



SABANA SHARI'AH COMPLIANT INDUSTRIAL REIT

Investor Presentation

September 2014

Important notice



Disclaimer

This presentation shall be read in conjunction with the financial information of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana REIT**" or the "**Trust**") for the second quarter from 1 April 2014 to 30 June 2014 ("**2Q 2014**") and first half from 1 January 2014 to 30 June 2014 ("**1H 2014**").

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

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About Us – Overview



- Diversified portfolio of 22 industrial properties (in the process of acquiring the 23rd property) in Singapore with a wide tenant base of both local & international companies;
- Total assets currently valued above S\$1.2 billion;
- Assigned a 'BBB-' long term corporate credit rating and 'aXA-' ASEAN scale rating with a stable outlook from Standard & Poor's Rating Services
- The world's first and largest listed REIT to be certified with the GCC standard of Shari'ah compliance⁽¹⁾;
- 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.

(1) GCC Shari'ah compliance standards refers to the Shari'ah compliance standards applied by The Cooperation Council For The Arab States of The Gulf countries. This mandates Sabana REIT to keep the total rental income from lessees, tenants and/or sub-tenants engaging in activities which are non-permissible under the GCC-Shari'ah investment principles at or below 5.0% of Sabana REIT's annual gross revenue. As at 30 June 2014, Sabana REIT's non-Shari'ah income constitutes less than 0.1% of the Trust's total rental income

About Us – Rated by S&P (BBB- with Stable Outlook) SABANA SHARIAH COMPLIANT REIT

Assigned a 'BBB-' long term corporate credit rating and 'aXA-' ASEAN scale rating with a stable outlook from Standard & Poor's Rating Services

- Stable outlook reflects an expectation that Sabana REIT will satisfactorily manage its peak lease expiry in late 2015 and maintain its business and financial risk profiles, with gradual improvement in occupancy rates, over the next 12 to 18 months.
- Sabana REIT's leverage expected to remain low below 40.0% as the management conserves cash by paying fees and partial dividends in Units. In addition, the management expects to divest underperforming assets as and when opportunities arise.
- Conservative approach to interest management, with more than 75.0% of its floating rate risk hedged. As at 30 June 2014, 91.0% of Sabana REIT's total debt is fixed rate.
- Strong operating cash flows coupled with cash and equivalents balance of S\$13.8 million plus unused committed revolving facility of about S\$17.5 million as at 30 June 2014 minimises Sabana REIT's liquidity risk.

1 Singapore's first listed REIT which is certified Shari'ah compliant
The Manager adheres to guidelines set out by the Independent Shari'ah Committee to ensure that Sabana REIT has adopted a standard of Shari'ah compliance that is generally accepted by the GCC in all aspects of its operations.

Significant portion of the Trust's portfolio located on land rent-free sites

Approximately 30.0% of the Trust's properties by gross floor area ("GFA") are located on land rent-free sites.

2

Healthy capital structure

The Trust's aggregate leverage is at 37.0%⁽¹⁾, well within the aggregate leverage limit of 60% for REITs which have obtained credit ratings⁽²⁾ as set out in the Property Funds Appendix of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore.

4

3

Long weighted average unexpired lease term

The Trust's portfolio has a long weighted average unexpired lease term of more than 38 years for the underlying land⁽³⁾.

(1) As at 30 June 2014.

(2) The aggregate leverage of a property fund may exceed 35% of the fund's deposited property only if a credit rating of the property fund from Fitch, Moody's or Standard and Poor's ("S&P's") is obtained and disclosed to the public.

(3) Weighted by GFA



Acquisition Growth

We aim to expand our portfolio by acquiring properties that are aligned with Sabana REIT's investment strategy and Shari'ah investment principles. This will enable the REIT to enjoy attractive income distributions.

Capital and Risk Management

The Manager will employ an appropriate mix of debt and equity in financing acquisitions, and use the right financial instruments to optimise risk-adjusted returns to stakeholders.

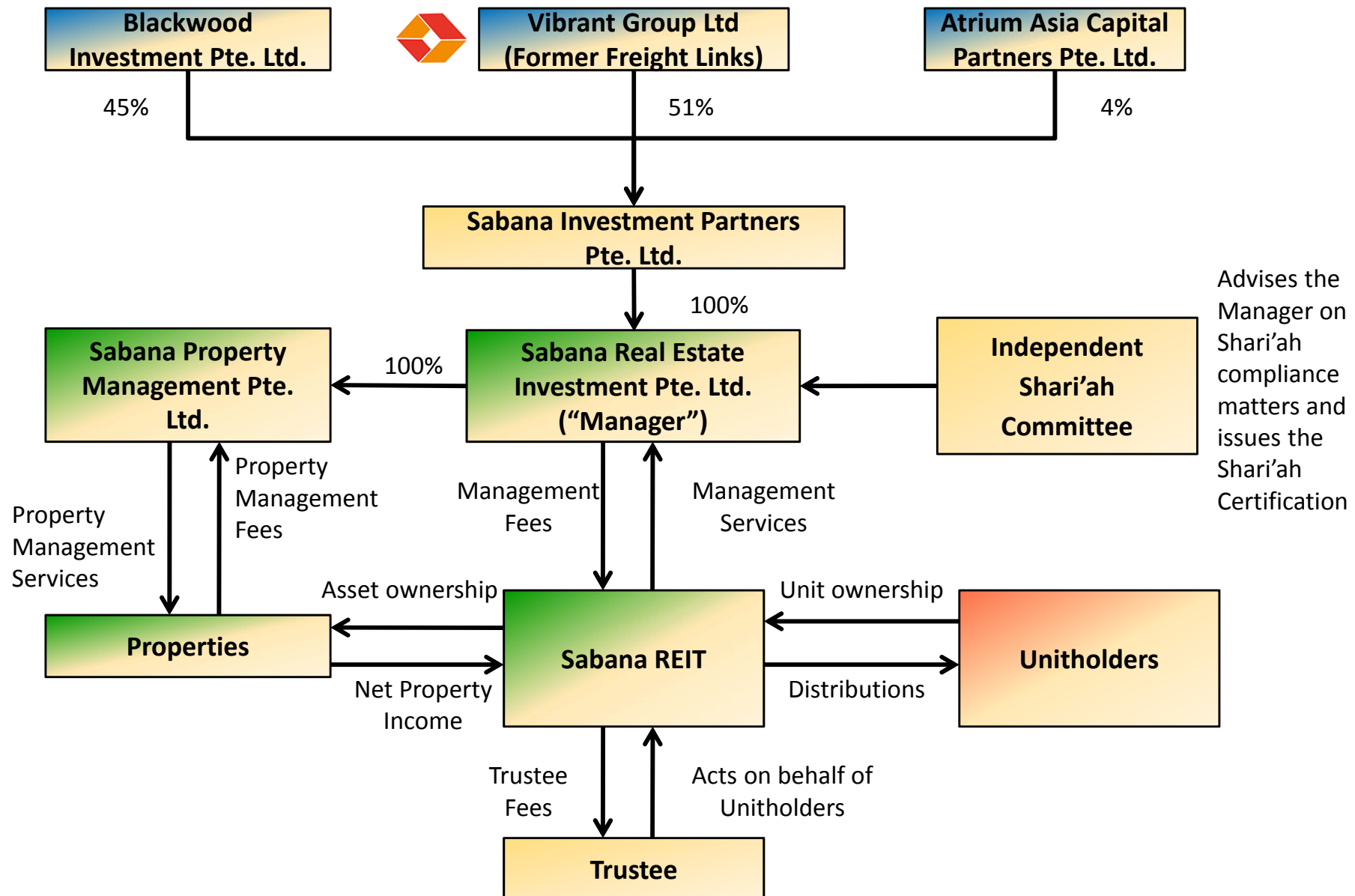
Active Asset Management

We will pro-actively manage and maintain the properties in our portfolio to improve the overall rental yields.

Opportunistic Development

The Manager will prudently undertake development activities when appropriate opportunities arise.

About Us – Shareholders & REIT Structure



About Us - Awards And Recognition



2013

January

Named “Equity Deal of the Year” and “Real Estate Deal for the Year” for its S\$80.0 million Convertible Sukuk al Ijarah by Islamic Finance News’ 2012 Deals of the Year awards.

September

Conferred “Most Outstanding Islamic Real Estate Product” to recognise its successful issuance of the Convertible Sukuk – the first in the world to be convertible into units in a real estate investment trust.

2012

January

Received “The Gold Standard Award for Corporate Financial Communications” by PublicAffairsAsia.

February

Awarded “Best Domestic Securitization” at the The Asset Triple A Regional Deal Awards 2011 for the S\$132 million Islamic securitisation facility it launched in November 2011.

October

Voted “Most Innovative Asset Management Company” and “Best Investor Relations by an Asset Management Company” in the 2nd Islamic Finance News Islamic Investor Poll.

2011

February

Clinched the Triple A Award for “Best Islamic Deal in Singapore” and “Most Innovative Islamic Deal” by The Asset.

February

Awarded “IPO Deal of the Year (2010)” and “Real Estate Deal of the Year (2010)” by Islamic Finance News.

July

Awarded “Golden World Award” by International Public Relations Association (IPRA).

October

Emerged as “The Most Outstanding Islamic REIT” at the KLIFF Islamic Finance Awards Ceremony.

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Our Assets

Properties are located in high-tech industrial and logistic hubs across Singapore, in close proximity to expressways and public transportation

High-tech Industrial

- 1 151 Lorong Chuan
- 2 8 Commonwealth Lane
- 3 9 Tai Seng Drive
- 4 200 Pandan Loop
- 5 15 Jalan Kilang Barat
- 6 1 Tuas Avenue 4
- 7 23 Serangoon North Avenue 5
- 8 508 Chai Chee Lane

Warehouse and Logistics

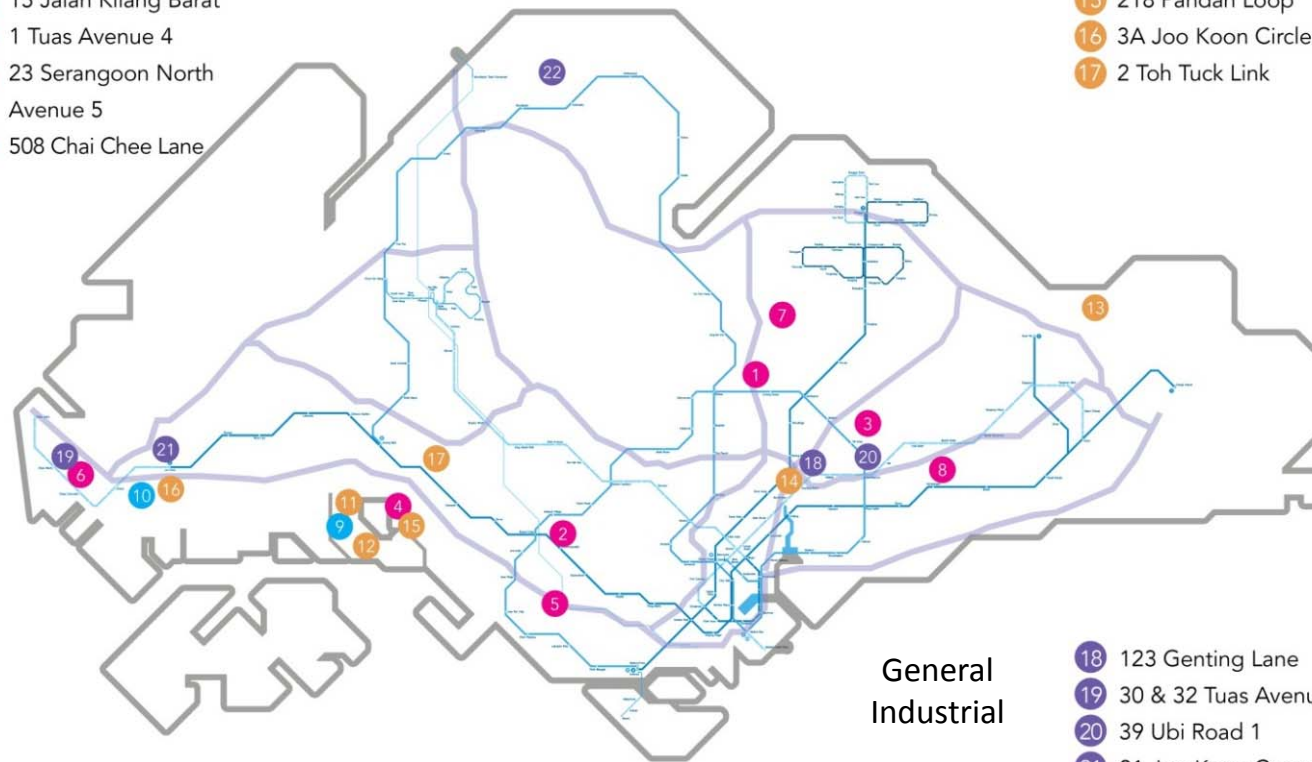
- 11 34 Penjuru Lane
- 12 51 Penjuru Road
- 13 26 Loyang Drive
- 14 3 Kallang Way 2A
- 15 218 Pandan Loop
- 16 3A Joo Koon Circle
- 17 2 Toh Tuck Link

Chemical Warehouse and Logistics

- 9 33 & 35 Penjuru Lane
- 10 18 Gul Drive

General Industrial

- 18 123 Genting Lane
- 19 30 & 32 Tuas Avenue 8
- 20 39 Ubi Road 1
- 21 21 Joo Koon Crescent
- 22 6 Woodlands Loop



Our Assets – Latest Proposed Acquisition



10 Changi South Street 2

Location

10 Changi South Street 2, Singapore 486596

Description

A purpose-built part single-storey/part six-storey warehouse building with ancillary office areas, located within the Changi South Industrial Estate, next to Changi Business Park, some 13.5 km from the city centre.

Total Cost of Acquisition (\$ million)¹

55.1

Valuation by Cushman & Wakefield VHS Pte. Ltd (\$ million)

54.3 (as at 16 July 2014)

Occupancy Rate (%)

100.0

Remaining Lease Tenure

37 years approx. (the Property is a JTC leasehold estate of 30 + 27 years tenure commencing from 1 October 1994)

Gross Floor Area (sq Ft)

189,609

Vendor

Adviva Distribution Pte. Ltd.

Expected Acquisition Completion

4Q 2014

¹ Includes proposed purchase price of S\$50.0 million, JTC upfront land premium of approximately S\$4.3 million, stamp fee on the land premium, acquisition fee of S\$0.5 million (being 1% of the purchase price) payable to the Manager, and other transaction related costs.

Our Assets – Portfolio Highlights



151 Lorong Chuan

Location

151 Lorong Chuan, New Tech Park, Singapore 556741

Description

A 6-storey industrial building with a ground level carpark. One-minute walk to Lorong Chuan MRT.

Purchase Consideration (\$ million)

305.9

Latest Valuation (as at 31 December 2013) (\$ million)

341.3

Gross Rental Income for FY 2013 (\$ million)

24.8

Occupancy Rate (%) (as at 30 June 2014)

94.3

Land Lease Expiry

2055 (45 years with effect from 26 November 2010)

Gross Floor Area (Sq Ft)

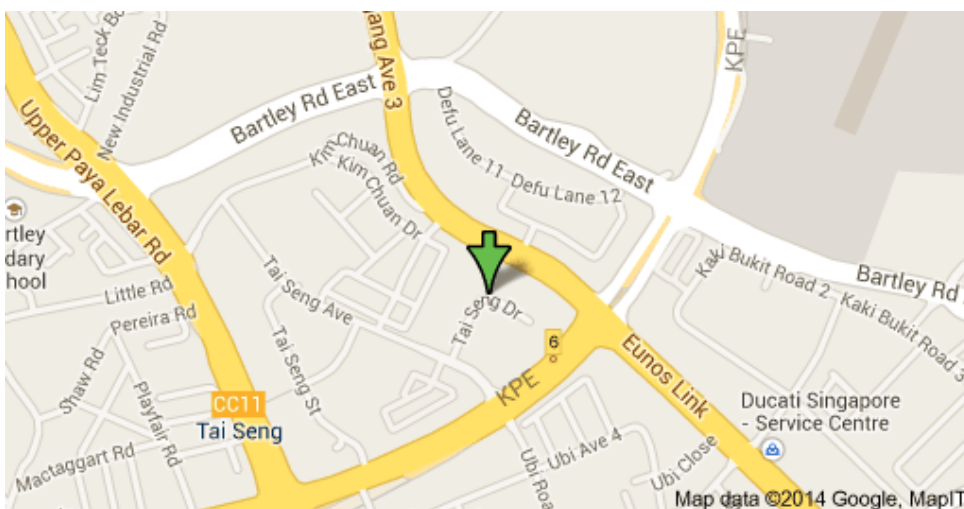
810,710

Major Tenants

Wincor Nixdorf Pte Ltd, SP Services Limited, Epsilon Telecommunications (SP) Pte. Ltd.



Our Assets – Portfolio Highlights



9 Tai Seng Drive

Location

9 Tai Seng Drive, Geo-Tele Centre, Singapore 535227

Description

A six-storey industrial building with a basement carpark. Situated within a three minute drive from the newly-opened Tai Seng MRT station.

Purchase Consideration (\$ million)

46.3

Latest Valuation (as at 31 December 2013) (\$ million)

49.1

Gross Rental Income for FY 2013 (\$ million)

5.6

Occupancy Rate (%) (as at 30 June 2014)

100.0

Land Lease Expiry

2055 (30 + 30 years with effect from 1 June 1995)

Gross Floor Area (Sq Ft)

218,905

Major Tenants

DHL Supply Chain Singapore Pte. Ltd., Savvis Singapore Company Pte Ltd.

Our Assets – Portfolio Highlights



33 & 35 Penjuru Lane

Location

33 & 35 Penjuru Lane, Freight Links Express Logisticpark, Singapore 609200/609202

Description

Comprise of three buildings, including a single-storey warehouse with mezzanine floor, a four-storey warehouse and a part single-storey/part three-storey warehouse with a basement. Near to major expressways and Jurong East MRT station.

Purchase Consideration (\$ million)

78.9

Latest Valuation (as at 31 December 2013) (\$ million)

84.3

Gross Rental Income for FY 2013 (\$ million)

6.3

Occupancy Rate (%) (as at 30 June 2014)

100.0

Land Lease Expiry

2049 (30 + 31 years with effect from 16 February 1988)

Gross Floor Area (Sq Ft)

286,192

Master Tenant

Vibrant Group Limited



Our Assets – Portfolio Highlights



3 Kallang Way 2A

Location

3 Kallang Way 2A, Fong Tat Building, Singapore 347493

Description

A seven-storey building with basement carpark and ancillary offices. Near Pan Island Expressway, Kallang Paya Lebar Expressway and Aljunied Road.

Purchase Consideration (\$ million)

15.0

Latest Valuation (as at 31 December 2013) (\$ million)

16.2

Gross Rental Income for FY 2013 (\$ million)

1.2

Occupancy Rate (%) (as at 30 June 2014)

100.0

Land Lease Expiry

2055 (30 + 30 years with effect from 1 May 1995)

Gross Floor Area (Sq Ft)

83,646

Master Tenant

Fong Tat Motor Co. Pte. Ltd.



Our Assets – Portfolio Highlights



6 Woodlands Loop

Location

6 Woodlands Loop, Singapore 738346

Description

A three-storey industrial building with ancillary office and mezzanine extension.

Purchase Consideration (S\$ million)

14.8

Latest Valuation (as at 31 December 2013) (S\$ million)

15.1

Gross Rental Income for FY 2013 (S\$ million)

1.3

Occupancy Rate (%) (as at 30 June 2014)

100.0

Land Lease Expiry

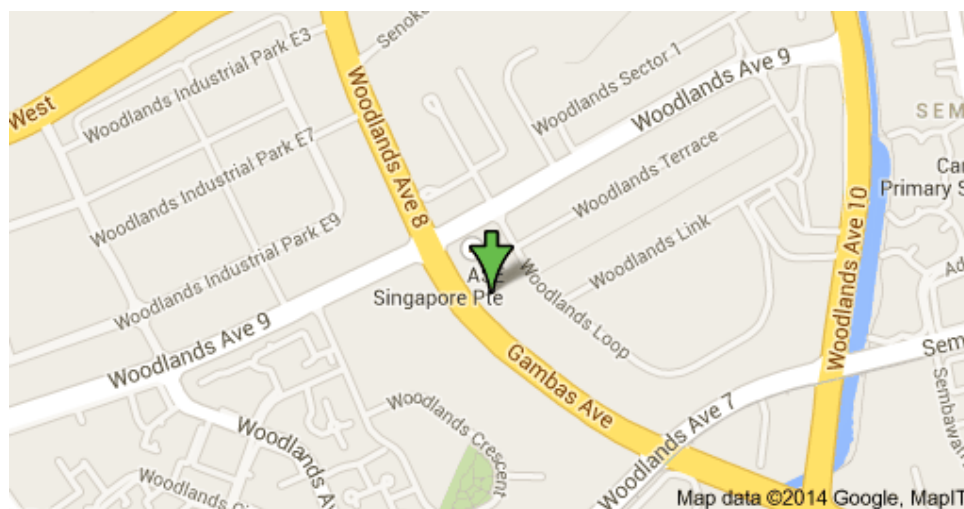
2054 (30 + 30 years with effect from 16 September 1994)

Gross Floor Area (Sq Ft)

77,544

Master Tenant

MMI Holdings Limited



Our Assets – Quality Tenant Base

Top ten tenants by gross rental income for 1H 2014

No.	Tenant	Gross Rental Revenue (%)
1.	Subsidiaries of Vibrant Group Limited*	16.2
2.	SB (Lakeside) Investment Pte. Ltd.*	5.4
3.	Ban Teck Han Enterprise Co Pte Ltd	4.7
4.	Advanced Micro Devices (S) Pte Ltd*	4.3
5.	ESPN Star Sports	3.3
6.	Ringford Pte. Ltd.	3.1
7.	Crescendas Logistics Solutions Pte. Ltd.	3.1
8.	Ho Bee Developments Pte Ltd*	2.7
9.	Oxley & Hume Builders Pte. Ltd.	2.6
10.	Ascend Group Pte. Ltd.	2.5
	Top 10 tenants	47.9



508 Chai Chee Lane
Tenant: Advanced Micro Devices (S) Pte Ltd



23 Serangoon North Avenue 5
Master tenant: Ban Teck Han Enterprise Co Pte Ltd



51 Penjuru Road
Master tenant: Subsidiary of Vibrant Group Limited



15 Jalan Kilang Barat
Master tenant: Ho Bee Developments Pte. Ltd.

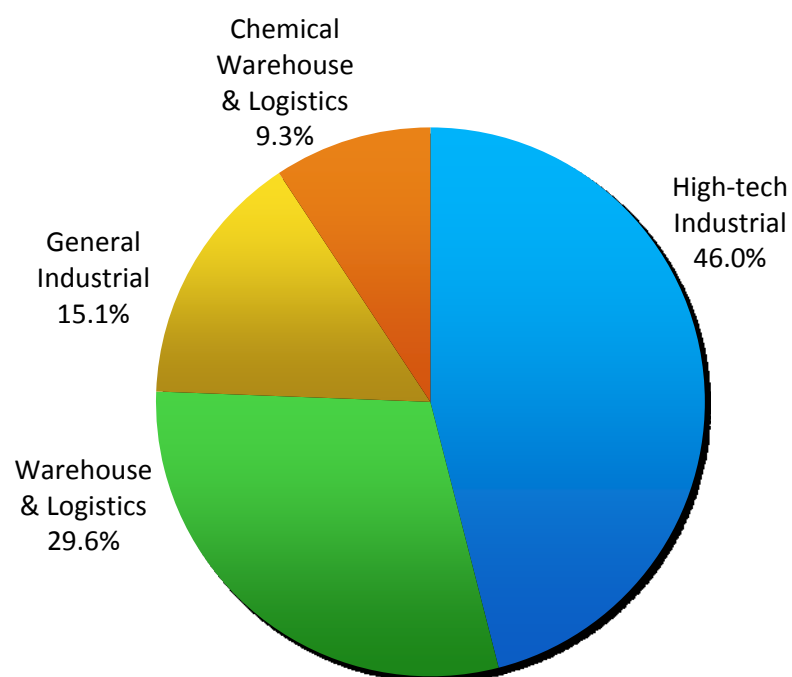
* Listed companies or subsidiaries of listed entities.

Our Assets - Diverse Asset Types

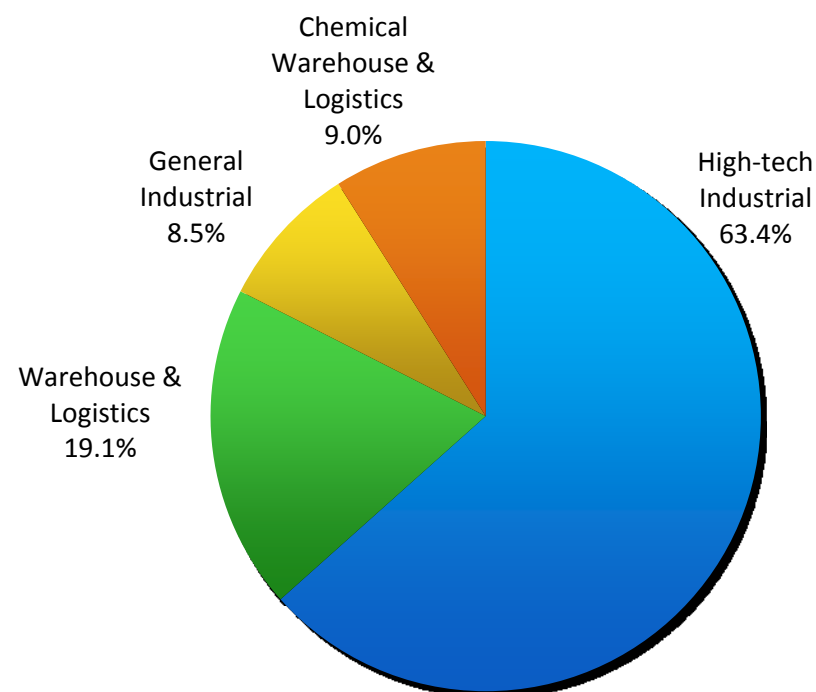
Sabana REIT's portfolio is diversified across the following asset types:

Property Class	Average Occupancy Rate (%)	Property Class	Average Occupancy Rate (%)
High-tech Industrial	84.2	Warehouse & Logistics	100.0
Chemical Warehouse & Logistics	100.0	General Industrial	87.3

Asset Breakdown by NLA for 2Q 2014⁽¹⁾



Gross Revenue by Asset Type for 2Q 2014



(1) Net lettable area, as at 30 June 2014.

Our Assets - High Occupancy Rates



As at 30 June 2014

Total portfolio GFA	4,485,755 sq ft
Portfolio occupancy	
16 properties, master leases ⁽¹⁾	100.0%
6 properties, multi-tenanted ⁽²⁾	77.5%
22 properties, total portfolio ⁽³⁾	90.8%
Weighted average lease term to expiry ⁽⁴⁾	1.7 years
Weighted average unexpired lease term for the underlying land ⁽⁵⁾	38.4 years

(1) 14 triple net & 2 single net master leases

(2) 151 Lorong Chuan, 8 Commonwealth Lane, 9 Tai Seng Drive, 200 Pandan Loop, 508 Chai Chee Lane and 123 Genting Lane

(3) By Net Lettable Area ("NLA").

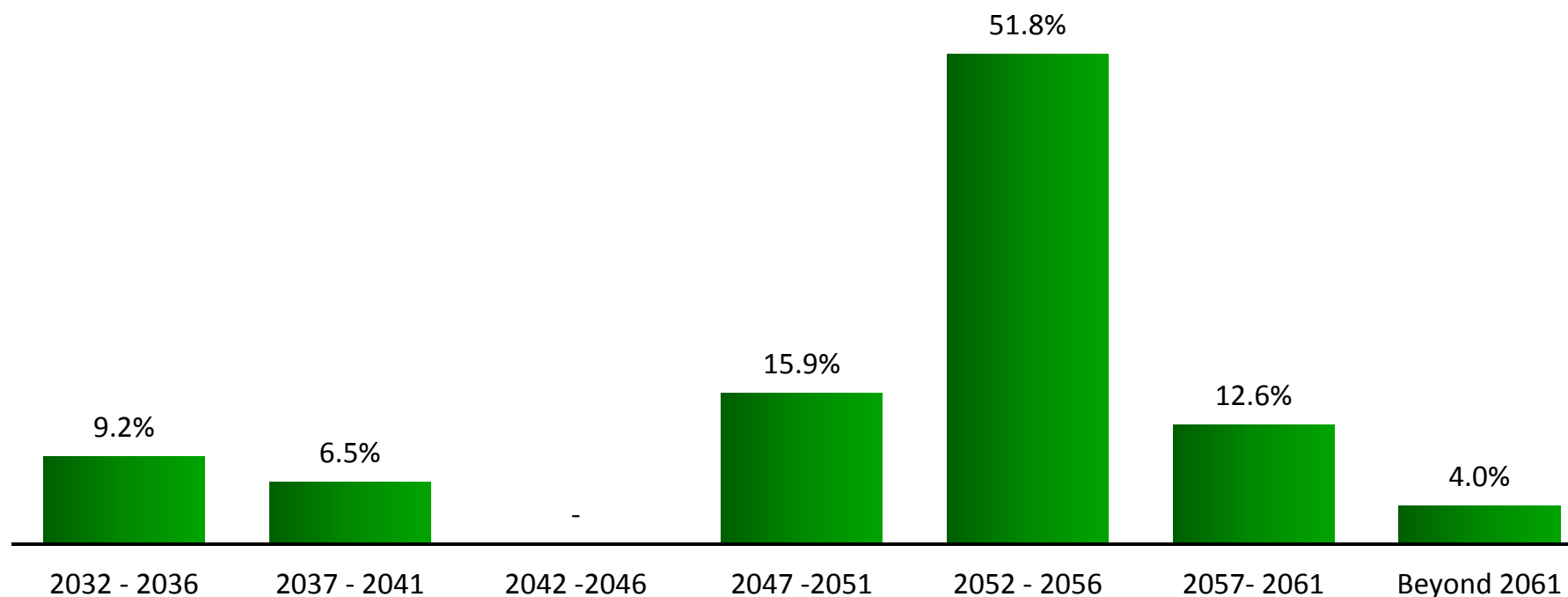
(4) Weighted by gross revenue (master leases of 16 properties).

(5) Weighted by GFA.

Our Assets - Long Weighted Average Land Leasehold



Percentage of unexpired land lease term by GFA⁽¹⁾



Well distributed, long underlying land leases, with an average of 38.4 years by GFA.

(1) As at 30 June 2014, weighted by GFA.

Our Assets – Healthy Tenants Make-up



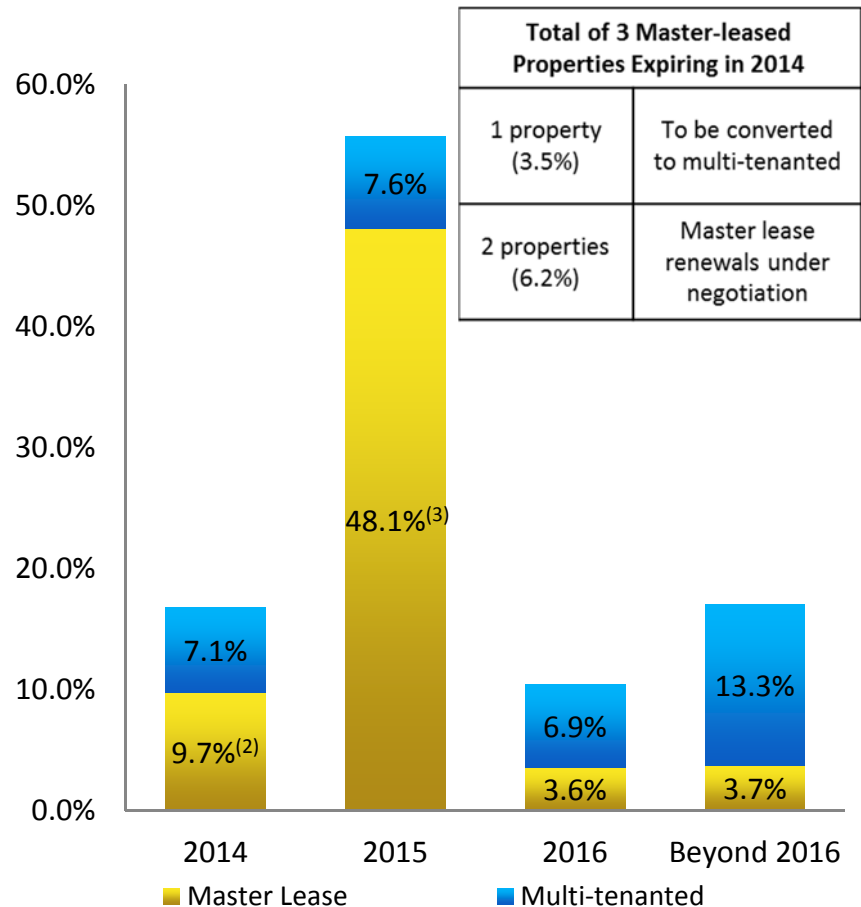
As at
30 June 2014

Total NLA (sq ft)	3,558,267
Total number of direct and sub-tenants	152
Weighted average lease term to expiry (mths) ⁽¹⁾	32.6

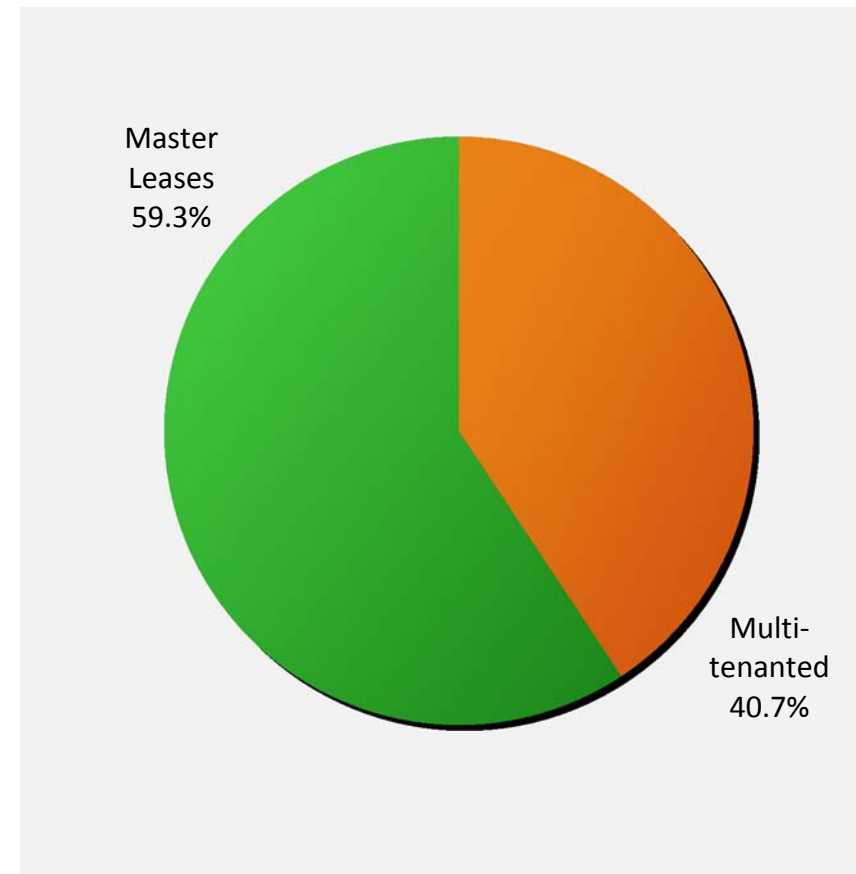
(1) Weighted by sub-tenancy gross rent.

Our Assets - Active Lease Management

Lease Expiry by NLA for 2Q 2014⁽¹⁾



Lease Type by NLA for 2Q 2014⁽¹⁾



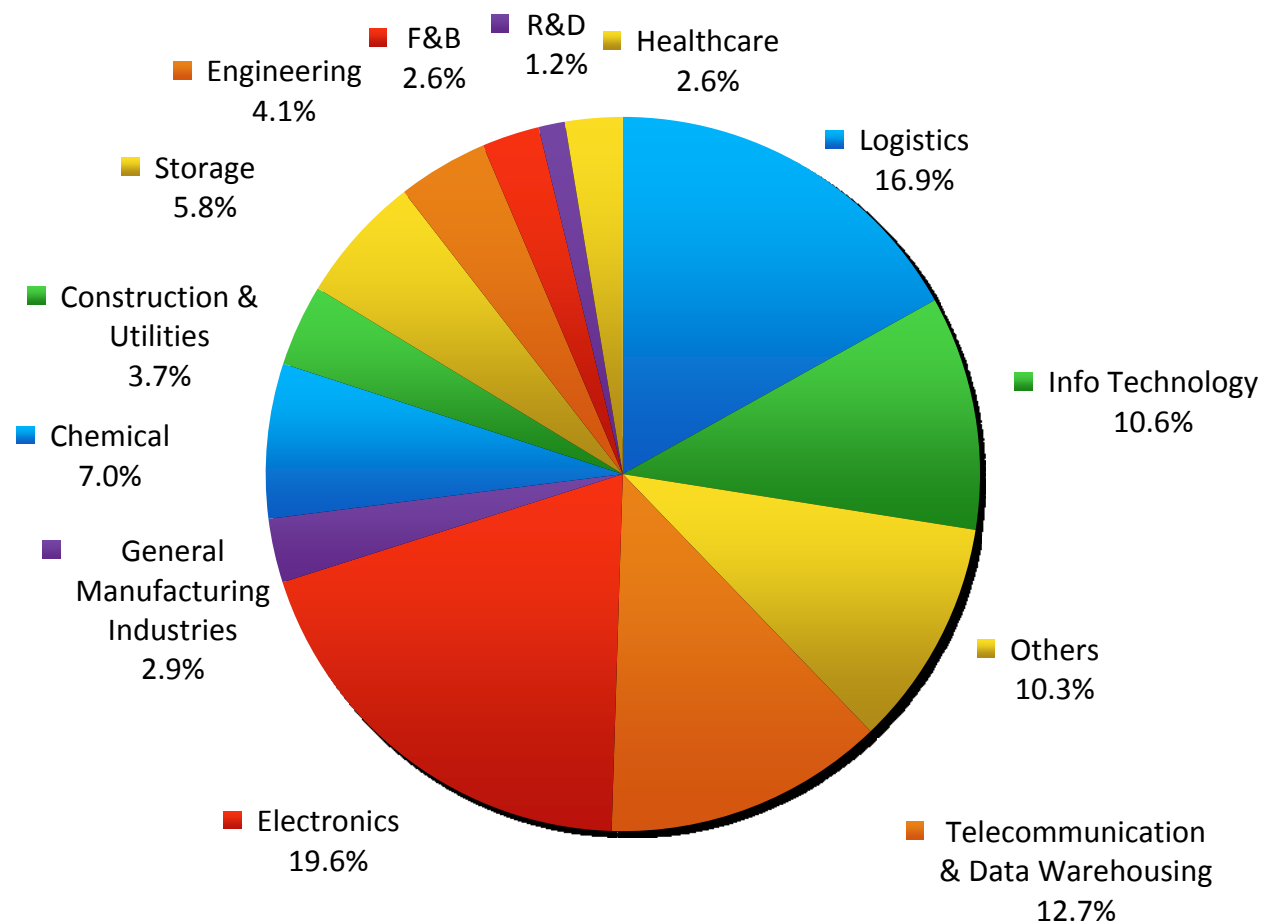
(1) As at 30 June 2014.

(2) Comprises 3 master leases (2 Toh Tuck Link, 3A Joo Koon Circle and 6 Woodlands Loop), which will expire in 4Q 2014.

(3) Comprises 11 properties (NLA 1,558,552 sq ft) of which 5 properties (NLA 708,894 sq ft) are currently leased back by the Sponsor, SGX-listed Vibrant Group Limited (formerly known as Freight Links Express Holdings Limited). Out of the 11 master leases, 10 are to expire in 4Q 2015.

Our Assets - Diverse Sub-tenant Base

Sub-tenants' industry diversification by NLA⁽¹⁾:



No concentration in any single trade sector

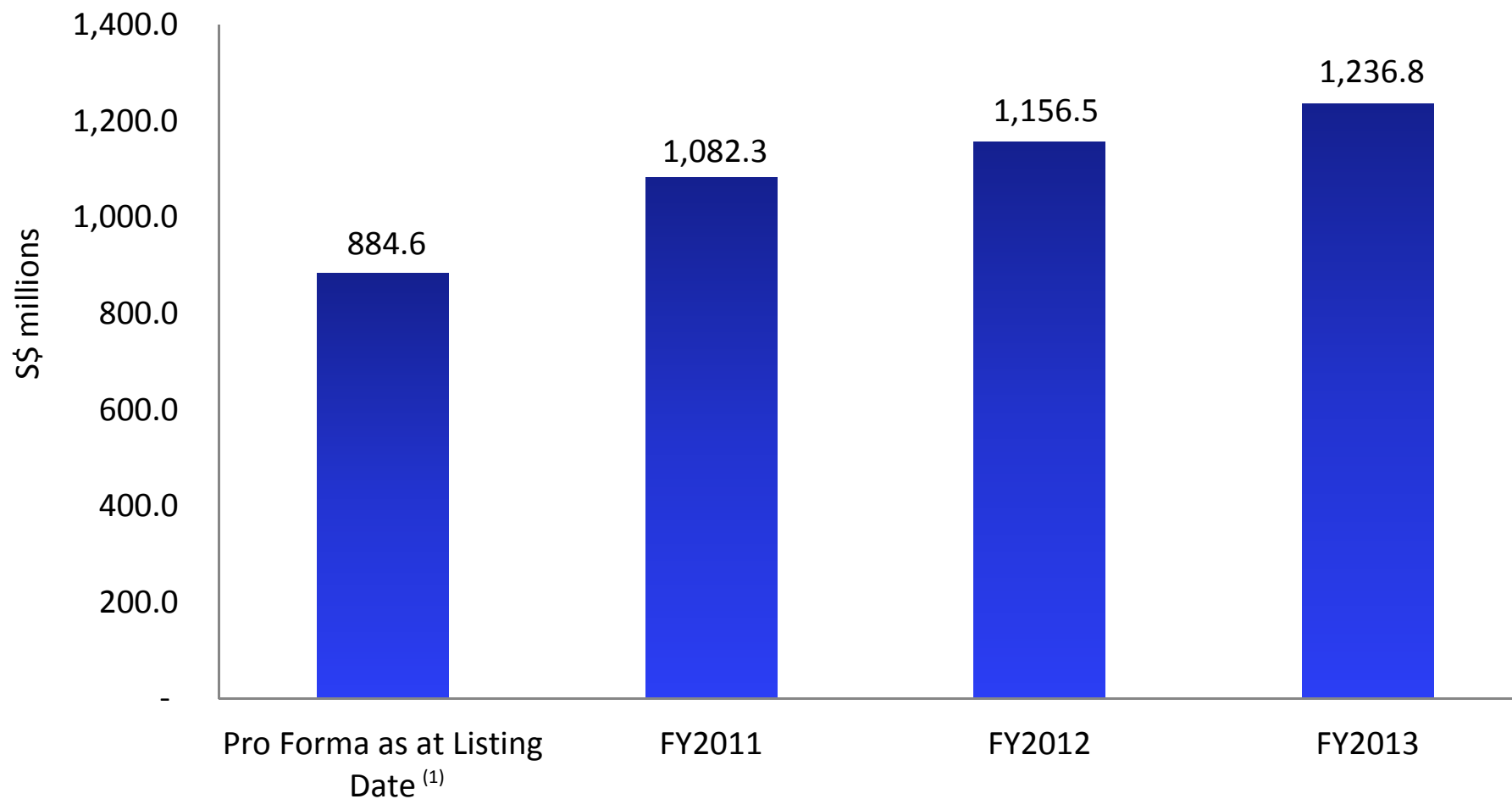
(1) As at 30 June 2014.

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Our Assets

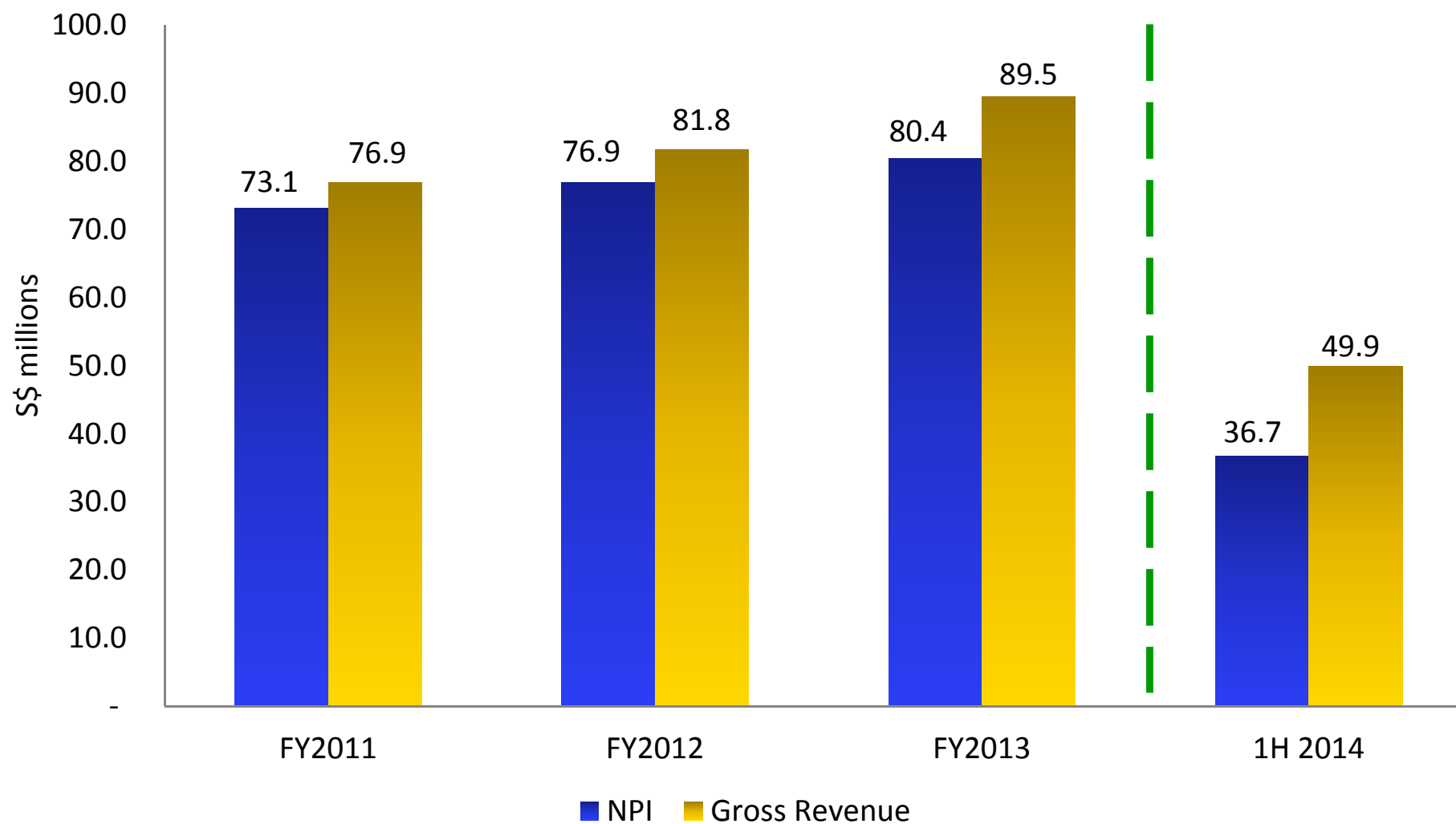
Total assets since listing



(1) Based on unaudited pro forma balance sheet on the listing date as disclosed in Sabana REIT's IPO Prospectus.

Our Assets

Revenue performance since listing



Financial Highlights – Selected P&L Data



	1H 2014
(in S\$'000)	
Gross revenue	49,924
Net property income (“NPI”)	36,735
Distributable income	26,044

Financial Highlights – Selected Balance Sheet Data



As at 30 June 2014	
(in S\$'000)	
Total assets	1,234,451
Borrowings, at amortised costs	448,493
Net assets	756,827
Market capitalisation	728,419

Financial Highlights – Borrowings Profile



	As at 30 June 2014
Aggregate leverage ⁽¹⁾	37.0%
Total borrowings	S\$455.8million
Fixed as % of total borrowings	91.0%
Weighted average all-in borrowing cost ⁽²⁾	4.1%
Weighted average tenor of borrowings	2.5 years
Profit coverage ⁽³⁾	4.3 times
Unencumbered investment properties	S\$177.7 million

(1) Ratio of total borrowings and deferred payments over deposited property as defined in the Property Funds Appendix of the Code on Collective Investment Schemes.

(2) Includes amortisation of upfront fees and other transaction costs.

(3) Ratio of net property income over profit expenses (excluding amortisation and other fees)

Financial Highlights - Capital Structure At A Glance



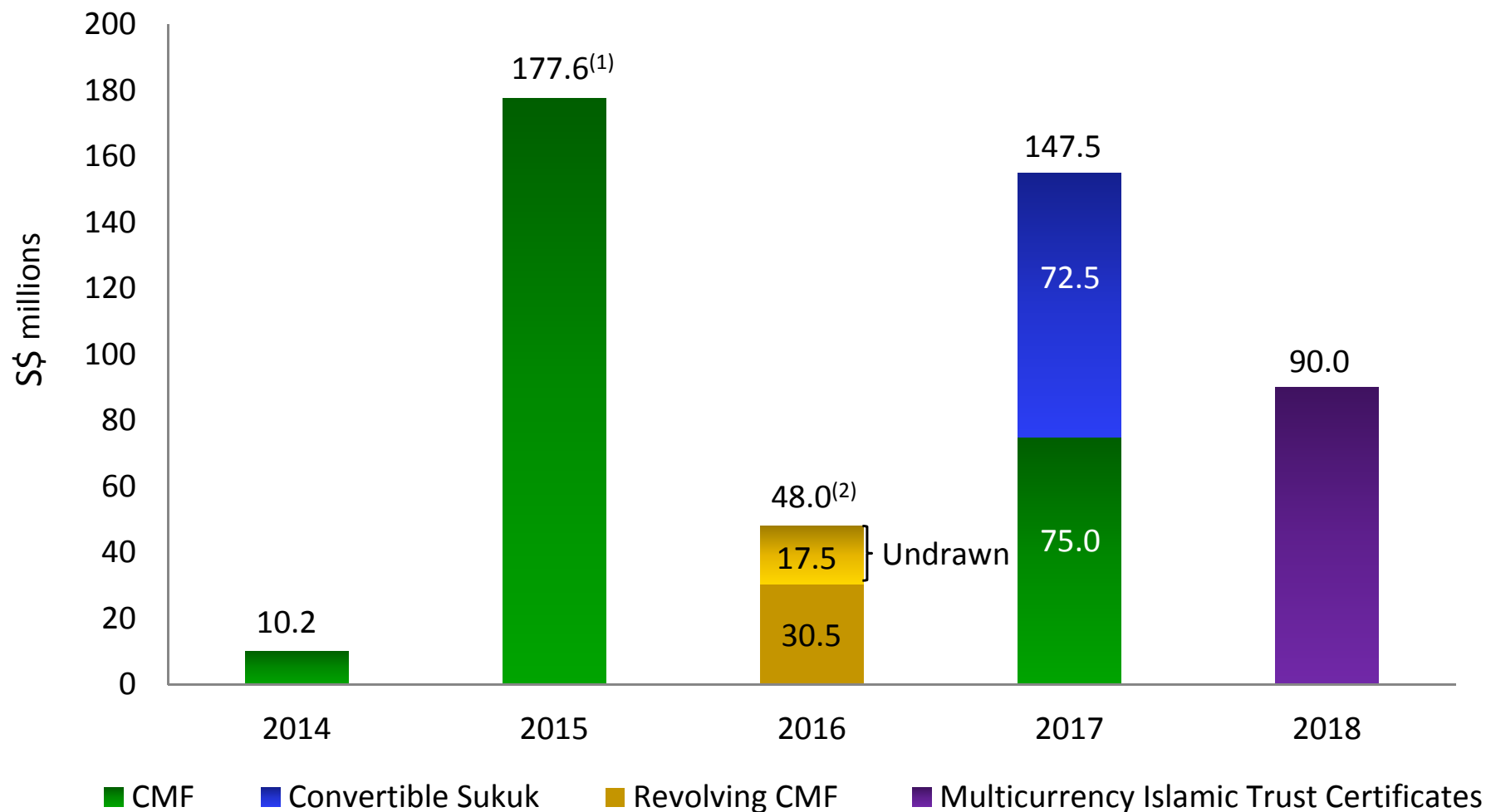
As at 30 June 2014	
Weighted average all-in borrowing cost ⁽¹⁾	4.1%
Outstanding Term CMF	S\$262.8 million
Outstanding Revolving CMF	S\$30.5 million
Convertible Sukuk due 2017	S\$72.5 million
Trust Certificates due 2018	S\$90.0 million

(1) Includes amortisation of upfront fees and other transaction costs.

Financial Highlights – Borrowings Maturity Profile



As at 30 June 2014



(1) Maturing end August 2015.

(2) Comprises S\$30.5 million and S\$17.5 million of drawn and undrawn credit facilities.

Financial Highlights – Financial Institutions



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Singapore Economy	<p>Singapore GDP growth softened in 2Q 2014</p> <ul style="list-style-type: none"> Based on advanced estimates, the Singapore economy grew by 2.1% on a year-on-year basis in 2Q 2014, slower than the 4.7% growth in 1Q 2014.⁽¹⁾ On a year-on-year basis, the manufacturing sector grew by 0.2% in 2Q 2014, compared to the 9.9% expansion in 1Q 2014, largely attributed to a contraction in electronics output and a slower growth in transport engineering output.⁽¹⁾
Industrial Property Sector	<p>Activity for conventional industrial space softened in 2Q 2014, capital values and rents remained flat</p> <ul style="list-style-type: none"> According to DTZ Research, both average capital values and rents for conventional industrial space remained unchanged in 2Q 2014 and for the first half of 2014.⁽²⁾ That said, rents for high-tech space continued to edge up on account of high occupancy rates in the better quality buildings.⁽²⁾ In July 2014, JTC made changes to its policy which includes, amongst other things, the minimum sublet quantum to be occupied by approved anchor subtenants for lessees who are Third-Party Facility Providers, to increase from 50% to 70% of total GFA after five years from Temporary Occupation Permit (TOP). The revised policy will come into effect on 1 October 2014.⁽³⁾
The Trust	<p>Outlook</p> <ul style="list-style-type: none"> Market conditions are expected to remain challenging. The Manager will stay focused and will continue to intensify its marketing and leasing efforts to improve Sabana REIT's portfolio occupancy. The Manager will also continue to make selective acquisitions. In addition, the Manager will look for opportunities to recycle Sabana REIT's capital by divesting underperforming assets.

Sources:

- (1) "Singapore's GDP Growth Moderated in the Second Quarter of 2014". www.mti.gov.sg. Ministry of Trade and Industry Singapore. 14 July 2014. Web. 14 July 2014.
- (2) "Weak activity for conventional industrial space". www.dtz.com. DTZ Research. 3 July 2014. Web. 8 July 2014.
- (3) "Revised subletting policy (with effect from 1 October 2014)". www.jtc.gov.sg. JTC. 3 July 2014. Web. 8 July 2014.

Thank you!

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