SABANA SHARI'AH COMPLIANT INDUSTRIAL REAL ESTATE INVESTMENT TRUST
(a real estate investment trust constituted on 29 October 2010 under the laws of the Republic of Singapore)

Sabana Shari'ah Compliant REIT beats forecast for six straight quarters

- **Distribution Per Unit ("DPU") of 2.27 cents for 2Q 2012 exceeds forecast**
- **Strong total occupancy rate at 99.9%**
- **Healthy balance sheet and gearing ratio of 34.1% places the Trust in position for expansion opportunities**

Financial Highlights

(S$'000)	2Q 2012 Actual	2Q 2012 Forecast[1]	Variance (%)
Net property income ("NPI")	19,075	16,539	15.3
Distributable income	14,501	13,823	4.9
DPU (cents)	2.27	2.17	4.6
Annualised DPU (cents)	9.13	8.67	5.3
Annualised distribution yield			
- IPO price at S$1.05	8.70%	8.25%	5.5
- Closing Price at S$1.01[2]	9.04%	8.58%	5.4

Singapore, 19 July 2012 – Sabana Real Estate Investment Management Pte. Ltd., the Manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("Sabana Shari'ah Compliant REIT" or the "Trust"), announced a distributable income of S$14.5 million for the period from 1 April 2012 to 30 June 2012. This is the sixth consecutive quarter since the Trust was listed and which had exceeded DPU forecast.

Based on 639,527,534 units[3] entitled to distribution, Sabana Shari'ah Compliant REIT's distributable income translates into DPU of 2.27 Singapore cents for 2Q 2012, exceeding its forecast DPU of 2.17 cents per unit for the quarter.

Commenting on the results, Mr Kevin Xayaraj, Chief Executive Officer and Executive Director of the Manager said, "The Trust has had a good first half in 2012, enjoying healthy DPU growth which arose

[1] Based on figures for Projection Year 2012, as stated in the IPO Prospectus, prorated for the period from 1 April 2012 to 30 June 2012.
[2] Based on the last traded price of S$1.01 per unit as at 18 July 2012.
[3] Comprises 638,421,093 units in issue as at 30 June 2012 and 1,106,441 units to be issued to the Manager by 31 July 2012 as partial consideration of Manager's fees incurred for the period from 1 April 2012 to 30 June 2012.

from the rental income of the five new buildings acquired at the end of 2011. We will continue to diligently execute our strategy of proactive asset and capital management to achieve sustainable distributions for the Unitholders."

Portfolio Overview

As at 30 June 2012, Sabana Shari'ah Compliant REIT's portfolio comprised of 20 properties, spanning close to 4.0 million sq ft in gross floor area ("GFA"). Total portfolio occupancy was 99.9% for 2Q 2012 with 19 buildings under master leases and one multi-tenanted building.

In terms of GFA, 40.1% of the portfolio was in the high-tech industrial sector. The allocation to the high-tech segment increased by 4.0% from 1Q 2012 due to a re-classification of the Trust's property at 1 Tuas Avenue 4. The next significant segment was warehouse and logistics space, accounting for 33.6%. Chemical warehouse & logistics space represented 10.5% of the GFA, while general industrial space accounted for the remaining 15.8% of the total GFA. The weighted average land lease of these properties is 39.7 years.

The main revenue driver in Sabana Shari'ah Compliant REIT's portfolio continued to be the high-tech industrial sector, which made up 53.7% of the Trust's gross revenue. The gross revenue of this sector increased by 1.6%, attributed to the re-classification of the property at 1 Tuas Avenue 4, as well as a higher rental concluded with a new tenant for that property during the quarter. In contrast, gross revenue in the chemical warehouse and logistics segment declined by only 0.4% as a result of the re-classification, contributing to 11.2% of the Trust's gross revenue in 2Q 2012. Warehouse and logistics space contributed 23.8% and the remaining 11.3% of revenue came from general industrial space.

Capital management

As at 30 June 2012, Sabana Shari'ah Compliant REIT's aggregate leverage was at 34.1%. Debt headroom was S$86.9 million based on 39.0% gearing, representing further capacity to purchase additional quality industrial assets to diversify the portfolio and grow earnings.

Market outlook

Private sector economists have upgraded their 2012 economic growth forecast for Singapore to 3%, up from 2.5% previously.[4] Meanwhile, the government's official forecast is in the range of 1% to 3%.

Accordingly to DTZ's research on industrial property market, as a result of prices rising faster than rents, yields are being compressed. DTZ expects to see further price increases while rents to soften for the rest of 2012.[5]

Colliers International is of the view that Singapore's sound economic fundamentals should help the country and the industrial market ride through all the current uncertainties. Any fall in capital values and rents will be capped at 3% in the next 12 months.[6]

---

[4] Aaron, Low. "Analysts raise Singapore growth forecast to 3%." www.straitstimes.com. The Straits Times. 14 June 2012. Web. 9 July 2012.

5 Siow Ying, Cheng; Chor Hoon Chua; Wong Wei Chen. "Industrial capital values rise while rents soften." Singapore. DTZ. 3 July 2012. Web. 9 July 2012.

[6] Siew Chuin, Chia. "Singapore Industrial Property Market." The Knowledge Report 1Q 2012. 4 June 2012. Colliers International. Web. 9 July 2012.

Meanwhile, Savills Research opined that barring external shocks or government intervention, industrial property prices could remain resilient with a biased upside. Industrial rents are expected to hold firm this year. [7]

Despite subdued outlook for the global economy and the Singapore industrial property market, the Manager is positive about the Trust's performance for 2012, given that the majority of the existing master leases will not expire until the end of 2013, and beyond.

Donation of non-Shari'ah compliant income

In 2Q 2012, Sabana Shari'ah Compliant REIT recorded a non-Shari'ah compliant income of S$38,795 which represented 0.2% of its gross revenue. Of this amount, Sabana Shari'ah Compliant REIT has allocated S$15,000 to sponsor a book launched by the Islamic Religious Council of Singapore ("MUIS"). The book, titled "Keeping The Faith – Syed Isa Semait Mufti of Singapore 1972-2011" was launched in honour of its former Mufti, Syed Isa Semait who has contributed greatly to strengthening the ties between different religions in Singapore through his work at the Inter-Religious Organisation and Presidential Council of Religious Harmony. The proceeds from this sponsorship will be dedicated to education and scholarship fund for needy children through MUIS.

The remaining S$23,795 will be donated to Seeing is Believing, a global initiative by Standard Chartered Bank to tackle avoidable blindness. Seeing is Believing is a collaboration between Standard Chartered Bank, the International Agency for Prevention of Blindness (IAPB) and leading eye care NGOs delivering projects on the ground. The donation will support the global program to deliver quality eye care and build public awareness of avoidable blindness in general. Standard Chartered Bank will match Sabana Shari'ah Compliant REIT's donation through a dollar-for-dollar matching initiative.

Distribution to Unitholders

Unitholders can expect to receive their DPU for the period 1 April 2012 to 30 June 2012 on 29 August 2012. The closure of Sabana Shari'ah Compliant REIT's transfer books and register of Unitholders will take place at 5pm on 27 July 2012.

=== END ===

For enquiries, please contact:

Sabana Real Estate Investment Management Pte. Ltd.

Bobby Tay Chiew Sheng
Chief Strategy Officer & Head of Investor Relations
DID: +65 6580 7768
Email: bobby.tay@sabana.com.sg

Grace Chen
Manager, Investor Relations
DID: +65 6580 7857
Email: grace.chen@sabana.com.sg

[7] Cheong, Alan; Smith, Simon. "Briefing – Singapore Industrial Sector." savills.com.sg/research. Savills Research Singapore. July 2012. Web. 10 July 2012.

ABOUT SABANA SHARI'AH COMPLIANT REIT

Sabana Shari'ah Compliant REIT is a real estate investment trust constituted on 29 October 2010 under the laws of Singapore.

Sabana Shari'ah Compliant REIT is established principally to invest in income-producing real estate used for industrial purposes in Asia, as well as real estate-related assets, in line with Shari'ah investment principles. The initial property portfolio of Sabana Shari'ah Compliant REIT comprises 15 industrial properties located across Singapore.

The Manager's key objective is to provide Unitholders of Sabana Shari'ah Compliant REIT with regular and stable distributions and long-term growth in distribution per Unit and net asset value per Unit, while maintaining an appropriate capital structure.

Sabana Real Estate Investment Management Pte. Ltd. is the manager of Sabana Shari'ah Compliant REIT.

For further information on Sabana Shari'ah Compliant REIT, please visit http://www.sabana-reit.com.

Important Notice

This announcement is for information only and does not constitute an offer, invitation or solicitation of securities in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, HSBC Institutional Trust Services (Singapore) Limited, as trustee of Sabana Shari'ah Compliant REIT, Freight Links Express Holdings Limited, the Joint Bookrunners or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is not an offer or sale of the Units in the United States. The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act. Any public offering of the Units to be made in the United States will be made by means of a prospectus that may be obtained from the Manager or Sabana Shari'ah Compliant REIT and that will contain detailed information about Sabana Shari'ah Compliant REIT, the Manager and its management, as well as financial statements. Sabana Shari'ah Compliant REIT does not intend to register any portion of the offering in the United States or to conduct a public offering of securities in the United States. Accordingly, the Units are being offered and sold outside the United States (including to institutional and other investors in Singapore) in reliance on Regulation S under the Securities Act.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of any other jurisdiction.