

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 Clarification of Role of Chairman and Appointment of Lead Independent Non-executive Director

Clarification on the role of Chairman

The board of directors (the “**Board**”) of Japan Residential Assets Manager Limited (the “**Manager**”), the manager of Saizen Real Estate Investment Trust (“**Saizen REIT**”), has recently reviewed the scope of duties and responsibilities of the members of the Board. Following such review, we would like to clarify the role and duties of Mr. Arnold Ip Tin Chee (“**Mr. Ip**”), the Chairman of the Manager, since the listing of Saizen REIT (the “**Listing**”).

By way of background, Saizen REIT adopts the Japanese *tokumei kumiai* (TK) arrangement which segregates the functions conducted within and outside Japan. Operations within Japan are conducted by KK Tenyu Asset Management, the asset manager of Saizen REIT (the “**Asset Manager**”), whilst those outside Japan are conducted by the Manager. Details of the structure of Saizen REIT are set out on pages 26 to 29 of the prospectus of Saizen REIT dated 29 October 2007.

At the time of Listing, it was envisaged that Mr. Ip’s role in the Manager was non-executive. In particular, Mr. Ip’s role was focused on overseeing the investment, property management and financing functions of the Asset Manager (the “**Asset Management Roles**”). Over the course of the Manager’s operations in the past year, in addition to the Asset Management Roles, Mr. Ip has also been involved in the overall business strategies of Saizen REIT and has worked with the Manager’s management team in various areas such as corporate finance, compliance, and investor relations. On this basis, Mr. Ip also has an executive role at the Manager’s level.

A summary of Mr. Ip’s biography is set out below:

Mr. Ip is the Chairman and Executive Director of the Manager. Mr Ip is involved in the overall business strategies of Saizen REIT and works with the Manager’s management team in various areas such as corporate finance, compliance, and investor relations.

Mr Ip is concurrently the director of KK Tenyu Asset Management, the Asset Manager and is actively involved in the acquisition and disposal functions of the Asset Manager and oversees the overall property management, leasing and renovation and financing functions in order to enhance the performance of TK Operators and other asset holding entities and Saizen REIT as an investor in those entities.

Mr Ip has been investing in Japanese regional real estate since 2000 and has experience in real estate investment management and in the evaluation and management of private equity investments including real estate and related companies. Prior to that, Mr Ip was a director of Yuanta Securities (Hong Kong) Company Limited between 1997 and 2001.

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 Asia (Singapore) Pte., Morgan Stanley & Co. International plc and Credit Suisse (Singapore) Limited.

From 1989 to 1997, Mr Ip worked for Standard Chartered Asia Limited, a corporate finance advisory company focusing on the mid-cap segment of the Hong Kong/China market, where his last position there was as a director. During 1984 to 1988, Mr Ip worked for Arthur Andersen & Co in London, specialising in taxation.

Mr Ip is a director of Japan Regional Assets Manager Limited, the sponsor of Saizen REIT, which wholly-owns the entire issued and paid-up capital of the Manager.

Mr Ip holds a BA in Economics from Trinity College, Cambridge University and has been qualified as a chartered accountant since 1988.

Appointment of a lead independent non-executive director

In light of the fact that both the Chairman and Chief Executive Officer (CEO) are part of the executive management team, the Manager has appointed Mr. Soh Yew Hock (“**Mr. Soh**”), an existing independent non-executive director of the Manager, as a lead independent non-executive director effective on 5 January 2009 to provide an independent channel to unitholders of Saizen REIT for communication when they have failed to resolve issues with the Chairman and/or the CEO or when they feel more appropriate. Such arrangement is in line with the Code of Corporate Governance 2005.

A summary of Mr. Soh’s biography is set out below:

Mr Soh is the Lead Independent Non-executive Director of the Manager and the Chairman of the Audit Committee. He is currently an independent director of Asia Dekor Holdings and chairman of its remuneration committee and member of its nominating and audit committees. He is also a lead independent director of Kencana Agri Limited. Mr Soh has wide experience in commerce and industry and had previously served as head of finance and corporate affairs of Guthrie Berhad (now known as Guthrie GTS Limited) and WBL Corporation Limited respectively. He was chief executive officer/managing director of Wearnes International (1994) Limited from 1993 to 2006, an executive director of WBL Corporation Ltd from 1993 to 2007 and several of its joint ventures and subsidiaries in Asia, People’s Republic of China, Australia and the United States of America, a director of MFS Technology Ltd and deputy chairman of O’Connor’s Corporation Berhad (now known as OCB Berhad). Mr Soh was also the past president of the Singapore Division of CPA (Australia).

Mr Soh holds a Bachelor of Accountancy degree from the University of Singapore and is a graduate of the Chartered Institute of Marketing (UK) and the Advanced Management Program of Harvard Business School. He is a fellow of CPA (Singapore), CPA (Australia), Association of Chartered Certified Accountants (UK) and the Chartered Institute of Marketing (UK).

The above arrangements in relation to the role of Mr. Ip and appointment of Mr. Soh as the lead independent director have been approved by the Board.

Following the above arrangements, the role of the Board and the Audit Committee is as follows:

Board:

- a. Arnold Ip Tin Chee (*Chairman and Executive Director*)
- b. Chang Sean Pey (*Chief Executive Officer*)
- c. Raymond Wong Kin Jeon (*Executive Director*)
- d. Yeh V-Nee (*Non-executive Director*)
- e. Soh Yew Hock (*Lead Independent Non-executive Director*)
- f. Dennis Lam Siu Sun (*Independent Non-executive Director*)
- g. Harold Sun Dai Hoe (*Independent Non-executive Director*)

Audit Committee:

- a. Soh Yew Hock (*Chairman and Lead Independent Non-executive Director*)
- b. Yeh V-Nee (*Non-executive Director*)
- c. Dennis Lam Siu Sun (*Independent Non-executive Director*)

By Order of the Board

Chang Sean Pey (Mr.)
Chief Executive Officer

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

6 January 2009

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 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.