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**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT  
FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM  
1 JANUARY 2013 TO 31 DECEMBER 2013**

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## INTRODUCTION

Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana Shari'ah Compliant REIT**" or "**Trust**") is a real estate investment trust constituted on 29 October 2010 (as amended) under the laws of Singapore by the Trust Deed entered between Sabana Real Estate Investment Management Pte. Ltd. as the manager (the "**Manager**") and HSBC Institutional Trust Services (Singapore) Limited as the trustee (the "**Trustee**") of Sabana Shari'ah Compliant REIT.

Following the acquisition of the property at 508 Chai Chee Lane (the "**Acquisition Property**") on 26 September 2013, the portfolio of Sabana Shari'ah Compliant REIT as at reporting date comprises 22 quality industrial properties (the "**Properties**") strategically located across Singapore. The Properties are:

1. 151 Lorong Chuan, New Tech Park, Singapore 556741
2. 8 Commonwealth Lane, Singapore 149555
3. 9 Tai Seng Drive, Geo-Tele Centre, Singapore 535227
4. 200 Pandan Loop, Pantech 21, Singapore 128388
5. 15 Jalan Kilang Barat, Frontech Centre, Singapore 159357
6. 33 & 35 Penjuru Lane, Freight Links Express Logisticpark, Singapore 609200/609202
7. 18 Gul Drive, Singapore 629468
8. 1 Tuas Avenue 4, Singapore 639382
9. 34 Penjuru Lane, Penjuru Logistics Hub, Singapore 609201
10. 51 Penjuru Road, Freight Links Express Logisticcentre, Singapore 609143
11. 26 Loyang Drive, Singapore 508970
12. 3 Kallang Way 2A, Fong Tat Building, Singapore 347493
13. 218 Pandan Loop, Singapore 128408
14. 123 Genting Lane, Yenom Industrial Building, Singapore 349574
15. 30 & 32 Tuas Avenue 8, Singapore 639246/639247
16. 3A Joo Koon Circle, Singapore 629033
17. 2 Toh Tuck Link, Singapore 596225
18. 21 Joo Koon Crescent, Singapore 629026
19. 39 Ubi Road 1, Singapore 408695
20. 6 Woodlands Loop, Singapore 738346
21. 23 Serangoon North Avenue 5, BTH Centre, Singapore 554530
22. 508 Chai Chee Lane, Singapore 469032

On 21 October 2011 and 15 February 2013, Sabana Shari'ah Compliant REIT incorporated two wholly-owned subsidiaries, Sabana Treasury Pte. Ltd. ("**STPL**") and Sabana Sukuk Pte. Ltd. ("**SSPL**") respectively. The principal activities of both STPL and SSPL are the provision of treasury services.

On 24 September 2012, STPL issued S\$80.0 million of Convertible Sukuk due on 24 September 2017 ("**Convertible Sukuk**").

On 16 April 2013, SSPL established a S\$500.0 million Multicurrency Islamic Trust Certificates Issuance Programme (the "**Programme**").

On 13 September 2013, Sabana Shari'ah Compliant REIT launched a private placement of 40 million new units at a price of S\$1.00 per unit to raise gross proceeds of S\$40.0 million ("**Private Placement**") to partially fund the Acquisition Property. These new units were subsequently issued on 24 September 2013.

The financial information of Sabana Shari'ah Compliant REIT and its subsidiaries ("**Sabana Group**" or "**Group**") for the full year ended 31 December 2013 as set out in this announcement have been extracted from the financial statements for the year ended 31 December 2013 which has been reviewed by our auditors in accordance with Singapore Standard on Review Engagements 2410.

**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT  
FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM  
1 JANUARY 2013 TO 31 DECEMBER 2013**

**SUMMARY OF RESULTS FOR SABANA GROUP**

	Group					
	Quarter		Fav / (Unfav)	YTD		Fav / (Unfav)
	4Q 2013	4Q 2012		31/12/13	31/12/12	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	24,824	21,460	15.7	89,485	81,768	9.4
Net property income	19,875	20,245	(1.8)	80,360	76,937	4.4
Income available for distribution	15,127	15,441	(2.0)	61,755	59,395	4.0
Distribution per unit ("DPU") (cents) <sup>(a)</sup>	2.19	2.41	(9.1)	9.38	9.28	1.1
Annualised DPU (cents)	8.69	9.59	(9.4)	9.38	9.28	1.1

**Note:**

- (a) Please refer to Item 6 on Page 15 for the DPU computation.

**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM 1 JANUARY 2013 TO 31 DECEMBER 2013**

**1 (a)(i) Statements of Total Return and Distribution Statements (4Q 2013 vs 4Q 2012)**

<b>Statements of Total Return</b>	Group			Trust		
	Quarter		Fav / (Unfav)	Quarter		Fav / (Unfav)
	4Q 2013	4Q 2012		4Q 2013	4Q 2012	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue <sup>(a)</sup>	24,824	21,460	15.7	24,824	21,460	15.7
Property expenses <sup>(b)</sup>	(4,949)	(1,215)	(307.3)	(4,949)	(1,215)	(307.3)
<b>Net property income</b>	<b>19,875</b>	<b>20,245</b>	<b>(1.8)</b>	<b>19,875</b>	<b>20,245</b>	<b>(1.8)</b>
Finance income	7	42	(83.3)	7	42	(83.3)
Finance costs	(5,643)	(4,985)	(13.2)	(5,530)	(4,870)	(13.6)
<b>Net finance costs <sup>(c)</sup></b>	<b>(5,636)</b>	<b>(4,943)</b>	<b>(14.0)</b>	<b>(5,523)</b>	<b>(4,828)</b>	<b>(14.4)</b>
Amortisation of intangible assets	(391)	(318)	(23.0)	(391)	(318)	(23.0)
Manager's fees	(1,559)	(1,453)	(7.3)	(1,559)	(1,453)	(7.3)
Trustee's fees	(128)	(116)	(10.3)	(128)	(116)	(10.3)
Donation of non-Shari'ah compliant income <sup>(d)</sup>	(39)	(36)	(8.3)	(39)	(36)	(8.3)
Other trust expenses	(126)	(180)	30.0	(130)	(183)	29.0
<b>Net income</b>	<b>11,996</b>	<b>13,199</b>	<b>(9.1)</b>	<b>12,105</b>	<b>13,311</b>	<b>(9.1)</b>
Net change in fair value of financial derivatives <sup>(e)</sup>	740	762	(2.9)	249	(381)	165.4
Net change in fair value of investment properties <sup>(f)</sup>	12,856	25,316	(49.2)	12,856	25,316	(49.2)
<b>Total return for the period before taxation</b>	<b>25,592</b>	<b>39,277</b>	<b>(34.8)</b>	<b>25,210</b>	<b>38,246</b>	<b>(34.1)</b>
Income tax expense <sup>(g)</sup>	*	*	-	-	-	-
<b>Total return for the period after taxation</b>	<b>25,592</b>	<b>39,277</b>	<b>(34.8)</b>	<b>25,210</b>	<b>38,246</b>	<b>(34.1)</b>

<b>Distribution Statements</b>	Group			Trust		
	Quarter		Fav / (Unfav)	Quarter		Fav / (Unfav)
	4Q 2013	4Q 2012		4Q 2013	4Q 2012	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Total return for the period after taxation</b>	<b>25,592</b>	<b>39,277</b>	<b>(34.8)</b>	<b>25,210</b>	<b>38,246</b>	<b>(34.1)</b>
Non-tax deductible/(chargeable) items:						
Manager's fees paid/payable in units	1,247	1,163	7.2	1,247	1,163	7.2
Amortisation of intangible assets	391	318	23.0	391	318	23.0
Amortisation of transaction costs <sup>(h)</sup>	1,432	833	71.9	1,323	719	84.0
Trustee's fees	128	116	10.3	128	116	10.3
Donation of non-Shari'ah compliant income	39	36	8.3	39	36	8.3
Net change in fair value of financial derivatives	(740)	(762)	2.9	(249)	381	(165.4)
Net change in fair value of investment properties	(12,856)	(25,316)	49.2	(12,856)	(25,316)	49.2
Effects of recognising rental income on a straight line basis over the lease term	(93)	(355)	73.8	(93)	(355)	73.8
Other items	(13)	131	(109.9)	(13)	133	(109.8)
<b>Net effect of non-tax deductible/(chargeable) items</b>	<b>(10,465)</b>	<b>(23,836)</b>	<b>56.1</b>	<b>(10,083)</b>	<b>(22,805)</b>	<b>55.8</b>
<b>Income available for distribution to Unitholders for the period</b>	<b>15,127</b>	<b>15,441</b>	<b>(2.0)</b>	<b>15,127</b>	<b>15,441</b>	<b>(2.0)</b>

\* Less than S\$1,000

**Notes:**

- (a) Gross revenue comprises rental and other operating income from the Properties.
- (b) Property expenses comprise:
- (i) Service, repairs and maintenance;
  - (ii) Property and lease management fees;
  - (iii) Applicable property tax, land rent and utilities expenses related to properties not under triple-net master lease agreements;
  - (iv) Marketing and lease administrative expenses; and
  - (v) Other reimbursable expenses payable to the Property Manager.

**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM 1 JANUARY 2013 TO 31 DECEMBER 2013**

(c) Included in the net finance costs are the following:

	Group			Trust		
	Quarter		Fav / (Unfav)	Quarter		Fav / (Unfav)
	4Q 2013	4Q 2012		4Q 2013	4Q 2012	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Finance income:</b>						
- Finance income from fixed deposits with Islamic financial institutions	3	30	(90.0)	3	30	(90.0)
- Ta'widh (compensation on late payment of rent)	4	12	(66.7)	4	12	(66.7)
	7	42	(83.3)	7	42	(83.3)
<b>Finance costs:</b>						
- Commodity Murabaha Facilities	(2,453)	(2,527)	2.9	(2,453)	(2,527)	2.9
- Profit rate swaps	(875)	(657)	(33.2)	(875)	(657)	(33.2)
- Convertible Sukuk	(822)	(908)	9.5	-	-	-
- Loan from a subsidiary	-	-	-	(822)	(908)	9.5
- Amortisation of transaction costs <sup>(h)</sup>	(1,432)	(833)	(71.9)	(1,323)	(719)	(84.0)
- Brokerage and agent fees	(61)	(60)	(1.7)	(57)	(59)	3.4
	(5,643)	(4,985)	(13.2)	(5,530)	(4,870)	(13.6)
<b>Net finance costs</b>	<b>(5,636)</b>	<b>(4,943)</b>	<b>(14.0)</b>	<b>(5,523)</b>	<b>(4,828)</b>	<b>(14.4)</b>

(d) This relates to the net income which was subjected to the cleansing process and was approved by the Independent Shari'ah Committee to be and donated to the following beneficiaries:

**4Q 2013**

- Singapore Kadayanallur Muslim League; and
- Singapore Amalgamated Services Co-operative Organisation Limited ("**SASCO**") Community Project Fund.

**4Q 2012**

- Singapore Kadayanallur Muslim League; and
- Majlis Ugama Islam Singapura.

- (e) Net change in fair value of financial derivatives relates to the change in the fair value of the profit rate swaps and the embedded derivatives component of the Convertible Sukuk based on broker quotes recognised between the last quarter and at the reporting date.
- (f) Net change in fair value of investment properties in 4Q 2013 and 4Q 2012 relates mainly to the revaluation surplus based on independent valuations of the properties undertaken by Knight Frank Pte Ltd (the "**Independent Valuer**") as at 31 December 2013 and 31 December 2012 respectively.
- (g) This pertains to income tax expense of subsidiaries.
- (h) This represents the amortisation of upfront fees and legal fees pertaining to the Commodity Murabaha Facilities ("**CMF**"), and the Convertible Sukuk. These items are non-tax deductible and have no impact on income available for distribution.

**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM 1 JANUARY 2013 TO 31 DECEMBER 2013**

**1 (a)(ii) Statements of Total Return and Distribution Statements (Current Year To Date ("YTD") vs Prior YTD)**

<b>Statements of Total Return</b>	Group			Trust		
	YTD		Fav / (Unfav)	YTD		Fav / (Unfav)
	31/12/13	31/12/12		31/12/13	31/12/12	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue <sup>(a)</sup>	89,485	81,768	9.4	89,485	81,768	9.4
Property expenses <sup>(b)</sup>	(9,125)	(4,831)	(88.9)	(9,125)	(4,831)	(88.9)
<b>Net property income</b>	<b>80,360</b>	<b>76,937</b>	<b>4.4</b>	<b>80,360</b>	<b>76,937</b>	<b>4.4</b>
Finance income	61	197	(69.0)	61	197	(69.0)
Finance costs	(20,310)	(17,254)	(17.7)	(19,861)	(17,132)	(15.9)
<b>Net finance costs <sup>(c)</sup></b>	<b>(20,249)</b>	<b>(17,057)</b>	<b>(18.7)</b>	<b>(19,800)</b>	<b>(16,935)</b>	<b>(16.9)</b>
Amortisation of intangible assets	(1,427)	(1,331)	(7.2)	(1,427)	(1,331)	(7.2)
Manager's fees	(5,868)	(5,491)	(6.9)	(5,868)	(5,491)	(6.9)
Trustee's fees	(488)	(447)	(9.2)	(488)	(447)	(9.2)
Donation of non-Shari'ah compliant income <sup>(d)</sup>	(131)	(147)	10.9	(131)	(147)	10.9
Other trust expenses	(1,415)	(1,783)	20.6	(1,427)	(1,786)	20.1
Loss on conversion of Convertible Sukuk <sup>(e)</sup>	(1,228)	-	NM	(1,010)	-	NM
<b>Net income</b>	<b>49,554</b>	<b>50,681</b>	<b>(2.2)</b>	<b>50,209</b>	<b>50,800</b>	<b>(1.2)</b>
Net change in fair value of financial derivatives <sup>(f)</sup>	1,393	(1,553)	189.7	2,689	(2,696)	199.7
Net change in fair value of investment properties <sup>(g)</sup>	12,441	25,316	(50.9)	12,441	25,316	(50.9)
<b>Total return for the year before taxation</b>	<b>63,388</b>	<b>74,444</b>	<b>(14.9)</b>	<b>65,339</b>	<b>73,420</b>	<b>(11.0)</b>
Income tax expense <sup>(h)</sup>	*	*	-	-	-	-
<b>Total return for the year after taxation</b>	<b>63,388</b>	<b>74,444</b>	<b>(14.9)</b>	<b>65,339</b>	<b>73,420</b>	<b>(11.0)</b>

<b>Distribution Statements</b>	Group			Trust		
	YTD		Fav / (Unfav)	YTD		Fav / (Unfav)
	31/12/13	31/12/12		31/12/13	31/12/12	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Total return for the period after taxation</b>	<b>63,388</b>	<b>74,444</b>	<b>(14.9)</b>	<b>65,339</b>	<b>73,420</b>	<b>(11.0)</b>
Non-tax deductible/(chargeable) items:						
Manager's fees paid/payable in units	4,694	4,393	6.9	4,694	4,393	6.9
Amortisation of intangible assets	1,427	1,331	7.2	1,427	1,331	7.2
Amortisation of transaction costs <sup>(i)</sup>	3,940	2,677	47.2	3,502	2,556	37.0
Trustee's fees	488	447	9.2	488	447	9.2
Donation of non-Shari'ah compliant income	131	147	(10.9)	131	147	(10.9)
Net change in fair value of financial derivatives	(1,393)	1,553	(189.7)	(2,689)	2,696	(199.7)
Net change in fair value of investment properties	(12,441)	(25,316)	50.9	(12,441)	(25,316)	50.9
Loss on conversion of Convertible Sukuk	1,228	-	NM	1,010	-	NM
Effects of recognising rental income on a straight line basis over the lease term	(571)	(1,728)	67.0	(571)	(1,728)	67.0
Other items	864	1,447	(40.3)	865	1,449	(40.3)
<b>Net effect of non-tax deductible/(chargeable) items</b>	<b>(1,633)</b>	<b>(15,049)</b>	<b>89.1</b>	<b>(3,584)</b>	<b>(14,025)</b>	<b>74.4</b>
<b>Income available for distribution to Unitholders for the year</b>	<b>61,755</b>	<b>59,395</b>	<b>4.0</b>	<b>61,755</b>	<b>59,395</b>	<b>4.0</b>

NM denotes "not meaningful"

\* Less than S\$1,000

**Notes:**

- (a) Gross revenue comprises rental and other operating income from the Properties.
- (b) Property expenses comprise:
- (i) Service, repairs and maintenance;
  - (ii) Property and lease management fees;
  - (iii) Applicable property tax, land rent and utilities expenses related to properties not under triple-net master lease agreements;
  - (iv) Marketing and lease administrative expenses; and
  - (v) Other reimbursable expenses payable to the Property Manager.

**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM 1 JANUARY 2013 TO 31 DECEMBER 2013**

(c) Included in the net finance costs are the following:

	Group			Trust		
	YTD		Fav / (Unfav)	YTD		Fav / (Unfav)
	31/12/13	31/12/12		31/12/13	31/12/12	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Finance income :</b>						
- Finance income from fixed deposits with Islamic financial institutions	47	156	(69.9)	47	156	(69.9)
- Ta'widi (compensation on late payment of rent)	14	41	(65.9)	14	41	(65.9)
	61	197	(69.0)	61	197	(69.0)
<b>Finance costs:</b>						
- Commodity Murabaha Facilities	(9,797)	(10,462)	6.4	(9,797)	(10,462)	6.4
- Profit rate swaps	(3,002)	(2,902)	(3.4)	(3,002)	(2,902)	(3.4)
- Convertible Sukuk	(3,330)	(967)	(244.4)	-	-	-
- Loan from a subsidiary	-	-	-	(3,330)	(967)	(244.4)
- Amortisation of transaction costs <sup>(i)</sup>	(3,940)	(2,677)	(47.2)	(3,502)	(2,556)	(37.0)
- Brokerage and agent fees	(241)	(246)	2.0	(230)	(245)	6.1
	(20,310)	(17,254)	(17.7)	(19,861)	(17,132)	(15.9)
<b>Net finance costs</b>	<b>(20,249)</b>	<b>(17,057)</b>	<b>(18.7)</b>	<b>(19,800)</b>	<b>(16,935)</b>	<b>(16.9)</b>

(d) This relates to the net income which was subjected to the cleansing process and was approved by the Independent Shari'ah Committee to be and donated to the following beneficiaries:

**Current YTD**

- Mendaki Social Enterprise Network Services Pte Ltd (1Q 2013);
- Singapore Red Cross Society for the Philippines Relief Fund (1Q 2013);
- Lions Befrienders Service Association (Singapore) (2Q 2013);
- Ananias Centre (2Q 2013);
- Ng Wei Qi Neira, an infant diagnosed with brain tumours (3Q 2013);
- Singapore Kadayanallur Muslim League (4Q 2013); and
- SASCO Community Project Fund (4Q 2013).

**Prior YTD**

- City College Holdings Ltd (1Q 2012);
- Islamic Religious Council of Singapore for the sponsorship of the book "Keeping the Faith – Syed Isa Semait Mufti of Singapore 1972-2011" (2Q 2012);
- "Seeing is Believing", a global initiative by Standard Chartered Bank to tackle avoidable blindness (2Q 2012);
- Mendaki Social Enterprise Network Services Pte Ltd (3Q 2012);
- Singapore Kadayanallur Muslim League (4Q 2012); and
- Majlis Ugama Islam Singapura (4Q 2012).

(e) This represents the YTD loss relating to the conversion of aggregate principal amount of S\$7.5 million of Convertible Sukuk by converting Sukukholders ("**Converting Sukukholders**") into 6,285,090 units at the conversion price of S\$1.1933. This item is non-tax deductible and has no impact on income available for distribution.

(f) Net change in fair value of financial derivatives relates to the change in the fair value of the profit rate swaps and the embedded derivatives component of the Convertible Sukuk based on broker quotes recognised YTD.

(g) Net change in fair value of investment properties in Current YTD and Prior YTD relates mainly to the revaluation surplus based on independent valuations of the properties undertaken by the Independent Valuer as at 31 December 2013 and 31 December 2012 respectively.

(h) This pertains to income tax expense of subsidiaries.

(i) This represents the amortisation of upfront fees and legal fees pertaining to CMF and the Convertible Sukuk. These items are non-tax deductible and have no impact on income available for distribution.

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**1 (b)(i) Statements of financial position, together with comparatives as at the end of the immediate preceding financial year**

Statements of Financial Position	Group			Trust		
	31/12/13	31/12/12	Change	31/12/13	31/12/12	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Non-current assets</b>						
Investment properties <sup>(a)</sup>	1,211,430	1,130,943	7.1	1,211,430	1,130,943	7.1
Intangible assets <sup>(b)</sup>	1,830	3,257	(43.8)	1,830	3,257	(43.8)
Subsidiaries <sup>(c)</sup>	-	-	-	*	*	-
<b>Total non-current assets</b>	<b>1,213,260</b>	<b>1,134,200</b>	<b>7.0</b>	<b>1,213,260</b>	<b>1,134,200</b>	<b>7.0</b>
<b>Current assets</b>						
Trade and other receivables <sup>(d)</sup>	6,409	3,373	90.0	6,407	3,369	90.2
Cash and cash equivalents <sup>(e)</sup>	17,084	18,965	(9.9)	17,078	18,962	(9.9)
<b>Total current assets</b>	<b>23,493</b>	<b>22,338</b>	<b>5.2</b>	<b>23,485</b>	<b>22,331</b>	<b>5.2</b>
<b>Total assets</b>	<b>1,236,753</b>	<b>1,156,538</b>	<b>6.9</b>	<b>1,236,745</b>	<b>1,156,531</b>	<b>6.9</b>
<b>Current liabilities</b>						
Trade and other payables <sup>(f)</sup>	18,869	16,420	14.9	18,864	16,415	14.9
Borrowings <sup>(g)</sup>	130,376	-	NM	130,376	-	NM
Derivative liabilities <sup>(h)</sup>	3,479	1,466	137.3	717	-	NM
<b>Total current liabilities</b>	<b>152,724</b>	<b>17,886</b>	<b>753.9</b>	<b>149,957</b>	<b>16,415</b>	<b>813.5</b>
<b>Non-current liabilities</b>						
Trade and other payables <sup>(f)</sup>	6,626	7,706	(14.0)	6,626	7,706	(14.0)
Borrowings <sup>(i)</sup>	317,016	420,800	(24.7)	318,848	423,288	(24.7)
Derivative liabilities <sup>(j)</sup>	3,883	7,289	(46.7)	3,883	7,289	(46.7)
<b>Total non-current liabilities</b>	<b>327,525</b>	<b>435,795</b>	<b>(24.8)</b>	<b>329,357</b>	<b>438,283</b>	<b>(24.9)</b>
<b>Total liabilities</b>	<b>480,249</b>	<b>453,681</b>	<b>5.9</b>	<b>479,314</b>	<b>454,698</b>	<b>5.4</b>
<b>Net assets</b>	<b>756,504</b>	<b>702,857</b>	<b>7.6</b>	<b>757,431</b>	<b>701,833</b>	<b>7.9</b>
Represented by:						
<b>Unitholders' funds <sup>(k)</sup></b>	<b>756,504</b>	<b>702,857</b>	<b>7.6</b>	<b>757,431</b>	<b>701,833</b>	<b>7.9</b>

NM denotes "not meaningful"

\* Less than S\$1,000

**Notes:**

- (a) The carrying amounts of the investment properties as at 31 December 2013 were based on the independent valuations of the Properties undertaken by the Independent Valuer. The increase in investment properties arises from the Acquisition Property and higher fair values of the Properties appraised by the Independent Valuer.
- (b) This represents the unamortised rental support provided by the vendors of 9 Tai Seng Drive and 6 Woodlands Loop which can be drawn down over five years from the 26 November 2010 and three years from 15 December 2011, being their respective acquisition dates. The decrease in intangible assets is mainly due to the amortisation of the rental support.
- (c) This relates to the cost of investments in Sabana Treasury Pte. Ltd. and Sabana Sukuk Pte. Ltd., wholly-owned subsidiaries of the Trust.
- (d) This relates to trade receivables, prepayments, deposits, and other receivables. The increase is mainly due to:
- The effects of the accounting adjustment to recognise rental revenue on a straight-line basis over the term of the leases which have step-up rental escalation clauses.
  - Higher trade receivables, prepayments, deposits and other receivables pertaining to the four properties namely, 151 Lorong Chuan, 200 Pandan Loop, 8 Commonwealth Lane and 123 Genting Lane ("**Four Properties**") which were converted to multi-tenancy leases in 4Q 2013; and
  - Higher other receivables pertaining to the Acquisition Property.
- (e) This relates to bank balances and Shari'ah compliant deposits held with Islamic financial institutions. The decrease is in line with the higher working capital required for the Four Properties.

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- (f) This relates to trade payables, security deposits, rental received in advance, retention sums and accruals and provisions.

The increase in total trade and other payables is mainly due to:

- (i) Higher accrued operating expense and trade payables relating to the Four Properties and the Acquisition Property;
- (ii) Higher security deposits received from the tenants of the Four Properties; and partially offset by
- (iii) Recognition of rental revenue received in advance as income earned.

The movements in current and non-current trade payables as at 31 December 2013 are mainly due to the reclassification of security deposits and other liabilities from non-current to current as they would be either refunded or settled within twelve months from the reporting date.

- (g) Current borrowings relate to the amortised cost of the principal amount of S\$130.7 million drawn from the Term CMF C and Revolving CMF D.

Both the Group and the Trust are in net current liabilities position as at the reporting date mainly due to 3-year Term CMF C maturing within the next 12 months.

- (h) Current derivative liabilities relate to the fair value of the profit rate swap entered into to hedge the profit rate risks on the S\$100.2 million Term CMF C and the embedded derivatives component of the Convertible Sukuk issued by STPL.

The increase is mainly due to the Current YTD change in the fair value of the embedded derivatives component of the Convertible Sukuk and the reclassification of the profit rate swap used for hedging Term CMF C from non-current to current.

- (i) Non-current borrowings represent the following at Sabana Group and the Trust:
- (i) Amortised cost of the principal amount of S\$252.6 million drawn from Term CMF E and F;
  - (ii) Amortised cost of the liability component of the remaining principal amount of S\$72.5 million of Convertible Sukuk issued by STPL; and
  - (iii) Amortised cost of the remaining principal amount of S\$72.5 million of STPL's profit bearing loan to the Trust, which was raised from the issuance of the Convertible Sukuk by STPL.

The decrease in non-current borrowings is mainly due to the Current YTD conversion of aggregate principal amount of S\$7.5 million of Convertible Sukuk by Converting Sukukholders and the reclassification of Term CMF C from non-current to current.

- (j) Non-current derivative liabilities relate to the fair value of the 3-year and 5-year profit rate swaps entered into to hedge the profit rate risks on the S\$252.6 million Term CMF E and F.

The decrease is mainly due to the Current YTD change in the fair value of the profit rate swaps used for hedging Term CMF E and F and the reclassification of the profit rate swap used for hedging Term CMF C from non-current to current.

- (k) Please refer to the Statements of Movements in Unitholders' Funds under Item (1)(d)(ii) on Page 12 for details.



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**1 (b)(ii) Aggregate amount of borrowings and debt securities**

	Group		Trust	
	31/12/13	31/12/12	31/12/13	31/12/12
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Secured borrowings</b>				
Amount repayable within one year:				
Term CMF (C) <sup>(a)</sup>	100,274	-	100,274	-
Revolving CMF (D) <sup>(a)</sup>	30,500	-	30,500	-
Less: Unamortised capitalised transaction costs	(398)	-	(398)	-
	<b>130,376</b>	<b>-</b>	<b>130,376</b>	<b>-</b>
Amount repayable after one year:				
Term CMF (E & F) <sup>(a)</sup>	252,563	352,837	252,563	352,837
Less: Unamortised capitalised transaction costs	(5,225)	(8,200)	(5,225)	(8,200)
	<b>247,338</b>	<b>344,637</b>	<b>247,338</b>	<b>344,637</b>
<b>Total secured borrowings</b>	<b>377,714</b>	<b>344,637</b>	<b>377,714</b>	<b>344,637</b>
<b>Unsecured borrowings</b>				
Amount repayable after one year:				
Convertible Sukuk - debt component <sup>(b)</sup>	69,678	76,163	-	-
Loan from a subsidiary <sup>(c)</sup>	-	-	72,500	80,000
Less: Unamortised capitalised transaction costs	-	-	(990)	(1,349)
	<b>69,678</b>	<b>76,163</b>	<b>71,510</b>	<b>78,651</b>
<b>Total borrowings</b>	<b>447,392</b>	<b>420,800</b>	<b>449,224</b>	<b>423,288</b>

**Details of borrowings, debt securities and collaterals**

**Secured borrowings**

- (a) On 12 November 2013, Sabana Shari'ah Compliant REIT completed the refinancing of Revolving CMF D of S\$18.0 million. An additional facility of S\$30.0 million was granted to Sabana Shariah Compliant REIT under a new 3-year Revolving CMF D of up to S\$48.0 million and the maturity date was extended to November 2016.

On 26 November 2013, S\$30.5 million was drawn down from the new Revolving CMF D to fully repay outstanding revolving credit facilities of S\$30.0 million, and to partially settle the transaction costs relating to the above refinancing exercise.

As at the reporting date, the following CMF were outstanding:

- (i) 3-year Term CMF C of S\$100.2 million maturing in November 2014;
- (ii) 3-year Term CMF E of S\$177.6 million maturing in August 2015;
- (iii) 3-year Revolving CMF D of S\$30.5 million maturing in November 2016; and
- (iv) 5-year Term CMF F of S\$75.0 million maturing in August 2017.

The Term and Revolving CMF are secured by, *inter alia*:

- (1) A first ranking legal mortgage over all the Properties except for 39 Ubi Road 1, 6 Woodlands Loop, 23 Serangoon North Avenue 5 and the Acquisition Property (collectively, the "**Securitized Properties**"), (or, where title to the Securitized Properties has not been issued, an assignment of building agreement coupled with a mortgage in escrow);
- (2) Assignment of insurances, assignment of proceeds and assignment of Property Management Agreements relating to the Securitized Properties; and
- (3) A fixed and floating charge over the other assets of Sabana Shari'ah Compliant REIT relating to the Securitized Properties.

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Unsecured borrowings

(b) Convertible Sukuk

	Group	
	31/12/13	31/12/12
	S\$'000	S\$'000
<b>Convertible Sukuk - debt component</b>		
Carrying amount of debt component at beginning of the year/at inception	76,163	75,975
Profit accretion, including amortisation of transaction costs	679	188
Extinguishment of debt component arising from conversion of Convertible Sukuk	(7,164)	-
<b>Carrying amount of debt component at end of the year</b>	<b>69,678</b>	<b>76,163</b>

The S\$80.0 million 4.5 per cent. per annum Convertible Sukuk issued by STPL on 24 September 2012 and due on 24 September 2017, is unsecured, and convertible by Sukukholders into units of the Trust at any time on or after 9 November 2012 at the initial conversion price of S\$1.1933 per unit. As at the reporting date, the conversion price per unit is S\$1.1642.

During the financial year ended 31 December 2013, certain Converting Sukukholders had converted an aggregate principal amount of S\$7.5 million. As a result, the Group elected to issue 6,285,090 units at the then conversion price of S\$1.1933 to these Converting Sukukholders.

(c) Loan from a subsidiary

The S\$72.5 million loan, which is equivalent to the principal amount of the Convertible Sukuk outstanding, granted by STPL to the Trust, through the proceeds raised from the issuance of the Convertible Sukuk at the same repayment terms, is unsecured and profit bearing.

During the financial year ended 31 December 2013, the Trust redeemed an aggregate principal amount of S\$7.5 million from STPL through the issuance of 6,285,090 units to the Converting Sukukholders.

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**1 (c) Statements of Cash Flows**

<b>Statements of Cash Flows</b>	Group			
	Quarter		YTD	
	4Q 2013	4Q 2012	31/12/13	31/12/12
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Total return for the period/year after taxation and before distribution	25,592	39,277	63,388	74,444
Adjustments for:				
Amortisation of intangible assets	391	318	1,427	1,331
Manager's fees paid/payable in units	1,247	1,163	4,694	4,393
Net change in fair value of financial derivatives	(740)	(762)	(1,393)	1,553
Net change in fair value of investment properties	(12,856)	(25,316)	(12,441)	(25,316)
Loss on conversion of Convertible Sukuk	-	-	1,228	-
Net finance costs	5,636	4,943	20,249	17,057
	19,270	19,623	77,152	73,462
Change in trade and other receivables	(2,523)	1,438	(3,036)	(1,354)
Change in trade and other payables	6,740	(7,001)	1,025	(13,132)
Cash generated from operating activities	23,487	14,060	75,141	58,976
Ta'widh (compensation on late payment of rent) received	4	12	14	41
<b>Net cash from operating activities</b>	<b>23,491</b>	<b>14,072</b>	<b>75,155</b>	<b>59,017</b>
<b>Cash flows from investing activities</b>				
Capital expenditure on investment properties	(81)	-	(81)	-
Purchase of investment properties	200	(61,740)	(67,965)	(61,740)
Finance income received from Islamic financial institutions	3	30	47	156
<b>Net cash from/(used in) investing activities</b>	<b>122</b>	<b>(61,710)</b>	<b>(67,999)</b>	<b>(61,584)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issue of new units	-	-	40,000	-
Proceeds from borrowings	30,500	-	60,500	258,563
Proceeds from issue of Convertible Sukuk	-	-	-	80,000
Repayment of borrowings	(30,000)	-	(30,000)	(270,563)
Issue expenses paid	-	-	(633)	-
Transaction costs paid	(602)	-	(684)	(7,133)
Finance costs paid	(3,215)	(2,915)	(16,147)	(13,395)
Distributions paid	(15,537)	(14,987)	(62,073)	(57,762)
<b>Net cash used in financing activities</b>	<b>(18,854)</b>	<b>(17,902)</b>	<b>(9,037)</b>	<b>(10,290)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>4,759</b>	<b>(65,540)</b>	<b>(1,881)</b>	<b>(12,857)</b>
Cash and cash equivalents at beginning of the period/year	12,325	84,505	18,965	31,822
<b>Cash and cash equivalents at end of the period/year</b>	<b>17,084</b>	<b>18,965</b>	<b>17,084</b>	<b>18,965</b>

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**1 (d)(i) Statements of Movements in Unitholders' Funds (4Q 2013 vs 4Q 2012)**

	Group		Trust	
	Quarter		Quarter	
	4Q 2013	4Q 2012	4Q 2013	4Q 2012
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Statements of Movements in Unitholders' Funds</b>				
<b>Balance at beginning of the period</b>	745,202	677,404	746,511	677,411
<b>Operations</b>				
Net increase in net assets resulting from operations	25,592	39,277	25,210	38,246
	<b>770,794</b>	<b>716,681</b>	<b>771,721</b>	<b>715,657</b>
<b>Unitholders' transactions</b>				
Issue of new units:				
- Manager's fees payable in units <sup>(a)</sup>	1,247	1,163	1,247	1,163
Distributions to Unitholders	(15,537)	(14,987)	(15,537)	(14,987)
<b>Net decrease in net assets resulting from Unitholders' transactions</b>	<b>(14,290)</b>	<b>(13,824)</b>	<b>(14,290)</b>	<b>(13,824)</b>
<b>Unitholders' funds at end of the period</b>	<b>756,504</b>	<b>702,857</b>	<b>757,431</b>	<b>701,833</b>

**Note:**

- (a) This represents the value of units to be issued to the Manager as partial consideration of the Manager's fees incurred for the period. The units are to be issued within 30 days from quarter end.

**1 (d)(ii) Statements of Movements in Unitholders' Funds (Current YTD vs Prior YTD)**

	Group		Trust	
	YTD		YTD	
	31/12/13	31/12/12	31/12/13	31/12/12
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Statements of Movements in Unitholders' Funds</b>				
<b>Balance at beginning of the year</b>	702,857	681,782	701,833	681,782
<b>Operations</b>				
Net increase in net assets resulting from operations	63,388	74,444	65,339	73,420
	<b>766,245</b>	<b>756,226</b>	<b>767,172</b>	<b>755,202</b>
<b>Unitholders' transactions</b>				
Issue of new units:				
- Private Placement	40,000	-	40,000	-
- Manager's fees paid/payable in units <sup>(a)</sup>	4,694	4,393	4,694	4,393
- Conversion of Convertible Sukuk <sup>(b)</sup>	8,271	-	8,271	-
Issue expenses	(633)	-	(633)	-
Distributions to Unitholders	(62,073)	(57,762)	(62,073)	(57,762)
<b>Net decrease in net assets resulting from Unitholders' transactions</b>	<b>(9,741)</b>	<b>(53,369)</b>	<b>(9,741)</b>	<b>(53,369)</b>
<b>Unitholders' funds at end of the year</b>	<b>756,504</b>	<b>702,857</b>	<b>757,431</b>	<b>701,833</b>

**Notes:**

- (a) This represents the value of new units issued and to be issued to the Manager as partial consideration of the Manager's fees incurred for the period. The units that are to be issued, will be issued within 30 days from quarter end.
- (b) This represents the fair value of new units issued upon the conversion of aggregate principal amount of S\$7.5 million of Convertible Sukuk by Converting Sukukholders into 6,285,090 units at the then conversion price of S\$1.1933.

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**1 (d)(iii) Details of any changes in the units**

	Group and Trust			
	Quarter		YTD	
	4Q 2013	4Q 2012	31/12/13	31/12/12
<b>Units in issue:</b>				
Units in issue at beginning of the period/year	689,704,185	639,527,534	640,490,459	636,145,601
Private Placement	-	-	40,000,000	-
Manager's fees paid in units	1,070,670	962,925	3,999,306	4,344,858
Conversion of Convertible Sukuk <sup>(a)</sup>	-	-	6,285,090	-
<b>Issued units at the end of the period/year</b>	<b>690,774,855</b>	<b>640,490,459</b>	<b>690,774,855</b>	<b>640,490,459</b>
<b>Units to be issued:</b>				
Manager's fees payable in units <sup>(b)</sup>	1,184,607	1,032,458	1,184,607	1,032,458
<b>Total issued and to be issued units</b>	<b>691,959,462</b>	<b>641,522,917</b>	<b>691,959,462</b>	<b>641,522,917</b>

**Notes:**

- (a) These are new units issued upon conversion of aggregate principal amount of S\$7.5 million of Convertible Sukuk by Converting Sukukholders at the then conversion price of S\$1.1933.
- (b) These are new units to be issued to the Manager as partial consideration of Manager's fees incurred for the period. The units are to be issued within 30 days from the quarter end.

**Convertible Sukuk**

Sabana Group has the following Convertible Sukuk outstanding as at 31 December 2013:

Principal Amount Outstanding	Maturity Date	Conversion Price per unit as at 31 December 2013
<b>Convertible Sukuk due 2017</b> S\$72.5 million 4.5% per annum.	24 September 2017	S\$1.1642

Since the date of their issue, an aggregate principal amount of S\$7.5 million of Convertible Sukuk has been converted into 6,285,090 units by Converting Sukukholders.

Assuming all the outstanding Convertible Sukuk are fully converted based on the current conversion price of S\$1.1642, the number of new units to be issued would be 62,274,523 units, representing 9.0% of the total number of the Trust's units in issue and to be issued of 691,959,462 units as at 31 December 2013.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The figures have not been audited but have been reviewed by our auditors in accordance with Singapore Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

**3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Please see attached review report.

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**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied**

On 1 January 2013, the Group adopted the revised version of the Statement of Recommended Accounting Practice 7 (2012) issued by the Institute of Singapore Chartered Accountants which has no significant impact to the financial statements of the Group.

From 1 January 2013, the Group adopted FRS 113 Fair Value Measurement which replaces the existing guidance on fair value measurement in different FRSs with a single definition of fair value. The standard also establishes a framework for measuring fair values and sets out the disclosure requirements for fair value measurements. The adoption of the standard does not have a significant impact on the financial statements.

Except as described above, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period compared with the audited financial statements for the year ended 31 December 2012.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

**6. Earnings per unit ("EPU") and Distribution per unit ("DPU") of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

**Earnings per unit (4Q 2013 vs 4Q 2012)**

	Group		Trust	
	Quarter		Quarter	
	4Q 2013	4Q 2012	4Q 2013	4Q 2012
<b><u>Basic EPU</u></b>				
Weighted average number of units in issue	691,579,096	640,208,617	691,579,096	640,208,617
Earnings per unit for the period based on the weighted average number of units in issue (cents) <sup>(a)</sup>	3.70	6.14	3.65	5.97
<b><u>Diluted EPU</u></b>				
Weighted average number of units in issue (diluted)	753,853,619	707,249,596	753,853,619	707,249,596
Earnings per unit for the period based on the weighted average number of units in issue (diluted) (cents) <sup>(b)</sup>	3.46	5.55	3.46	5.55

**Notes:**

- (a) The EPU calculation uses the total return for the period after taxation and before distribution, and the weighted average number of units outstanding during the period.
- (b) The diluted EPU calculation uses the total return for the period after taxation and before distribution and the weighted average number of units outstanding during the period, adjusted for the effects of all dilutive potential units arising from the assumed conversion of the Convertible Sukuk to units.

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**Earnings per unit (Current YTD vs Prior YTD)**

	Group		Trust	
	YTD		YTD	
	31/12/13	31/12/12	31/12/13	31/12/12
<b>Basic EPU</b>				
Weighted average number of units in issue	657,576,484	638,631,494	657,576,484	638,631,494
Earnings per unit for the year based on the weighted average number of units in issue (cents) <sup>(a)</sup>	9.64	11.66	9.94	11.50
<b>Diluted EPU</b>				
Weighted average number of units in issue (diluted)	719,851,007	656,765,530	719,851,007	656,765,530
Earnings per unit for the year based on the weighted average number of units in issue (diluted) (cents) <sup>(b)</sup>	9.64 <sup>(c)</sup>	11.34	9.71	11.34

**Notes:**

- (a) The EPU calculation uses the total return for the year after taxation and before distribution, and the weighted average number of units outstanding during the year.
- (b) The diluted EPU calculation uses the total return for the year after taxation and before distribution and the weighted average number of units outstanding during the year, adjusted for the effects of all dilutive potential units arising from the assumed conversion of the Convertible Sukuk to units.
- (c) The diluted EPU is the same as the basic EPU for the Group as the Convertible Sukuk were anti-dilutive at the Group level.

**Distribution per unit**

	Group and Trust			
	Quarter		YTD	
	4Q 2013	4Q 2012	31/12/13	31/12/12
Number of units issued and to be issued at end of period/year entitled to distribution <sup>(a)</sup>	691,959,462	641,522,917	691,959,462	641,522,917
Distribution per unit for the period/year based on the total number of units entitled to distribution (cents)	2.19	2.41	9.38	9.28

**Note:**

- (a) The computation of DPU is based on the number of units entitled to distribution, comprising:
- (i) The number of units in issue as at 31 December 2013 of 690,774,855 (31 December 2012: 640,490,459); and
- (ii) The units to be issued to the Manager by 31 January 2014 as partial consideration of Manager's fees incurred for 4Q 2013 of 1,184,607 (by 31 January 2013 as partial consideration of Manager's fees incurred for 4Q 2012 of 1,032,458).

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**7. Net asset value per unit based on units issued at the end of the financial year and immediately preceding financial year**

	Group		Trust	
	As at 31/12/13	As at 31/12/12	As at 31/12/13	As at 31/12/12
NAV per unit (S\$) <sup>(a)</sup>	1.09	1.10	1.09	1.09

**Note:**

- (a) The number of units used to compute NAV per unit is 691,959,462 (31 December 2012: 641,522,917), comprising:
- (i) The number of units in issue as at 31 December 2013 of 690,774,855 (31 December 2012: 640,490,459); and
  - (ii) The units to be issued to the Manager by 31 January 2014 as partial consideration of Manager's fees incurred for 4Q 2013 of 1,184,607 (by 31 January 2013 as partial consideration of Manager's fees incurred for 4Q 2012 of 1,032,458).

**8. Review of the performance of the Group for the current financial period reported on**

**4Q 2013 vs 4Q 2012**

<b>Statement of Total Return</b>	<b>Group</b>		
	Quarter		Fav / (Unfav)
	4Q 2013	4Q 2012	
	S\$'000	S\$'000	%
Gross revenue <sup>(a)</sup>	24,824	21,460	15.7
Property expenses <sup>(b)</sup>	(4,949)	(1,215)	(307.3)
<b>Net property income <sup>(a)</sup></b>	<b>19,875</b>	<b>20,245</b>	<b>(1.8)</b>
Finance income	7	42	(83.3)
Finance costs	(5,643)	(4,985)	(13.2)
<b>Net finance costs <sup>(c)</sup></b>	<b>(5,636)</b>	<b>(4,943)</b>	<b>(14.0)</b>
Amortisation of intangible assets <sup>(d)</sup>	(391)	(318)	(23.0)
Manager's fees <sup>(e)</sup>	(1,559)	(1,453)	(7.3)
Trustee's fees <sup>(e)</sup>	(128)	(116)	(10.3)
Donation of non-Shari'ah compliant income	(39)	(36)	(8.3)
Other trust expenses <sup>(f)</sup>	(126)	(180)	30.0
<b>Net income</b>	<b>11,996</b>	<b>13,199</b>	<b>(9.1)</b>
Net change in fair value of financial derivatives <sup>(g)</sup>	740	762	(2.9)
Net change in fair value of investment properties <sup>(h)</sup>	12,856	25,316	(49.2)
<b>Total return for the period before taxation and distribution</b>	<b>25,592</b>	<b>39,277</b>	<b>(34.8)</b>
Income tax expense	*	*	-
<b>Total return for the period before distribution</b>	<b>25,592</b>	<b>39,277</b>	<b>(34.8)</b>
Distribution adjustments <sup>(i)</sup>	(10,465)	(23,836)	56.1
<b>Income available for distribution <sup>(a)</sup></b>	<b>15,127</b>	<b>15,441</b>	<b>(2.0)</b>

\*Less than S\$1,000

**Notes:**

- (a) Gross revenue increased by 15.7% mainly due to the contribution from the Acquisition Property.

In line with the fall in occupancy rate at portfolio level mainly due to the Acquisition Property and the Four Properties which were converted into multi-tenanted lease arrangements, net property income and hence income available for distribution decreased by 1.8% and 2.0% respectively in 4Q 2013 over 4Q 2012.

- (b) Property expenses increased by 307.3% mainly due to:

- (i) Property and lease management fees incurred for the Acquisition Property;
- (ii) Property tax, maintenance expenses and applicable land rent expense incurred for the Acquisition Property and the Four Properties which were converted into multi-lease arrangements in 4Q 2013;
- (iii) Lease management fees being charged to the 15 properties acquired during IPO, following the expiry of the three-year waiver period in 4Q 2013;
- (iv) Higher property tax expense incurred for the property located at 9 Tai Seng Drive; and
- (v) Higher marketing and lease administrative expenses.



**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM 1 JANUARY 2013 TO 31 DECEMBER 2013**

- (c) Net finance costs increased by 14.0% mainly due to:
- (i) The amortisation of upfront fees relating to the refinancing of Revolving CMF D;
  - (ii) Higher profit rate expense arising from the a higher principal amount of Revolving CMF D drawn down in 4Q 2013;
  - (iii) The fall in finance income arising from lower profit rates offered by financial institutions on smaller fixed deposit placements compared to 4Q 2012; and partially offset by
  - (iv) Lower profit expense on a lower principal amount of Convertible Sukuk due to conversion of a principal amount of S\$7.5 million in 2Q 2013.
- (d) Amortisation of intangible assets increased by 23.0% mainly due to higher utilization of the rental support at 9 Tai Seng Drive.
- (e) Manager's and Trustee's fees increased by 7.3% and 10.3% respectively mainly due to the higher total assets in 4Q 2013, arising from the Acquisition Property and the revaluation surplus on the properties at 31 December 2013, upon which these fees are based on.
- (f) Other trust expenses were 30.0% lower mainly due to lower professional fees and partially offset by higher central registry service charges.
- (g) The increase in the net change in fair value of financial derivatives relates to the net fair value change of the profit rate swaps and the embedded derivatives component of the Convertible Sukuk based on broker quotes recognised between the last quarter and at the reporting date.
- (h) Net change in fair value of investment properties in 4Q 2013 and 4Q 2012 relates mainly to surplus on the revaluation of the properties based on independent valuations of the properties undertaken by the Independent Valuer as at 31 December 2013 and 31 December 2012 respectively.
- (i) Distribution adjustments were 56.1% higher mainly due to the reason stated in (h) above as this item was adjusted back to derive the income available for distribution.

**Current YTD vs Prior YTD**

<b>Statement of Total Return</b>	<b>Group</b>		
	YTD		Fav / (Unfav)
	31/12/13	31/12/12	(Unfav)
	S\$'000	S\$'000	%
Gross revenue <sup>(a)</sup>	89,485	81,768	9.4
Property expenses <sup>(b)</sup>	(9,125)	(4,831)	(88.9)
<b>Net property income</b>	<b>80,360</b>	<b>76,937</b>	<b>4.4</b>
Finance income	61	197	(69.0)
Finance costs	(20,310)	(17,254)	(17.7)
<b>Net finance costs <sup>(c)</sup></b>	<b>(20,249)</b>	<b>(17,057)</b>	<b>(18.7)</b>
Amortisation of intangible assets	(1,427)	(1,331)	(7.2)
Manager's fees <sup>(d)</sup>	(5,868)	(5,491)	(6.9)
Trustee's fees <sup>(d)</sup>	(488)	(447)	(9.2)
Donation of non-Shari'ah compliant income <sup>(e)</sup>	(131)	(147)	10.9
Other trust expenses <sup>(f)</sup>	(1,415)	(1,783)	20.6
Loss on conversion of Convertible Sukuk <sup>(g)</sup>	(1,228)	-	NM
<b>Net income</b>	<b>49,554</b>	<b>50,681</b>	<b>(2.2)</b>
Net change in fair value of financial derivatives <sup>(h)</sup>	1,393	(1,553)	189.7
Net change in fair value of investment properties <sup>(i)</sup>	12,441	25,316	(50.9)
<b>Total return for the year before taxation and distribution</b>	<b>63,388</b>	<b>74,444</b>	<b>(14.9)</b>
Income tax expense	*	*	-
<b>Total return for the year before distribution</b>	<b>63,388</b>	<b>74,444</b>	<b>(14.9)</b>
Distribution adjustments <sup>(j)</sup>	(1,633)	(15,049)	89.1
<b>Income available for distribution</b>	<b>61,755</b>	<b>59,395</b>	<b>4.0</b>

NM denotes "not meaningful"

\*Less than S\$1,000

**Notes:**

- (a) Gross revenue increased by 9.4% and net property income grew by 4.4% mainly due to the contribution from the property located at 23 Serangoon North Avenue 5 and the Acquisition Property, which were acquired on 1 October 2012 and 26 September 2013 respectively ("**Acquired Properties**").

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**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT  
FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM  
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- (b) Property expenses increased by 88.9% mainly due to:
- (i) Property and lease management fees incurred for the Acquired Properties;
  - (ii) Property tax, maintenance expenses and applicable land rent expenses incurred for the Acquisition Property and the Four Properties which were converted into multi-lease arrangements in 4Q 2013;
  - (iii) Lease management fees being charged to the 15 properties acquired during IPO, following the expiry of the three-year waiver period in 4Q 2013;
  - (iv) Higher property tax expense incurred for the property located at 9 Tai Seng Drive; and
  - (v) Higher marketing and lease administrative expenses.
- (c) Net finance costs increased by 18.7% mainly due to:
- (i) The upfront fees, transaction costs and profit expense relating to the Convertible Sukuk issued at the end of 3Q 2012;
  - (ii) The upfront fees and transaction costs relating to the refinancing of Revolving CMF D;
  - (iii) The fall in finance income arising from lower profit rates offered by financial institutions on smaller fixed deposit placements; and partially offset by
  - (iv) The lower profit rates relating to the refinanced S\$252.6 million Term CMF E & F in the middle of 3Q 2012.
- (d) Manager's and Trustee's fees increased by 6.9% and 9.2% respectively mainly due to the higher total assets, arising from the Acquired Properties and the higher fair value of the properties in 2013 over 2012.
- (e) Donation of non-Shari'ah income was 10.9% lower mainly due to lower penalty charged for late payment of rental by lessees.
- (f) Other trust expenses were 20.6% lower mainly due to lower professional fees and partially offset by higher central registry service charges and credit rating agency fees.
- (g) This represents the loss on conversion of aggregate principal amount of S\$7.5 million of Convertible Sukuk by Converting Sukukholders at the then conversion price of S\$1.1933.
- (h) The increase in the net change in fair value of financial derivatives relates to the net fair value change of the profit rate swaps and the embedded derivatives component of the Convertible Sukuk based on broker quotes recognised during the Current YTD and Prior YTD.
- (i) Net change in fair value of investment properties during Current YTD and Prior YTD relates mainly to the revaluation surplus based on independent valuations of the properties undertaken by the Independent Valuer as at 31 December 2013 and 31 December 2012 respectively.
- (j) Distribution adjustments were 89.1% higher mainly due to the reason stated in (i) above as this item was adjusted back to derive the income available for distribution.

**9. Variance between forecast and the actual results**

Sabana Group has not made any forecast.

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**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT  
FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM  
1 JANUARY 2013 TO 31 DECEMBER 2013**

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**10. Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Based on advance estimates, the Singapore economy grew by 4.4% in 4Q 2013, compared to the same quarter in 2012. For the whole of 2013, GDP is estimated to have grown by approximately 3.7%, which is in line with MTI's growth forecast of around 3.5% to 4%.<sup>1</sup>

According to DTZ, while capital values remained stagnant in the second half of 2013, rents across conventional industrial space increased in 2013, in line with the pick-up in the manufacturing sector. Considering the expected growth in the manufacturing and externally orientated industries and the moderate supply of available space, DTZ projects rents across all industrial space to move upwards in 2014.<sup>2</sup>

Despite the subdued outlook for the global economy and the Singapore industrial property market, the Manager will continue its efforts to actively manage and grow its portfolio to deliver a stable income stream to the Unitholders.

*Sources:*

(1) "Singapore's GDP Grew 4.4 Per Cent in the Fourth Quarter of 2013". www.mti.gov.sg. Ministry of Trade and Industry. 2 January 2014. Web. 10 January 2014.

(2) "Speculative activity in the industrial sector fell in 2013 while rents inched upwards". www.dtz.com. DTZ. 6 January 2014. Web. 10 January 2014.

**11. Distributions**

**(a) Current financial period**

Any distribution declared for the current period?: Yes

Name of distribution: Distribution for the fourth quarter ended 31 December 2013

Distribution Type: Taxable income distribution – 2.19 cents per unit

Par value of units: Not meaningful

Tax rate: **Taxable Income**

These distributions are made out of Sabana Shari'ah Compliant REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

Distributions made to individuals, irrespective of their nationality or tax residence status, who hold the units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership will be taxed at the level of these individuals at their applicable income tax rates.

All Unitholders who are not individuals are subject to Singapore income tax / withholding tax on distributions of Sabana Shari'ah Compliant REIT.

**(b) Corresponding period of the immediately preceding financial year**

Any distribution declared for the current period? Yes

Name of distribution: Distribution for the fourth quarter ended 31 December 2012

Distribution Type: Taxable income distribution – 2.41 cents per unit

Par value of units: Not meaningful

Tax rate: **Taxable Income**

These distributions are made out of Sabana Shari'ah Compliant REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM 1 JANUARY 2013 TO 31 DECEMBER 2013**

Distributions made to individuals, irrespective of their nationality or tax residence status, who hold the units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership will be taxed at the level of these individuals at their applicable income tax rates.

All Unitholders who are not individuals are subject to Singapore income tax / withholding tax on distributions of Sabana Shari'ah Compliant REIT.

(c) **Date Payable:** 28 February 2014

(d) **Books Closure Date:** 3 February 2014

12. **If no distribution has been declared/(recommended), a statement to that effect**

Not applicable.

13. **Distribution policy**

Sabana Shari'ah Compliant REIT's current distribution policy is to distribute 100% of its distributable income to Unitholders. Distributions are usually made on a quarterly basis at the discretion of the Manager.

14. **General mandate relating to interested person transactions**

The Trust has not obtained a general mandate from Unitholders for interested person transactions.

**Part II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

15. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediate preceding year.**

Total Gross Revenue by property types	Group		
	YTD		Fav / (Unfav)
	31/12/13	31/12/12	(Unfav)
	S\$'000	S\$'000	%
High-tech Industrial	51,837	44,114	17.5
Chemical Warehouse & Logistics	9,140	9,140	-
Warehouse & Logistics	19,359	19,352	0.0
General Industrial	9,149	9,162	(0.1)
	89,485	81,768	9.4

Total Net Property Income by property types	Group		
	YTD		Fav / (Unfav)
	31/12/13	31/12/12	(Unfav)
	S\$'000	S\$'000	%
High-tech Industrial	44,138	40,559	8.8
Chemical Warehouse & Logistics	8,929	8,921	0.1
Warehouse & Logistics	18,827	18,823	0.0
General Industrial	8,466	8,634	(1.9)
	80,360	76,937	4.4

16. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Section 8 for the review of the actual performance.

**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM 1 JANUARY 2013 TO 31 DECEMBER 2013**

**17. Breakdown of sales as follows:-**

	Group		
	YTD		Fav / (Unfav)
	31/12/13	31/12/12	(Unfav)
	S\$'000	S\$'000	%
(a) Gross revenue reported for first half year	43,063	39,997	7.7
(b) Total return after tax before distribution for first half year	24,670	24,868	(0.8)
(c) Gross revenue reported for second half year	46,422	41,771	11.1
(d) Total return after tax before distribution for second half year	38,718	49,576	(21.9)

**18. A breakdown of the total annual distribution for the latest full year and its previous full year:-**

	Group	
	YTD	
	31/12/13	31/12/12
	S\$'000	S\$'000
<b>In respect of the period/quarter from:</b>		
1 October 2013 - 31 December 2013 <sup>(a)</sup>	15,127	
24 September 2013 - 30 September 2013	533	
1 July 2013 - 23 September 2013	15,004	
1 April 2013 - 30 June 2013	15,593	
1 January 2013 - 31 March 2013	15,482	
1 October 2012 - 31 December 2012	-	15,461
1 July 2012 - 30 September 2012	-	14,987
1 April 2012 - 30 June 2012	-	14,518
1 January 2012 - 31 March 2012	-	14,428
	<b>61,739</b>	<b>59,394</b>

**Note:**

(a) Refer to distribution for the quarter from 1 October 2013 to 31 December 2013 on item 11(a) on Page 19.

**19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Sabana Real Estate Investment Management Pte. Ltd. (the "Company"), being the manager of the Trust, confirms that there is no person occupying a managerial position in the Company, the Trust or any of the Trust's subsidiaries, who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial unitholder of the Trust.

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**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT  
FOR FOURTH QUARTER FROM 1 OCTOBER 2013 TO 31 DECEMBER 2013 AND FULL YEAR FROM  
1 JANUARY 2013 TO 31 DECEMBER 2013**

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**On behalf of the Board of Directors of  
Sabana Real Estate Investment Management Pte. Ltd.  
(Company registration number 201005493K)  
as Manager of Sabana Shari'ah Compliant Real Estate Investment Trust**

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Steven Lim Kok Hoong  
Director

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Kevin Xayaraj  
Director

By Order of the Board  
Chang Ai Ling  
Company Secretary  
Sabana Real Estate Investment Management Pte. Ltd.  
(Company registration number 201005493K)  
as Manager of Sabana Shari'ah Compliant Real Estate Investment Trust

22 January 2014

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This release 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 announcement between the listed amounts and total thereof are due to rounding.

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The Board of Directors  
Sabana Real Estate Investment Management Pte. Ltd.  
(in its capacity as Manager of Sabana Shari'ah  
Compliant Industrial Real Estate Investment Trust)  
151 Lorong Chuan  
#02-03  
New Tech Park  
Singapore 556741

22 January 2014

Dear Sirs

**Sabana Shari'ah Compliant Industrial Real Estate Investment Trust  
Review of Financial Statements**

***Introduction***

We have reviewed the accompanying financial statements of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust (the "Trust") and its subsidiaries (collectively the "Group") for the full year ended 31 December 2013. The financial statements consist of the following:

- Statements of financial position of the Group and the Trust as at 31 December 2013;
- Portfolio statement of the Group as at 31 December 2013;
- Statements of total return of the Group and the Trust for the full year ended 31 December 2013;
- Distribution statements of the Group and the Trust for the full year ended 31 December 2013;
- Statements of movements in unitholders' funds of the Group and the Trust for the full year ended 31 December 2013;
- Statement of cash flows of the Group for the full year ended 31 December 2013; and
- Certain explanatory notes to the above financial statements.

The management of Sabana Real Estate Investment Management Pte. Ltd. (the "Manager" of the Trust) is responsible for the preparation and presentation of the financial statements in accordance with the provisions of the Statement of Recommended Accounting Practice ("RAP") *7 Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants. Our responsibility is to express a conclusion on the financial statements based on our review.



***Scope of Review***

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not prepared, in all material respects, in accordance with the provisions of RAP 7 relevant to such financial statements issued by the Institute of Singapore Chartered Accountants.

***Restriction of Use***

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the financial statements for the purpose of assisting the Trust to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Trust's announcement of its financial statements for the information of its unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.

Yours faithfully

**KPMG LLP**  
*Public Accountants and  
Chartered Accountants*

Singapore  
22 January 2014