



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)

WORLD'S LARGEST AND SINGAPORE'S FIRST SHARI'AH COMPLIANT REIT BEATS IPO FORECAST

- **Distribution Per Unit ("DPU") of 3.04 cents for the period from 26 November 2010 to 31 March 2011**
- **Annualised DPU of 8.81 cents exceeds forecast by 2.1 %**
- **Net Property Income of S\$23.0 million is in line with IPO forecast**
- **Sabana on track to deliver the forecast DPU as announced in its IPO Prospectus**

Summary of results

(\$'000)	Actual	Forecast	Variance
Net Property Income	22,978	22,809	0.7%
Distributable Income	19,308	18,924	2.0%
Distribution Per Unit (DPU) (cents)	3.04	2.98	2.0%
Annualised DPU (cents)	8.81	8.63	2.1%
Annualised Distribution Yield			
- IPO Price at S\$1.05	8.4%	8.2%	0.2 ppts
- Current Price at S\$0.94 ¹	9.4%	9.2%	0.2 ppts

Singapore, 27 April 2011 – Sabana Real Estate Investment Management Pte. Ltd., the Manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("Sabana REIT"), today announced a distributable income of S\$19.3 million for the period 26 November 2010 to 31 March 2011, which is 2.0% over the Forecast².

Sabana REIT achieved a healthy gross revenue of S\$24.1 million comprising rental income from its property tenants.

Based on its 632.8 million of outstanding issued units, this translates into an annualised Distribution Per Unit ("DPU") of 8.81 Singapore cents per unit for the period, well in line with its Forecast¹ DPU of 8.63 Singapore cents for the year ending 31 December 2011 ("FY2011").

The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch ("HSBC"), is the sole financial adviser for the initial public offering of units in Sabana Shari'ah Compliant REIT (the "Offering"). HSBC, United Overseas Bank Limited and Daiwa Capital Markets Singapore Limited are the joint global coordinators, issue managers, bookrunners and underwriters for the Offering. HSBC, United Overseas Bank Limited and Daiwa Capital Markets Singapore Limited assume no responsibility for the contents of this announcement.

¹Based on the last traded price of S\$0.94 per unit as at 26 April 2011

²Based on figures for the Forecast Year 2011 as stated in the IPO prospectus

Commenting on Sabana REIT's maiden first quarter's performance, Mr Kevin Xayaraj, Chief Executive Officer and Executive Director of the Manager, said, "We are delighted to deliver more than what we promised at the IPO. Our management fees structure was designed to align the interests of the Manager with that of our unitholders, as such, we are highly incentivised to "outperform". We aim to continue to deliver regular and stable distributions by actively pursuing acquisition opportunities that are aligned with Sabana REIT's investment strategy to give sustainable yield accretive returns to our unitholders. Sabana's stable distribution is secured by the defensive characteristic of our portfolio and rental structure."

Mr Xayaraj continued, "As a testament to our commitment in playing an active asset management role, we have relocated to New Tech Park at 151 Lorong Chuan, way ahead of the expiry of the master lease, so as to be close to the tenants and stay in touch with the grounds. This property accounts for approximately 40% of the portfolio revenue."

The Manager believes that high standards of corporate governance play an equally crucial role in its long-term success. To this, Mr Xayaraj added, "Our one-half Board's independency, which is above the one-third independence under the Code of Corporate Governance guideline, exemplifies our determination to uphold high level of transparency and accountability in the way we conduct our business."

"We are also extremely proud that Sabana REIT has won two acclaimed awards from the Islamic Finance News (IFN), namely, "IPO Deal of the Year 2010" and "Real Estate Deal of the Year 2010". This is a testimony that Sabana REIT IPO debut stood out among our peers in the market. It has also provided a much anticipated boost to the domestic Islamic finance sector in Singapore."

"The total non-Shari'ah compliant income for this period was approximately S\$47,000 or 0.2% of our net property income. Sabana REIT will be donating this amount to multiple charities in Singapore. The impact to the DPU is negligible."

"Although the global economic outlook for Year 2011 is mixed, Singapore's economy is expected to report positive growth. Our target for this year is to continue to seek investment opportunities within Singapore so as to ride on the positive sentiments of the local industrial market."

Portfolio highlights

As at 31 March 2011, the 15 properties in Sabana REIT portfolio have a total gross floor area ("GFA") of over 3.2 million sq ft. Approximately 44% of the portfolio is in the High-tech Industrial sector, with the next significant segment in the Warehouse and Logistics space accounting for 28.7%. Chemical and Warehouse represented 17.6% while General Industrial accounted for the remaining 9.7%. The average land lease of these properties is 40.9 years.

Total assets under management stood at S\$850.7 million. The main revenue driver is the High-tech Industrial segment contributing 58.7%, Warehouse and Logistics contributed 19.3% while Chemical Warehouse and Logistics contributed 16.3%. The remaining 5.7% came from General Industrial.

Capital management

Sabana REIT has a 3-year secured commodity Murabaha facility of up to S\$256.0 million. As at 31 March 2011, Sabana REIT has a debt headroom of S\$122.6 million, without credit rating. The aggregate debt-equity ratio is 24.9% as at balance sheet date. The Manager is actively pursuing credit rating with the aim of lowering our cost of borrowings.

Outlook

Sabana REIT's properties are located across Singapore and its tenants come from a wide range of industries. While the global economy appears to have stabilised, the global outlook remains uncertain. Sabana REIT is not only protected from currency volatilities as its income and distributions are denominated in Singapore dollars, it is also buffered from short term volatility due to its diverse tenant mix. As such, the Manager expects Sabana REIT to continue achieving stable performance and distribution in line with forecasts made during the IPO.

Distribution to Unitholders

Sabana Shari'ah Compliant REIT is committed to distribute 100% of its Distributable Income from Listing Date till 31 December 2012. Unitholders can expect to receive their first quarterly DPU for the period 26 November 2010 to 31 March 2011 on Thursday, 16 June 2011. The closure of Sabana REIT's transfer books and register of unitholders is 5.00pm on **Thursday, 12 May 2011**.

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ABOUT SABANA SHARI'AH COMPLIANT INDUSTRIAL REAL ESTATE INVESTMENT TRUST

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 release may contain forward-looking statements that involve assumptions, 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.

This release 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 release 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.

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