



SABANA SHARI'AH COMPLIANT INDUSTRIAL REIT

1Q 2015: First Quarter Ended 31 March 2015 Financial Results Presentation

20 April 2015

Important Notice



Disclaimer

This presentation shall be read in conjunction with the financial information of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("Sabana REIT" or the "Trust") for the first quarter from 1 January 2015 to 31 March 2015 ("1Q 2015").

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions.

Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

Any discrepancies in the tables included in this presentation between the listed amounts and total thereof are due to rounding.

Contents

I. Key Highlights	5
II. Financial Performance	8
III. Capital Management	13
IV. Portfolio Performance	16
V. Outlook	26
VI. 1Q 2015 Non-Shari'ah Income	28
VII. Distribution Details	30

Contents

I. Key Highlights	5
II. Financial Performance	8
III. Capital Management	13
IV. Portfolio Performance	16
V. Outlook	26
VI. 1Q 2015 Non-Shari'ah Income	28
VII. Distribution Details	30

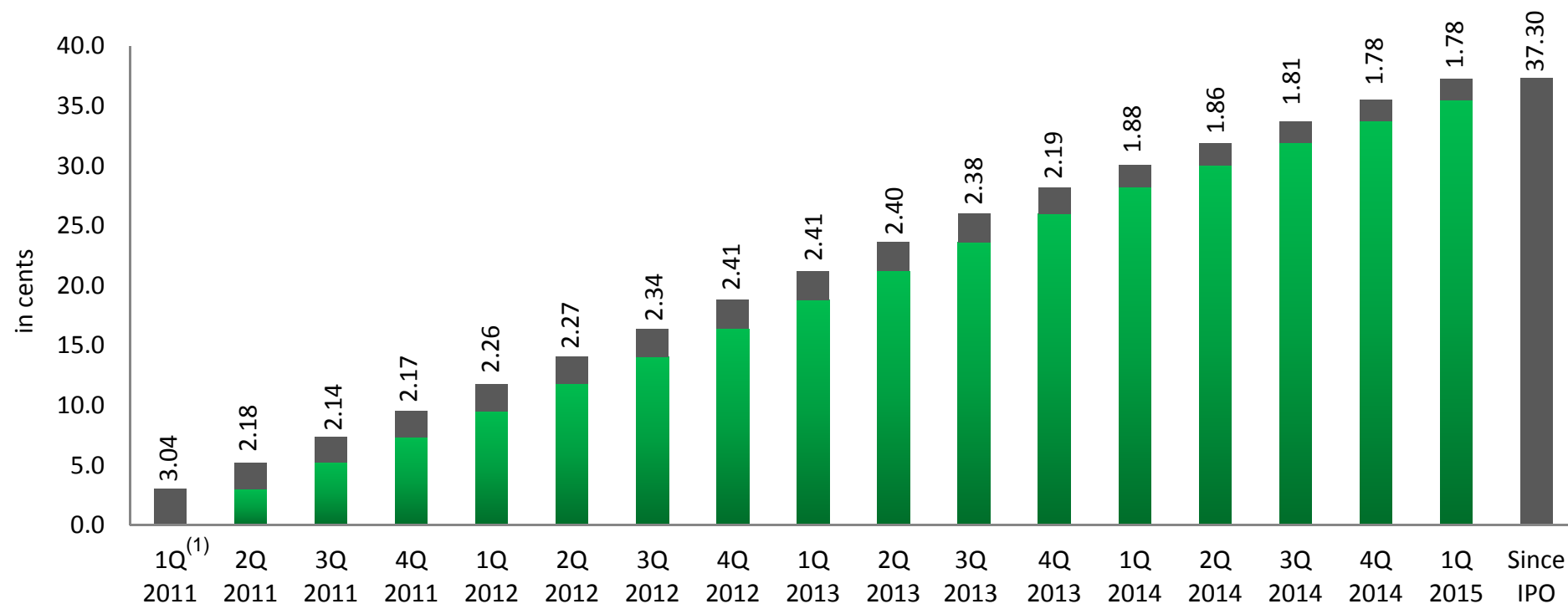
Key Highlights for 1Q 2015



- 1Q 2015 gross revenue and NPI increased 3.2% and 1.1% respectively, compared to 1Q 2014, largely due to income contributions from 10 Changi South Street 2, which was acquired in December 2014.
- DPU for 1Q 2015 was maintained at 1.78 Singapore cents.
- Approximately S\$210.6 million of securitized assets discharged in 1Q 2015. Consequently, close to 43.0% of Sabana REIT's approximately S\$1.3 billion of assets are free from legal encumbrance as at quarter-end.
- Renewed 11 multi-tenanted leases in 1Q 2015. Overall portfolio occupancy level continued to be maintained above a healthy 90.0%.

DPU Performance Since Listing

As at 31 March 2015



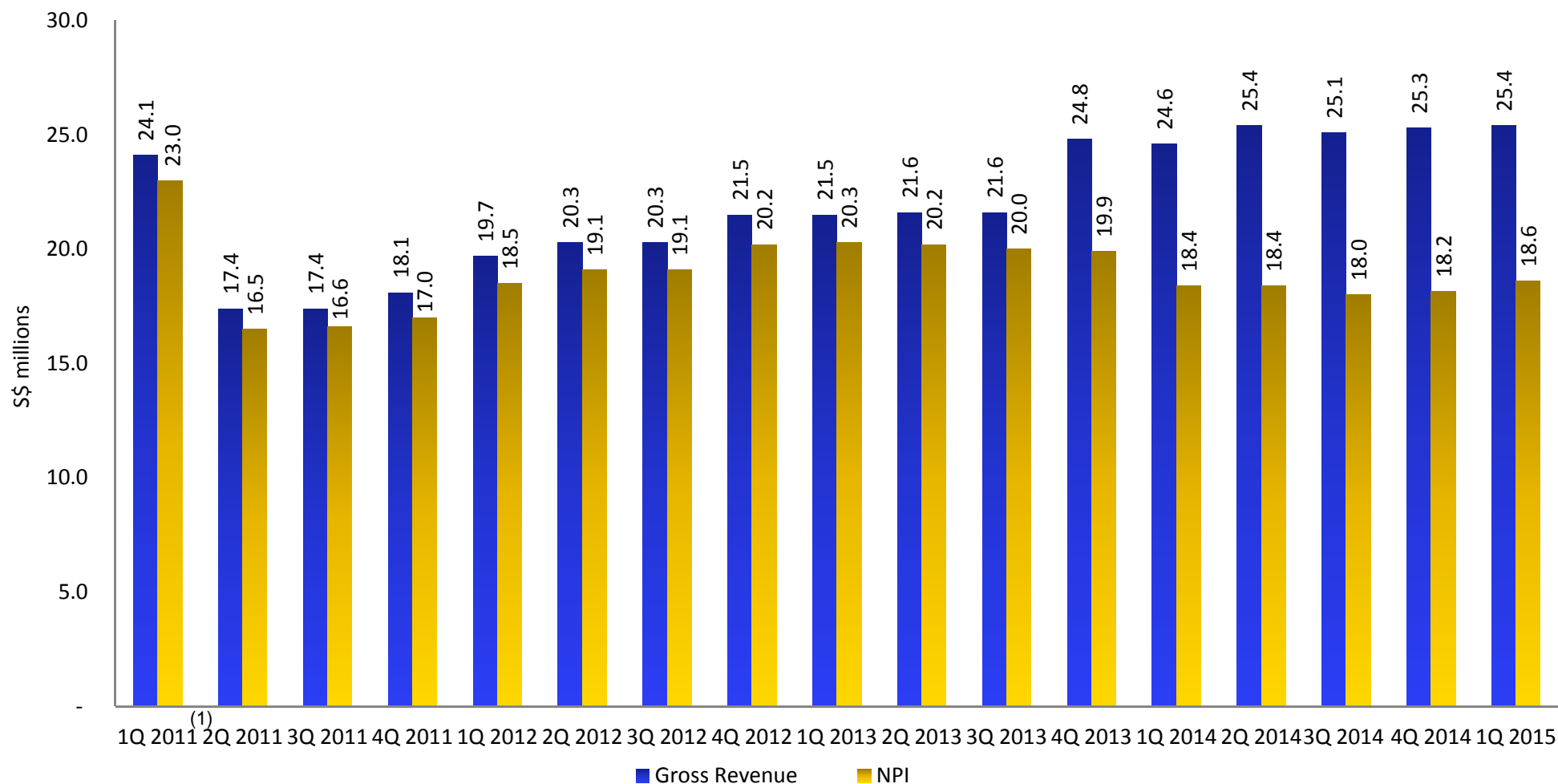
(1) For the period from date of listing on 26 November 2010 to 31 March 2011.

Contents

I. Key Highlights	5
II. Financial Performance	8
III. Capital Management	13
IV. Portfolio Performance	16
V. Outlook	26
VI. 1Q 2015 Non-Shari'ah Income	28
VII. Distribution Details	30

Gross Revenue and NPI Since Listing

As at 31 March 2015



(1) For the period from date of listing on 26 November 2010 to 31 March 2011.

Financial Performance



For the quarter ended 31 March 2015

(in S\$'000)	1Q 2015	1Q 2014	Variance (%)	1Q 2015	4Q 2014	Variance (%)
Gross revenue	25,364	24,570	3.2	25,364	25,292	0.3
Net property income ("NPI")	18,587	18,385	1.1	18,587	18,163	2.3
Income available for distribution	12,973	13,044	(0.5)	12,973	12,891	0.6
DPU (cents)	1.78⁽¹⁾	1.88	(5.3)	1.78⁽¹⁾	1.78	-
Annualised DPU (cents)	7.22	7.62	(5.3)	7.22	7.06	2.3
Distribution yield ⁽²⁾	8.1%	8.6%	(5.8)	8.1%	7.9%	2.5

(1) Based 728,702,354 Units issued and to be issued as at 31 March 2015.

(2) Based on the last traded price of S\$0.890 per unit as at 17 April 2015.

Financial Performance

For the quarter ended 31 March 2015

(in S\$'000)	1Q 2015	1Q 2014	Variance (%)
Gross revenue	25,364	24,570	3.2
Property expenses	(6,777)	(6,185)	(9.6)
NPI	18,587	18,385	1.1
Net finance costs	(5,230)	(6,708)	22.0
Amortisation of intangible assets	(262)	(265)	1.1
Manager's fees	(1,580)	(1,519)	(4.0)
Trustee's fees	(144)	(128)	(12.5)
Donation of non-Shari'ah compliant income	(11)	(24)	54.2
Other trust expenses	(424)	(311)	(36.3)
Net income	10,936	9,430	16.0
Net change in fair value of financial derivatives	1,143	2,878	(60.3)
Total return before taxation	12,079	12,308	(1.9)
Distribution adjustments ⁽¹⁾	894	736	21.5
Income available for distribution	12,973	13,044	(0.5)

• **Property expenses** increased by 9.6% in 1Q 2015 compared to 1Q 2014 due to higher property expenses arising from higher service, repairs, maintenance, utilities, property tax, and land rent expenses from 2 Toh Tuck Link which was converted into a multi-tenanted lease arrangement in 4Q 2014.

• **Net finance costs** decreased by 22.0% in 1Q 2015 due to the one-time early refinancing costs incurred in 1Q 2014, partially offset by higher profit expense arising from higher borrowings with higher average profit rates outstanding in 1Q 2015 over 1Q 2014, due to the issuance of the Trust Certificates Series II in 4Q 2014 to partly fund the acquisition of 10 Changi South Street 2.

• **Manager's and Trustee's fees** increased by 4.0% and 12.5% respectively mainly due to the higher total assets since 4Q 2014, arising from the acquisition of 10 Changi South Street 2, upon which these fees are based on.

• **Other trust expenses** were 36.3% higher mainly due to higher central registry service charges and printing charges, consequent to the implementation of Distribution Reinvestment Plan ("DRP") in 1Q 2015 over 1Q 2014.

(1) Comprise the portion of management fees paid/payable in Units, donation of non-Shari'ah compliant income, amortisation of capitalised transaction costs incurred on borrowings, straight-lining adjustments on rental income for accounting purposes, amortisation of intangible assets, Trustee's fees, net change in fair value of financial derivatives, and other income/expenses which are non-chargeable/deductible for tax purposes.

Balance Sheet



As at 31 March 2015

S\$'000

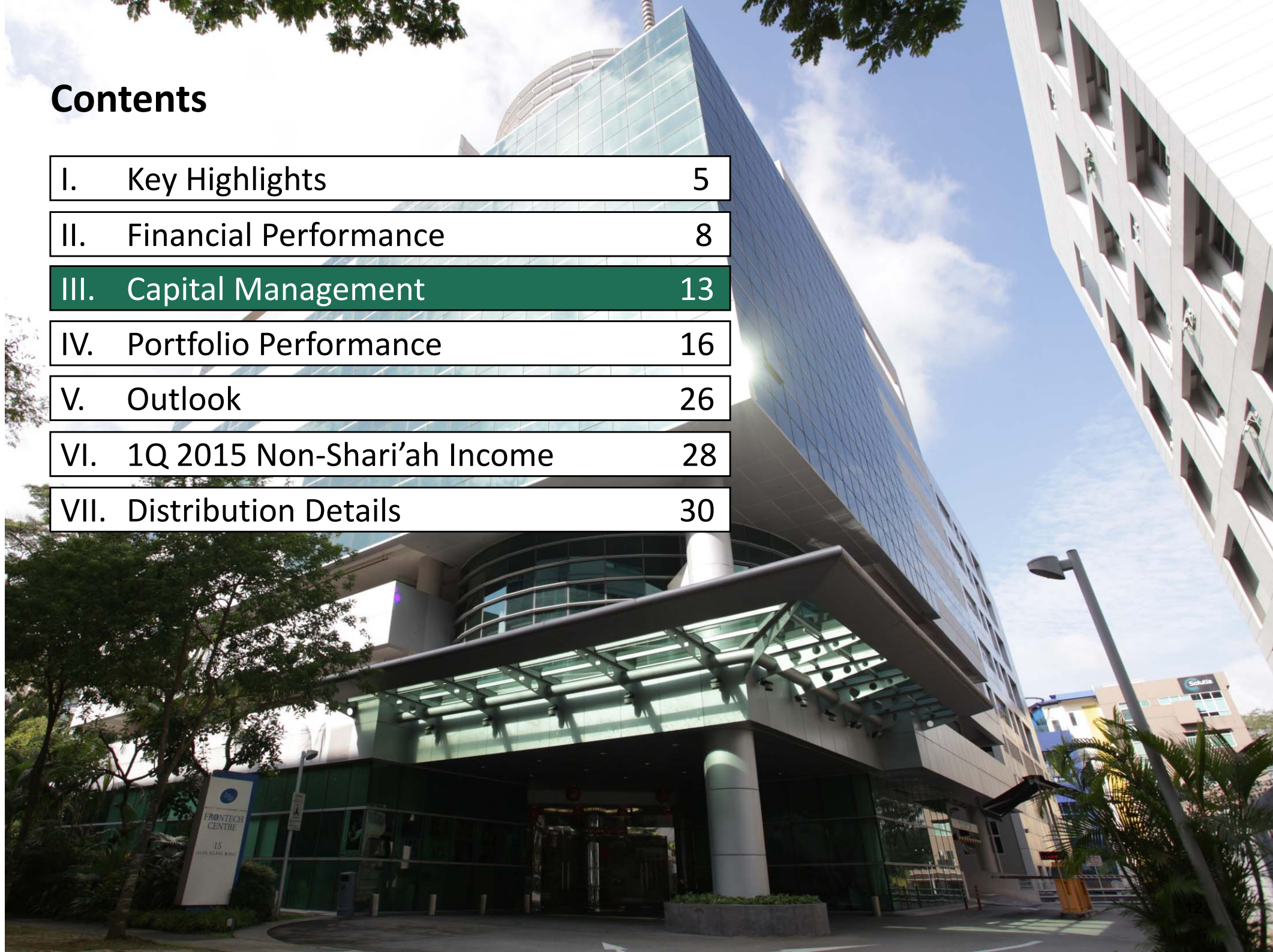
Investment properties	1,260,053
Intangible assets	185
Other assets	21,446
Total assets	1,281,894
Borrowings, at amortised cost	479,409
Other liabilities	28,302
Total liabilities	507,711
Net assets attributable to Unitholders	774,183
Units in issue ⁽¹⁾	728,702,354
NAV per unit (S\$)	1.06
Adjusted NAV per unit⁽²⁾ (S\$)	1.04

(1) Comprises 727,300,810 units in issue as at 31 March 2015 and 1,401,544 units to be issued to the Manager by 30 April 2015, as partial consideration of Manager's fees incurred for the period from 1 January 2015 to 31 March 2015.

(2) Excludes distributable income of approximately S\$13.0 million available for distribution for the quarter ended 31 March 2015.

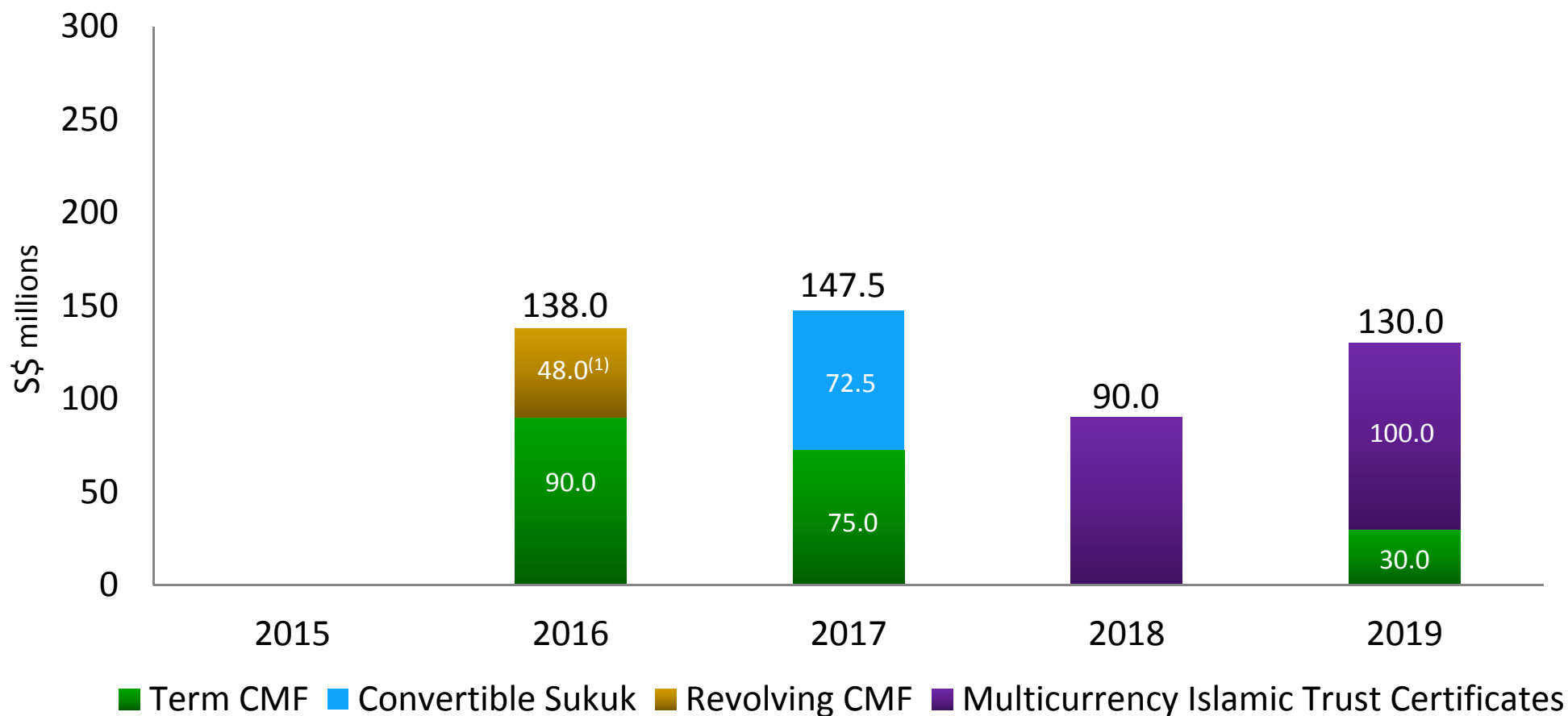
Contents

I.	Key Highlights	5
II.	Financial Performance	8
III.	Capital Management	13
IV.	Portfolio Performance	16
V.	Outlook	26
VI.	1Q 2015 Non-Shari'ah Income	28
VII.	Distribution Details	30



Borrowings Maturity Profile

As at 31 March 2015



Maturities of total outstanding borrowings of S\$486.0 million staggered over 4 years.

(1) Comprises S\$28.5 million and S\$19.5 million of drawn and undrawn credit facilities.

Capital Structure At A Glance



As at 31 March 2015

Borrowings	S\$486.0 million
Aggregate leverage ⁽¹⁾	38.0%
Proportion of total borrowings fixed	88.0%
Average all-in financing cost⁽²⁾	4.2%
Outstanding Term CMF	S\$195.0 million
Outstanding Revolving CMF	S\$28.5 million
Convertible Sukuk due 2017	S\$72.5 million
Trust Certificates	S\$190.0 million
Weighted average tenor of borrowings	2.8 years
Profit cover ⁽³⁾	4.0 times
Unencumbered assets ⁽⁴⁾	S\$539.5 million

(1) Ratio of total borrowings and deferred payment over deposited property as defined in the Property Funds Appendix of the Code on Collective Investment Schemes.

(2) Inclusive of amortisation of transaction costs.

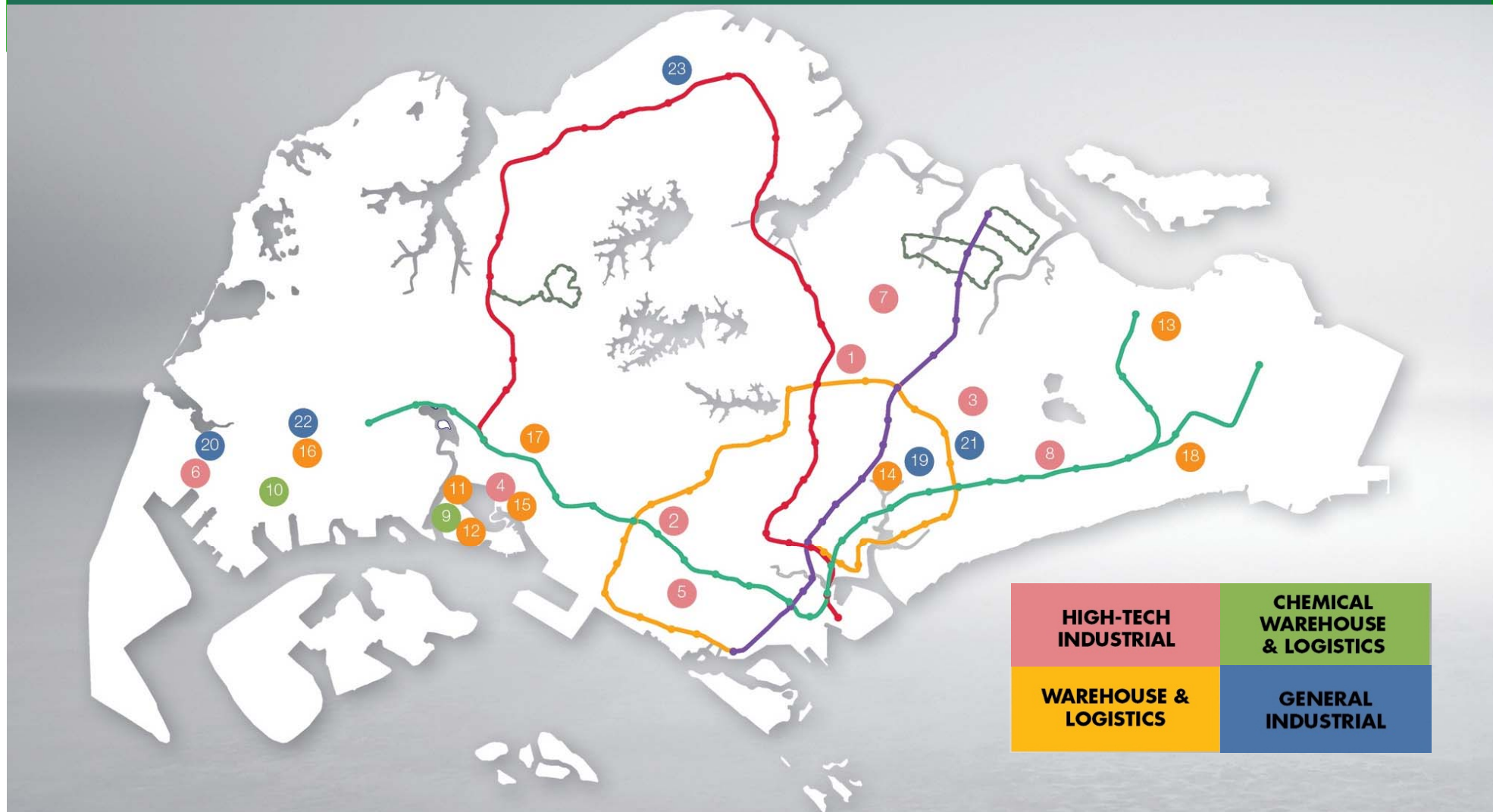
(3) Ratio of Net Property Income over profit expense (excluding amortisation of transaction costs and other fees) for the period from 1 January 2015 to 31 March 2015.

Contents

I. Key Highlights	5
II. Financial Performance	8
III. Capital Management	13
IV. Portfolio Performance	16
V. Outlook	26
VI. 1Q 2015 Non-Shari'ah Income	28
VII. Distribution Details	30

Property Locations

Our properties are diversified into four industrial segments across Singapore, close to expressways and public transportation.



High Occupancy Rates



As at 31 March 2015

Total portfolio GFA	4,675,363 sq ft
Portfolio occupancy	
16 properties, master leases ⁽¹⁾	100.0%
7 properties, multi-tenanted ⁽²⁾	77.7%
23 properties, total portfolio ⁽³⁾	90.6%
Weighted average lease term to expiry ⁽⁴⁾	2.2 years
Weighted average unexpired lease term for the underlying land ⁽⁵⁾	37.6 years

(1) 14 triple net & 2 single net master leases.

(2) 151 Lorong Chuan, 8 Commonwealth Lane, 9 Tai Seng Drive, 200 Pandan Loop, 508 Chai Chee Lane, 2 Toh Tuck Link and 123 Genting Lane.

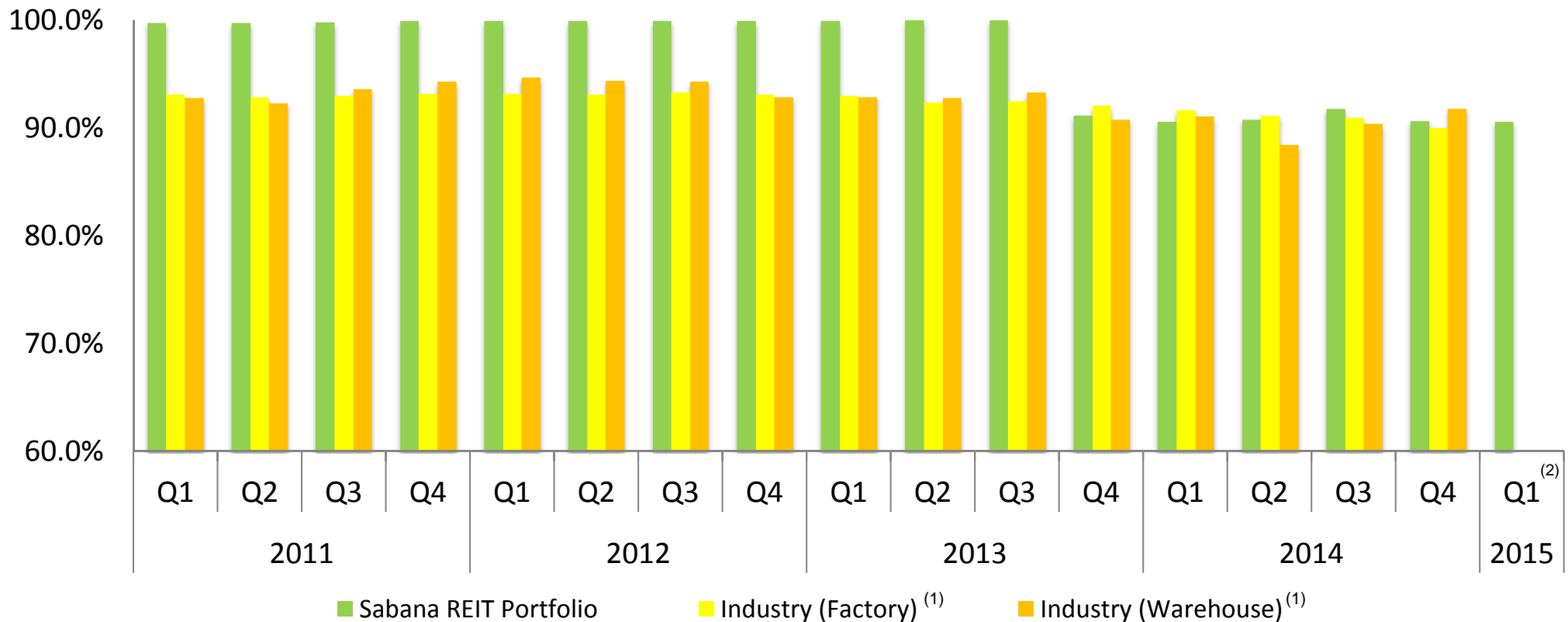
(3) By Net Lettable Area ("NLA").

(4) Weighted by gross revenue (master leases of 16 properties).

(5) Weighted by GFA.

Occupancy Levels Since Listing

Comparisons to Singapore industrial average occupancy levels



(1) Source: Property Market Information by Urban Redevelopment Authority and Quarterly Market Report by Jurong Town Corporation.

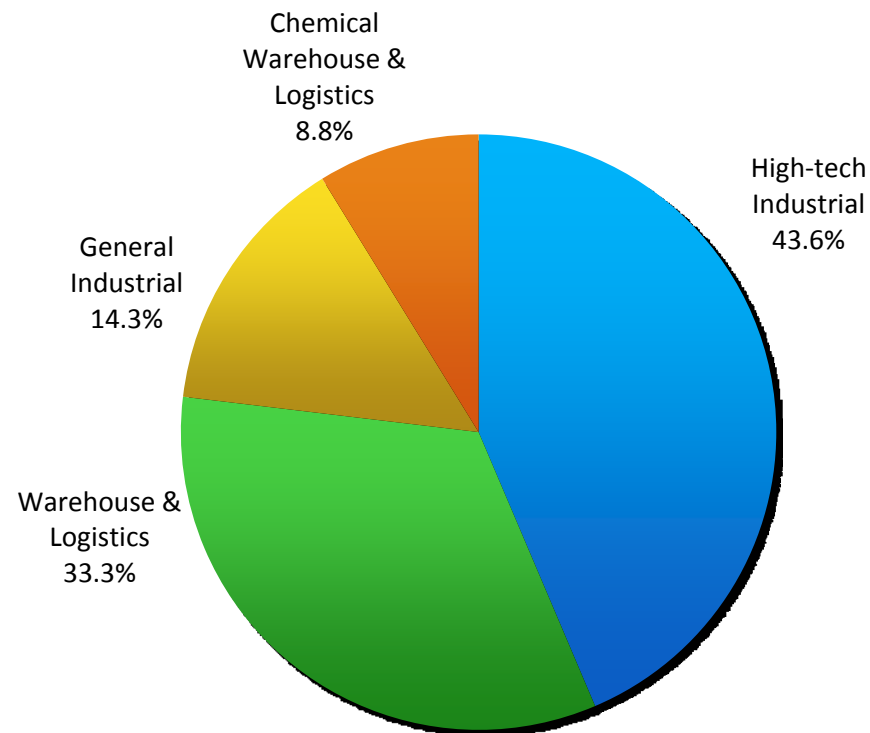
(2) 1Q 2015 data are not available as at 31 March 2015 from Jurong Town Corporation.

Diverse Asset Types

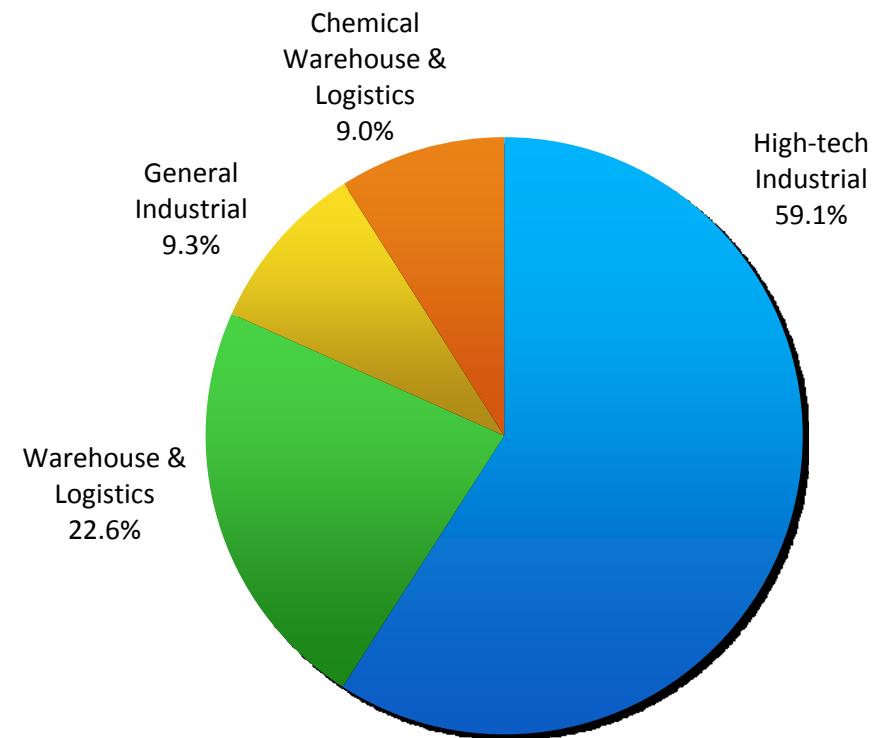
Sabana REIT's portfolio is diversified in the following asset types:

- High-tech Industrial
- Chemical Warehouse & Logistics
- Warehouse & Logistics
- General Industrial

Asset Breakdown by NLA for 1Q 2015⁽¹⁾



Gross Revenue by Asset Type for 1Q 2015

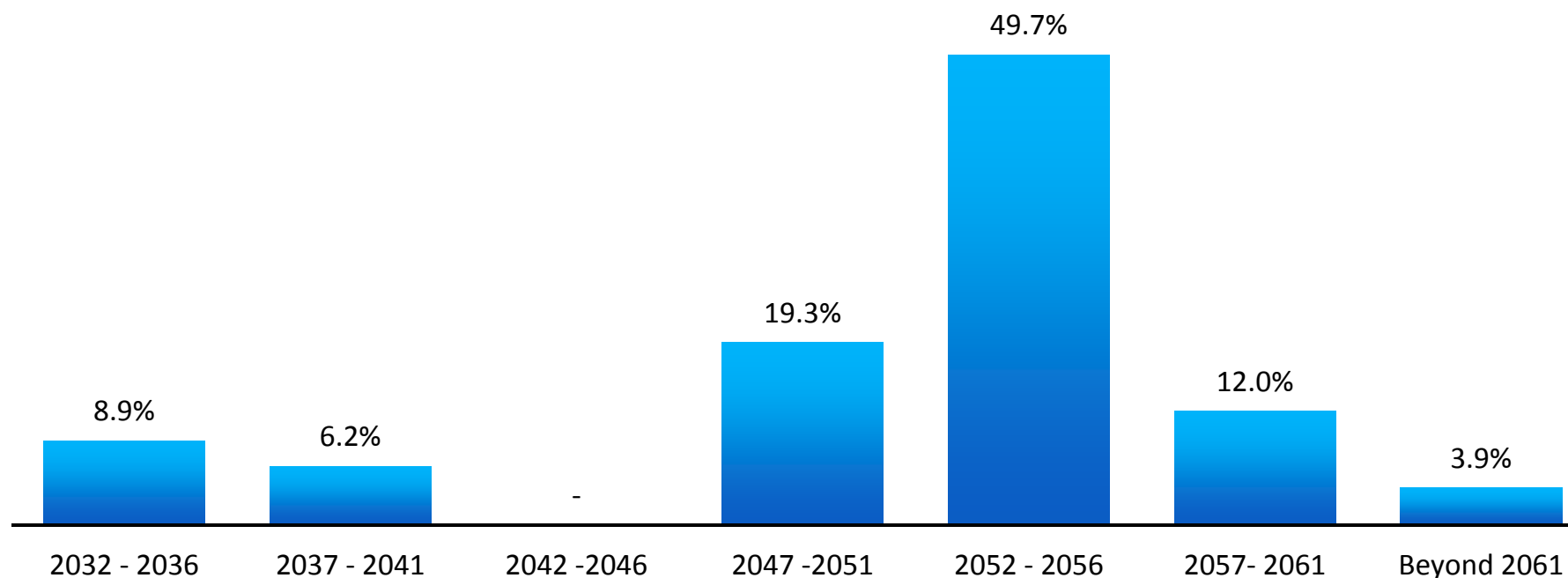


(1) As at 31 March 2015.

Long Weighted Average Leasehold For Underlying Land



Percentage of unexpired land lease term by GFA⁽¹⁾



Well distributed, long underlying land leases, with an average of 37.6 years by GFA.

(1) As at 31 March 2015, weighted by GFA.

Quality Assets Attract Quality Tenants

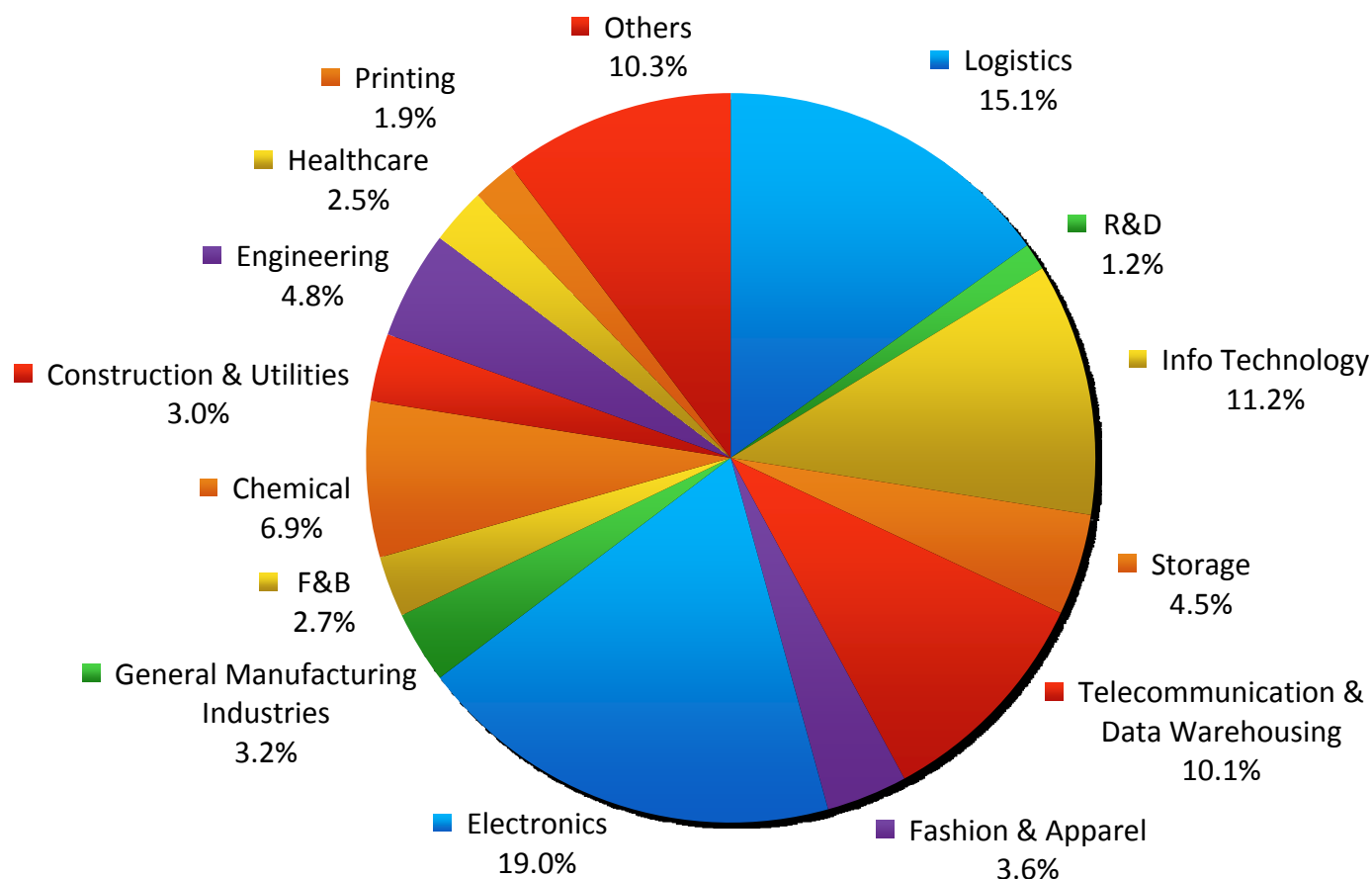


	As at 31 Mar 2015	As at 31 Dec 2014
Total NLA (sq ft)	3,730,255	3,730,255
Total number of direct and sub-tenants	142	145
Weighted average lease term to expiry (mths) ⁽¹⁾	31.5	32.1

(1) Weighted by sub-tenancy gross rent.

Diverse Sub-tenant Base

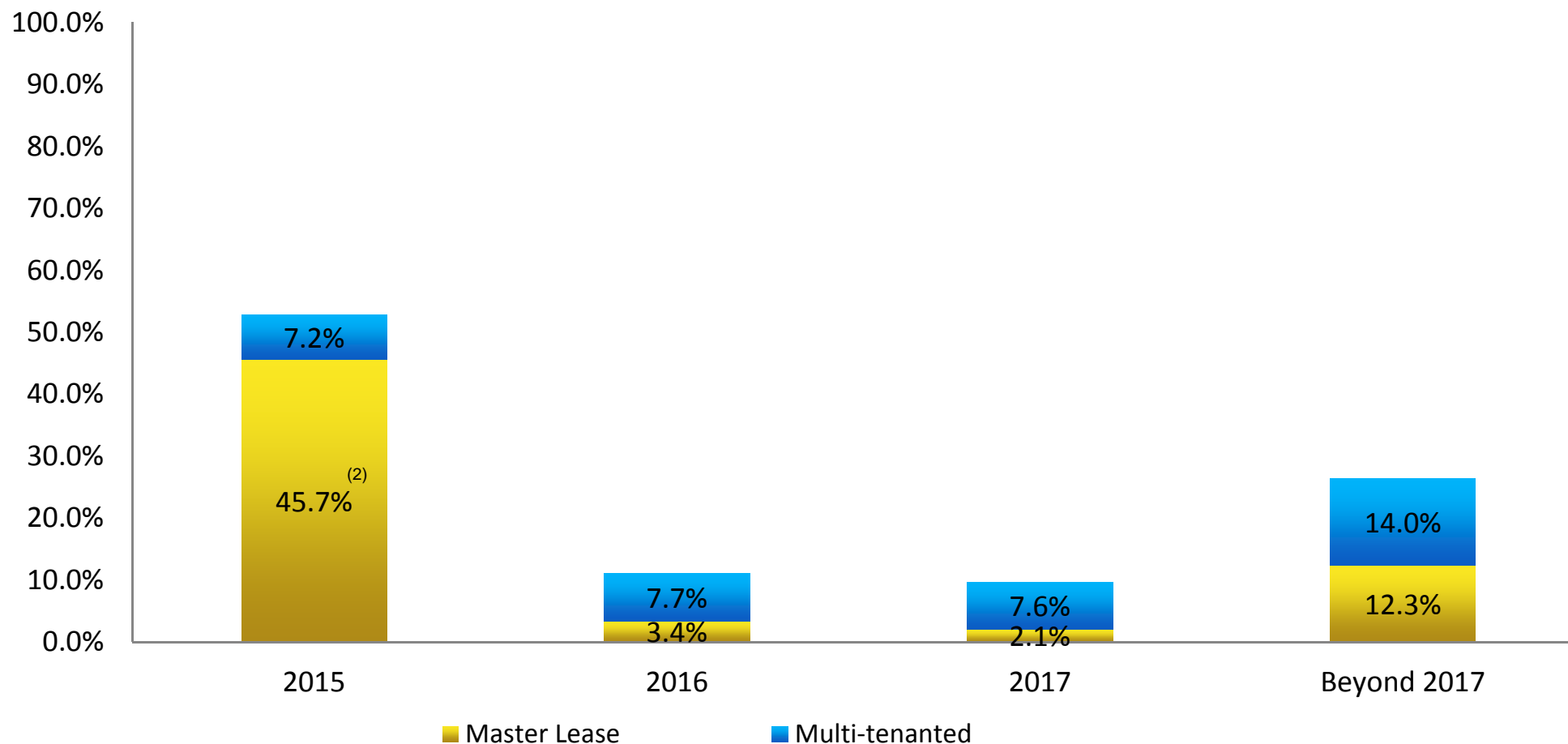
Sub-tenants' industry diversification by NLA⁽¹⁾:



No concentration in any single trade sector

(1) As at 31 March 2015.

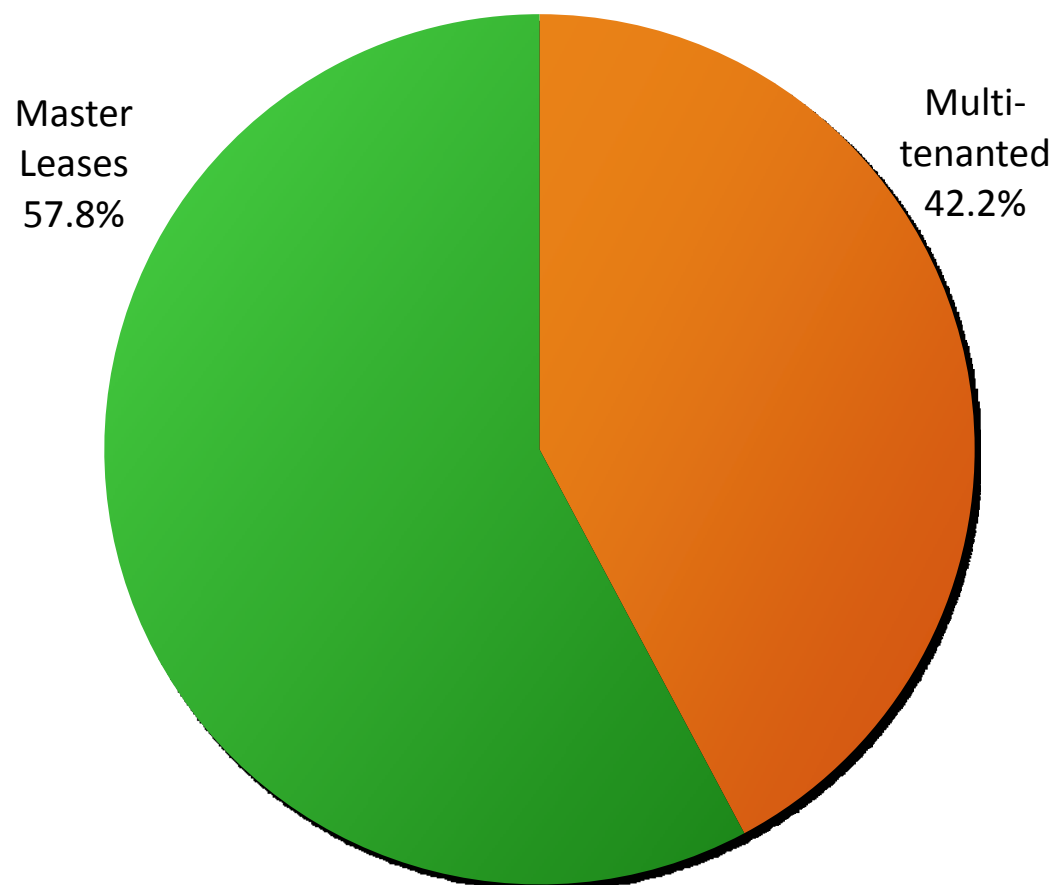
Lease Expiry by NLA for 1Q 2015⁽¹⁾



(1) As at 31 March 2015.

(2) Comprises of 11 properties (NLA 1,558,552 sq ft) of which 5 properties (NLA 708,894 sq ft) are currently leased back by the Sponsor, SGX-listed Vibrant Group Limited. Out of the 11 master leases, 10 are to expire in 4Q 2015 and 1 expires in 3Q 2015.

Lease Type by NLA for 1Q 2015⁽¹⁾



(1) As at 31 March 2015.

Contents

I. Key Highlights	5
II. Financial Performance	8
III. Capital Management	13
IV. Portfolio Performance	16
V. Outlook	26
VI. 1Q 2015 Non-Shari'ah Income	28
VII. Distribution Details	30

Singapore Economy

Singapore's GDP continues to grow moderately

- Based on advanced estimates, the Singapore economy grew by 2.1% on a year-on-year basis in 1Q 2015, the same rate of growth as that achieved in the previous quarter.¹
- However, on a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded at a slower pace of 1.1% compared to the 4.9% in the preceding quarter.¹

The Trust

Management strategy and outlook

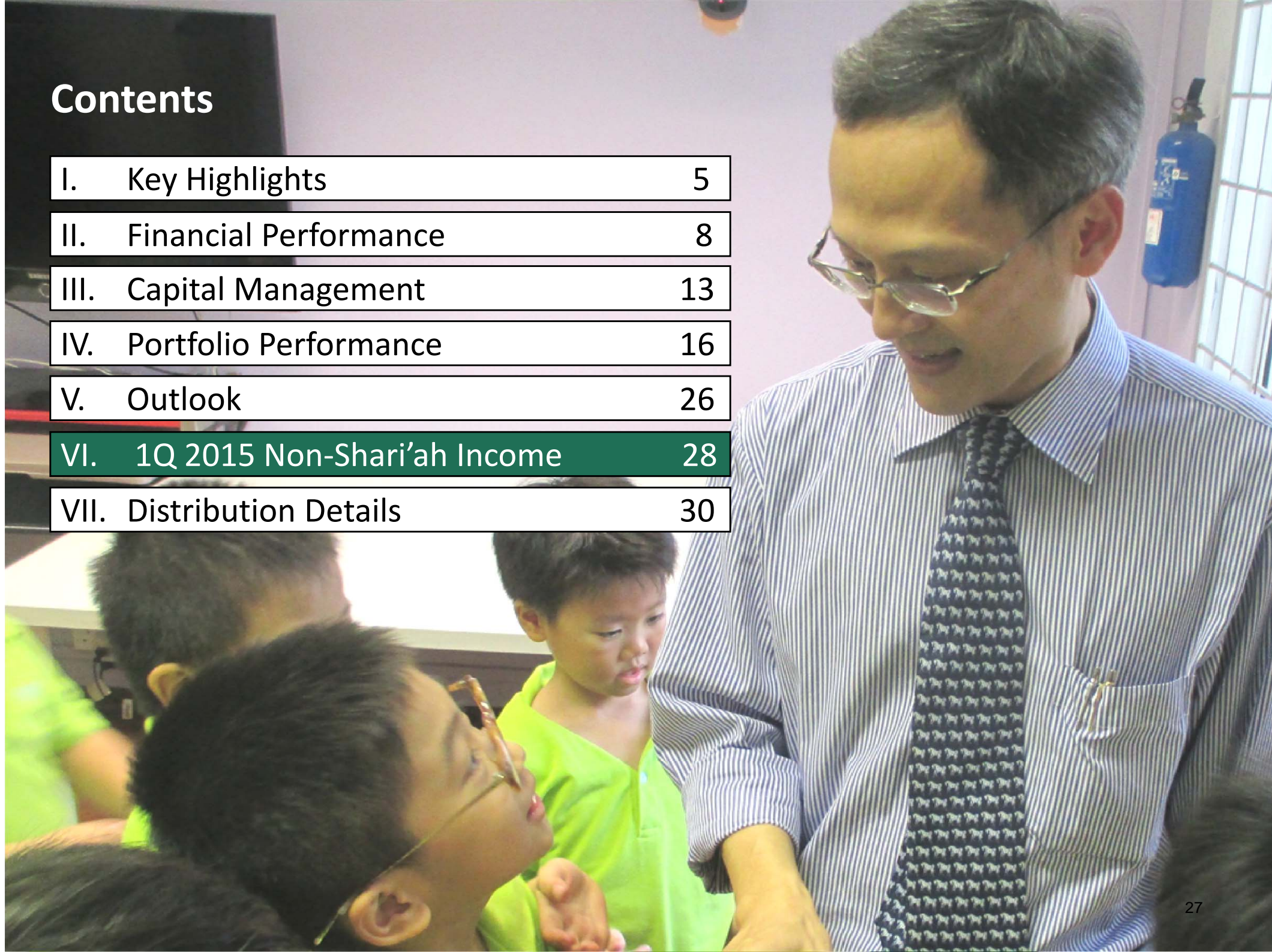
- The Manager has been evaluating potential yield accretive acquisition opportunities both locally, and abroad, as well as development projects and asset enhancement initiatives to grow the Trust's portfolio.
- In addition, the Manager intends to divest underperforming assets to recycle Sabana REIT's capital and will look for opportunities to do so.
- On the capital management front, the Manager will keep on exploring new ways to diversify funding sources and to improve the Trust's borrowings maturity profile.
- With approximately 7 months before the expiry of the 11 master leases, the Manager is working towards renewing or securing new master leases for 7 of them. The remaining 4 will likely be converted into multi-tenanted buildings.
- While the Manager anticipates market conditions to remain challenging, it will actively manage Sabana REIT's lease expiry profile and continue to be aggressive in its marketing and leasing efforts to increase the Trust's portfolio occupancy.
- Lease management of the 11 master-tenanted properties and marketing of available space will remain as the Manager's top priorities for FY 2015.

Sources:

(1) "Singapore's GDP Grew by 2.1 Per Cent in First Quarter of 2015". www.mti.gov.sg. Ministry of Trade and Industry Singapore. 14 April 2015. Web. 14 April 2015.

Contents

I.	Key Highlights	5
II.	Financial Performance	8
III.	Capital Management	13
IV.	Portfolio Performance	16
V.	Outlook	26
VI.	1Q 2015 Non-Shari'ah Income	28
VII.	Distribution Details	30



1Q 2015 Non-Shari'ah Income

Sabana REIT gives out its non-Shari'ah income on a quarterly basis, to charitable causes

The charitable cause below is the chosen beneficiary of Sabana REIT's 1Q 2015 non-Shari'ah income:



Organisation: Singapore Red Cross Society ("Cyclone Pam 2015")

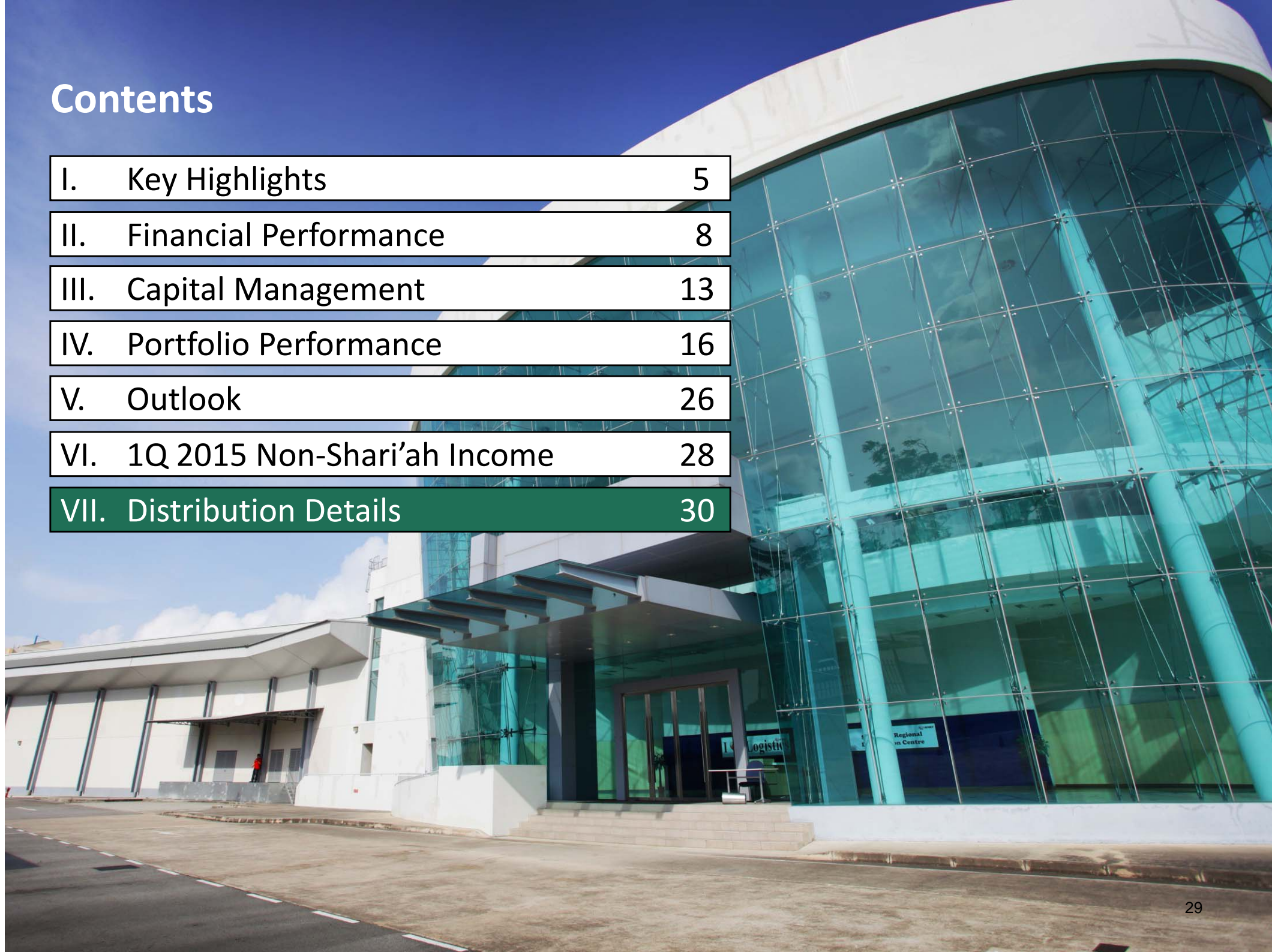
Purpose: Sabana REIT's 1Q 2015 non-Shari'ah income amounting to **S\$11,050** will be directed to "Cyclone Pam 2015", a humanitarian aid fund-raising campaign organised by the Singapore Red Cross Society, for the Republic of Vanuatu.

Cyclone Pam which took place in March 2015, severely damaged the supply of the Republic's food crops and livestock, resulting in severe food shortages for more than half of the Republic's population.

The total amount of **S\$11,050** allocated to the organisation above represents approximately **0.04%** of Sabana REIT's 1Q 2015 gross revenue.

Contents

I. Key Highlights	5
II. Financial Performance	8
III. Capital Management	13
IV. Portfolio Performance	16
V. Outlook	26
VI. 1Q 2015 Non-Shari'ah Income	28
VII. Distribution Details	30



Distribution details



Sabana REIT Code: MIGU

Distribution period	DPU (cents)
1 January 2015 to 31 March 2015	1.78
Distribution Timetable	
Last date that the Units are quoted on a “cum”- distribution basis	23 April 2015
Ex-date	24 April 2015, 9am
Books closure date	28 April 2015, 5pm
Date of announcement of Issue Price of DRP Units	28 May 2015
Distribution payment date	29 May 2015
Disbursement of non-Shari’ah income to approved charities	29 May 2015 or earlier

Thank you

Sabana Real Estate Investment Management Pte. Ltd.

151 Lorong Chuan
#02-03 New Tech Park
Singapore 556741

www.sabana-reit.com

Tel: +65 6580 7750

Fax: +65 6280 4700

For enquires, please contact:

Mr Bobby Tay

Chief Strategy Officer & Head of Investor Relations

Tel: +65 6580 7750

Email: bobby.tay@sabana.com.sg

Ms Grace Chen

Senior Manager, Investor Relations

Tel: +65 6580 7857

Email: grace.chen@sabana.com.sg