ and representing a cash commitment of £14.7 million for a 50 per cent. interest in the total development.

17. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Alpha Real Capital LLP is the Investment Manager to the Company under the terms of the Investment Manager Agreement and is thus considered a related party of the Company.

The Investment Manager is entitled to receive a fee from the Company at an annual rate of 2 per cent. of the net assets of the Company, payable quarterly in arrears. The Investment Manager is also entitled to receive an annual performance fee calculated with reference to total shareholder return ("TSR"), whereby the fee is 20 per cent. of any excess over an annualised TSR of 15 per cent. subject to a rolling 3 year high water mark.

Details of the Investment Manager fees for the current accounting period are disclosed in note 4 and the balance payable at the balance sheet date is shown in note 12.

The Investment Manager has also been issued warrants over the Company's ordinary share capital, further details of which are provided in note 15.

The Directors of the Company received fees for their services with a total charge to the income statement during the period of £113,316. Further details are provided within the Directors Report.

The Investment Manager received payment of £300,000 in respect of time costs and expenses incurred by the Investment Manager in connection with the initial placing and admission to AIM.

Pacific Investments Plc, a company controlled by Sir John Beckwith, who also controls the Investment Manager, was paid £150,000 in respect of their professional costs and expenses in connection with the initial placing and admission to AIM. Pacific Investments Plc owned 457,500 shares in the Company at 31 December 2007.

17. Related party transactions (continued)

The following, being partners of the Investment Manager, held the following shares in the Company at 31 December 2007:

	Number of shares held
Sir John Beckwith	1,000,000
P. Rose	200,000
M. Johnson	50,000
B. Bauman	50,000
S. Wilson	2,500

18. Financial instruments risk exposure and management

In common with similar businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments

The principal financial instruments used by the Group and Company from which financial instrument risk arises, are as follows:

- Amount receivable from subsidiary undertaking
- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables

The Group and Company held no derivative instruments during the period ended 31 December 2007.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The overall objective of the Board is to set polices that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. The above financial instruments risk exposure and management policies apply equally to the Group and Company. Further details regarding these policies are set out below.

Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the balance sheet date.

a) Group

The Group's credit risk principally arises from cash and cash equivalents. The Group policy is to maintain its cash and cash equivalent balances with a number of financial institutions as a means of diversifying credit risk. The Group monitors the placement of cash balances on an ongoing basis and has policies to limit the amount of credit exposure to any financial institution.

b) Company

The Company's credit risk principally arises from amounts due from subsidiary undertakings and cash and cash equivalents. The Company follows the same group policy with regards to diversification of banking arrangements. Amounts receivable from subsidiaries are of a long term nature and the loans are monitored on a regular basis.

18. Financial instruments risk exposure and management (continued)

The Group and Company's maximum exposure to credit risk by class of financial instrument is shown below:

	Group £'000	Group £'000	Company £'000	Company £'000
Maximum Exposure	Carrying Value	Maximum Exposure	Carrying Value	Maximum Exposure
Amount receivable from subsidiary undertaking	-	-	2,658	58
Trade and other receivables	791	791	791	791
Cash and cash equivalents	74,104	74,104	71,504	71,504
Total	**74,895**	**74,895**	**74,953**	**74,953**

Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Group has procedures with the object of minimising these risks such as maintaining sufficient cash and other highly liquid current assets. Cash and cash equivalents are placed with financial institutions on a short term basis reflecting the Group's desire to maintain a high level of liquidity in order to enable timely completion of investment transactions.

All of the Group and Company's financial liabilities are repayable within one year.

Market risk

a) Foreign exchange risk

The Group intends to operate in India and will be exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Sterling and Indian Rupees. Foreign exchange risk arises from future commercial transactions, recognised monetary assets and liabilities and net investments in foreign operations.

At 31 December 2007 the Company had a small foreign exchange exposure in Rupees in relation to the loan given to the Subsidiary. The Group had no exposure to Rupees as all of the Group's financial assets and liabilities are denominated in Sterling.

b) Cash flow and fair value interest rate risk

The Group and Company interest rate risk arises from the following financial assets and liabilities.

18. Financial instruments risk exposure and management (continued)

Interest Rate Profile As at 31 December 2007	Weighted average interest rate Group %	Group £'000	Company %	Company £'000
Amounts receivable from subsidiary undertakings				
Non interest bearing	-	-	-	2,658
Trade and other receivables				
Non-interest bearing	-	791	-	791
Cash and cash equivalents				
Variable rate %	5.7	74,104	5.7	71,504
Financial liabilities carried at amortised cost				
Trade and other payables				
Non-interest bearing	-	557	-	557

The Group and Company's cash flow is periodically monitored by the Board.

The sensitivity analysis below is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated – for example, changes in interest rate and changes in market value.

For the Group, an increase of 100 basis points in interest yields would result in an increase in post-tax profits of £741,000. A decrease of 100 basis points in interest yields would result in a decrease in post tax profits of £741,000.

For the Company, an increase of 100 basis points in interest yields would result in an increase in post-tax profits of £715,000. A decrease of 100 basis points in interest yields would result in a decrease in post tax profits of £715,000.

Capital risk management

The Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group and Company have no borrowings, accordingly the Group had a nil gearing ratio, but expects to target borrowing levels of between 50-60 per cent. of gross assets in due course. All funds are currently held as cash.

Directors and Company information

Directors:
David Jeffreys (Chairman)
Jeff Chowdhry
Roddy Sage
Phillip Rose
Serena Tremlett

Registered Office:
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Glategny Esplanade
St Peter Port
Guernsey

Investment Manager:
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Administrator and Secretary:
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Regency Court
Glategny Esplanade
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Guernsey GY1 1CH

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Joint Broker:
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London SW1E 5JL

Independent Valuers:
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Financial and Corporate Advisors:
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5 Clifford Street
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Legal Advisors in India:
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India

Bankers in Guernsey:
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Royal Bank Place
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St Peter Port
Guernsey GY1 4BQ

Registrar:
Computershare Investor Services (Channel Islands) Limited
Ordnance House
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St Helier
Jersey JE4 8PW

Shareholder information

Further information on the Company, compliant with AIM Rule 26, can be found at the Company's website: www.alphatigerpropertytrust.com

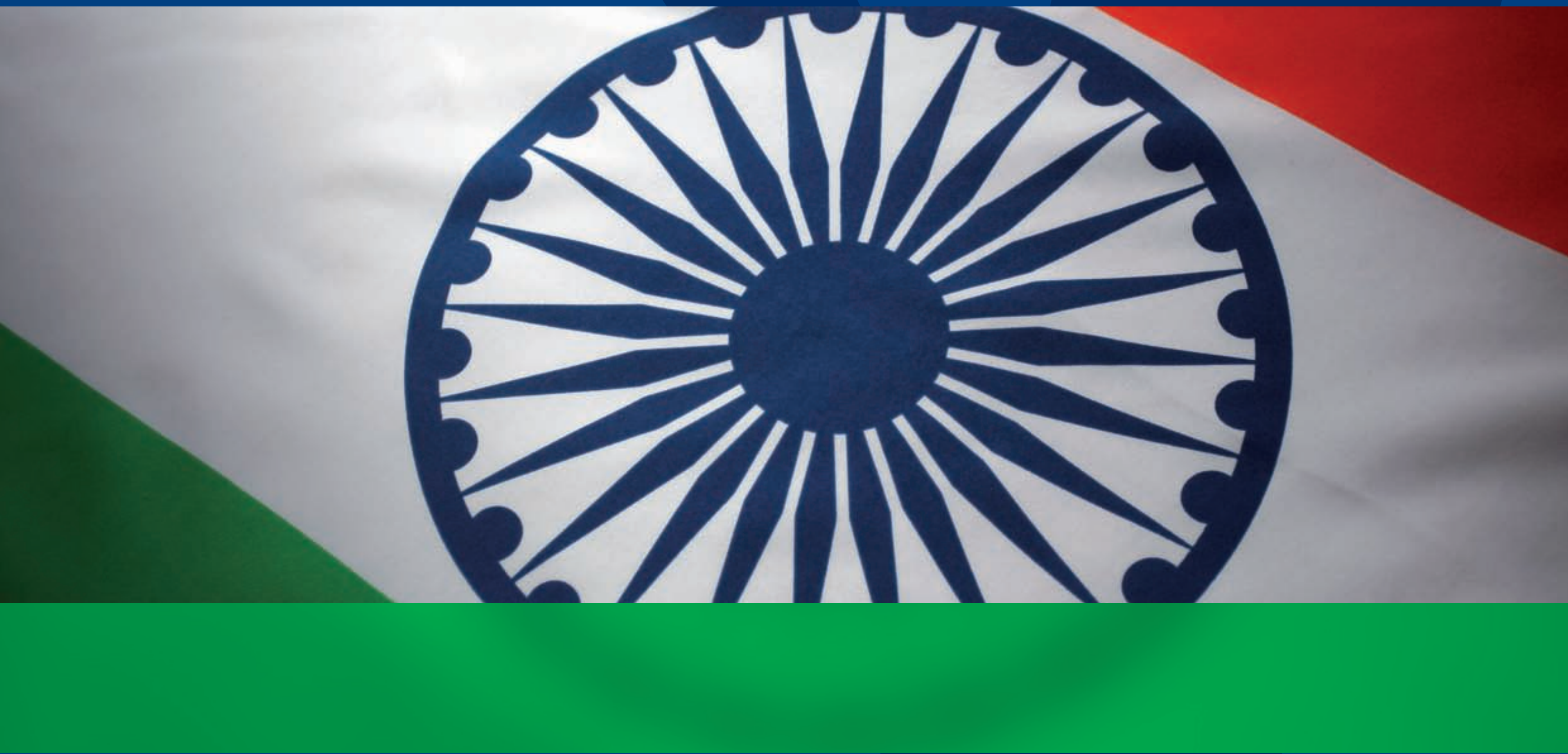
Share Price
The Company's Ordinary Shares are listed on the London Stock Exchange and reported daily in the Financial Times.

Change of address
Communications with shareholders are mailed to the addresses held on the share register. In the event of a change of address or other amendment, please notify the Company's Registrar under the signature of the registered holder.

Investment Manager
The Company is advised by Alpha Real Capital LLP which is authorised and regulated by the Financial Services Authority in the United Kingdom

Financial Calendar

Financial reporting	Date
Notification of full year results	25 March 2008
Publication of annual report and notice of Annual General Meeting	30 April 2008
Annual General Meeting	23 May 2008
Trading statement (quarter 1)	30 May 2008
Half Yearly Report	25 September 2008



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