



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 REIT'S PERFORMANCE FOR 2Q 2014 REMAINS
LARGELY UNCHANGED QUARTER-ON-QUARTER**

Financial Highlights

(S\$'000)	2Q 2014	1Q 2014	Variance (%)	2Q 2014	2Q 2013	Variance (%)
Gross revenue	25,354	24,570	3.2	25,354	21,554	17.6
Net property income ("NPI")	18,350	18,385	(0.2)	18,350	20,229	(9.3)
Income available for distribution	13,000	13,044	(0.3)	13,000	15,590	(16.6)
Distribution per Unit ("DPU") (cents)	1.86	1.88	(1.1)	1.86	2.40	(22.5)
Annualised DPU (cents)	7.46	7.62	(2.1)	7.46	9.63	(22.5)
Annualised distribution yield¹	7.1%	7.3%	(2.7)	7.1%	9.2%	(22.8)

Singapore, 16 July 2014 – Sabana Real Estate Investment Management Pte. Ltd., the Manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("Sabana REIT" or the "Trust"), today announced a DPU of 1.86 Singapore cents for the quarter from 1 April 2014 to 30 June 2014, largely unchanged compared to the quarterly DPU achieved in 1Q 2014 (1.88 Singapore cents). This was despite an increase in unit base by approximately 2.7 million as a result of new units issued in 2Q 2014 pursuant to the distribution re-investment plan ("DRP") established on 1 April 2014.

Chief Executive Officer and Executive Director of the Manager, Mr Kevin Xayaraj attributed the stable results to successful marketing and leasing efforts in 2Q 2014.

Mr Xayaraj said, "During the quarter, our team successfully secured six new leases and 12 lease renewals. Portfolio occupancy remained largely unchanged at 90.8% in 2Q 2014 as compared to 90.6% in 1Q2014.

Looking ahead, the market conditions are expected to remain challenging.

We will continue to intensify our marketing and leasing efforts to improve our portfolio occupancy. We will also continue to make selective acquisitions. In addition, we will look for opportunities to recycle our capital by divesting underperforming assets."

Property Portfolio

As at 30 June 2014, Sabana REIT's portfolio consisted of 22 properties, with approximately 4.5 million square feet of gross floor area, leased to a diversified base 151 tenants.

¹ Based on the last traded price of S\$1.050 per Unit as at 15 July 2014.

The portfolio's weighted average lease term for underlying land in terms of gross floor area was 38.4 years. The largest allocation in terms of net lettable area was in the high-tech industrial sector – approximately 46.0%.

Capital Management

On 11 June 2014, Sabana REIT received affirmation from Standard & Poor's Rating Services ("S&P") of its 'BBB-' long-term corporate credit rating and 'axA-' long term ASEAN regional scale rating with a stable outlook.

Commenting on S&P's assessment of Sabana REIT, Mr Xayaraj said, "We are encouraged by S&P's affirmation of Sabana REIT's investment grade corporate credit rating. This shows confidence in our ability to manage Sabana REIT's peak lease expiry in late 2015 and to maintain Sabana REIT's business and financial risk profiles, with gradual improvement in occupancy rates."

As at 30 June 2014, Sabana REIT had outstanding borrowings of S\$455.8 million, of which 91.0% was effectively fixed. Sabana REIT's total weighted average tenor of debt stood at 2.5 years, with only S\$10.2 million due for refinancing in November 2014.

Donation of non-Shari'ah compliant income

In 2Q 2014, Sabana REIT recorded a non-Shari'ah compliant income of S\$10,442, that was equivalent to less than 0.1% of the quarter's gross revenue. Sabana REIT will be allocating 100% of its 2Q 2014 non-Shari'ah income to the Muslim Kidney Action Association ("MKAC"), a non-profit social service organisation for chronically ill Muslim members and their families. Since 2004, MKAC has been commissioned by the Islamic Religious Council of Singapore ("MUIS") to manage the affairs of 300 Muslim kidney patients who are MUIS zakat recipients. The amount allocated to MKAC will provide financial assistance for dialysis, medical treatment and for medicines. In addition, it could also be disbursed as study grants, education and enrichment classes for the patients' children as well as the provision of skills training and job.

Distributions to Unitholders

The DRP will be applied to 2Q 2014 distribution. Unitholders may elect to receive distributions for the period from 1 April 2014 to 30 June 2014 in the form of fully-paid Units, instead of cash.

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ABOUT SABANA REIT

Sabana REIT was listed on Singapore Exchange Securities Trading Limited on 26 November 2010. It was established principally to invest in income-producing real estate used for industrial purposes, as well as real estate-related assets, in line with Shari'ah investment principles. Sabana REIT currently has a diversified portfolio of 22 quality properties in Singapore, in the high-tech industrial, warehouse and logistics, chemical warehouse and logistics, as well as general industrial sectors. Its total assets amount to approximately S\$1.2 billion.

Sabana REIT is listed in several indices within the Morgan Stanley Capital International, Inc (MSCI) Index, the Global Property Research (GPR) index, FTSE index and S&P Dow Jones Indices. Sabana REIT is assigned a BBB-'long-term corporate credit rating' with a stable outlook by Standard & Poor's Rating Services.

Sabana REIT is managed by Sabana Real Estate Investment Management Pte. Ltd., (in its capacity as the Manager of Sabana REIT) in accordance with the terms of the trust deed dated 29 October 2010 (as amended). Sabana REIT is a real estate investment trust constituted on 29 October 2010 under the laws of Singapore.

For further information on Sabana REIT, please visit <http://www.sabana-reit.com>.

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