

Saizen Real Estate Investment Trust

(A real estate investment trust constituted on 27 September 2007 under the laws of the Republic of Singapore (as amended))

ANNOUNCEMENT**PAYMENT OF MANAGEMENT FEE AND ACQUISITION FEE
BY WAY OF CASH AND UNITS**

Pursuant to the trust deed dated 27 September 2007 constituting Saizen Real Estate Investment Trust (Saizen REITö) (as amended) (Trust Deedö), Japan Residential Assets Manager Limited, as the manager of Saizen REIT (Managerö), may elect to receive the Management Fee and Acquisition Fee (as defined in the Trust Deed) in cash or units of Saizen REIT (Unitsö) or a combination of both (as it may in its sole discretion determine).

Management Fee

The Board of Directors of the Manager wishes to announce that the Manager has received its Management Fee for the period from 1 April 2008 to 30 June 2008 by way of 50% in cash and 50% in Units. In respect of payment in cash, the Manager has received an amount of JPY33,173,437 (about S\$423,350¹). In respect of payment in Units, the Manager has, on 7 July 2008, received 576,224 Units issued at issue prices of between S\$0.7073 and S\$0.7585 per Unit. The issue price per Unit is the volume weighted average traded price for a Unit for all trades on Singapore Exchange Securities Trading Limited (SGX-STö) in the ordinary course of trading for the last ten (10) business days of the relevant periods in which the Management Fee accrued in April, May and June 2008 respectively.

The payments are made in accordance with the Trust Deed and the Prospectus where the Manager is entitled to receive a management fee at the rate of 0.5% per annum of the monthly weighted average value of the Property Assets (as defined in the prospectus of Saizen REIT dated 29 October 2007 (Prospectusö)).

Acquisition Fee

As disclosed in the Prospectus, the Manager has opted to receive the Acquisition Fee solely in Units for the Forecast Period 2008 (as defined in the Prospectus) and Projection Year 2009 (as defined in the Prospectus).

In relation to the initial public offering of Saizen REIT, the financial adviser and issue manager is Morgan Stanley Asia (Singapore) Pte.. The joint bookrunners and underwriters are Morgan Stanley (Singapore) Pte., Morgan Stanley & Co. International plc and Credit Suisse (Singapore) Limited.

¹ The Japanese Yen and Singapore Dollar exchange rate of JPY78.36 to S\$1.00 is used.

On 7 July 2008, the Manager has received 261,402 Units at S\$0.6983 per Unit as its Acquisition Fee in relation to the completion of the investments in: (i) Romauge Kamidori Namikizaka, Kumamoto in April 2008 with an acquisition price of JPY750 million (S\$10.40 million) as disclosed in the announcement of Saizen REIT dated 12 May 2008; and (ii) Quest Tower Noboricho, Hiroshima in May 2008 with an acquisition price of JPY680 million (S\$8.96 million) as disclosed in the announcement of Saizen REIT dated 30 May 2008 respectively ((i) and (ii) collectively, the **Investments**). The issue price per Unit in respect of the Acquisition Fee is the volume weighted average price for a Unit for all trades on the Singapore Exchange Securities Trading Limited in the ordinary course of trading for the period of ten (10) business days immediately preceding 7 July 2008.

The payments are made in accordance with the Trust Deed and the Prospectus where the Manager is entitled to receive an acquisition fee at the rate of 1.0% of the acquisition price in relation to the Investments.

With the above-mentioned issue of 837,626 Units, the Manager holds an aggregate of 1,986,693 Units, representing 0.4404% of the total number of Units in issue prior to the payment, or about 0.4395% of the total number of Units in issue as enlarged by the issuance of the new Units.

As the Manager is a wholly-owned subsidiary of Japan Regional Assets Manager Limited (the **Sponsor**), the Sponsor's deemed interest in Saizen REIT has increased from 0.2547% to 0.4395% by virtue of the issue of new Units as mentioned above and is deemed to be interested in an aggregate of 1,986,693 Units issued.

By order of the Board

Chang Sean Pey
Chief Executive Officer

Japan Residential Assets Manager Limited
(Company Registration No. 200712125H)
As Manager of Saizen Real Estate Investment Trust

7 July 2008

Important Notice

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of Saizen REIT (the **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 publication is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Saizen is not necessarily indicative of the future performance of Saizen REIT.