



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)

COMPLETION OF DIVESTMENT OF 3 KALLANG WAY 2A FONG TAT BUILDING, SINGAPORE 347493

The Board of Directors of Sabana Real Estate Investment Management Pte. Ltd., as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana REIT**", and the manager of Sabana REIT, the "**Manager**"), wishes to announce that further to its announcement dated 18 November 2015 (the "**18 November 2015 Announcement**"), the divestment of the Property located at 3 Kallang Way 2A, Fong Tat Building, Singapore 347493 has been completed today. Unless otherwise defined herein, all capitalised terms used and not defined herein shall have the same meanings given to them in the 18 November 2015 Announcement.

The Property has been divested for S\$16.6 million and the net proceeds (including the divestment gains), after taking into account all relevant costs and expenses including a divestment fee of 0.5% on the sale consideration (approximately S\$83,000) which is payable to the Manager pursuant to Sabana REIT's Trust Deed dated 29 October 2010 (as amended), will be fully used for repaying outstanding short-term borrowings in April 2016.

The application of the net proceeds (including the divestment gains) towards repaying outstanding borrowings would aid in reducing the overall debt liabilities of Sabana REIT, lowering its gearing to approximately 39.0% in April 2016. This divestment is in line with the Manager's strategy to divest non-core assets with limited redevelopment potential and to recycle Sabana REIT's capital to optimise portfolio returns for Unitholders.

Following this divestment, Sabana REIT owns 21 properties, all of which are located in Singapore.

By Order of the Board

Sabana Real Estate Investment Management Pte. Ltd.

(Company registration number 201005493K)

As Manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust

Kevin Xayaraj

Chief Executive Officer and Executive Director

30 March 2016

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. Its total assets amount to approximately S\$1.1 billion.

Sabana REIT is listed in several indices within the SGX S-REIT Index, 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 by Standard & Poor's Ratings 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>.

Important Notice

This announcement is for information only and does not constitute an offer, invitation or solicitation of securities in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of Units in Sabana REIT ("Units") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, HSBC Institutional Trust Services (Singapore) Limited, as trustee of Sabana REIT, or any of their respective affiliates.

An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is not an offer or sale of any Units in the United States. No Units have been or will be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act.

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