



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)

**MARKED IMPROVEMENT IN SABANA REIT'S 1Q 2013 DISTRIBUTION PER UNIT ("DPU")
AND UNIT PRICE PERFORMANCE**

- Gross revenue in 1Q 2013 grew by 9.5% year-on-year ("y-o-y") to S\$21.5 million from S\$19.7 million in 1Q 2012.
- Distributable income increased by 7.1% from S\$14.5 million in 1Q 2012 to S\$15.5 million in 1Q 2013.
- 1Q 2013 DPU was at 2.41 Singapore cents, versus 2.26 Singapore cents in 1Q 2012.
- Unit price reached new all-time high of S\$1.28¹ in 1Q 2013.
- Establishment of a Shari'ah compliant S\$500 million Multicurrency Islamic Trust Certificates Issuance Programme in April 2013 further diversifies Sabana REIT's funding sources.

Financial Highlights

(S\$'000)	1Q 2013	1Q 2012	Variance (%)
Gross revenue	21,509	19,651	9.5
Net property income ("NPI")	20,258	18,496	9.5
Distributable income	15,486	14,453	7.1
DPU (cents) ²	2.41	2.26	6.6
Annualised DPU (cents)	9.77	9.09	7.5
Annualised distribution yield based on closing price at S\$1.345 ³	7.26%	6.76%	7.4

Singapore, 18 April 2013 – Sabana Real Estate Investment Management Pte. Ltd., the Manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("Sabana REIT" or the "Trust"), is pleased to announce that both its gross revenue and NPI in 1Q 2013 increased by approximately 9.5% y-o-y to S\$21.5 million and S\$20.3 million respectively. The improved performance is mainly a result of the acquisition of 23 Serangoon North Avenue 5 in 4Q 2012, which has started to contribute to the rental income of the Trust.

Correspondingly, the Trust achieved a distributable income of S\$15.5 million in 1Q 2013, which was 7.1% higher than that reported in the same quarter a year ago. The total income available for distribution corresponded to 2.41 cents per Unit based on 642,425,910 Units entitled for distribution.

The Manager's Chief Executive Officer and Executive Director, Mr Kevin Xayaraj said, "We're pleased to be able to achieve a positive y-o-y growth since Sabana REIT was listed. We will continue to remain focused in our approach in building up Sabana REIT's portfolio with yield-accretive acquisitions, as well as by proactively managing our capital structure."

¹ Unit price of S\$1.28 as at 11 March 2013.

² DPU and Annualised DPU for the period from 1 January 2013 to 31 March 2013 are based on the actual number of units in issue and to be issued of 642,425,910 as at 31 March 2013.

³ Based on the last traded price of S\$1.345 per unit as at 17 April 2013.

As at 31 March 2013, Sabana REIT's portfolio consisted of 21 properties with total asset value of S\$1.2 billion, well-diversified into four main industrial property segments of high-tech industrial, warehouse and logistics, general industrial, as well as chemical warehouse and logistics. The total portfolio occupancy of Sabana REIT stood at a solid 99.9%.

Further diversifying the Trust's financing sources

On 16 April 2013, the Manager announced the establishment of a Shari'ah compliant S\$500 million Multicurrency Islamic Trust Certificates Issuance Programme (the "Programme") to further diversify the Trust's funding sources and improve its financing flexibility for future acquisitions, development projects and asset enhancement initiatives.

Outlook

According to advance estimates released by the Ministry of Trade & Industry ("MTI"), the Singapore economy contracted by 0.6% on a y-o-y basis in 1Q 2013, compared to the 1.5% growth in the preceding quarter.⁴ MTI is maintaining its 2013 economic growth forecast at 1% to 3%.⁵

On the industrial property sector in particular, Knight Frank is forecasting price appreciation at 5% to 10% for the whole of 2013 for properties of better tenures, good locations and superior specifications in view of the Seller's Stamp Duty ("SSD") recently introduced by the government.⁶ Meanwhile, DTZ expects yields to compress further as prices hold up while sluggish manufacturing sector and pipeline supply exert pressure on industrial rents.⁷ In addition, Colliers expects industrial capital values to remain relatively stable with minimal fluctuations in 2013 and industrial rents are to rise at a slower pace, taking into consideration of the SSD, the persistent global economic headwinds and higher competition for tenants.⁸

Despite the subdued outlook for the global economy and the Singapore industrial property market, the Manager is positive about the Trust's performance for 2013.

Donation of non-Shari'ah compliant income

In 1Q 2013, Sabana REIT recorded a non-Shari'ah compliant income of S\$32,846, which represented less than 0.2% of the quarter's gross revenue.

Sabana REIT will donate half of the amount to the Singapore Red Cross Society's Philippines Relief Fund, which will be sponsoring a humanitarian project by a group of Singaporean youths in June 2013. The youth volunteers will learn farming and planting in Philippines to gain an insight to the social problems facing the Filipino community.

⁴ "Singapore's Economy Contracted in the First Quarter of 2013". www.mti.com.sg. Ministry of Trade and Industry. 12 April 2013. Web. 12 April 2013.

⁵ "MTI Maintains its 2013 GDP Growth Forecast at 1.0 to 3.0 Per Cent". www.mti.com.sg. Ministry of Trade and Industry. 22 Feb 2013. Web. 12 April 2013.

⁶ "Real Estate Highlights". www.knightfrank.com. Knight Frank. March 2013. Web. 12 April 2013.

⁷ "Industrial rents hold firm as price growth declines". www.dtz.com/Singapore. DTZ. 4 April 2013. Web. 9 April 2013.

⁸ "Asia Real Estate 2013 Forecast". www.colliers.com/country/singapore. Colliers International. Web. 12 April 2013.

The other half of the non-Shari'ah income will be donated to MENDAKI Sense, the training arm of Yayasan MENDAKI, set up to help individuals who are affected by the structural changes in the economy. The donation will be used for MENDAKI Sense's school-based student care centre at Blangah Rise Primary School and Champ Networks Student Care Centre to provide pastoral care services such as helping latch-key children and students with learning difficulties.

Distribution to Unitholders

Unitholders can expect to receive their DPU for the period 1 January 2013 to 31 March 2013 on 30 May 2013. The closure of Sabana REIT's transfer books and register of Unitholders will take place at 5pm on 26 April 2013.

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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

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 21 quality properties in Singapore, in the high-tech industrial, warehouse and logistics, chemical warehouse and logistics, as well as general industrial sectors. As of 31 March 2013, its total assets amounted 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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