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)

RESPONSE TO SGX QUERY

The Board of Directors (the "**Board**") of Sabana Real Estate Investment Management Pte Ltd (the "**Manager**") refers to the queries from Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 31 October 2018 and sets out its responses as follows:

Question 1:

On 26 October 2018, Sabana Real Estate Investment Management Pte. Ltd. (the "Manager"), the manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("Sabana REIT" or the "Trust"), announced that HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Sabana REIT (the "Trustee"), has entered into three master leases following an exercise of the option to renew in accordance with the relevant terms of the Existing Master Leases and parties' agreement on the respective rental rates for the relevant term under the relevant Master Leases. In relation to the Rationale, it was disclosed that "the Manager is of the view that the agreed rental rate for each of the Properties is in line with the prevailing market rents for similar properties in similar locations, and the entry into the Master Leases will provide continuing, predictable and stable cash flow and revenue to Sabana REIT"

Please disclose:

i) What is the agreed market rental rate?

ii) What was the previous rate for the expired lease?

iii) The basis for the statement that the lease is on prevailing market rates. Please provide psf data to substantiate basis.

Manager's response:

The table below sets out the information requested:

Property address	**Year-on-Year Percentage Change in Rental Rates[1]**	**Market Rental Rates[1] Assessed by Independent Valuer Suntec Real Estate Consultants Pte Ltd.**
51 Penjuru Road, Singapore 609143	- 4.04%	S$0.95 to S$1.05 per square foot per month on gross floor area
33 & 35 Penjuru Lane, Singapore 609200/ 609202	- 2.98%	S$1.10 to S$1.20 per square foot per month on gross floor area
18 Gul Drive, Singapore 629468	- 2.98%	S$1.05 to S$1.15 per square foot per month on gross floor area

[1] On triple net basis. Master Tenants are responsible for land rent, property tax and maintenance.

In the meantime, Unitholders are advised to exercise caution when dealing in the units of Sabana REIT. Unitholders are further advised to read this announcement and any subsequent announcements by the Manager carefully.

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

Han Yong Lee (Donald)
Chief Executive Officer
01 November 2018

For enquiries, please contact:

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Sabana REIT

Sabana REIT was listed on the SGX-ST 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 19 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 S$0.9 billion.

Sabana REIT is listed in several indices within the SGX S-REIT Index, Morgan Stanley Capital International, Inc (MSCI) Index and FTSE index. Sabana REIT is one of the constituents of the new FTSE ST Singapore Shariah Index.

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 www.sabana-reit.com.

Important Notice

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 of Sabana REIT 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.